



LETTER FROM BOARD MEMBER—**CYNTHIA A. TELLES, PHD**

Dear Friends and Colleagues:

Kaiser Permanente has a long, proud history of social benefit aimed at community health improvement, disease prevention, reduction of health disparities, and the development and dissemination of evidence-based medicine. In fact, community benefit is a central part of our mission. As a nonprofit organization, we dedicate our assets to public and charitable purposes, which include charity care but extend well beyond our clinics and hospitals. This past year alone, more than \$1 billion was invested in a multitude of community benefit programs across the country.

The proper stewardship of these resources on behalf of the community is a high priority of the board of directors, which leads and oversees this critical work. In 2001, the board conducted a sweeping review of our community benefit activities and resolved to strengthen the program and to “answer key questions about health and health care in America.” In 2002, the board established a standing community benefit committee to provide strategic direction and oversight for this work. The committee formulates the vision; oversees the design of initiatives; approves community benefit spending plans, large grants, and regulatory filings; evaluates major community benefit initiatives; and assesses the performance of the program. Each year, the committee develops priorities that are responsive to the evolving needs of our communities, such as caring for the uninsured, measurably improving community health, eliminating racial and ethnic disparities, elevating the quality of care in Medicaid, and becoming a model for environmental stewardship.

This past year, our nation faced severe economic challenges, which created a disproportionate burden on the most vulnerable. Government funding cuts have severely strained the “safety net” and the community clinics, and, at the same time, the demand for food, medical care, and social services has increased dramatically. The community benefit committee is committed to ensuring that Kaiser Permanente will be a reliable partner in working with communities to find solutions to the immediate crises and to advocate for policy change that will create a better future.

We offer our gratitude to our community benefit staff for their dedicated work, to our employees and physicians for their extraordinary volunteer work in our communities, and to our partners and grantees for their remarkable efforts. Most important, we applaud the many highly devoted people in our communities who have labored with courage and tenacity to enact change that will provide quality health care and promote health for all Americans.

Together, we will strengthen our communities and thrive!

Sincerely,

Cynthia A. Telles, PhD
 Chair, Community Benefit Committee
 Board of Directors
 Kaiser Foundation Health Plan, Inc.
 Kaiser Foundation Hospitals

LETTER FROM SENIOR VICE PRESIDENT—**RAYMOND J. BAXTER, PHD**

Dear Friends and Colleagues:

At the beginning of 2008, approximately 46 million people in the United States were uninsured—comparable to the population of 23 states. This year, many more are joining the ranks of the uninsured as a result of the economic crisis we currently face.

In response to these very challenging times, we are strengthening the communities we serve by improving access to high-quality health care and investing in the creation of healthy environments.

I invite you to review this report on our community benefit activities and performance in 2008. Kaiser Permanente invested more than \$1 billion to provide health coverage to those in need, drive improvements in community health, reduce health disparities, strengthen our partnerships with community-based organizations and help make total health a reality for everyone.

As the economy deteriorated in 2008, and more people lost their jobs and health benefits, enrollment in our Charitable Health Coverage programs grew by 16 percent, with year-end enrollment surpassing 100,000 members. All of our regions now offer at least one charitable coverage program tailored to the unique needs of their local communities.

We reinforced our participation in government programs for low-income individuals and families, and provided care to more than 300,000 Medicaid and Children’s Health Insurance Program members, an 11 percent increase in membership over the previous year.

We also continued our commitment to reshaping the social, economic, and environmental conditions that affect the health of our communities. Last year, we were either the principal sponsor or cosponsor of intensive, place-based Healthy Eating Active Living initiatives in 40 communities. We’re helping to build vibrant neighborhoods because we believe that healthy communities and healthy environments are critical to individual health and wellness. All in all, we provided grants to 2,414 organizations in our communities last year.

Our commitment to improving the health of the communities we serve has been part of Kaiser Permanente’s mission for more than 60 years. This report details just a few of the things we did to help make better health a reality for everyone during 2008.

What others can only imagine, we pursue as a reality.

We hope this report will help you learn more about our programs and the communities with whom we are engaged.

Sincerely,

Raymond J. Baxter, PhD
 Senior Vice President, Community Benefit,
 Research and Health Policy
 Kaiser Foundation Health Plan, Inc.
 Kaiser Foundation Hospitals

Committee Members:

- JOHN AUGUST
- THOMAS W. CHAPMAN, MPH, EDD
- JOHN H. COCHRAN, MD
- J. EUGENE GRIGSBY III, PHD
- JUDITH A. JOHANSEN, JD
- KIM J. KAISER
- SANDRA P. THOMPSON, JD