

March 5, 2013

Jenny J. Ming, KFHP Board of Directors
W Hotel
181 3rd St.
San Francisco, CA 94103

Dear Ms. Ming:

Enclosed, please find a variety of materials we've prepared for you regarding the crisis affecting Kaiser's mental health services in California. We're the licensed mental health clinicians who care for Kaiser's members in more than 100 clinics, Emergency Departments and other sites throughout California. Altogether, we number about 2,500 Psychologists, Licensed Clinical Social Workers, Licensed Marriage and Family Therapists, Psychiatric Registered Nurses and others. We care for patients with a variety of diagnoses including Depression, Bipolar Disorder, Schizophrenia, Anxiety, and Autism Spectrum Disorders.

For more than a decade, we've attempted – unsuccessfully – to get Kaiser's managers to address the severe understaffing problems that affect our patients each and every day. In 2011, we brought these issues to Kaiser's managers during negotiations between our union, the National Union of Healthcare Workers, and Kaiser. Unfortunately, Kaiser's managers refused to discuss the problems.

As a result of this refusal, we spent the next 6 months conducting our own analysis of the problem, and wrote a 35-page report entitled "Care Delayed, Care Denied" (see attached). We presented this study to Kaiser's managers and asked if they would now work constructively with us to solve the severe problems affecting our patients. Once again, Kaiser's managers refused to discuss the issue with us.

Having run into a brick wall with Kaiser's managers, we presented our paper to the California Department of Managed Health Care (DMHC), the state agency responsible for regulating HMOs. The agency conducted an 18-month investigation into the problems cited in report. In March of 2013, the DMHC issued a 22-page report that validated our findings and cited Kaiser for committing multiple "serious" and "systemic" violations of state law, including California's Mental Health Parity Act (see attached).

In June of 2013, the DMHC levied a \$4 million fine against Kaiser due to the seriousness of the violations. The \$4 million fine is the second largest in the history of the DMHC. The agency also imposed a "Cease and Desist Order" against Kaiser.

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Since then, patients have filed two class-action lawsuits against Kaiser for denying them access to mental health care.

To date, Kaiser has not corrected the severe under-staffing problems affecting our patients. Many of our patients must wait weeks and months to get basic care. Recently, one of our mental health clinics suffered an unprecedented spate of 7 suicides that we believe is directly related to the severe under-staffing problems. We've attached a letter from the clinic's staff to the Chief of Psychiatry describing this crisis.

We understand that you, as members of Kaiser's Board of Directors, are ultimately responsible for Kaiser's practices, patient care decisions and internal systems. We would like to meet with you to discuss these problems and the serious internal failures that have allowed these problems to persist for so long. Please contact one of our union's staff people (Fred Seavey at fseavey@nuhw.org 510-834-2009) so that we can arrange a time to meet with you to discuss these critical problems.

Sincerely,

Kaiser Mental Health Clinicians