

Internal Reporting Mechanisms for Environmental Performance

Kathy Gerwig

Vice President, Workplace Safety and Environmental Stewardship Officer

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Kaiser Permanente.

About Kaiser Permanente

- At Kaiser Permanente, we play every position across the health care continuum. We provide the health care, the medical facilities and the insurance coverage.
- Founded in 1945, KP is the nation's largest not-for-profit health plan
- Nine states and Washington DC (CA, CO, GA, HI, MD, OH, OR, VA, WA)
- Health plan members, 8.9 million
- Employees, 167,000
- Physicians, 14,600
- Medical offices (clinics), 431
- Hospital-based medical centers, 36
- Square feet of real estate: 69 million
- Operating revenue, \$41 billion
- Doctor office visits, 37 million
- Prescriptions filled, 129 million
- Surgeries, 547,338
- Mammograms, 1.1 million
- Secure e-mails sent to physicians and clinicians in 2010, 10 million

Implications for public reporting

Today's Agenda

Objective:

Share how Kaiser Permanente (KP) governs its environmental performance through a variety of internal reporting mechanisms.

Topics:

- Background on KP and our environmental stewardship program, including governance structure
- Goals and internal reporting for
 - Safer chemicals
 - Climate/energy
 - Waste minimization
- What we report publicly
- Q&A

Why Environmental Stewardship at KP?

It's about health.



"We aspire to provide health care services in a manner that protects and enhances the environment and the health of communities now and for future generations."

Integration into KP's Strategy

KP's Strategic Imperatives

Transforming Quality and Service

Growing Membership

Improving Cost Structure

Implementing Infrastructure

Enabling Performance through People

Environmental Stewardship Contributions

Reduce environmental contributors to disease

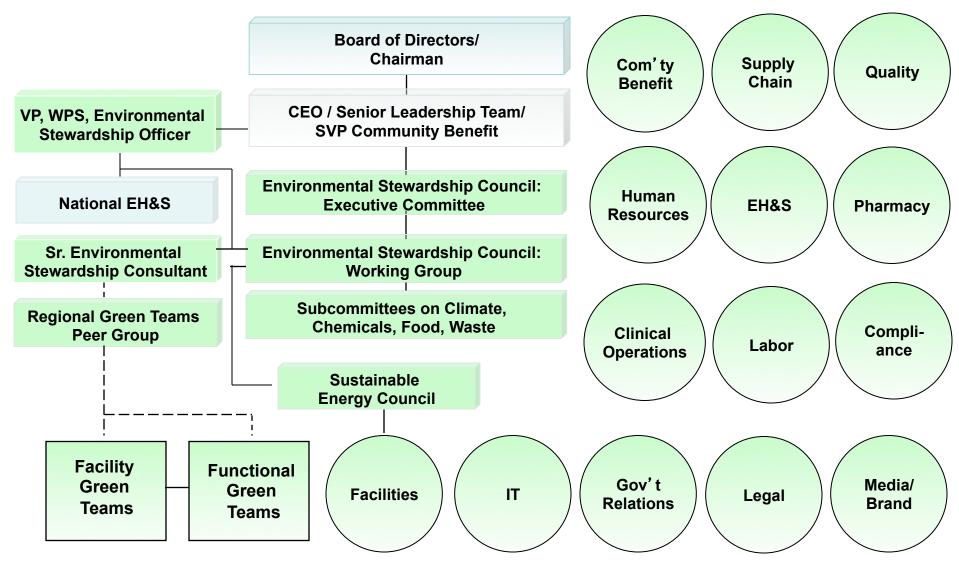
Attract "green" consumers

Saved \$26 million in 2010

Reduce vehicle trips through e-mailing your doctor

Empower staff through Green Teams

Governance, Accountability, Structure



Environmental Stewardship Priorities

Safe Chemicals



Climate/Energy



Waste Reduction

Water

Sustainable Food







Safer Chemicals

KP's Guideline:

We aim to advance an economy where the production and use of chemicals are not harmful for humans or the environment.



Sustainability Scorecard for Suppliers

- Supplier disclosure required
- Part of formal bid process
- 17 corporate level questions
- Product-specific:
 - 10 questions re chemicals
 - 5 questions re waste
- \$130 billion impact (Washington Post Oct 12)
- KP is leading the way for the entire health care sector
- Access the scorecard: <u>www.practicegreenhealth.org</u>



Sustainability Scorecard for Suppliers

Chemical and Waste Questions

- 1 point for yes and 0 for no:
- Electronic parts compliant with RoHS
- Free of Bisphenol A



- All homogenous materials contain less than 1000 ppm of bromine and chlorine
- Free of polyvinyl chloride
- Free of any phthalates
- Free of California Prop 65 Chemical greater than threshold
- Does not create or become hazardous waste
- Free of antimicrobial/antibacterial agent
- Product designed for multi-use
- Product and packaging are labeled clearly
- Product contains more than 10% post-consumer recycled content
- Primary Packaging more than 10% post-consumer recycled content
- Secondary Packaging- more than 30% post-consumer recycled content

Climate/Energy

KP's Guideline:

The health effects of climate change directly impact KP's ability to fulfill our promise of quality, affordable healthcare. We affirm our commitment to implement strategies that reduce greenhouse gas emissions related to our energy consumption and choice of energy sources.



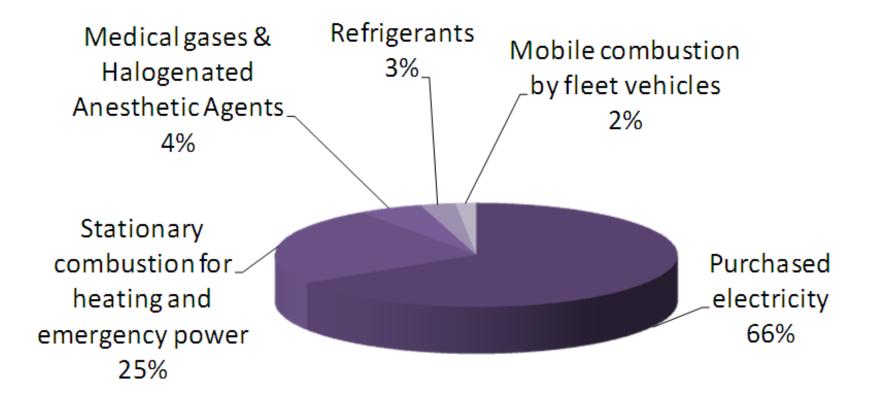
Climate Goals and Reporting

- 30% reduction in GHG by 2020 (2008 baseline)
- Internal reporting
 - Energy Officers
 - Annual goals and plans
 - Annual performance report
- Environmental Stewardship Council reviews/approves



Climate/Energy

Greenhouse Gas Emissions by All Kaiser Permanente Operations in 2010 Preliminary Emissions Estimate: 865,421 metric tons CO₂e



Waste Minimization

KP's Guideline:

Promote individual and community health, environmental stewardship, cost savings and legal compliance by reducing the total amount of waste that is generated in KP buildings.



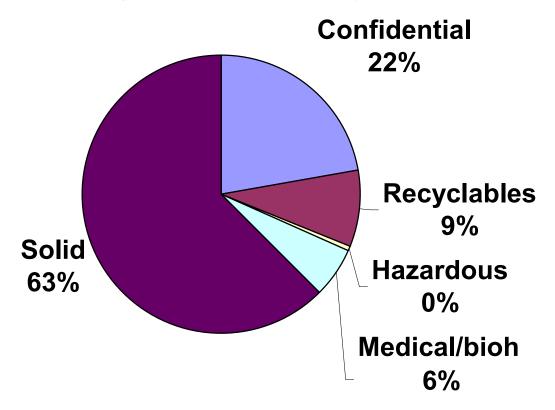
Waste Goals and Reporting

- 40% landfill diversion by 2015
- Internal reporting
 - Accountable executives in each region
 - Annual goals and plans
 - Annual performance report
- Environmental Stewardship Council reviews/approves





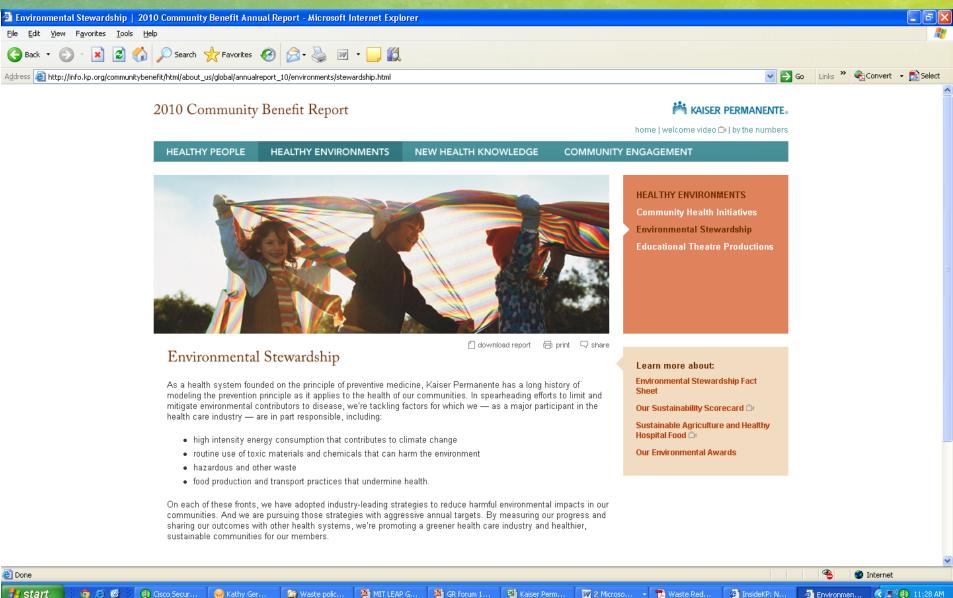
We are diverting 31% of operational waste from landfills, with a goal to divert 40% by 2015.



(Excludes construction waste which has very high diversion rate.)

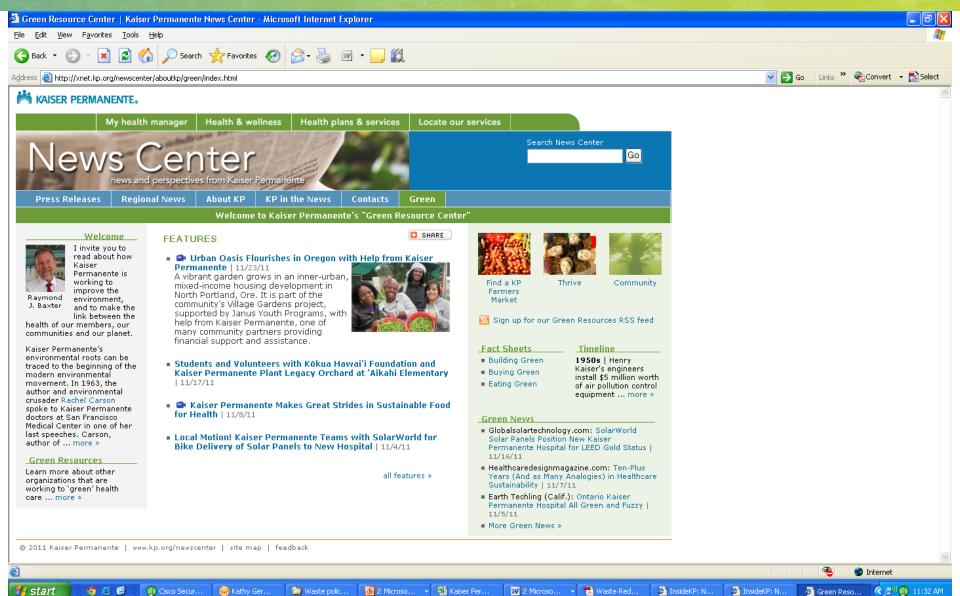
What we report publicly

www.kp.org/communitybenefit



What we report publicly

www.kp.org/green



Healthier Hospitals Initiative

http://www.healthierhospitals.org/

- Developing shared metrics and aggregate reporting
 - Energy
 - Waste
 - Purchasing
 - Chemicals
 - Food

Q & A

