



Group Health Cooperative to join Kaiser Permanente

Kaiser Permanente signs agreement to acquire Group Health, further strengthening Washington's nationally recognized quality health care and coverage organization.

SEATTLE, **Wash.**, **Dec 4**, **2015** -- Kaiser Permanente and Group Health Cooperative announced today they have signed a definitive agreement for Kaiser Permanente to acquire Seattle-based Group Health. The combination will advance the growth of the integrated model for health care and coverage together and expand Kaiser Permanente's reach, adding nearly 590,000 members.

"This agreement is a natural extension of our long, successful working relationship with Group Health and it provides us with the opportunity to expand access to high-quality, affordable care and coverage," said Bernard J. Tyson, chairman and CEO, Kaiser Foundation Health Plan and Hospitals. "Kaiser Permanente and Group Health Cooperative are a natural fit. The opportunity to unite will allow us to best serve the current and future needs of our members, customers and employees. We look forward to welcoming the people of Group Health Cooperative into the Kaiser Permanente family."

"As a decades-long member of Group Health, and Chair of the Board of Trustees, I have a great deal of pride in this organization. Since our founding, Group Health has relentlessly pursued, and boldly taken, the steps required to ensure that our members get the care and experience they want and deserve. Today we are a highly sought after financially strong and nationally-recognized health care organization," said Susan Byington, Chair of Group Health Cooperative's Board of Trustees. "I believe this opportunity to join with Kaiser Permanente creates even greater assurance that the committed teams and care delivery system that has kept me and my family healthy, will be serving families for decades to come."

Kaiser Permanente and Group Health, both founded in the mid-1940s, have long shared a vision for health care in America that brings quality care and coverage at affordable prices. They have worked together to share best clinical practices, helped to shape health care policies and developed non-profit innovations. They also have allowed each health plan's members to receive care while visiting the other's service areas for nearly two decades.

"Throughout our history we have made decisions driven by a commitment to advance our mission and serve those who trust us with their care," said Scott Armstrong, president and CEO, Group Health Cooperative. "After an exhaustive process, we recognized that there was a unique opportunity to accelerate our growth and potential through a vastly deepened relationship with Kaiser Permanente by tapping into their exceptional resources, skills, track record and reach. Through this acquisition, we'll better be able to tackle rising health care costs and implement even more powerful technologies to serve our members."

Pending approvals by Group Health's voting membership and regulatory entities, the organization would become fully integrated with Kaiser Permanente and operate as a new, eighth region. Like other Kaiser Permanente regions, the Washington region will be managed locally while taking full advantage of Kaiser Permanente's national resources. Washington would join Colorado, Georgia, Hawaii, Mid-Atlantic States (VA, MD, DC), Northern California,

Northwest (Oregon/Southern Washington), and Southern California enabling the combined organization to service communities along the West Coast, from San Diego to Seattle. There will be no immediate changes to the coverage and care currently provided by either organization.

By joining together, Group Health and Kaiser Permanente expect to better meet the needs of individuals as well as large commercial and national accounts with employees who live and work in Washington. Kaiser Permanente intends to invest in the facilities, technology, member experience, and the Group Health Cooperative workforce to ensure the best possible health care and coverage for the people and communities in Washington.

"For those of you who have counted on Group Health to provide you with amazing physicians and clinical teams, and the coverage your family needs, you will continue to receive the best care and coverage available," said Group Health Physicians President Steve Tarnoff, MD. "I'm joined with my Board of Trustees in fully supporting this new direction for our organization. Joining with Kaiser Permanente is a move that reinforces our commitment and focus on providing the best care for our communities."

About Group Health

Group Health is a nationally recognized health care system linking care delivery and insurance coverage in order to achieve one goal – affordable, quality health care for all. This innovative approach has made Group Health a national leader in a new era of health care reform, and our goals have remained the same since we began serving patients in 1947. As a nonprofit organization, Group Health helps nearly 590,000 patients throughout Washington state achieve better health. Our focus on preventive care, combined with medical education, a charitable foundation and a nationally recognized research institute, advances health in the community in a way no one else can. Group Health supports events, programs, and organizations that share this commitment to strengthening health in our communities. For more information about Group Health, visit www.ghc.org.

About Kaiser Permanente

Kaiser Permanente is committed to helping shape the future of health care. We are recognized as one of America's leading health care providers and not-for-profit health plans. Founded in 1945, Kaiser Permanente has a mission to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve. We currently serve more than 10 million members in eight states and the District of Columbia. Care for members and patients is focused on their total health and guided by their personal physicians, specialists and team of caregivers. Our expert and caring medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery and world-class chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education and the support of community health. For more information, go to: kp.org/share.

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