

FAST FACTS ABOUT GROUP HEALTH

JUNE 2005

Group Health is a nonprofit health care system that provides both medical coverage and care. More than 540,000 residents in Washington state and North Idaho are covered by health plans offered by Group Health Cooperative or its wholly owned subsidiary, Group Health Options, Inc. More than 70 percent of members receive care in Group Health–owned medical facilities.

The Group Health family of organizations includes Group Health Cooperative (1947) with its research arm—the Group Health Center for Health Studies (1983), Group Health Options, Inc. (1990), Group Health Permanente medical group (1997), and Group Health Community Foundation (1983). These organizations—and the staff who support them—share a common purpose to transform health care, working together to improve the care and well-being of members, patients, and communities.

Group Health Cooperative was opened in 1947 by a community coalition dedicated to making quality health care available and affordable. Today it is one of the few health care organizations in the country governed by consumers rather than internal executives. Its 11-member Board of Trustees—all health-plan members elected by other members—work closely with management and medical staff to ensure that the organization's policies and direction put the needs of patients first.

Group Health Cooperative, together with its subsidiary Group Health Options, Inc., operates in all or parts of 20 counties in Washington and two counties in North Idaho. In Washington, Group Health Cooperative offers coordinated-care plans for both groups and individuals, a Medicare plan, and a plan for residents who qualify for Healthy Options (Medicaid), Basic Health, and the State Children's Health Insurance Plan.

Care is provided by Group Health Permanente doctors and other clinicians at Group Health-operated medical facilities. In service areas where Group Health doesn't own facilities and for plans offering more choice, a network of more than 6,500 community clinicians and 39 hospitals meets member health care needs.

Group Health Options, Inc., was incorporated in 1990 as a wholly owned subsidiary of Group Health Cooperative. It offers a variety of health plans in Washington and Idaho that provide choice and flexibility to meet the needs of large and small employers. These range from a defined physician–network plan to point-of-service plans in which members can get care from outside the network for higher out-of-pocket costs.

EXECUTIVE OFFICERS

Chair of the Cooperative: Ruth Ballweg

Vice Chair of the Cooperative:
Jerry Campbell

President and CEO: Scott Armstrong

Medical Director: Hugh Straley, MD

Executive Medical Director, Columbia Region: Jack Dutzar, MD

Executive Vice
President, Strategic
Services and Quality:
James Hereford

Executive Vice President, Columbia Region: Janet Liang

Executive Vice
President, Public Affairs
and Governance:
Pam MacEwan

Executive Vice
President, Health Plan,
Sales, and Marketing:
Maureen McLaughlin

Executive Vice
President, Puget Sound
Region:
Peter Morgan

Executive Medical Director, Puget Sound Region:

Michael Soman, MD

Executive Vice President and Chief Financial Officer:

Jim Truess

Executive Vice President and General Counsel:
Rick Woods, JD

STATISTICS

Membership (May 2005): 544,800

Service area: All or parts of 20 counties in Washington state and 2 counties in North Idaho

Revenues (2004): \$2.11 billion

PEOPLE

Total staff (May 2005): 9,688 (7,039 FTEs), including Group Health Permanente

Physicians (May 2005): 812

FACILITIES

Hospitals: 2

Primary care medical centers: 25

Specialty care units: 6

Behavioral health clinics: 9

Available to the public as well as members:

See Centers/Vision Centers at Group Health:16 locations

Group Health Hear Centers: 5 locations

Group Health Speech, Language, and Learning Services clinics:

6 locations

Take Care Stores: 4 locations

CONTRACTED PROVIDERS

Hospitals: 39

Practitioners: More than

6,500

Group Health Permanente. Physicians have played a key role in Group Health Cooperative's history and continue to oversee every aspect of clinical care and quality. Their commitment to family medicine and prevention has shaped a broad approach to care at Group Health, one that focuses on the whole patient, not just an illness or condition.

After more than 50 years as Group Health staff, our doctors formed Group Health Permanente (GHP), an independent professional corporation, in 1997. This multispecialty medical group—the largest in Washington state—is under exclusive contract to provide care in Group Health-owned or operated facilities, and works in partnership with Group Health Cooperative management.

Group Health Center for Health Studies conducts epidemiologic, health-services, and clinical research related to prevention, diagnosis, and treatment of major health problems. Funded primarily through government and private research grants, the center is located in Seattle. It has 220 full- and part-time staff, including some 40 university faculty members.

Since the center's founding, researchers have published more than 1,600 scientific journal articles—many of these collaborations with researchers from the University of Washington, Fred Hutchinson Cancer Research Center, and other institutions. CHS research has helped Group Health become a national leader in areas such as breast cancer screening, immunization, and chronic disease management.

Group Health Community Foundation uses grantmaking, school outreach, fundraising, and evaluation consulting to improve the health of children and teens and promote diversity in health care. The Foundation is Group Health's philanthropic arm and has awarded more than \$5 million in grants since 1983. In 2005, the Foundation anticipates awarding more than \$590,000 in grants to community groups and Group Health programs.

PURPOSE, MISSION, AND VALUES

Purpose. Group Health exists to transform health care, working together every day to improve the care and well-being of our consumers and communities.

Mission. Group Health is a consumer-governed organization whose mission is to design, finance, and deliver high-quality health care.

Values. In carrying out our purpose and mission, we demonstrate these core values: respect, scientific discipline, integrity, pioneering spirit, and stewardship.

GOVERNANCE

Group Health is one of the few consumer-governed health care organizations in the country. All health plan participants 18 years and older are eligible to become voting members at no additional cost. Voting members elect the 11-member Board of Trustees and decide on organizational bylaw amendments and policy-related advisory resolutions. There are more than 33,500 voting members.

Members also influence care and policy by becoming Board committee members (addressing areas such as benefits and appeals), serving on focus groups that evaluate care and service issues, participating on local advisory councils, or joining the Senior Caucus to advocate for senior health care needs.

GETTING CARE

Depending on geographic location, health plan, and services needed, members get care in different ways and settings:

From the Group Health Permanente medical group in Group Health-owned medical facilities located in the Puget Sound-area, Spokane, Central Washington, and Coeur d'Alene.

From over 6,500 doctors and health care professionals and 39 hospitals contracted with Group Health to provide care.

From centers of excellence for procedures that are highly technical and specialized, like organ transplants.

From Kaiser Permanente facilities and physicians in California, Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Southwest Washington, Virginia, and the District of Columbia through a reciprocal agreement.

INNOVATIONS

One stop for basic services. Family medical centers feature doctor offices, a pharmacy, and lab services together in one convenient location.

Medical advice anytime, anywhere. One of the nation's first free consulting nurse hotlines (1970), available to most members 24/7.

A focus on prevention. A focus on wellness and preventive care through education, screenings, immunizations, and an award-winning tobacco cessation program.

Evidence-based medicine. Nationally respected treatment guidelines developed from comprehensive, physician-led reviews of best-available research.

An advanced electronic medical records system. EpicCare—a sophisticated clinical information system—supports greater accessibility, coordination, and patient confidentiality systemwide.

CUTTING-EDGE ONLINE SERVICES

All members can:

- Refill prescriptions and over-the-counter medications online and receive free mail delivery of refill prescriptions.
- See detailed, easy-to-understand information on more than 5,000 topics on Healthwise® Knowledgebase.
- View Explanation of Benefits statements to discern how individual claims were paid.

Members receiving primary care at a Group Health-owned facility can also:

- Request or cancel non-urgent primary care appointments online.
- From any place in the world, exchange secure e-mail with Group Health physicians providing their care.
- · View online lab results and some of their clinical records.
- Review summaries of recent doctor visits, including patient instructions.

GROUP HEALTH PERMANENTE

Medical group: 1,150 (796 FTEs)

Specialties and subspecialties: 45

Board certification:

90% family practice, 93% pediatrics, 97% Ob/Gyn; 84% other specialties.

President:

Hugh Straley, MD

Chair, Board of Directors:
Mike Wanderer, MD

GROUP HEALTH COOPERATIVE HEALTH PLANS

Individual/Family plans
Group plans
Medicare Advantage
Basic Health (State of
Washington plan)
Healthy Options
Washington State Children's
Health Insurance Plan

GROUP HEALTH OPTIONS, INC. HEALTH PLANS

Options Health
(point-of-service plan)
Options PPO
(preferred provider
organization)
Options Select Health
(defined-network plan)
Alliant Plus Health
(point-of-service plan)
Alliant Select Health
(defined-network plan)

MAJOR EMPLOYER GROUP ACCOUNTS

Boeing
Federated Department Stores
Fred Hutchinson Cancer
Research Center
Home Depot
Lockheed Martin
Microsoft
Nordstrom
Safeco
Washington Mutual
Wells Fargo & Company

GROUP HEALTH CENTER FOR HEALTH STUDIES

Established: 1983 Ongoing research studies: 150

Journal publications in 2004: 137

Research grants received in 2004: More than \$25 million

Divoctory

Eric B. Larson, MD, MPH

GROUP HEALTH COMMUNITY FOUNDATION

Activities: Grantmaking, community programs support, evaluation and research, fundraising

Total grants in 2005: More than \$590.000

Funds raised in 2004: \$1.5 million

Donors: 5,700

Endowment: \$12.7 million

Foundation President and CEO: Laura Rehrmann

Web site: www.ghcfoundation.org

ACCREDITATION

Health plans: Top rating of "Excellent" for commercial and Medicare plans from the National Committee for Quality Assurance (NCQA)

Hospitals and labs: Joint Commission on Accreditation of Healthcare Organizations (JCAHO)

FOR MORE INFORMATION

Group Health Cooperative Communications & Community Relations 521 Wall St., ACC-1 Seattle, WA 98121

Phone: 206-448-6135 Fax: 206-448-4010 www.ghc.org

AFFILIATES

Kaiser Permanente and Group Health affiliated in 1997. Each remains independent and separate, but work together in areas such as marketing to regional and national customers, sharing best clinical practices, and full-service member reciprocity.

NOT-FOR-PROFIT STATUS

At Group Health Cooperative, accountability is to members and the community—not to shareholders. All earnings above costs are returned to members in the form of investments in improved medical and information technologies, facilities, and reserve funds required by the state to ensure financial stability.

COMMUNITY SUPPORT

Group Health Cooperative's long tradition of community involvement—in conjunction with the Group Health Community Foundation—includes outreach programs, partnerships, and community sponsorships. Our community contribution program provides financial and in-kind support for charitable, nonprofit organizations, and we coordinate a variety of volunteer opportunities as well.

By focusing on concerns such as children's health, promoting physical fitness, improving access to health information, and supporting cultural diversity, Group Health is helping to make a difference.

Group Health's most recent community commitment involves promoting cycling as a healthy year-round activity for the entire family. The bicycling campaign includes naming the Group Health Velodrome in Redmond and endorsing Team Group Health, a women's cycling team. Group Health participates in cycling events all over Washington and is the title sponsor of the Group Health Seattle International Bike Expo in March and the Group Health Seattle to Portland Bicycle Classic in July.

NATIONAL AWARDS AND RECOGNITION

A leading consumer magazine ranked Group Health Cooperative No. 3 among HMO plans nationally in 2003, as rated by magazine readers.

The Foundation for Accountability, a national organization advocating for an accountable and accessible health care system, gave Group Health the 2003 Ellwood Award for creating unprecedented electronic health care access for members through MyGroupHealth.

The Annual National Health Information Awards Program recognized *Northwest Health*, Group Health's member magazine, as among the nation's best for its promotion of health and injury prevention.

eHealthcare Leadership Awards has awarded Group Health's member Web site at www.ghc.org top honors for Best Site Design, Best Overall Internet Site, and Best e-Business Site.

ABC News prominently featured Group Health Cooperative's nationally recognized approach to evaluating drugs in a 2002 primetime special report entitled "Bitter Medicine: Pills, Profit, and the Public Health," hosted by Peter Jennings.