



Gary Kaplan

**EDITORS' NOTE** Gary S. Kaplan has served as Chairman and CEO at Virginia Mason Health System since 2000. Kaplan received his MD from the University of Michigan and is board certified in internal medicine. He completed his internal medicine residency at Virginia Mason and served as chief resident in 1980 and 1981. He is a Fellow of the American College of Physicians, the American College of Medical Practice Executives and the American College of Physician Executives. He was a founding member of Health CEOs for Health Reform and has held leadership positions with numerous organizations. Kaplan is Chair of the National Patient Safety Foundation Lucian Leape Institute and immediate past Chair of the Institute for Healthcare Improvement Board of Directors.

**ORGANIZATION BRIEF** Virginia Mason Health System ([virginiamason.org](http://virginiamason.org)) is a 501(c)(3) tax-exempt nonprofit organized into a system of integrated health services. Founded in 1920, Virginia Mason's network includes the 336-bed Virginia Mason Hospital, the 226-bed Virginia Mason Memorial, a network of medical centers providing primary and specialty care services, the Virginia Mason Institute which provides education and training on the Virginia Mason Production System, the Virginia Mason Foundation which engages in fundraising and philanthropy, Benaroya Research Institute which focuses on autoimmune diseases and Bailey-Bousbay House which serves patients with HIV/AIDS, cancer, Huntington's disease and ALS.

**Will you highlight the history and heritage of Virginia Mason Health System and discuss how the organization has evolved?**

Virginia Mason was established in 1920 as the first group practice in the Pacific Northwest. We are part of a small group of organizations that were founded on the Mayo Clinic model. Our founders came from the Mayo Clinic culture. They believed in teamwork and collaboration which, in those days, meant that doctors were working together, which was an innovative model at the time.

The founders' belief in teams has evolved from just doctors working together to doctors working

# Innovative Care

**An Interview with Gary Kaplan, MD,  
Chairman and Chief Executive Officer,  
Virginia Mason Health System**

together with nurses, pharmacists, social workers, and other care delivery team members. Today, this team approach extends to all members of the care team, as well as to patients and their families.

The founders' vision was to provide comprehensive care in one location with one single chart. They realized there were opportunities for coordination and integration and this became particularly important as medicine became increasingly complex.

Today, our health system includes our flagship hospital in downtown Seattle, which is licensed for 336 beds. We also have a second hospital in Yakima, which became part of the Virginia Mason Health System in 2016. It also includes a family of services including primary and specialty care practices and other types of affiliated organizations.

We also have regional medical centers in the Puget Sound. We own and operate the Bailey-Boushay House, which opened in 1992 as the first skilled nursing facility for people with HIV/AIDS.

As the group practice model has evolved, we've become one of the leaders in the country in terms of innovative care.

We're best known for two things: first, we challenged the old paradigm of care designed around the people who work in healthcare as opposed to the patients. This led to the design of a new compact with our physicians and we began to think differently about things such as waiting rooms, for instance.

The second is that we set an organizational vision to become a quality leader not just in Seattle, but everywhere, when we created a new strategic plan in 2000.

We began the search for a management system that would help us execute on this vision, but we didn't find one in healthcare. Based on what we saw at Boeing modeled on the Toyota Production System, we developed the Virginia Mason Production System. We're now in our 17th year with this system, which we are constantly improving and is designed to reduce and eliminate waste while improving quality and safety and lowering costs.

**As a health network, how critical is size and scale in order to remain competitive?**

We've consciously decided that scale for scale's sake is not our objective. We of course want to grow and have grown significantly. However, we would not have been able to accomplish what we have if we had been consolidated into a giant mega health system. It would also have prohibited us from showing others what is possible, which we're doing in many ways, including through our Virginia Mason Institute.



Virginia Mason Hospital and Seattle Medical Center

We know that we need to grow and be engaged in strategic and fruitful partnerships which have been a part of how we've chosen to grow. We have also partnered with many organizations to help them accelerate their own progress.

**Are advances in technology enhancing the patient/doctor relationship or detracting from it?**

We want to be smart about how we deploy and implement technology. We have been consistently identified as one of the most wired hospitals in the country. With all of our technology usage, we make sure we have eliminated any waste in our processes so we can provide much better information flow.

We have rapidly changing demographics, and patients in our communities across this country want to be seen when, where and how they want to be seen, including through virtual visits. We embrace all of these modalities and look forward to increasingly interfacing with our patients in different ways.

However, technology alone is not the answer, and there is no evidence so far that disruptive technology lowers cost.

That said, our providers are still on electronic medical records and we've democratized information in many ways. We are very transparent and were one of the earliest adopters of open notes and transparent patient feedback on our website.

**What will the hospital of the future look like?**

One of the reasons we're profitable is that we have been very careful not to build overcapacity. Based on what is slowly happening today, those extra beds won't be needed. Hospitals are increasingly becoming more like ICUs with populations that are more critically ill than in the past. Many patients who used to receive care in hospitals will be getting care in an ambulatory setting or at home.

The hospital of the future will look different and we're working toward designing it. For instance, new concepts in hospitals for shorter lengths of stay will be very much a part of the future.

**Are you optimistic that the industry will be able to meet the healthcare challenges of the future?**

It is challenging to be optimistic because there are many countervailing forces including the increasing complexity of healthcare scientific advances, delivery system complexities, rapidly changing customer bases, and the reimbursement system.

However, I have seen what is possible and I believe that we can achieve what we need to on behalf of the American public with a much better healthcare system. ●