

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

Building a better world

2022 Sustainability & Responsibility Report



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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 for the past 78 years.

Healthy people need healthy communities in which to live and work, and we know that if we hope to create and sustain healthy communities, we need a healthy planet. We also believe that everyone deserves the chance to live a healthy life, so throughout our history we have been committed to providing equity and inclusion for all and respecting and representing the diverse communities we serve. In these very real ways, our mission drives our efforts to ensure equitable care, healthy communities, and a more sustainable world.

Just as we strive to deliver equitable care to our members and communities, we also actively work to cultivate an inclusive, diverse, and equitable culture within our organization. This makes us – a multicultural, multiracial organization – better able to deliver our best to our richly diverse patients, members, and communities.

We also know that people in marginalized populations are most impacted by unhealthy conditions.

The health care industry continues to be engaged in climate change challenges in many ways, from the industry's impact on the environment to the threats climate change poses to our communities, to the health conditions it causes in our patients. Kaiser Permanente is committed to minimizing our own environmental impact, as well as addressing the upstream factors of social and economic drivers of health. This work too is part of our mission.

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



A handwritten signature in black ink that reads "Greg A. Adams". The signature is fluid and cursive.

Greg A. Adams
Chair and Chief Executive Officer
Kaiser Permanente

Message From Our Chief Health Officer

We are called on by our mission to improve the health of our members and communities. That starts with delivering high-quality care and services and extends to supporting equitable health outcomes across our communities. It starts with offering affordable health care coverage and extends to investing resources that improve conditions for health and equity in our communities – from driving more sustainability around energy, water, waste, and other environmental stewardship efforts to expanding access to safe affordable housing, healthy food, and economic security, and supporting health and wellness in our schools.

Our **2022 Sustainability & Responsibility Report** highlights our strategies and accomplishments toward improving the health of all our people and communities, supporting a thriving planet, and leading a mission-driven and responsible enterprise. Every part of our organization contributes in some way to the work included here, because every part of our organization plays a role in how we deliver on our mission.

We believe in leveraging our voice, our resources, and our community connections to drive changes to the policies, systems, and environments that can drive or thwart good health. In order to protect the health and safety of our members, communities, and employees, we must also help address one of the single greatest threats to human health: climate change. We know that climate change is a public health and health equity crisis, which is why we support initiatives that increase the understanding of the direct links between climate change and health, while continuing to drive to net-zero emissions in our operations.

As we put the emergency phase of the COVID-19 pandemic behind us, we are strengthening support for the nation's public health system and partnering to tackle the most significant health risks of our time – from poverty and hunger to homelessness and gun violence.

Kaiser Permanente is pleased to share the work we're doing to improve health and health equity, build healthier communities, and create a more sustainable world. We invite you to review this report to gain a deeper understanding of our work.

All these efforts and more are part of how we deliver on our mission of improving health. Individually and collectively, each accomplishment helps build a better world.

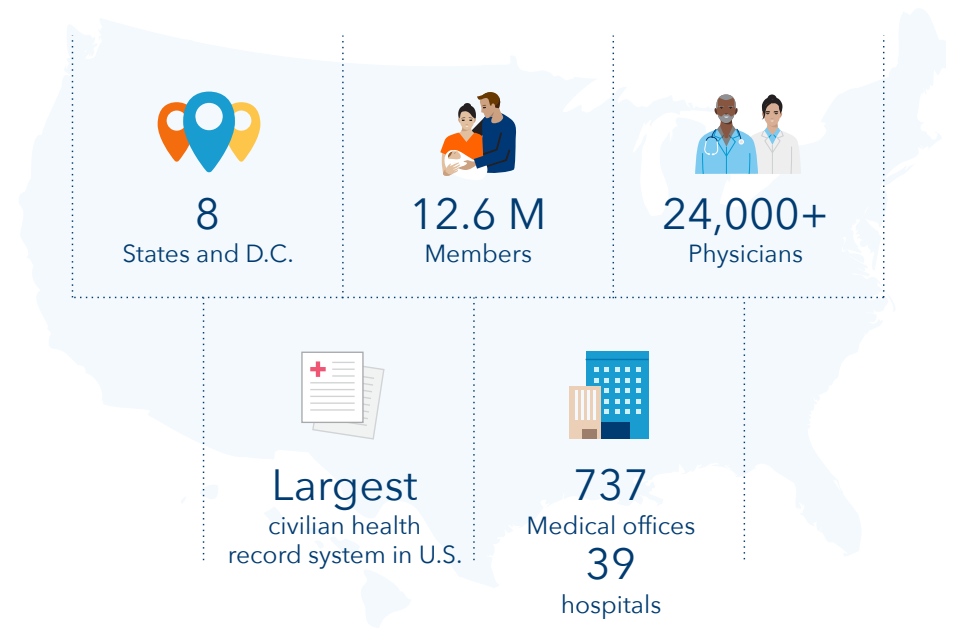


A handwritten signature in black ink, appearing to read 'Bechara Choucair' followed by a stylized flourish.

Bechara Choucair, MD
Senior 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 to improve the health of our more than 12.6 million members and the more than 65 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 \$95 billion in revenue in 2022, and a hospital and care delivery system with 39 hospitals and 737 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.



Data from Kaiser Permanente 2022 Annual [Report](#)

Care for members and patients is focused on their total health and guided by their personal Permanente Medical Group 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.



68,000
Nurses

24,000+
Physicians

213,000
Employees

Kaiser Permanente is accountable both for providing the most 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 213,000 employees, including over 68,000 nurses, who work with nearly 24,000 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 Kaiser Permanente's 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 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:

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

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

Environmental stewardship

Climate change is a public health crisis.

Our highest commitment at Kaiser Permanente is protecting the health and safety of our members, communities, and employees. Our work in community health extends this commitment beyond patient care to comprehensively support the total health of over 68 million people who live in the communities we serve.

Kaiser Permanente knows that climate change poses a public health and health equity crisis. Climate change is impacting our patients, our communities, and our operations today. Our physicians and nurses treat patients experiencing health challenges caused or worsened by our changing climate, while our operations teams continuously monitor and respond to climate threats in our service areas.

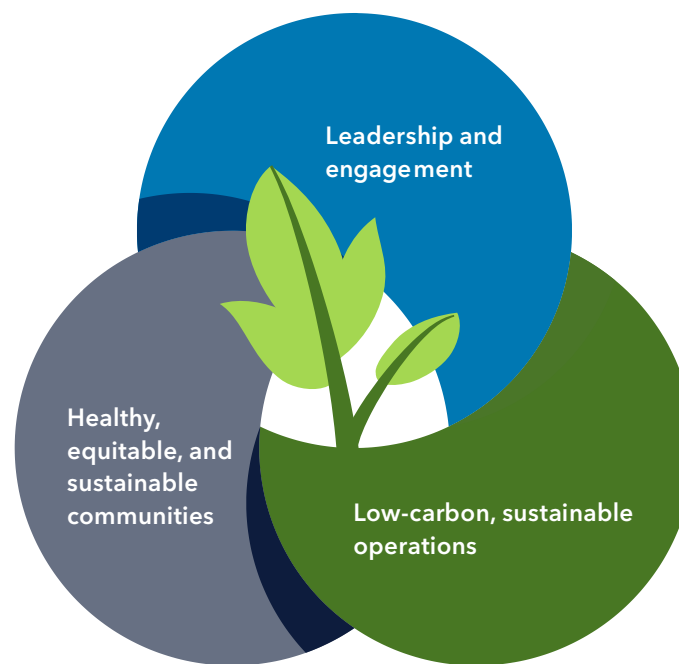
Our holistic approach

As employees for one of the nation's leading health care providers and nonprofit health plans, we at Kaiser Permanente recognize our obligation to steward the environment in which we live, work, play, and deliver care. Our foundational approach to stewardship is anchored in [protecting and promoting the health of our communities](#).

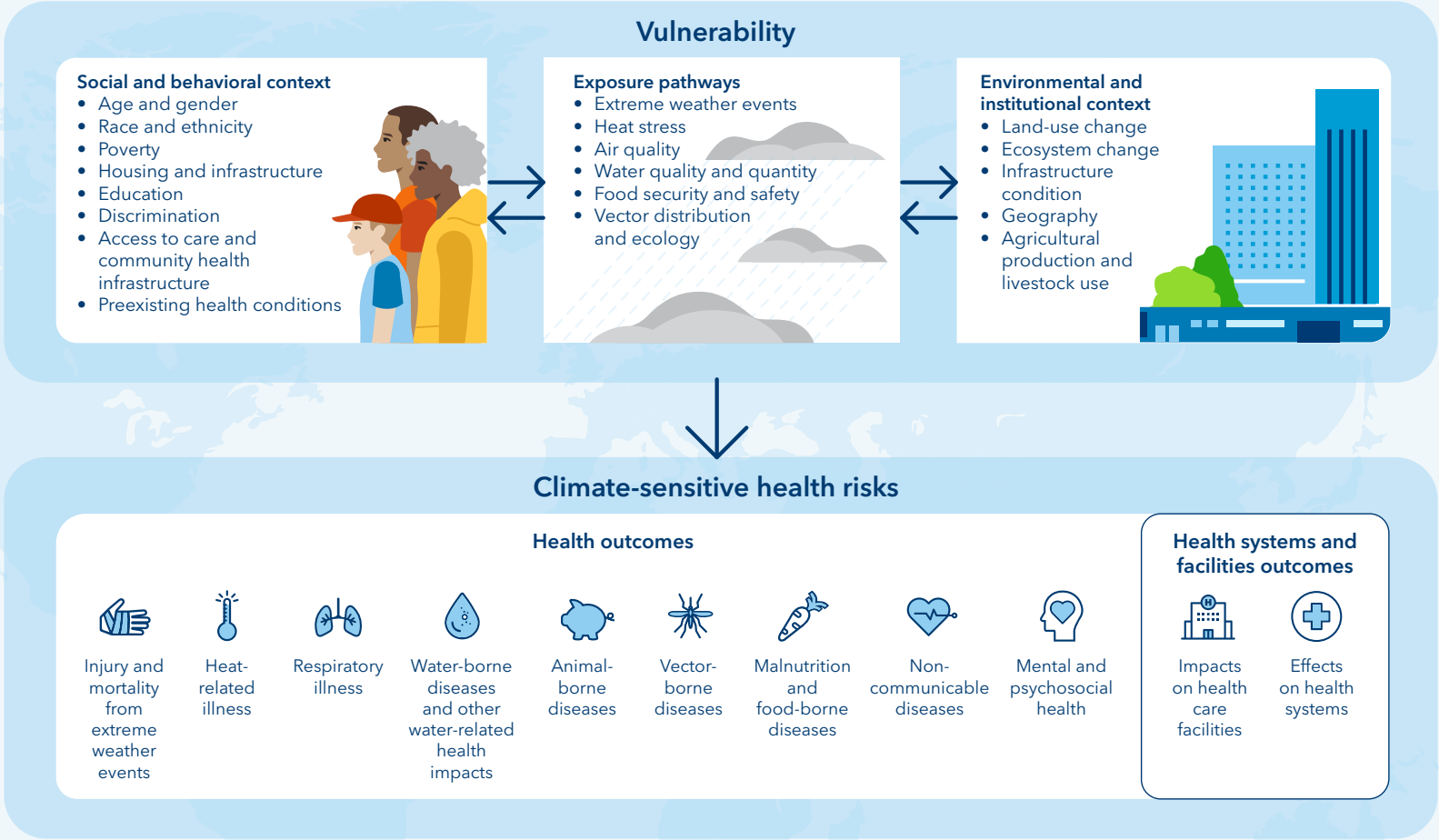
In 2016, as part of our focus on [total health](#), we committed to a comprehensive set of ambitious 10-year environmental goals around energy, water, waste, our built environment, and environmentally preferable purchasing. Our performance against each goal is explored in this report.

We know that our work to eliminate our greenhouse gases directly benefits the health of our patients and our communities while reducing health disparities.

In 2020, we became the first U.S. health care organization certified as carbon neutral, and have continued to maintain our certification annually. In 2022, we publicly stated our goal to reduce greenhouse gas emissions by 50% by 2030 and our aim to reach net-zero emissions by 2050. We continue to reduce the health risks associated with climate change and other environmental factors through our efforts to reduce emissions. We lead health care in the U.S. in our commitments and real-world results – from how we power our facilities, purchase medical supplies, and manage waste to how we support our communities and partner with leaders in developing policies and systems that strengthen community health and protect our environment. Our 3-part environmental stewardship approach puts health and health equity at the center of everything we do.



Climate change



Adaptation of World Health Organization and Environmental Protection Agency graphic
 Overview of climate-sensitive health risks, their exposure factors, and social/behavioral and environmental/institutional context.

Sustainable operations

The health imperative of climate action

The World Health Organization’s Special Report on Climate Change and Health has recognized climate change as the single greatest threat facing humanity, and that the public health benefits from implementing ambitious climate actions far outweigh the costs. Additionally, common greenhouse gases have a direct impact on human health conditions, including asthma, chronic obstructive pulmonary disorder, and autoimmune disorders. Kaiser Permanente also recognizes that the health impacts of climate change occur inequitably in historically underserved communities. We believe urgent, equity-centered action is needed to help mitigate climate change and build capacity for adaptation and resilience in our changing climate.

Kaiser Permanente has [historically worked to reduce our greenhouse gas emissions](#) and lower our carbon footprint. We committed to becoming carbon neutral to reduce our contribution to climate change and its impact on our communities. We [achieved this goal in 2020](#) through a successful combination of energy use reduction, improved energy efficiency, investment in large-scale wind and solar energy, and third-party verified carbon offset projects. We are now certified as carbon neutral across scopes 1 and 2 as well as select scope 3 emissions. We were the first major U.S. health care organization to achieve this milestone.

In June 2022, we expanded our climate action by publicly committing to [becoming net zero](#) across all our emissions by 2050, with a mid-term target to reduce our absolute emissions by 50% by 2030.



Our energy approach allows us to obtain all our electricity from renewable sources, such as wind and solar.



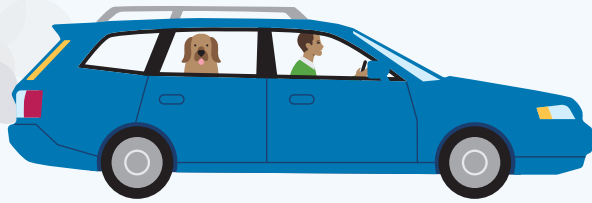
In 2022, 107 of our facilities hosted on-site solar panels. The Richmond Medical Center microgrid is the first microgrid at a hospital in California.



In 2022 51% of Kaiser Permanente’s nonhazardous waste was reused, recycled, or composted. We have a goal to reuse, recycle, or compost 100% of our waste by 2025 (excluding medical and hazardous waste).



More than 32% of our purchased products met our environmentally preferable purchasing criteria in 2022, exceeding our goal for the year.



Responsibility across Kaiser Permanente

As of 2022, 72 of our facilities hosted over 700 electric vehicle charging stations, and powered over 6 million EV miles – nearly double the amount from 2021.

Stewardship in action

Solar excellence

As of 2022, 106 of our facilities have on-site solar arrays.

Anesthetic emissions reduction

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

Green building

Our LEED-certified (by the Leadership in Energy and Environmental Design program) and zero-energy health care facilities continue to play an essential role in our ability to reach our goals for safer products, water and energy consumption reduction, and emissions reduction. Our design standard is to deliver major facility projects that achieve a minimum of Gold level certification. With 71 projects totaling more than 7 million square feet certified under 8 rating systems, we have the most LEED-certified health care square footage of any health care organization in the country.

Innovation

In 2018, we began operating California’s first hospital-based renewable microgrid at our Richmond Medical Center. Paired with a 250-kilowatt solar installation, the microgrid can store 1 megawatt hour of renewable energy to help power the facility when it’s needed most, helping to reduce energy intensity by up to 50%.

Procurement collaboration

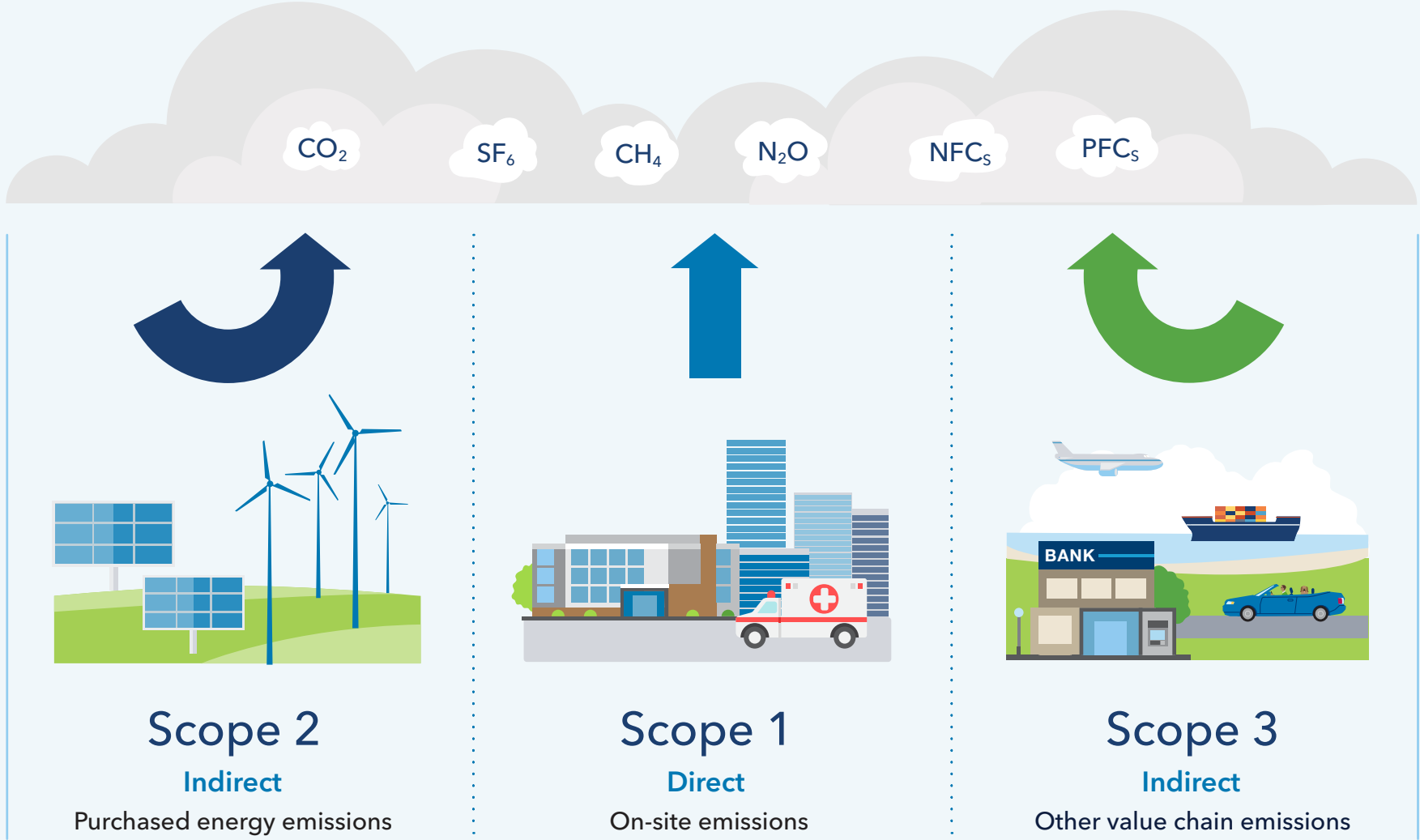
As part of our work to reduce our emissions by 50% by 2030, we carefully select new suppliers based on their environmental commitments. We also work with our existing suppliers on their greenhouse gas reduction goals, innovations, and process improvements to drive action and accountability.

2021 emissions



Scope (GHG Protocol)	Metric tons of carbon dioxide equivalent (MTCO _{2e})
Scope 1 emissions	267,841*
Scope 2 emissions	Market-based: 50,402 ¹ Location-based: 447,380 ²
Scope 3	2019 third-party assessment*: 3.8 million

* Note: Emissions figures have been reviewed with limited assurance by an accredited third party.



Climate action aims:

- Achieve third-party verification of our carbon neutral status annually, in line with the CarbonNeutral Protocol.
- Reduce greenhouse gas emissions by 50% by 2030 and aim to reach net-zero emissions by 2050.

Strategies for impact

Managing our energy use

We have invested in enterprise 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 and 2 decarbonization tactics will continue to emphasize electrification across our buildings and fleet vehicles as well as a transition to renewable, low-carbon sources of energy.

Strategy definition

In line with our environmental stewardship governance model, our teams are committed to develop and implement our strategies to reduce our emissions.

Our commitment

In alignment with our net-zero goals, we are examining every aspect of our operations, including energy usage, water management, built environment, natural environment, waste management, impact spending, and procurement. Recognizing the substantial commitment we've undertaken, we are dedicated to integrating these goals across Kaiser Permanente.

Energy

Climate and health imperative

According to the Environmental Protection Agency, 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.⁴ 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.⁵ The full life cycles of fossil fuels include extraction, processing, storage, transportation, and use, each with significant climate, health, and equity impacts.

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.



Stewardship in action

Carbon neutral for scopes 1 and 2 and select scope 3 emissions

We maintain this certification annually through improvements in energy efficiency, on-site solar energy generation at our facilities, the purchase of renewable energy, and the purchase of third-party-verified carbon offset projects.

Energy efficiency

Through 2022, we reduced our energy use intensity by 5.9% compared to 2015 levels. We had an energy use intensity in 2022 of 155.8 kBtu/RSF (total usage per rentable square feet).

Solar power

We have installed solar arrays at 106 Kaiser Permanente sites. We've also invested significantly in zero-emissions energy, purchasing 683,000 megawatt-hours of wind and solar electricity in 2022.

Grid resilience

In 2018, we installed the first hospital-renewable microgrid at our Richmond Medical Center. Across Kaiser Permanente, we have over 100 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.

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 locations.

Recognition

We were awarded Energy to Care awards from ASHE, the American Society for Health Care Engineering, at 71 facilities across 7 of our regions in 2022.

Energy Star ratings

We have 23 Energy Star Certified medical centers – including 1 (our Vallejo Medical Center) – with a perfect score of 100 and 48 Energy Star Certified buildings in total including 5 newly certified buildings in 2022.

LEED-certified

With 71 projects totaling more than 7 million square feet certified under 8 rating systems at the end of 2022, 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 category.

Internationally acclaimed

The International Federation of Healthcare Engineering awarded our Vallejo Medical Center its Best in Country and Best in World awards for the facility's 13% reduction in energy usage in 2021. In total, 153 of our facilities were recognized by the federation in 2022 for energy reductions of 5% or 10%.

Electrifying travel

As of 2022, 72 of our facilities hosted over 700 electric vehicle charging stations, dispensing about 2,147,285 kilowatt-hours, the equivalent of over 6 million EV miles driven in 2022, nearly twice the amount from 2021.



2022 energy metrics

Type	Electricity use (MWh)	Percent electricity use
Grid electricity (owned)	1,169,694	72
Estimated grid electricity (leased buildings)	103,926	6
Fuel cell electricity	282,892	17
On-site solar	76,154	5
Total electricity	1,632,666	100

We aim to:

- Reduce our energy use intensity
- Grow investment in on-site solar energy
- Expand fleet electrification



Strategies for impact

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

We leverage our Utility Optimization Program to educate, inform, and inspire our enterprise wide energy management community of practice.

Accountability

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

Smart shifts

We improve the energy efficiency of our equipment and our systems.

Zeroing in

We focus our energy efficiency and carbon 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.

Water management

Climate and health imperative

Water scarcity will continue to grow. By 2030, the United Nations predicts a shortfall of 40% in our global water supply.⁵ In the U.S., hospitals account for approximately 7% of water usage in all commercial and institutional facilities.⁶ By keeping pollutants from entering our oceans, groundwater, and reservoirs, as well as conserving water wherever possible, serious 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. Our goals include helping to reduce our water use intensity and improve water quality in the communities we serve.

In 2014, we instituted a national water policy to reduce our water use and support long-term access to quality water supplies in all our communities.

We aim to:

- Reduce our water use intensity
- Protect the water supplies of the communities we serve



Stewardship in action

We reduced our water use intensity by 16% between 2013 and 2022.

2022 water use metrics

2022 water use intensity ⁷ averaged across all facilities	
Water use intensity (total gallons per rentable square foot)	44.6

Strategies for impact

Spread best practices

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

Employee engagement

We use our internally developed Utility Optimization Program to educate and inform our enterprise water conservation community of practice.

Smart metering

We use our smart water metering technology to fix leaks more quickly, gain a better understanding of our water usage, and validate conservation measures.

Flow optimization

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

Minimize irrigation

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



Efficiently heating and cooling 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.

Built and natural environment

Climate and health imperative

The way we design our sites 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. As a result, Kaiser Permanente has played a key role in developing nationally recognized green building strategies for the health care sector.

Kaiser Permanente currently tops [LEED ratings](#) for health care facilities, demonstrating our longtime dedication to improving community health and protecting the environment. Leveraging 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 emission vehicle and bicycle parking, selecting sites with access to public transportation, selecting

products and materials that minimize environmental impacts, using low-emitting materials to maximize indoor air quality, and implementing environmentally friendly building cleaning

programs are just some of the considerations that go into the planning and construction of a sustainable building. 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.



Stewardship in action

In 2022, we were recognized by LEED 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 7.4 million certified square feet as of 2022.

Leading the way

In 2022, we were recognized by LEED 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 7.4 million certified square feet as of 2022.

Lowering emissions

By building to LEED standards, our buildings are able to contribute up to 50% less greenhouse gas emissions due to water consumption, 48% less greenhouse gas emissions due to solid waste, and 5% less greenhouse gas emissions due to transportation, compared to conventionally constructed buildings.⁹

Verified results

153 of our buildings have been recognized by the International Federation of Healthcare Engineering as of December 2022, and 71 of our medical facilities received ASHE Energy to Care awards in 2022.

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.

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 and building materials.

Resiliency through microgrids

We improve our enterprise resilience in climate-related emergencies by installing microgrids. These microgrids, which are functional and operate all the time, are designed to be “backups to the backup” if diesel generators (which operate only in emergencies) fail during a power outage. In 2018, we installed the [first California state-approved solar microgrid](#), which helps reduce most purchases from electric utilities. We are committed to expanding this innovation into more of our facilities.

Built environment metrics

- Energy Star Certified buildings as of 2022: 48
- LEED-certified buildings as of 2022: 71
- Over 100 of our buildings hosted on-site solar panels in 2022

We aim to:

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



Our strategies for impact

Building an accessible toolkit

Working with architects, engineers, and public health care advocates, Kaiser Permanente helped design and test strategies for 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 also worked with Health Care Without Harm to create [“The Path to Carbon Neutral,”](#) a guide that was made publicly available in 2020.

Expanding our innovation

We increase our organizational resilience through expanding innovative infrastructure and protection against grid outages.

Waste

Climate and health imperative

On average, U.S. hospitals generate over 29 pounds of waste¹⁰ 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 (lab solvents, cleaners, disinfectants, and some pharmaceuticals), and universal waste (such as batteries and electronic equipment).

Reusing, recycling, and composting waste uses less natural resources, water, and energy to manufacture products compared to manufacturing using virgin materials. Recycling, reusing, and composting waste also emits less pollutants than manufacturing with new materials, and avoids emissions of pollutants from landfills. Overall, 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 2025 goal to ensure 100% of all nonhazardous waste 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.



Stewardship in action

Reduced landfill waste

Just over half – 51% – of our nonhazardous waste was collected for recycling, reuse, and composting in 2022, including:

- More than 39,000 tons of waste collected for recycling
- More than 2,700 tons of organic waste collected for composting, a 55% increase over 2021
- More than 3,200 tons of cardboard waste collected for recycling
- More than 1,375 tons of electronic waste collected for reuse or recycling

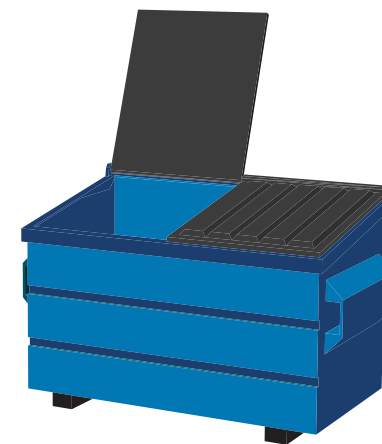
In addition, over 1,290 tons of plastic waste was avoided by our use of reusable sharps containers.

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 in the community.



2022 waste metrics

Waste Type	Weight (tons)	Disposal
Nonhazardous, nonmedical waste	51%	Collected for composting, recycling, or reprocessing
Medical waste	29,100	81% autoclaved and then landfilled; 19% incinerated

We aim to:

- Reuse, recycle, or compost 100% of waste (excluding medical and hazardous waste)
- Reduce the toxicity of waste
- Enhance the use of recycled materials



Strategies for impact

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.

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.

Real-time analysis

We are piloting the use of data analysis to identify opportunities to reduce compactor and dumpster pickup frequencies, and to identify underperforming sites with opportunities for improvement.

Reuse and reprocess

- We [reduce waste volumes](#) by reusing and reprocessing items when feasible.
- We utilize reusable sharps containers, which are emptied and then sterilized by our medical waste vendors, enabling the containers to be reused in our hospitals.
- Single-use clinical devices are collected and safely reprocessed and remanufactured by a third-party vendor for resale.
- When possible, IT and other electronic equipment is refurbished by a third-party vendor and then redeployed within Kaiser Permanente or resold by a third-party vendor.

Procurement collaboration

In addition to thoughtfully managing our waste, we also focus on how we can 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 and increase recycled content in products
- Implement product stewardship, or take-back, programs
- Support product designs that advance reprocessing and purchase reprocessed single-use items
- Assess the toxicity of materials that will become waste to reduce hazardous waste

Responsible procurement and impact spending

Climate and health imperative overview

What we buy matters. Without responsible procurement, purchased goods and services can lead to larger carbon footprints, unnecessary waste, 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 a set of [Environmentally Preferable Purchasing](#) guidelines, which comprise a holistic set of environmental criteria aligned with our commitment to promote cleaner energy, safer chemicals, resource conservation, and waste reduction.

We are committed to applying the Environmentally Preferable Purchasing principles to all our major, strategic, and critical purchasing decisions and evaluating the full life-cycle impacts of our purchased goods and services.



Stewardship in action

Eliminated harmful ingredients

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 polyvinyl chloride, or PVC, and diethylhexyl phthalate, or DEHP, out of our IV solution bags.

Prohibited harmful 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.

Procurement excellence

Every year since 2014, Kaiser Permanente has received the Electronic Product Environmental Assessment Tool Purchaser Award for excellence in the procurement of environmentally preferable electronic equipment.

Access to fresh, local food

Starting in 2003, we began hosting facility and community based [farmers markets](#). We have hosted more than 50 seasonal markets and farm stands at our medical facilities and in our communities across the country.



2022 impact spending metrics

- Product purchases meeting Environmentally Preferable Purchasing criteria: 32.38%, a significant (23.5%) increase in EPP purchasing since 2021

Our commitments

- Use our [purchasing power to support diverse suppliers](#) to address economic, racial, and environmental disparities that impact the health of our members and the communities we serve
- Increase the proportion of [purchased products and materials](#) that meet our environmental standards to 50%



Strategies for impact

Eliminate hazardous waste

We work to ensure products do not create hazardous waste, are made of 10% or more post-consumer recycled content, and are commercially recyclable.

Prioritize recycled materials

We work with suppliers to encourage the use of primary packaging that contains more than 10% post-consumer recycled content and secondary packaging that contains more than 30% post-consumer recycled content. We also communicate that paper-based packaging should be Forest Stewardship Council-certified, recyclable, and labeled with consumer-friendly recycling information.

Utilize purchasing power

We support impact investments aimed at addressing key social issues that have a significant impact on health. We also purchase goods and services from local businesses owned by

underrepresented groups and women 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.

Holistic cost analysis

As part of our [Environmentally Preferable Purchasing Initiative](#) evaluation process, we look beyond the up-front costs of a product or service and calculate the total cost of ownership.

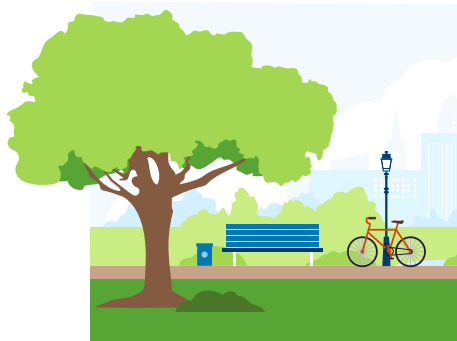
Resilient communities

Our mission reflects the belief that the environments in which we live, work, learn, and play have a meaningful impact on our health and well-being. Kaiser Permanente’s national community health strategy is dedicated to improving the health of the communities we serve. We seek to address the root causes of health inequity by supporting economic opportunity, affordable housing, health and wellness in schools, and a healthy environment. We are committed to environmental stewardship beyond our walls.

We strive to improve the conditions for health in our communities, advance our mission, and create healthier and more equitable communities through partnerships and philanthropy. By listening to our communities, we can 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 partnership and place-based engagement, we work with our communities to build resilience and reduce the health impacts of climate change and environmental hazards. Here are some highlights from our 2022 investments.



We supported initiatives to address air quality, extreme heat, and water security.

In Northern California, we supported the Madera Coalition for Community Justice’s Campaign for Asthma Awareness, Action, and Advocacy. This initiative focused on outreach to youth, parents, and

community residents to increase understanding how air quality affects asthma, respiratory infections, and chronic health conditions. The program promoted preventive care measures and facilitated civic participation to improve air quality.

In the San Joaquin Valley, we funded the Central Valley Air Quality Coalition to provide resources and information to environmentally burdened communities about how to protect themselves from air pollution and engaged the same communities on air quality measures with the California Air Resources Board.

In Denver, Colorado, we supported the Urban Forest Initiative with Denver Civic Ventures. Funding was used to support the enhancement and expansion of downtown Denver’s urban tree canopy to reduce the urban heat island effect and mitigate residents’ exposure to extreme heat.

In California, funding for the Community Water Center supported efforts to advocate for safe, accessible, and affordable drinking water for communities impacted by contaminated water and extreme drought worsened by climate change.

We supported Self-Help Enterprises to build water management capacity and expertise of rural community leaders, to empower these leaders to influence regional groundwater management and implement climate-resilient water management policies and practices throughout the San Joaquin Valley and the state of California.

We invested in essential workforce development and readiness for climate change.

We supported the Central California Environmental Justice Coalition and North Bay Jobs with Justice to improve farmworker safety and readiness in the face of environmental hazards, including exposure to wildfire smoke and heat waves.

We enhanced youth career development in climate-ready careers, including essential efforts to support adaptation efforts. We funded Faith in the Valley to provide job training in areas such as electric vehicle industries, reforestation, and forestry in the Central Valley of California.

In Sonoma County, California, we supported Sonoma County Parks Foundation to provide work experience, job training, and career exploration for young adults in low-income communities. Participants engaged in climate change mitigation, adaptation, and resilience projects in coastal parks, such as installing composting equipment and reducing wildfire fuels.

We provided support to advance equitable climate responses, promote environmental justice, and drive systematic change.

In California, our support of The Greenlining Institute provided strategic guidance to funders on investment opportunities in communities of color to promote climate resilience. The project aimed to provide insight and analysis on statewide climate action opportunities and community-based partnerships in local regions including Oakland, Stockton, San Diego, and Los Angeles. The project also supported efforts to build climate equity in Oakland and the San Gabriel Valley.

In Colorado, we supported the Colorado Health Institute to develop strategic recommendations for health care systems and philanthropic organizations regarding how to make meaningful investments in climate-related community resilience. CHI conducted an analysis of climate and health vulnerabilities and engaged with community stakeholders to summarize recommendations in the categories of patient and clinician education, advocacy and leadership, adaptation to environmental hazards, and support for research and data collection.



Leading and engaging

Solving the climate crisis and prioritizing health equity requires collective action. No single organization, business, or sector can solve this alone. We catalyze change through our leadership and engagement with stakeholders, partners, and collaborations.



Connecting for collective action

In June 2022, Kaiser Permanente declared our commitment to radical decarbonization and hosted “Getting to Net Zero: The Health Equity Imperative.” This event focused on why the health care sector must commit to net-zero emissions to improve health and advance health equity. HHS Assistant Secretary for Health Admiral Rachel Levine, Emerald Cities Collaborative President and CEO Meishka Mitchell, IHI President Emeritus and Senior Fellow Don Berwick, and Kaiser Permanente physician Colin Cave, MD, joined Kaiser Permanente Senior Vice President and Chief Health Officer Bechara Choucair and Executive Director, Environmental Stewardship Seema Wadhwa for a LinkedIn Live conversation as they discussed why the health sector must address the climate crisis to protect the health of patients and communities.

In September 2022, we hosted a roundtable of key global private sector, health care, and government leaders on the relationship between climate change and health and the disproportionate health impacts of climate change on low-income communities and communities of color. Our discussion, hosted in partnership with the World Economic Forum and Deloitte at the United Nations Climate Week in New York City, helped to identify key priority areas for action and insights to further embed health equity into climate action in private sector business and community engagement goals and practices.

Partnering for impact

Our decades of experience and lessons learned in environmental stewardship give us the ability to build coalitions and lead the health care industry in decarbonizing operations and building health care resilience. Through our partnerships with community-based organizations, we've forged crucial relationships that help us listen and respond to community challenges and opportunities.

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

- [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 for information tools, data, resources, and expert technical support on our sustainability initiatives.



- [Health Care Without Harm](#) – This organization works to transform health care worldwide so that the industry reduces its environmental footprint and becomes a community anchor for sustainability and a leader in the global movement for environmental health and justice. Along with our Health Care Without Harm partners around the world, we share a vision of a health care sector that should do no harm and promote the health of people and the environment. We are working alongside Health Care Without Harm to achieve the goal of implementing ecologically sound and healthy alternatives to health care practices that pollute the environment and contribute to disease.
- **California Health Care Climate Alliance** – Launched in collaboration with Health Care Without Harm, the alliance is a leadership body of California health care organizations committed to protecting the public from the health impacts of climate change, becoming anchors for resilient communities, and contributing to meeting the state's climate goals.
- [Health Care Climate Council](#) – The council is a leadership body of health systems committed to protecting their patients and employees from the health impacts of climate change. Member health care organizations are committed to being anchors for resilient communities. We learn from other Health Care Climate Council members through sharing innovative climate solutions, providing inspiration and support to act, and using their trusted voices and purchasing power to move policy and markets that drive the transformation to climate-smart health care.

- [Greenhouse Gas Protocol](#) – This organization established a comprehensive, global, standardized framework that we use to measure and manage greenhouse gas emissions from our operations, value chains, and mitigation actions.
- [RE100](#) – As a global corporate renewable energy initiative, RE100 brings together hundreds of large and ambitious businesses committed to 100% renewable electricity. We are united with other conscientious businesses that are just as passionate about lessening fossil-fueled grid reliance and achieving 100% renewable, clean energy for our operations.
- [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 and signatory of the Impact Purchasing Commitment, Kaiser Permanente is committed to making sure our institutional and operational resources are aligned with their clinical mission of tackling the structural determinants of health.
- [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.
- [National Academy of Medicine](#) – The academy launched the Climate Grand Challenge, a multiyear global initiative that aims 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. We are excited to be

a part of this challenge as its goals align with the core purpose of Kaiser Permanente’s environmental stewardship mission.

- [Clean Production Action](#) – This nongovernmental organization designs and delivers strategic solutions for green chemicals, sustainable materials, and environmentally preferable products. Kaiser Permanente partnered with CPA on the development of our Environmentally Preferable Purchasing standards. We also participate in the CPA BizNGO Working Group for Safer Chemicals and Sustainable Materials, a unique collaboration of business and environmental leaders working together to define and implement the leading edge in safer chemicals and sustainable materials.



- ¹ A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between 2 parties for the sale and purchase of energy bundled with attributes about the energy generation or for unbundled attribute claims. Greenhouse Gas Protocol Scope 2 Guidance, World Resources Institute, 2015, p. 4, ghgprotocol.org/sites/default/files/Scope2_ExecSum_Final.pdf.
- ² A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). Greenhouse Gas Protocol Scope 2 Guidance, World Resources Institute, 2015, p. 4, ghgprotocol.org/sites/default/files/Scope2_ExecSum_Final.pdf.
- ³ David Blumenthal, Shanoor Seervai, "To Be High Performing, the U.S. Health System Will Need to Adapt to Climate Change," Commonwealth Fund, April 18, 2018, www.commonwealthfund.org/blog/2018/be-high-performing-us-health-system-will-need-adapt-climate-change.
- ⁴ "Examining Supply-Side Options to Achieve 100% Clean Electricity by 2035," National Renewable Energy Laboratory, 2022, www.nrel.gov/docs/fy22osti/81644.pdf.
- ⁵ "Half the World to Face Severe Water Stress by 2030 unless Water Use is "Decoupled" from Economic Growth, Says International Resource Panel," UNEP, March 2016, <https://www.unep.org/news-and-stories/press-release/half-world-face-severe-water-stress-2030-unless-water-use-decoupled>.
- ⁶ "Saving Water in Hospitals," EPA, November 2012, www.epa.gov/sites/default/files/2017-01/documents/ws-commercial-factsheet-hospitals.pdf.
- ⁷ Water use intensity refers to the rate at which water is used in a given area. It is an indicator of how much water a building requires during its occupation and informs sustainable water allocation.
- ⁸ "Quantifying the Comprehensive Greenhouse Gas Co-Benefits of Green Buildings," October 2014, <https://escholarship.org/uc/item/935461rm#main>.
- ⁹ "Waste," Practice Greenhealth, <https://practicegreenhealth.org/topics/waste/waste-0>.



Equitable Care:
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 2022. 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 outcome measures we have begun to collect across our enterprise. 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 simply mean 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.

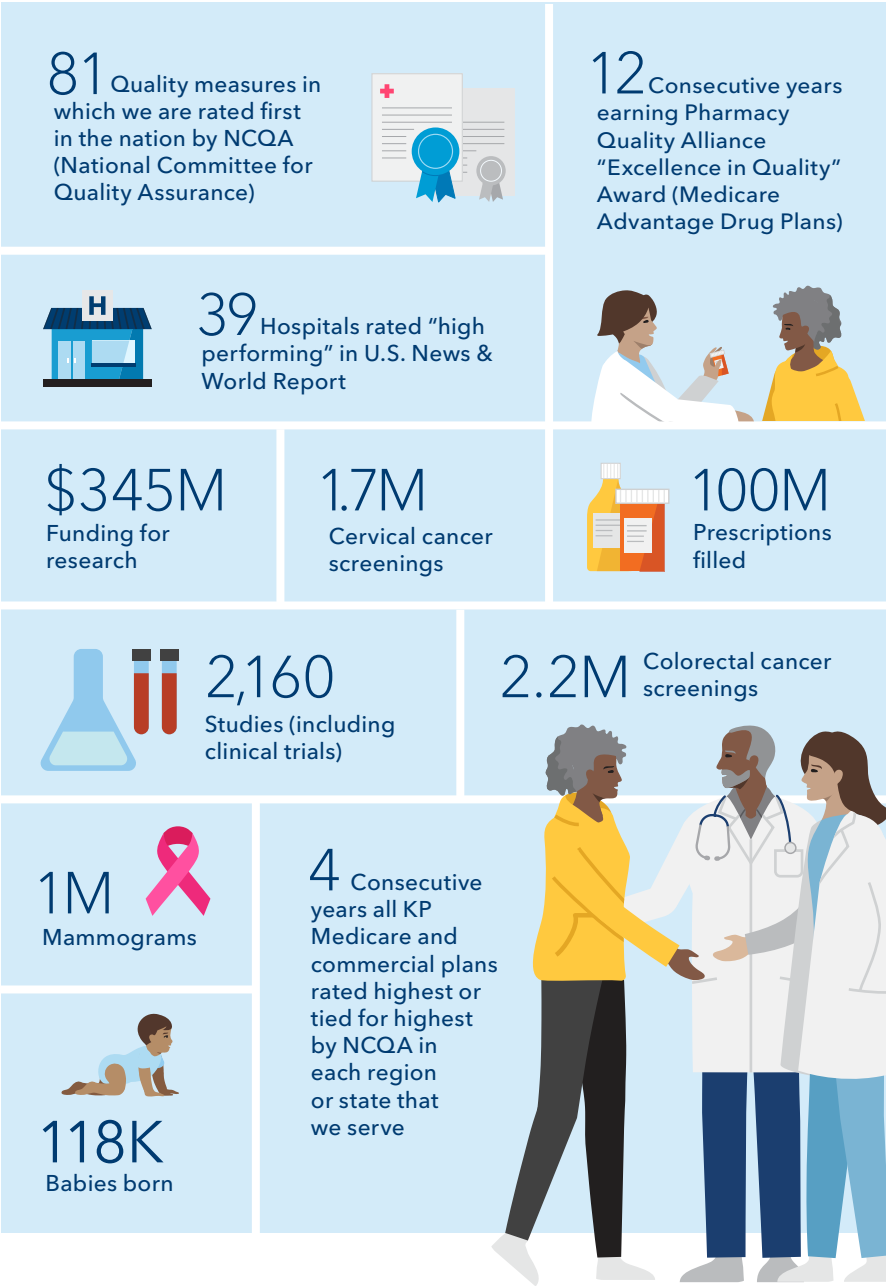


Equal medical care is not enough to end disparities in health outcomes. We are working to **achieve health equity**.

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 2022 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.

Alongside these important third-party assessments, we are deeply engaged in exploring new ways of creating accountability around quality and quality improvement. Through a collaboration with the Institute for Health Metrics and Evaluation, we’ve taken an important step in modeling how we might create and share the types of quality measures that really matter to our members. Our analysis found that Kaiser Permanente members are significantly less likely to experience premature death due to cancer (20% less likely) and heart disease (33% less likely) compared to nonmembers in their community.

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 our Quality, Community Health, Member Services, and Human Resources departments, 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.



As part of this work, 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 is an organizational steward and bold disrupter for sustainable and equitable change by reviewing our current organizational structures and operations to identify and eliminate anything that might enable or perpetuate racism or inequities.

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



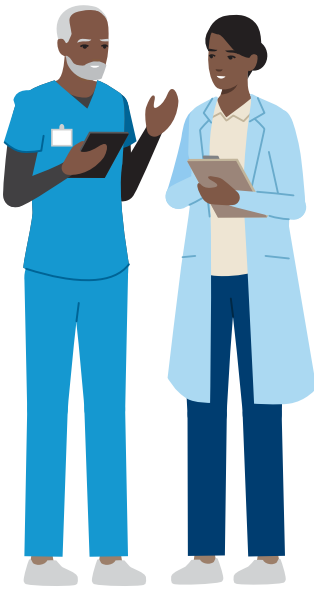
Training

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 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, are highly representative of our membership, with over 69% being people of color. This diversity enables us to best meet the unique needs of each of our members if we can fully understand and embrace the power of our diversity. 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. We are working to reduce the barriers to racial equity that exist for our workforce in our systems and processes, as well as 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.

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 inequities in our systems and processes.

We understand that health equity cannot be achieved without workforce equity. Having a diverse, inclusive, engaged workforce is a necessary ingredient to optimize culturally responsive experiences and the care we provide to our members and communities. We must equip our workforce to disrupt bias and address structural and system racism. To support this, we introduced *Belong@KP*, a culture transformation initiative to embed inclusion and social justice into everything we do. Learn more about how we're creating an inclusive and psychologically safe environment in our Responsible Business section. We also provide education and training for our workforce to increase their skills in providing culturally sensitive care. For example, *Talking to Members About Social Health* uses principles from trauma-informed care to help clinicians feel more comfortable and confident talking to patients about their personal circumstances in addition to their health.

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. Among the inaugural class of 2024, 36% of students self-identify as being from a racial or ethnic group underrepresented in medicine. That rose to 40% in the class of 2025. 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.

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 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 2022. As we continue to invest in new and leading technology, equipment, care facilities, and more, we do so with a member- and

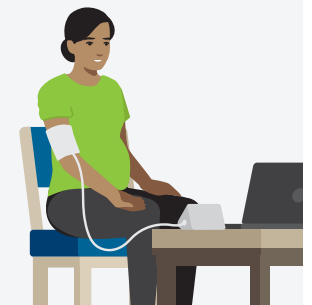
patient-first approach. As part of this effort, we address digital inequities: Currently, only about 85% of our members have digital access.

The need for telehealth and remote care remained high throughout 2022. 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 an average of 27,500 video visits per weekday in 2022. Our teams also filled 100.2 million prescriptions, 42.8 million of which were ordered online. Our technology helps our members access care and manage their health, including enabling our members to view 97.3 million lab results online.

In 2022, we expanded our effort 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.

Remote patient monitoring helped Alicia Saunders care team keep tabs on her blood pressure – and ensure a safe pregnancy for her and her rainbow baby. [Read more about how virtual care brings peace of mind.](#)



In 2022, we launched a new nationwide [collaboration](#) with Evernorth Health Services and Cigna Healthcare, to allow Kaiser Permanente members to get in-person urgent and emergency care from Cigna Healthcare’s preferred provider network of physicians, hospitals, and urgent care clinics while traveling outside of states where Kaiser Permanente operates.

COVID-19 response

The third year of the COVID-19 pandemic brought continued threats to the health of our members and communities. The year began in the middle of the COVID-19 omicron variant wave of infections. Fortunately, by that point, many people had been vaccinated against COVID-19. Severe illnesses and death caused by the virus were less common than in the first 2 years of the pandemic.

During 2022, our care teams treated 1.8 million patients with COVID-19, including 53,000 who required hospitalization. We performed nearly 7 million COVID-19 PCR tests at Kaiser Permanente facilities and provided more than 14.2 million COVID-19 home antigen tests to our members. COVID-19 was not the only public health threat in 2022. We also saw outbreaks of RSV, or respiratory syncytial virus, and higher rates of the flu than we’ve seen in the past 2 years.

Kaiser Permanente was among the first health care organizations to administer vaccinations when the COVID-19 vaccine became available at the end of 2020. Our teams administered more than 5 million vaccine doses, including boosters, to members and nonmembers alike during 2022.

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

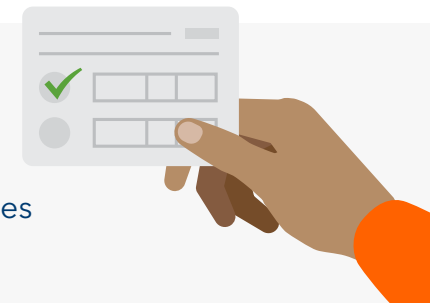
has occurred within Black, Latino, and other underrepresented communities. These inequities and injustices were also evident in the drive for COVID-19 vaccinations, with underrepresented communities having limited access to health care and resources, along with a lack of trust in the health care system.

When the COVID-19 vaccine became available to the public, we 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 longstanding commitment to eliminating health inequities and delivering high-quality care includes addressing all of the factors that affect health, including having a safe place to live and access to healthy meals.



In 2022, we surveyed our members to ask about their general health and ability to meet these and other basic needs. We learned nearly two-thirds of our members have at least 1 social factor affecting their health and well-being. Many had more. More than 60% of members with social needs said they would welcome assistance from us addressing these needs.

While membership surveys provide informal yet important insights into the social vulnerabilities our members face, standardizing social health screenings as a routine part of delivering care and services is another important step in improving health equity and outcomes.

We screened more than 2 million members for social needs in 2022, asking standard questions about their ability to buy healthy food and pay for housing and transportation, in the same way we screen for clinical conditions like diabetes, heart disease, and cancer. We introduced new ways to administer these social health screenings, using digital tools including online questionnaires emailed securely to members prior to a virtual or in-person health visit to prompt members to complete screenings and to link those who need it to support services.

We reached out to members broadly and with more focused campaigns in 2022 to raise awareness of the social health support services Kaiser Permanente offers and to encourage enrollment in vital programs that support self-sufficiency and well-being.

A social media and direct messaging campaign in 2022 promoted our online community resource directory and phone line to 7 million Kaiser Permanente members. The campaign ran from October through December on Facebook, Twitter, and by email and text message to members. It generated 550,000 visits to the directory during those months alone and increased call volume by nearly 300%. Anyone can search the directory for resources in their community 24/7 at their own convenience at kp.org/community resources or call a toll-free number during business hours to talk to a specialist for help finding nearby programs that help with food, housing, childcare, and more. Both services are offered at no cost.

Outreach to those at risk

We created campaigns to reach smaller groups of vulnerable members and address prevalent conditions, such as food insecurity and financial stress. These included:

- **Extreme heat relief:** Responding to record-breaking temperatures in the Pacific Northwest during the summer of 2022, Kaiser Permanente sent text and email messages offering support to low-income members with health conditions that put them at risk during the high heat. Working with local community partner Project Access NOW to order and deliver air-conditioning units, we were able to provide over 300 free air conditioners to members in the region.
- **Get Your Refund:** A similar text outreach campaign in 2022 helped low-income members connect to free tax-filing services offered through GetYourRefund.org to increase access to tax refunds and tax credits, including the earned income tax credit, child tax credit, and stimulus payments from the 2021 American Rescue Plan Act. We reached out to over 550,000 members during this campaign and put an estimated \$625,000 directly into the pockets of members.

- **Medical-legal partnerships:** Working with local legal aid organizations, our care teams connected 980 patients with housing concerns to free legal support in 2022, including representation, consultation, and advice.



Food Is Medicine

The connection between nutrition and a person's health and well-being is clear. So, we work to ensure our members and communities have access to, and can afford, healthy food. We propelled this work in 2022 through community

investments, innovative partnerships, coalition-building, and contributions to the national evidence base for food- and nutrition-security interventions in health care.

A leading proponent of the national Food Is Medicine movement, Kaiser Permanente shares our learnings and experience on the ground with high-profile coalitions and task forces around the country to shape key decisions on nutrition within health care and raise awareness about the powerful impact of food on well-being.

We participated in the White House Conference on Hunger, Nutrition, and Health in September 2022 and pledged to invest \$50 million between 2022 and 2030 in programs that reduce hunger, improve nutrition, and prevent diet-related diseases for our country's most vulnerable populations. These investments will include grantmaking to community organizations providing evidence-based food and nutrition security interventions and to advocacy organizations that are influencing the national dialogue on nutrition. In addition to improving food- and nutrition-security in our communities, we supported additional programs and partnerships to improve nutrition and health outcomes among our members. In 2022, these programs included:

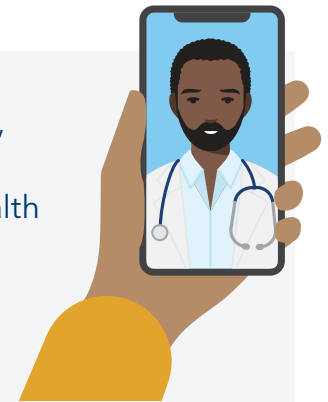
- **SNAP and WIC:** In 2022, we reached out to over 1 million members to offer help applying for the Supplemental Nutrition Assistance Program and the Special Supplemental Nutrition Program for Women, Infants, and Children.
- **Produce RX:** We provided nutrition education and over 7,500 healthy food boxes to members with diabetes facing challenges getting enough healthy food.

Kaiser Permanente's longstanding commitment to working with local community partners to increase applications for federal nutrition programs like WIC and SNAP earned us a Community Advocate award in 2022 from San Francisco Bay Area-based nonprofit Project Open Hand. Learn more about our work around [social health](#).

Health care access and affordability

Equal access to care is an important part of our mission to provide high-quality, affordable health care services to the communities we serve.

Available 24/7 with no appointment, e-visits offer our members quick, convenient online care for many health concerns such as flu or COVID-19 symptoms. Learn more about our [fastest path to care](#).



We recognize that we have a responsibility to provide our members with better value through a combination of high quality, access, and affordability. We provide care and coverage together and share medical and financial responsibility for our members' health care. That shared responsibility means we don't benefit when our members get sick. With traditional fee-for-service care delivery, providers get paid more when they submit more claims. In contrast, our clinicians strive to meet clinical quality benchmarks, which means members get the right care and have better outcomes. We use our scale and connectivity to maximize efficiency while continuously improving quality. As a nonprofit health plan and care delivery organization, net income goes back into the organization to serve our members. The superior outcomes of our coordinated and connected model show that high-quality, affordable care and coverage – and the promise of total health – are possible for the communities we serve.

In our communities, improving access to care for people with limited resources is a more complex and critical component of affordability

and our mission. For many people with low incomes and without medical coverage, an emergency room is the only place they can get the care they need. We're working to change that – with programs that lower financial barriers, provide free or deeply subsidized health coverage, and improve access to public health care programs in underserved communities.

Through our Medicaid, Charitable Health Coverage, and Medical Financial Assistance programs, we deliver high-quality care and coverage, and we improve health care access for people with limited incomes and resources. In 2022, we served nearly 1.4 million Medicaid and Children's Health Insurance Program participants.

In 2022, we also provided health care coverage through our Charitable Health Coverage programs to nearly 12,000 people with low incomes who don't have access to other public or private health coverage. And we provided more than \$433 million in medical financial assistance to more than 319,000 patients in need in 2022.

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



Telehealth access grants

Fund community organizations to increase virtual care services for people with low incomes



Transportation support

Partner with local groups that provide rides to vaccine sites and clinics



Convenient mobile clinics

Bring care to the communities and people who need it



Healthy Communities:

How 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.

At Kaiser Permanente, an important part of our mission is to improve the health of our members and 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 2022, as the world turned the corner on the COVID-19 pandemic, our community health investments built on partnerships established and lessons learned to improve health for individuals, for communities, and for the public at large.

As the health effects and economic toll of the COVID-19 pandemic continued throughout the year, our accelerated efforts broadened the scope of our care and services to address all factors that affect people’s health.



Equity and COVID-19 response

During each phase of the pandemic, our response rapidly evolved to meet changing community and social health needs, keeping equity at the core of our efforts. Throughout 2022, the third year of the global COVID-19 pandemic, Kaiser Permanente continued outreach campaigns to encourage vaccination. We also continued to support community organizations, such as churches and barbershops, in their work to encourage vaccination. We know that people are more likely to hear and understand messages delivered by people they know and trust.

We also developed guidance on when it’s best for people to use COVID-19 home antigen tests versus in-person PCR lab tests. We shared this guidance with community partners, so they could help spread the word.

During the COVID-19 pandemic, we’ve seen what can be accomplished when public, private, for-profit, and nonprofit organizations come together to protect and improve the health of communities. But the pandemic also exposed significant, long-standing gaps in our nation’s public health system. These include an underfunded and patchwork infrastructure, a rapidly shrinking workforce, and growing distrust of health institutions.

Investing in the resilience of our public health system is critical to promoting health equity and improving health and well-being in our communities. We worked closely with community partners to rebuild trust in public health, in part by strengthening public health communications capacity. In addition, we joined national leaders across the health care, public health, academic research, and nonprofit sectors to outline ways to bolster the public health system. The result is a shared public health agenda, focused on 3 critical areas:

- **Public health and health care:** We're working in collaboration with AHIP, the Alliance of Community Health Plans, the American Hospital Association, and the American Medical Association to ensure that our nation's health care and public health systems have the tools, knowledge, and working relationships needed to respond together effectively in the event of a crisis.
- **Public health and community-based organizations:** Community organizations provide essential services to communities. They play a critical role in ensuring that community voices and needs guide public health responses. We're working with the CDC Foundation to identify and spread best practices for making and maintaining connections between public health agencies and community organizations. Improved partnerships will ensure people receive better resources and care.
- **Public health and research:** Our nation urgently needs better data on the impact and effectiveness of public health services. We're supporting AcademyHealth as it develops a new public health research agenda. Our shared goal is to find ways to improve our public health system.



[Read: Supporting equitable COVID-19 vaccine education](#)

Economic opportunity

Financial inequality and financial insecurity have direct consequences on health, particularly mental health, and chronic stress. How much money a person can earn or save determines how well the person can manage unexpected expenses or a sudden loss of steady income, and whether it's possible to take a break from work to recover from illness or take time off to support a family member in need.

We know that people with low incomes are more likely to face food insecurity and housing insecurity, which bring their own health-related consequences. Studies are also beginning to demonstrate connections between poverty and cognitive development.

It's hard to be healthy when you don't have enough money to pay the bills. The COVID-19 pandemic impacted the financial well-being of many U.S. households. Lower- and middle-income families suffered most. Then, 2022 brought record levels of inflation, causing the prices of everyday goods and services to soar. To strengthen economic opportunities, especially for those most in need, we focused on 4 key areas.

Offering resources to strengthen household finances

In 2022, we supported 410 organizations that are helping people with low incomes improve their household and business finances.

- Our Financial Health Initiative supported over 230,000 people with interventions to support financial goal setting, navigate public benefits, manage debt, and access safe financial products. We also supported more than 4,200 entrepreneurs to improve personal and business finances. The initiative also helped people take advantage of credit-building opportunities, such as rent reporting. Rent reporting is the reporting of on-time rent payments to major credit agencies.

Providing direct support to diverse small businesses in our communities

Through partnerships and policy activities in 2022, we provided 9,169 entrepreneurs with technical assistance and business coaching. And we improved their access to capital through our community partnerships. Since starting these efforts in June 2020, we have helped more than 24,629 entrepreneurs – 78% of whom are people of color. These entrepreneurs helped retain or create over 27,000 jobs in our communities.



Using our purchasing power to support diverse small businesses and promoting employee ownership

Small businesses are critical to the success of our communities. So, when we need to buy supplies for our hospitals or other goods and services, we buy from diverse small businesses, as often as possible. In 2022, we spent \$3.49 billion to support diverse-owned businesses. In addition, we disbursed \$11.1 million to nonprofit organizations that help diverse-owned businesses. We specifically seek out businesses with missions and business practices that align with our own.

We further supported small businesses and their employees by launching the Business Resiliency Through Employee Ownership initiative. Employee ownership is a business arrangement in which no one person has a majority of shares or control over an organization. In many cases, it means a company grants its workers stock shares.

Our initiative has educated over 1,000 Kaiser Permanente suppliers about the benefits of employee ownership. So far, 2 of those businesses (representing 194 employees) have transitioned to employee ownership. Employee-owned companies report faster growth, less turnover, and greater recession resilience. Employees who share ownership in their company report greater income and wealth.

Expanding access to educational and career pathways

Earning a degree, starting a new career, or advancing in your current role can be life-changing financially. But to get there, you have to know the right steps to take. We support programs and initiatives that provide clear educational and career pathways, especially for people of color, who have historically faced gaps in income and earning potential.

- In 2022, our Futuro Health initiative helped 1,006 professionals graduate into allied health careers – 90% of graduates were people of color and 52% of graduates are bilingual.
- We awarded 12 fellowships to help launch the careers of diverse, early-career professionals who are committed to achieving health equity for all.
- We provided local grants to support more than 40,000 people in accessing opportunities for higher education and job training programs.

Food and nutrition security

About 1 in 4 adults in the United States doesn't have access to enough nutritious food on a regular basis. It's called food insecurity. People with food insecurity have an increased risk of health conditions, such as diabetes, obesity, and heart disease. The wide-ranging chronic health issues driven by hunger are estimated to increase the cost of health care by \$160 billion each year.

We work to ensure the people in our communities have access to, and can afford, healthy food. We do this by investing in our communities and forging innovative partnerships.

In 2022, we participated in the White House Conference on Hunger, Nutrition, and Health. To help the federal government with its plans to evolve the country's food and nutrition policy, we shared how our programs and practices address food and nutrition insecurity. We also [pledged to invest \\$50 million](#) over the next several years in programs that help vulnerable people meet their food and nutrition needs.

Our \$50 million multiyear investment will support Food Is Medicine, a national movement that recognizes the potential of food to help prevent and manage ongoing health conditions. In 2022, we supported 2 Food Is Medicine programs – medically tailored meals and produce prescriptions.

Medically tailored meals are prepared meals delivered to people living with severe illnesses. The meals are designed to meet the unique health needs of each recipient. The aim is to improve people's health and keep them out of the hospital.

Produce prescription programs allow doctors to treat diet-related diseases with fruits and vegetables. Patients who receive produce

prescriptions can "fill" them using vouchers at participating sites, including grocery stores and farmers markets.

Housing for health

Access to affordable housing continues to be a [major need in our communities](#). Chronic homelessness can have devastating effects on a person's long-term health – and it's a troubling reality for far too many people. In 2022, we continued to lead efforts to preserve affordable housing and end homelessness. We invested in solutions, shaped public policy, and formed innovative partnerships.

Affordable housing supports economic development and stability in our communities while improving conditions for health and equity on a broader scale. We created our Thriving Communities Fund in 2018 with \$200 million

in impact investment to create and preserve affordable housing units in our communities, resulting in the construction and preservation of nearly 10,000 units. In 2022, we expanded our Thriving Communities Fund to \$400 million, with the goal of creating or preserving 30,000 units before 2030. The expansion also advances inclusive economic development in communities to address the systemic disadvantage and discrimination that underpin the housing crisis.

We also continued our partnership with Community Solutions, a nonprofit working to end homelessness. Of the 30 communities and 2 states where we partner, 14 communities have seen sustained reductions in homelessness. And, 4 communities have achieved



functional zero homelessness, meaning they've essentially ended homelessness. Addressing homelessness is about more than finding housing for people in need. It's also about finding ways to support people as they manage health conditions. Medical respite programs do just that. They offer short-term housing and medical care for people who are too ill or frail to recover from an illness or injury on the streets but not ill enough to be in the hospital. In partnership with the National Institute for Medical Respite Care, we partnered with the Stout Street Recuperative Care Center in Denver as part of a larger effort to support medical respite providers in our communities. We're proud to have connected over 180,000 people without housing to medical respite care programs, virtual and telehealth care, and other services that address their mental, physical, and social health needs.



Thriving Schools

Schools are dedicated to ensuring that all students succeed, but they can't address the health of their employees and students alone. Kaiser Permanente created our [Thriving Schools](#) initiative to allow

our organization to serve as a valuable partner in health to schools and school districts across the country.

Our groundbreaking 1998 research about ACEs, or adverse childhood experiences, made us one of the first organizations to recognize the link between childhood trauma and health. This work has been core to Kaiser Permanente for decades.

Our Thriving Schools initiative supports K-12 school systems in being equitable, healthy, and vibrant places for all. We partner with schools

and districts across the country, helping to ensure that teachers, staff, and students have the support they need to thrive – in learning and in health.

Our comprehensive approach, which includes the Resilience in School Environments initiative (RISE), continued to help schools and districts identify opportunities for supporting the mental health and well-being of students, staff, and teachers. In 2022, we delivered support to over 4,000 existing school and district partners and engaged 1,135 new schools to adopt strategies and practices that foster positive and healthy school environments.

Our [Educational Theatre Program](#) served over 125,000 students and adults in 2022, offering no-cost theatrical programs that engage and inspire students, teachers, and staff to make healthy choices. These award-winning virtual performances and workshops address important health topics that activate our comprehensive approach to social health, mental health, and resilience.

We advanced our work with the National Healthy Schools Collaborative by providing grant support to key national school health partners to activate on collective physical, mental, and social health priorities. This work is essential because it allows us to expand and innovate policies and best practices that transform K-12 education.

Advocating for good health policy

As a leader in health care, Kaiser Permanente engages in active policy advocacy at the federal, state, and local levels. We work on issues related to affordable health care, universal coverage, drug pricing, public health, tobacco use, gender equality, racial justice,

voting rights, mental health care access, and reduction of mental health stigma.

For more information on Kaiser Permanente’s work to help shape policy, read [Community Drivers of Health: Policy Paper Series](#) on our Institute for Health Policy site.

CityHealth

Through Kaiser Permanente’s ongoing partnerships with community organizations, municipal leaders, and public health advocates, we are working to incorporate health, equity, and sustainability considerations into public policy and the built environment in ways that influence how neighborhoods take shape and grow.



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.

In its annual policy assessment, CityHealth rates the nation’s 75 largest cities on best practices in prevention-oriented policies that benefit health, well-being, and quality of life – and issues medals to cities that go above and beyond to support their communities. For

2022, 37 of 75 cities (49%) earned an overall citywide medal – either bronze, silver, or gold. Of those, 2 exemplary cities, Boston and Denver, earned citywide gold medals. Nearly 39 million people live in a city that’s earned a citywide medal. And, in areas where Kaiser Permanente provides care and coverage, 70% of cities earned a citywide medal.

CityHealth’s policy package includes recommendations for affordable housing trusts; 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; and smoke-free indoor air.

We’ll continue to partner with CityHealth in 2023 to help more cities achieve gold medal status, benefiting their residents’ health and well-being.

Addressing intergenerational trauma

In 2021, Kaiser Permanente announced it was providing financial support to 13 organizations across the United States whose work focuses on ending the generational cycles of trauma caused by structural racism and injustice experienced by Black Americans and other communities of color. The organizations provide services such as safe housing and counseling for teen mothers, violence prevention and social-emotional learning programs, trauma-informed and resilience-focused skill building for caregivers, and approaches for healing racial stress for families in Los Angeles.

Trauma often manifests in situations and actions that hurt children by causing adverse childhood experiences, known as ACEs, which have negative lifelong consequences for health and well-being. Original

research by Kaiser Permanente and the Centers for Disease Control and Prevention in 1998 established that [ACEs such as abuse, neglect, and household dysfunction](#) are associated with a long-lasting stress response that has been linked to risky health behaviors and chronic health conditions.

Evidence from subsequent studies shows that experiences such as discrimination, community violence, death of a parent or guardian, bullying, or separation from a primary caregiver may also lead to a harmful toxic stress response. Kaiser Permanente has committed to doing more to address social inequity and systemic racism and to help end the generational cycles of trauma experienced by communities of color.

Preventing firearm injury

In the U.S., firearm injuries are the [leading cause of death](#) among children and teens. And gun violence is [one of the top causes of premature death](#) for people 1 to 44. In 2021, firearms claimed more than 45,000 lives.

Gun violence is a public health crisis. At Kaiser Permanente, we're taking steps to prevent gun violence and educate people on its health implications.

In 2018, we established the Kaiser Permanente Task Force on Firearm Injury Prevention. Through this task force, we supported research studies and the testing of firearm screening tools and counseling interventions. These approaches focus on how physicians and clinicians can help prevent firearm injuries.

In June 2022, we [launched a new Center for Gun Violence Research and Education](#). The center's goal is to reduce gun violence, including

intimate partner violence and suicide. Through the center, we'll develop, test, and spread public health and health care solutions to address gun violence, including:

- **Research efforts** focusing on promising solutions and interventions to gun violence, and the long-term psychological consequences of these incidents which need additional evidence
- **Education efforts** addressing the need to inform the public, health care stakeholders, businesses, policymakers, and community-based organizations about the role they can play in reducing gun violence and the consequences of gun violence
- **Innovation efforts** focusing on novel public health and health care processes, policies, and intervention models to prevent gun shootings, including those that are self-inflicted and between intimate partners

To advance these efforts, the center also will collaborate with other health care organizations, community-based organizations, and businesses with a shared interest in gun violence prevention. We initially funded the center with \$1.3 million. In December of 2022, we approved a major investment of \$25 million for gun violence research and prevention work over the next 5 years. Together with all health care organizations, we must do more to prevent gun violence. We believe our knowledge, experience, and passion can help solve this critical public health challenge.

[Read: Systemic racism and trauma spur action for healing](#)

Safety net support

Kaiser Permanente is committed to building partnerships with community institutions that play a critical role in delivering health care for the uninsured and underserved, often referred to as the health care safety net. Ensuring health access means that we recognize the importance of the health care safety net for connecting people with wraparound support like social services, housing, oral health care, and support for mental health and addiction treatment.

Safety net clinics are essential community partners in our shared goal of improving the health of individuals and communities. Community-funded clinics, rural health clinics, free clinics, school-based health centers, and federally qualified health centers are vital parts of the health care safety net, providing quality care for the country’s most under-resourced populations.

To help protect vulnerable communities, Kaiser Permanente provides grants and other resources to help close gaps in care.



We launched the Virtual Care Innovation Network to bring together safety net organizations across our communities to redesign care so virtual care models continue to thrive and improve access after the pandemic abates.

Our Safety Net Vaccine Equity Initiative grants awarded flexible funding to health care safety net clinics working to increase access to vaccinations. These funds supported mobile vaccination operations, safe transportation to vaccination sites, language services, and adequate staffing at clinic sites.



[Read: Virtual Care Innovation Network – supporting access to telehealth](#)

Our health research

At Kaiser Permanente, our researchers make discoveries that improve health and well-being for all. 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 powerful electronic health record system. Our electronic health records allow our researchers to track many of the same members’ health over years and even decades. Our researchers can better understand health risks, improve patient outcomes, and inform policies and practices. In 2022, **we engaged in 2,160 active studies (including 650 clinical trials) and published more than 1,980 journal articles.**

Graduate medical education

We're planning for the future by offering training opportunities to medical residents and interns. Our programs attract medical school graduates from across the United States. Residents and interns get cutting-edge academic training and exposure to the benefits of our integrated model, which combines care and coverage.

Residents and interns also get the chance to work with a large, culturally diverse patient base in a setting with established clinical guidelines. 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 in our communities

We are proud of our workforce's commitment to actively engage in improving our communities. Employee volunteering programs enable our employees and physicians to help put inspiration into action.

[KPCares.org](https://www.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 2022, 55,829 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 17, 2022, nearly 2,000 Kaiser Permanente employees volunteered in over 90 service projects. Close to 3,000 volunteer hours were served, which benefited over 17,000 people. Volunteer projects included blood drives, food donation drives, letter- and card-writing campaigns, compassion calls to senior citizens, resume review workshops, and making blankets, assembling hygiene kits, and stuffing teddy bears.

Environmental stewardship

We strive to improve the physical and environmental health of the communities we serve and are committed to being environmentally responsible throughout our organization – in how we power our facilities; purchase food, medical supplies, and equipment; manage waste; and invest in our communities.

In 2022, we continued to take a leadership role in protecting the environment. Climate-related impacts on health are significant. So, our actions to slow climate change and limit its effects are an important way we promote the health of our members and communities.

Our work also supports health equity. While climate change poses a health threat for everyone, people of color and people who live in low-income communities are at greater risk.

New York Times story: [How Hospitals Can Help Patients and the Planet](#)

Throughout the year, we extended our climate leadership by partnering with key stakeholders in many industries, including finance, business, energy, conservation, education, and public policy.

We committed to significantly reducing our greenhouse gas emissions. Greenhouse gases trap heat in our planet's atmosphere and contribute to climate change. We've been carbon neutral since 2020, and by 2030, we'll reduce our emissions by 50%. We're aiming to reach net-zero emissions by 2050. As part of this commitment, we signed onto the Department of Health and Human Services' climate pledge, which was launched to encourage the health sector to take action to reduce emissions.

We also convened key leaders to discuss climate change and its impact on disadvantaged communities. We were proud to host Admiral Rachel Levine, MD, assistant secretary for health for the U.S. Department of Health and Human Services as part of our "Getting to Net Zero: The Health Equity Imperative." The event focused on why the health sector must commit to net-zero emissions to improve health and advance health equity.

We also convened a roundtable of private and public sector leaders during New York City Climate Week to discuss prioritizing health equity in our actions to combat climate change. And we were recognized as the eighth-largest U.S. corporate solar user by the Solar Energy Industries Association.

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





Responsible Business:
Inclusive, equitable, and responsible
business for positive impact



Kaiser Permanente’s 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.

We strive to align our business practices to advance **equity, integrity, and access to opportunity** in our industry, our business and clinical operations, and our communities. We activate our business assets to protect and promote the health of our communities.

A history of equity, inclusion, and diversity at Kaiser Permanente

At Kaiser Permanente, we believe in equity and inclusion for all. Equity is at the heart of our mission, and we will pursue this vision until everyone has the opportunity to lead a healthy life. To make equity, inclusion, and diversity a reality for our workforce, members, and communities, we value each other equally. We weave equity and inclusion into the fabric of everything we do. Equity at KP is integrated into our organizational strategy so the business leads as an equitable organization. Through our equity, inclusion, and diversity strategy, we strive for the following achievements in our workplace, through our care delivery, and in our communities.

- **Workforce:** All people of Kaiser Permanente have the equal opportunity to reach their full potential benefiting from an inclusive, psychologically safe workplace.
- **Health equity:** Equity in health outcomes and experiences will be achieved through the elimination of systemic barriers such as racism and other forms of oppression in health care.
- **Community:** We 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 women and men 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. Today, equity, inclusion, and diversity continue to be elevated to Kaiser Permanente’s highest level of strategic priority.

Kaiser Permanente commits to playing a significant role in creating equity 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 help disrupt bias and racism, and correct oppressive systems in our society. We are owning and addressing areas that need more focus and are key to building an inclusive, psychologically safe workplace where everyone feels included and has an equal opportunity to reach their full potential.

For over 45 years, Kaiser Permanente has hosted an annual event to highlight current barriers and opportunities to advance equity, inclusion, and diversity. Our National Equity, Inclusion, and Diversity Conference continues to bring together and inspire physicians and employees across the enterprise to provoke and activate change that leads to equity, inclusion, and diversity for all.

Inclusive and psychologically safe environment

Achieving our mission can only be accomplished by fully including and engaging all people and leveraging diverse backgrounds and different ways of thinking among our workforce, all focused on doing our best for the people we serve. We are building a highly inclusive, engaged, and psychologically safe workplace where all our physicians and employees have equal opportunity to use their diverse perspectives and strengths to support our mission.

Responses to our semiannual workforce engagement survey, People Pulse, are organized into 10 key topic areas, or indices, that measure critical aspects of our work environment. Our inclusion and speaking up indices allow us to track and measure employee sentiment around inclusive climate and psychological safety. We also use equity, inclusion, and diversity listening sessions across the organization to hear directly from our employees and physicians about their experiences and opportunities at Kaiser Permanente. These 2 data inputs as well as participation in workforce related EID external benchmarking, give us insights into continued opportunity and improvement areas. We introduced a number of tools and initiatives that help equip our managers and workforce.



- **Leader guide on our racial equity and social justice actions** – Action guides help people managers increase awareness, education, and engagement throughout the organization on the issues of racial equity and social justice.
- **Equity principles** – Our equity principles define the expectations and accountabilities for the people of Kaiser Permanente in promoting individual actions to uphold the racial, health, and workforce equity standards that reflect our mission, values, and history. These principles are being integrated into our code of conduct and into our core talent programs.
- **Integration of sexual orientation and gender identity into our HR information system and our recruitment application platform** – This enables our LGBTQ+ communities to voluntarily identify so we better understand opportunities to improve employee experience and outcomes.
- **Belong@KP** – This transformational program combats bias, racism, and social injustice and promotes an environment where all our physicians and employees feel they are valued and treated fairly, and that they belong. It is designed to help participants understand bias and systemic racism, build new habits to disrupt bias, and make decisions with a lens for identifying and eliminating bias and inequities. More than 120,000 employees and physicians have taken the disrupt bias learning modules. Initial survey results indicate that 90% of participants changed how they approach coworkers or patients and 62% agreed Belong@KP Disrupt Bias improved their ability to connect with coworkers or patients. In 2022, Belong@KP Reexamine Racism immersive training was rolled out to our top 400 executives and over 800 employees. The survey

results show 93% of participants self-report an improvement in their ability to understand and explain racial inequity and the relationship to health disparities.

- **Health equity portal** – This repository offers internal and external resources to employees and physicians to advance equitable care.
- **Equity-centered design** – This holistic approach to problem-solving is based on equity, humility-building, integration of history and healing practices, addressing power dynamics, and cocreating with our workforce, members, and community. We use this approach to improve equity across our systems and practices.

Improving ethnic, racial, and culturally diverse representation

We’re committed to advancing diversity at every level of our organization.

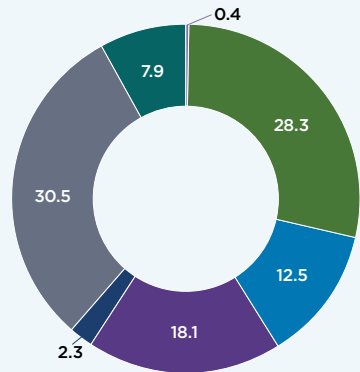
Our efforts to improve diverse representation include the implementation of equitable and inclusive practices across the employee life cycle. Our intent is to identify, recruit, develop, mentor, assess, and retain diverse talent. These efforts include:

- Engaging external experts to help us reduce bias in talent recruitment and selection, job descriptions and structure, performance management, and compensation programs and policies

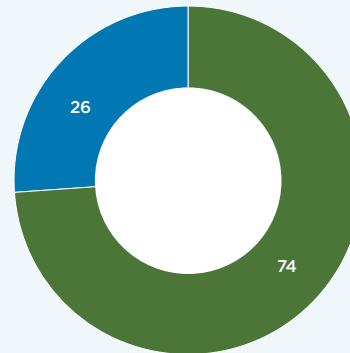
Our diversity

Our organization reflects the ethnic, racial, and cultural diversity of the communities we serve. Nearly 70% of our employees are members of racial, ethnic, and cultural groups, and 74% are women.

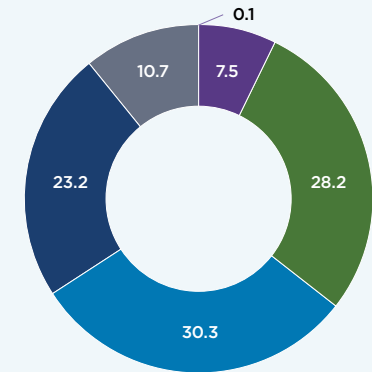
Percentages as of December 2022; data represents Kaiser Foundation Health Plan and Hospitals employees and does not include physicians.



- American Indian/Alaska Native .04%
- Asian 28.3%
- Black/African American 12.5%
- Hispanic/Latino 18.1%
- Native Hawaiian/Pacific Islander 2.3%
- White 30.5%
- 2 or more races 7.9%



- Female 74%
- Male 26%



- Under 20 0.1%
- 20 to 29 7.5%
- 30 to 39 28.2%
- 40 to 49 30.3%
- 50 to 59 23.2%
- 60 and over 10.7%

- 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.



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.
- Our business resource group program is expanding our focus on intersectionality – or the way in which different facets of a person’s identity combine to create unique life experiences – to more deeply understand how identifying with more than one group shapes our interactions at work and our life experiences.
- Over 15,000 of our employees and physicians are members of a business resource 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 people who make our mission come to life and truly set us apart. We are committed to responsible and inclusive practices in who and how we hire, and in access to development and advancement opportunities for our incumbent workforce.

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

Kaiser Permanente’s is industry-leading, and helps 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 those opportunities.

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.

Kaiser Permanente invests 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 2022, nearly 22,000 Kaiser Permanente employees, representing 31.8% of those eligible, accessed programs through Ben Hudnall Memorial Trust and SEIU-UHW Joint Employer Education Fund.

Our approach to workforce well-being

Kaiser Permanente’s workforce well-being program aims to foster a culture of workplace wellness and give all employees the tools and resources they need to achieve and reinforce total health – a state of physical, mental, and social well-being. Total health encompasses all that we do at Kaiser Permanente, where well-being is an integral part of our work, because when we thrive, 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 very 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.



- 1. Physical health and safety
- 2. Mental health and wellness
- 3. Healthy relationships
- 4. Community involvement
- 5. Career wellness
- 6. Financial wellness

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



Programs and activities

Kaiser Permanente created Rise&Renew in 2021, an enterprise-wide initiative to support the mental health and well-being of our workforce, with resources that focus on addressing burnout and impacts of the 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 are also committed to eliminating the stigma of mental health conditions in the workplace and are taking action to address this challenge. An online training was developed 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 68,000 employees completed the online mental health training by the end of 2022. We also offer the Kaiser Permanente Employee and Physician Assistance Program for confidential assessment, short-term counseling, and referrals by licensed, trained clinicians for all Kaiser Permanente physicians, employees, and their dependent family members. A national Mental Health Advocate network was launched to increase support from employees who are particularly interested in spreading mental health and wellness education to their local departments and areas. Advocates have access to tools, resources, and activities they can share



with their teams to create a supportive, stigma-free workplace environment – normalizing the conversation about mental health. The advocate role is voluntary, and at year-end 2022, 582 advocates had joined the effort across Kaiser Permanente.

In response to lifestyle changes caused by the pandemic, we placed renewed focus on physical health, featuring new Go KP campaigns “Worldwide Wellness” and “Walktober.” The 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 2022, 17,400 employees participated in physical activity campaigns.

Leader and manager development and training

Our workforce well-being program incorporates leadership development and training for senior leaders, managers, and front-line staff to become leaders in health and well-being. We offer managers a series of training sessions on how to create a culture of health, along with an evidence-based playbook for supporting health and well-being in the workplace.

Unit-based teams health and safety champions

Through the Labor Management Partnership, the Unit-Based Teams Health and Safety Champion program was created to embed health and well-being activities into the workplace through a network of 3,000 volunteers. The champions lead employee-powered well-being projects across the organization. In 2022, 2,418 well-being and safety-related projects were initiated across the organization.

National well-being policies


Kaiser Permanente believes in making the healthy choice the easy choice and has implemented several workforce well-being policies to help support our employees. These include a campuswide no-

smoking policy, 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.

Kaiser Permanente strives to foster an environment that supports health and well-being, including psychological safety, enabling 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

Kaiser Permanente’s mission to improve health requires the full engagement of our people. By sharing their voices about their work experiences, employees can drive change 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.



Higher Culture of Health Index scores correlate with 79% fewer workplace injuries and 84% fewer lost workdays. Employees who are engaged in well-being through their unit-based teams show consistently favorable health outcomes as well in health screenings, blood glucose test results, and fewer lost sick days.

In 2021, we significantly expanded our capacity to measure the well-being of our employee population through the launch of our Employee Well-Being Questionnaire. This self-reported questionnaire asks a set of validated questions on well-being status, burnout, and social health needs. In 2021, the questionnaire enabled the organization to target support to highly impacted areas during the pandemic, and provided managers a tool to assess the current state of their team's well-being so that targeted solutions and actions could be implemented.

Across the organization, a link has been established between high scores on Kaiser Permanente's People Pulse Culture of Health Index and better performance on certain business outcomes.

Workplace safety

Kaiser Permanente prioritizes the health and safety of its workforce and has 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 set the goal of eliminating all causes of work-related injuries and illnesses to create a workplace free from harm. Through the Labor Management Partnership with the Coalition of Kaiser Permanente Unions and the Alliance of Healthcare Unions, Kaiser Permanente established and maintains 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 is highly visible. Reports are provided regularly to the Kaiser

Foundation Health Plan and Hospitals Boards of Directors. Kaiser Permanente sets goals and benchmarks its 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.

Kaiser Permanente maintains 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 of the communities in which we provide services, operate, or are the building owner. This includes policies to provide clear roles, responsibilities, and requirements for staff and managers who work directly in the clinical care and transport of 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 Kaiser Permanente's enterprise 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. Kaiser Permanente's 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. Financial assistance for higher education is offered to employees through several programs that offer scholarships to employees, and a tuition reimbursement program that provides up to \$3,000 a year.

Kaiser Permanente implemented special temporary programs to support our front-line staff who were caring for our patients, members, and communities during the COVID-19 health crisis. The pandemic presented significant, unprecedented challenges for employees at work while they faced managing sudden and traumatic changes in their daily and family lives. A set of temporary supplemental COVID-19-related benefits and pay programs to help these employees and their families included additional time off, grants to pay for child care, and short-term housing near our medical offices for certain situations.



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 220,000 individuals, we purchase tens of billions of goods and services annually, and we have billions of dollars in assets under management, including our more than 750 hospitals, medical offices, and administrative buildings.

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

At Kaiser Permanente, we consider ourselves 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 such as hospitals, universities, and government agencies 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 opportunity, impeding good health and intergenerational economic mobility. In line with our foundational institutional commitment to racial equity, our anchor strategy seeks to intentionally benefit people of color, people with disabilities, people who identify as LGBTQ+, veterans, and other groups that have faced sustained structural economic disadvantage in America.

Our anchor strategy encompasses commitments to:

- Responsible sourcing and supplier diversity
- Responsible and mission-aligned investment
- 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. Kaiser Permanente’s 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.

Kaiser Permanente participated in Healthcare Anchor Network Policy Day 2022 to advocate for affordable housing and workforce development policies and programs with health systems across the United States, representing more than 800 hospitals in 48 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 opportunity 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 2022, our talent acquisition teams engaged over 3,250 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 hosted just over 1,100 nonclinical interns across the enterprise, 37% converting to full-time jobs.

In 2020, KP helped found [Futuro Health](#), a nonprofit organization that delivers an education-to-work model that supports candidates through career exploration and coaching, education financing, and targeted pathways to help students obtain allied health credentials or licenses. Futuro enrolled 3,332 Futuro Health Scholars in tuition-free allied healthcare education during 2022. Futuro Health fully graduated 1,006 students in 2022. 90% of graduates were people of color and 52% bilingual.

In partnership with The Hispanic Scholarship Fund and The United Negro College Fund, the Kaiser Permanente [National Health Equity Scholars program](#) awarded 435 scholarships to low-income students of color.

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, and translation services.

Kaiser Permanente leverages our purchasing power to promote economic opportunity for diverse small businesses and to support healthy, diverse, equitable, and sustainable economies. Our annual procurement spending generates substantial economic impact in local communities by supporting jobs, generating indirect income, and contributing to federal, state, and local taxes. \$21 billion in procurement in 2022 is estimated to have supported 172,151 jobs and generated \$11.6 billion in income and \$3.4 billion in federal, state, and local taxes.

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 2022, we reached \$3.96 billion in spending with these diverse suppliers.

Along with other members of the [Healthcare Anchor Network](#), Kaiser Permanente is a signatory to the Impact Purchasing Commitment to improve 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 local, employee-owned businesses and businesses owned by women or people of color.

In addition to influencing purchasing decisions, Kaiser Permanente offers 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 opportunity, 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](#).

In 2022, Kaiser Permanente celebrated the finalization of the conversion to employee-ownership for [Courier Corporation for Hawaii](#) and [Apollo Home Healthcare](#) through The Business Resiliency through Employee Ownership (BREO) pilot initiative. (Businesses interested in learning about employee ownership can work with our partners, Project Equity and Obran.)

Case Study: Courier Corporation of Hawaii

Nick Smallwood, owner and founder of Courier Corporation of Hawaii (CCH), a logistics company, always wanted his legacy to reflect his values. Specifically, he wanted to leave his business to his employees. However, in logistics, margins are tight and in Hawaii expenses are high. So Nick knew employees could not afford the price tag, let alone the 20% down payment for a transition loan. That changed when he received a call from an Obran Corporate Development Representative.

Over the next 6 months, Obran realized that in this Kaiser Permanente vendor they had found a business primed for employee ownership and a leader who was excited about scaling ownership across Hawaii and the United States. Ultimately, Obran leveraged their bespoke capital facility, Obran Acquisition Fund I, along with seller financing in order to acquire CCH, bring on 33 new employee-owners, and employ Nick as the new head of Obran Logistics.

Since the acquisition in March 2022, their main focus has been on building relationships with the new employee-owners and creating redundancies for business systems. Obran deployed a rigorous financial education program to make sure all new employee-owners understand CCH's business model.

"As an entrepreneur, if there is a legacy I can leave, it's that my employees, their families, and my community as a whole are thriving because of what we built. Enabling my employees to become owners of our business will make us stronger."

– Nick Smallwood, CEO and former owner of Corporation of Hawaii (CCH)

In addition, wages increased 1% for all employees at the time of acquisition and 1% for the employee owners when they elected to become members of the cooperative. Obran also supplied CCH with working capital and a part-time business consultant who has helped the business grow by finding hidden efficiencies and increasing the number of clients.

1000+
suppliers
educated

66
suppliers
advised

2
businesses
transitioned
to employee
ownership

194
employees
impacted

Responsible and mission-aligned investment

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

We embrace responsible investment practices as a way of conducting our investing program, key factors that can have a material positive impact on risk and outcomes, and creating and preserving capital. The Kaiser Permanente investment funds currently have specific investment exclusions around tobacco and retail firearms manufacturers. As part of our long-standing commitment to addressing the climate crisis, we have invested for over 10 years in renewable energy.

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.

In 2018, Kaiser Permanente established the Thriving Communities Fund, an initial \$200 million allocation from our general balance sheet specifically set aside for impact investments – investments that directly seek to proactively invest in drivers of health in Kaiser Permanente communities while also attaining financial returns (ranging from below market to market rate). In particular, the fund focuses on affordable housing and advancing economic opportunity, in alignment with Kaiser Permanente’s mission to improve length and quality of life, as well as equity of health outcomes in Kaiser Permanente communities. The Thriving Communities Fund’s impact investment strategy seeks to promote sustainable, systemic change for our communities’ most underserved populations.

The commitment to be a leading impact investor has only grown, and we increased the Thriving Communities Fund allocation to \$400 million in 2021.

The Economic impact of our procurement spending

Our 2022 procurement dollars drove economic impact by supporting jobs, generating indirect income, and contributing to federal, state, and local taxes.



As of 2022, the Thriving Communities Fund had committed \$260 million to affordable housing and \$30 million in economic opportunity investment funds, with over \$225 million fully deployed by those funds in Kaiser Permanente communities. Over 10,500 affordable and permanent supportive homes have been preserved and produced, and more than 1,200 high-quality jobs have been created in communities of color with the deployment to date. We committed \$70 million in 2 new affordable housing investments, with [Community Solutions](#) and Avanath.

Facilities planning, design, and construction

Since 2017, we have had a new way of thinking about how we plan and build new facilities. With close to \$3 billion spent annually on constructing, renovating, and maintaining facilities, the opportunity to do this in a way that confers value to the community is tremendous.

By working with the community in deeper ways to understand need, connecting people who face barriers to employment to jobs in construction and health care, addressing neighborhood blight through land redevelopment, and increasing 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.

These include:

- Diverse purchasing requirements determined by project size and applied to general contractors and their vendors
- Diverse and local trade hiring requirements institutionalized in individual contracts



Highlighted Investment: Baldwin Village Apartment Complex, Los Angeles

- This 669-unit naturally-occurring affordable housing complex less than 1 mile from the Kaiser Permanente medical office is at risk of converting to market-rate development at point of sale.
- Our investment partner is Avanath, a Black-owned, mission-aligned private equity firm.
- Our investment helped Avanath secure the financing to win the bid, preserving the units' affordability for 55+ years.
- Rents will be secured at \$1,200 to \$1,400 per month compared to market-rate rents for comparable units in the area at \$3,000 per month (or more).
- Avanath also hopes to add 100 to 120 units to the property to further increase housing stock.
- 98 units will be saved for people experiencing homelessness (Section 8 voucher holders).

- Data analysis (including Community Health Needs Assessments, Neighborhood Deprivation Index, and Kaiser Permanente aggregated member health data) and community engagement to identify needs and opportunities and to determine what the building can contribute
- Sustainable building materials
- Major construction projects achieving LEED, or Leadership in Energy and Environmental Design, Gold or Platinum certification
- Engagement of local artists for facility decoration

As of 2022, Kaiser Permanente had 75 LEED-certified facilities. By certification level: 12 Platinum, 31 Gold, 22 Silver, and 10 certified. Our renewable energy program has installed more than 60 megawatts of solar generation at 107 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 minority-owned businesses in the construction industry. In 2022, we spent \$210 million in Tier 1 and \$165 million in Tier 2 spending with diverse suppliers for design and construction services. We also hosted multiple informational events to build minority-owned construction firm capacity to work directly with Kaiser Permanente or subcontract on our projects.

We are also working with our union and general contractor partners to promote careers in the construction and building industries. We had 179 apprentices working for Kaiser Permanente as of year-end 2022. We worked with the Construction Industry Education Foundation (CIEF) to give 3,800 young people from low-income backgrounds exposure to the construction and building trades. Their experiences included both Trades Day, a construction career exploration, and Design Build, a 2-day competition for high school students and probation departments.

We donated \$20,000 to CIEF NCAL/SCAL to support Trades Day and Design Build competitions and facilitate mentorships. We sponsored the CIEF Women in Construction conference, which had 100 high school students among the 900-plus attendees.

Steady employment can improve a person’s health. [Read more](#) about our work to connect young people to in-demand jobs.

Creating and preserving trust through an ethical culture

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 front lines, are collectively 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 the organization conduct themselves ethically and honestly. It emphasizes that compliance is everyone's responsibility and directs them to resources to help resolve any 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, but are not limited to:

- **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 United States Department of Health and Human Services Office of Inspector General, the Centers for Medicare and Medicaid Services, and the United States Sentencing Commission's Federal Sentencing Guidelines, and applicable state guidance. The program is 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 Centers for Medicare and Medicaid Services 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

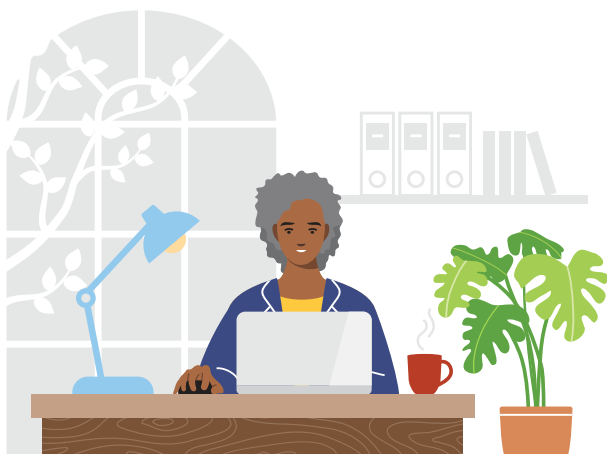
To support the effectiveness of the ethics and compliance program, the Kaiser Foundation Health Plan and Hospitals Boards of Directors set forth a charter establishing a governance and structure designed to facilitate oversight by the boards while maintaining sufficient independence from business operations. The organization designates a chief compliance and privacy officer and an Executive Compliance Committee responsible for implementing and monitoring the program. The work is 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 be in compliance 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



Policies, procedures, and workflows across our organization

Kaiser Permanente develops and maintains enterprise, 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.

Kaiser Permanente also develops 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 non-retaliation; 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 are provided 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 to 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. It focuses on laws, regulations, and ethics and compliance policies and procedures directly relevant to their responsibilities.

Effective lines of communication

Kaiser Permanente is 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, will know who to turn to for a meaningful response and should be able to do so without fear of retribution. In addition, we have adopted the 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 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.



Kaiser Permanente provides its customers and members with information and descriptions of policies and practices to secure protected health information and other personally identifiable information. Learn more about [protecting your privacy](#).

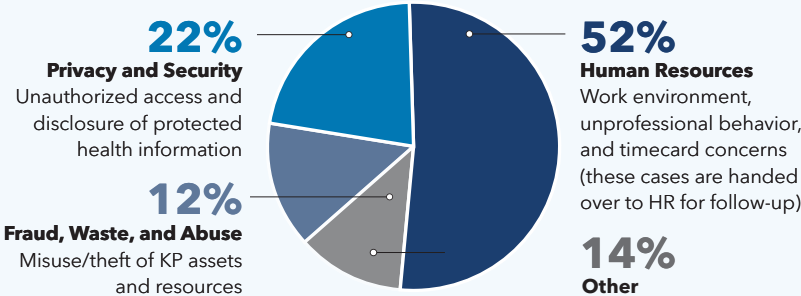
Vendor code of conduct

Vendors play an integral role in our organization’s goal to comply with all applicable laws, regulations, and adherence to internal policies. At Kaiser Permanente, we strive to demonstrate high ethical standards

Ethics and Compliance year in review 2022 investigations



Top investigation categories



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

Kaiser Permanente measures its 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 relevant requirements and standards may be assessed. Monitored activities and processes include but are not limited to the following:

Fraud, waste, and abuse

Kaiser Permanente performs data mining to identify anomalies that may indicate an opportunity to recover funds, avoid inappropriate payments, or detect 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

Employees 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 individuals 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 individuals and entities that are not identified on the 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 Kaiser Permanente's 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 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 our history, Kaiser Permanente's 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, 2022, 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

Access to coverage

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

The Affordable Care Act (ACA) established MBR thresholds of 85% for the large group market and 80% for the small group, individual, and student health markets. MBRs 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. Therefore, Affordable Care Act rebates are not required this year.
- Kaiser Foundation Health Plan 2022 MLRs range from 88.5% to 117.5%.
- Additional details can be found on the CMS website here: <https://www.cms.gov/ccio/mlr>.

Plan performance

- **SASB 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 the Centers for Medicare & Medicaid Services Star Quality Ratings. Of the 507 Medicare Advantage plans with Parts C and D evaluated nationwide in 2022 for plan year 2023, only 57 earned 5 out of 5 stars – the highest possible rating for quality and service. Five of those are our plans, representing 26% of all beneficiaries enrolled in Medicare 5-star plans.

Region	Kaiser Permanente's 2023 overall Medicare ratings
California	5 Stars
Colorado	5 Stars
Georgia	5 Stars
Hawaii	5 Stars
Mid-Atlantic States (D.C., Md., Va.)	5 Stars
Northwest (Ore., Southwest Wash.)	4 Stars
Washington	4.5 Stars

Kaiser Permanente Medicare health plans rated 5 out of 5 stars will be marked with a special icon on medicare.gov.

The outstanding care we provide for our Medicare members is reflective of the same high-quality care that our entire membership receives, across the organization, regardless of plan type or line of business.

- **SASB 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 compare who was enrolled in a Kaiser Permanente plan at end of December 2021 to who is still enrolled in a Kaiser Permanente plan in December of 2022. We have 87.6% retention across lines of business, products, and regions.

Improved outcomes

- SASB 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 wellbeing 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	11.1M
	Lab tests viewed	74M
	Prescriptions filled online	42.8M
	Members with digital access	85%
Email	Email exchanges	71.1M
Phone and video	Phone and video visits	24.5M
	% of all care interactions	15%
E-visits	# of e-visits	10.6M

- SASB HC-MC-260a.2:** Total coverage for preventive health services with no cost sharing for the enrollees, total coverage for preventive health services requiring cost-sharing by the enrollee, percentage of enrollees receiving Initial Preventive Physical Examinations (IPEE) or Annual Wellness Visits (AWV)

All Kaiser Permanente's plans are compliant with the federal Patient Protection and Affordable Care Act (PPACA). 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, which are not required to adhere to the PPACA rules for preventive services.

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

The Patient-Centered Medical Home (PCMH) recognition from NCQA is given to health care organizations 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 patients, 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 approach 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.

Customer privacy and technology standards

- **SASB 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. Kp.org and my.kp.org 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 (HIPAA), which strictly adheres to all state and federal privacy and security regulations.

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, including:

- Perimeter network security devices (network firewalls, web application firewalls)
- Access control lists for network routing and system/data level resources
- Secure Socket Layer (SSL) and Transport Layer Security (TLS) to secure browser/server to server communications
- Vulnerability, Configuration, and Patching Management program to ensure technical security flaws are remediated timely
- Technical security standards to ensure systems are designed to high security standards
- Anti-virus, phishing, and malware applications
- File and hardware encryption
- File integrity monitoring
- Logging and auditing to enable 24x7 threat detection, response and prevention capabilities

- User access restricted to the minimum necessary information to perform job functions
- Multi-Factor Authentication is required for remote connections

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 two data centers (Irvine, CA, and Napa, CA) that have failover capabilities – immediately available stand by web servers – so that our availability to all membership in all regions is estimated at or above 98.5%.

Our code of conduct

Every individual 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 the following:

- Federal, state, and local laws and regulations
- The requirements of the Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules
- Federal health care program requirements
- Licensing requirements
- Accreditation standards
- Requirements of the Centers for Medicare and Medicaid Services (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 enterprise. 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 (SSAE) No. 16 to customers requiring assurance over relevant IT, Security, and Business controls.

Activity metric

- **SASB 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 2022:

Category	% of total	# of members
Commercial	44%	5,386,841
Public sector	22%	2,756,086
Medicare	15%	1,837,552
Individual	9%	1,065,275
Medicaid	10%	1,294,449
Total		12,340,203

Health care delivery

- **SASB HC-DY-130a.1: Energy Management**

Total energy consumed: 9,908,011 Gigajoules. Percentage grid electricity: 53%. Percentage renewable energy: >53%.

- **SASB HC-DY-150a.1: Waste Management**

Total amount of medical waste, 29,100 tons: 19% incinerated in 2022. 81% autoclaved and then landfilled.

- **SASB HC-DY-450a.1: Climate Change Impacts on Human Health & Infrastructure**

Climate change directly impacts the populations in all geographical areas that KP serves. While all regions in which Kaiser Permanente 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 for continuous operations ... anticipating the needs of groups in their community that experience disproportionate risk of climate-related harm.”

Kaiser Permanente’s Emergency Preparedness program internally ensures all our medical facilities comply with CMS’s Emergency Preparedness Rule.