Henry J. Kaiser in Modern Healthcare's Health Care Hall of Fame

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Henry J. Kaiser, inducted into Health Care Hall of Fame

Henry J. Kaiser (1882-1967), the co-founder of Kaiser Permanente and a titan of industry during the first half of the 20th Century, has been inducted into Modern Healthcare's Health Care Hall of Fame for 2011.

Along with Sidney R. Garfield, MD (1906-1984), Kaiser was a champion for a new kind of health care system in a period when prepaid, group practice was not accepted by the American medical establishment. "He is greatly restless and restlessly great, one of America's last real Horatio Algers," the Oakland Tribune and Parade magazine said of him in 1958.
"I am very pleased to hear that my grandfather, Henry J. Kaiser, has been selected as one of Modern Healthcare's 2011 Hall of Fame inductees," said Kim J. Kaiser of the Kaiser Foundation Health Plan and Hospitals Board of Directors.

"Henry Kaiser created many successful businesses during his life, but he was most proud of Kaiser Permanente. It is fitting that he join 1988 Hall of Fame inductee, Sidney R. Garfield, MD, since it was the partnership between an entrepreneur and business leader, and a dedicated and innovative physician which created the Kaiser Permanente prepaid, integrated health care model. Henry Kaiser and Sid Garfield would be pleased to see how their partnership continues today."

**Henry Kaiser in good company in Hall of Fame**

Modern Healthcare and the American College of Healthcare Executives created the Health Care Hall of Fame to honor men and women who have made outstanding contributions to the health care industry. Prior to this year's inductees, 87 health care visionaries and innovators had been inducted.

Among those 87 are Sidney Garfield, MD, who was inducted in the hall of fame's inaugural class in 1988. Other honorees include American Red Cross founder Clara Barton (1993), chairman of Johnson & Johnson Robert Wood Johnson (1990), former U. S. surgeon general C. Everett Koop (1997), and Massachusetts Senator Edward "Ted" Kennedy (2010).

At age 75 when Henry Kaiser's industrial empire was at its zenith, the builder of some of the 20th century's iconic bridges, dams, ships, airplanes, and automobiles said, "Of all the things that I've done, I expect only to be remembered for my hospitals. They're filling the people's greatest need ? good health."

**Health plan has roots in Great Depression**

With Sidney Garfield, Kaiser forged Kaiser Permanente out of the challenge to provide Americans quality medical care during the Great Depression and World War II, when most
The health care program that today bears his name emerged in all but name in the late 1930s when Kaiser was establishing his reputation as the builder of the great dams of the American West—Hoover, Bonneville, and Grand Coulee. In 1938 he partnered with Garfield to provide health care for his workers at the remote Grand Coulee site in Mason City, Washington.

Garfield had earlier successfully experimented with prepayment in a five-year industrial medical care program in the deserts of southern California. Prepayment took the form of a modest, affordable, payroll deduction that spread the cost of care for the injured and ill over a large number of healthy people, and it ensured a stable income by which a medical care operation could meet expenses.

**Workers' health paramount to Kaiser**

Garfield's ideas resonated with Kaiser who viewed the experimentation as needed in those economically challenging times to find ways for people of modest means to obtain health care. Garfield remembered their first meeting—what he thought was to be a routine job site inspection—this way:

"To my surprise, he seemed more interested in the welfare of his workers, in the medical care program that we were developing for them, than he was in the progress of his job.... He spent the whole day going through our facilities, discussing our plans and questioning me on all the details of the operation ... how we had developed the plan and what the principles were, and how and why it worked...."

"By the end of the day I felt like I had been vacuumed and completely drained of all information I knew about medical care. When we had gone about as far as we could go ... he said, ?Young man I think you have a plan that should be made available to everybody in the country."

"From that time on we were bound together by this common belief and interest in developing our health plan," Garfield said.
**Core principles of health plan**

The two health care pioneers founded Kaiser Permanente on the principle of *prepayment* that spread the cost of care over a large number of healthy people, and provided stable revenue for medical care, clinical research and education to enhance the quality of care.

Prepayment triggered best practices in the *prevention* of injury and illness, to the betterment of workers' lives and to the improvement of health care finances. With the cost barriers removed, the ill presented earlier for treatment establishing a *true practice in preventive care*, the early detection of disease, and the emergence of lifestyle medicine to maintain health and enhance the quality of life.

*Multispecialty group medical practice* maximized physicians' abilities to care for patients through doctor-to-doctor consultation, through the training and mentoring of young physicians, and through the inherent quality controls built into the group.

*Facilities under one roof* brought the doctors' offices, laboratories, pharmacies and hospital all within proximity, reduced costs through economy of scale, and most effectively utilized the time of both physicians and patients.

This is Henry Kaiser's ninth inclusion in lists of hall-of-fame honorees, including the U.S. Labor Hall of Fame in Washington, D.C., where he was honored in 1990, and the California Hall of Fame in 2009.

**Henry J. Kaiser was known in every American household for his renown as a builder and as the "patriot in pinstripes" that revolutionized shipbuilding during World War II. Click on the video to see his appearance on the TV classic, "What's My Line?" in September 1957.**