Kaiser Permanente in Oregon

Kaiser Permanente is an integrated healthcare organization consisting of three distinct entities: Kaiser Foundation Health Plan, Kaiser Foundation Hospitals, and separate autonomous medical groups. It provides service in eight geographical regions, each with its own administration and Permanente medical group. The national headquarters is in Oakland, California. Medical services in Oregon and Washington are provided by the Northwest Permanente medical group. The region is unusual in that it provides a dental program and has a medical services research center.

The organization had its beginnings in World War II Portland. Early in 1941, Henry Kaiser and his associates began building Liberty Ships for the British Admiralty, which was losing merchant vessels to Nazi U boats. They built shipyards in Richmond, California, and on the Willamette River near the St. Johns neighborhood in north Portland. After the bombing of Pearl Harbor on December 7, 1941, Kaiser constructed two more shipyards—one on Swan Island, formerly the site of Portland's municipal airport, and one on the north side of the Columbia River, a mile east of Vancouver, Washington. Thousands of workers and their families came to the Portland-Vancouver area to work in the yards.

Henry Kaiser and his son Edgar, who was in charge of the Portland-Vancouver shipyards, saw that the medical care for the workers and their families would be woefully inadequate if they had to depend on the available healthcare system. They got in touch with Sidney Garfield, a surgeon who had organized a prepaid, group-practice, medical-care program for Kaiser's workers at the recently completed Grand Coulee Dam. Garfield believed that healthcare funding could be provided through a nonprofit medical foundation. Henry Kaiser agreed.

In July 1942, the the Henry J. Kaiser Company established the Permanente Foundation in California, and within months the Northern Permanente Foundation was serving Portland-Vancouver shipyard workers. "Permanente" is derived from Permanente Creek on Black Mountain near Cupertino, California. Henry Kaiser's first cement plant was adjacent to the creek.

As the shipyards began closing down during the last year of World War II, the termination of the health plan was imminent and a small number of physicians decided to offer a health plan to the community. The Permanente Foundation Health Plan thrived in California, but it initially faltered in the Oregon-Washington area. Dr. Ernest Saward led the organization through this difficult time.

In 1959, Bess Kaiser Hospital was completed in north Portland, and the Vancouver Northern Permanente Hospital closed. The result was a substantial growth in health plan membership. The name Kaiser replaced the name Permanente for the title of the health plan; the medical groups retained the Permanente name.

In the early 1950s, Henry Kaiser involved himself more in the healthcare organization and interfered with physician management. In 1955, the differences between Kaiser and the physicians developed into a crisis, which was solved by a codified agreement regarding responsibilities and finances. The agreement allowed a healthy growth of a system with successful partnerships between regional Health Plan managers and regional medical directors.

In 1969, Saward, who believed that his longstanding leadership was interfering with the development of new leaders, took a leave of absence. Surgeon Lewis Hughes became medical director in Oregon and partnered with Health Plan Manager Scott Fleming. One of their projects was the planning and construction of Kaiser Sunnyside Hospital in Clackamas. In 1976, pediatrician Marvin Goldberg from the Kaiser Southern California Region became medical director and was joined by Daniel Wagster as regional manager. Their activities included expansion to Salem and Longview, Washington.

Pediatrician Fred Nomura was elected medical director in 1986; Michael Katcher was regional manager. It was a time of financial stress as well as a nurses' strike, but their partnership functioned successfully. In 1992, Medical Director Allan Weiland and Regional Manager Barbara West began an era of many changes: an attempt to affiliate with Group Health Cooperative of Puget Sound, the institution of electronic medical records, the closure of Bess Kaiser Hospital, and the utilization of community hospitals.

In 2002, Cynthia Finter became regional manager, and the partnership of Health Plan with the Northwest Permanente medical group was tested by a large restructure in operations. In 2007, Sharon Higgins became the first woman medical

director. Northwest membership was 486,000 in 2010 (national membership was reported to be 8.6 million).

The Kaiser Sunnyside Medical Center in Clackamas includes a cardiovascular surgery center as well as an inpatient mental health unit. The Sunnyside campus has three free-standing medical offices, a centralized processing center, and centralized supply center. The region has 27 medical offices, and a 47,000-square-foot facility houses a computerized regional laboratory in the outskirts of northeast Portland. Construction of the Kaiser Permanente Westside Medical Center in Hillsboro began in 2009 and will be completed in 2013, providing hospitalization for surgical and medical patients, obstetrical services, and an emergency department.

Written by Ian MacMillan

Further Reading:

Kaiser Permanente Medical Care Oral History Project. Berkeley: University of California Bancroft Library. bancroft.berkeley.edu/ROHO/projects/kaiser/index2.html.

Kaiser Permanente. "Kaiser Permanente: More than 60 Years of Quality." xnet.kp.org/newscenter/aboutkp/historyofkp.html.

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