

Despite all of the IT mishaps, the medical aspect of the transplant program was quite successful. All 56 transplant recipients in the first full year of business were still living one year later, which is considered to be strong evidence of high quality. But as the organizational woes continued to mount, Kaiser was forced to shut the program down in 2006, absorbing heavy losses and incurring what figures to be considerable legal expenses.

Kaiser paid a \$2 million fine levied by the California Department of Managed Health Care (DMHC) for the various state and federal regulations it failed to adhere to in its attempt to set up a transplant program. Kaiser was also forced to make a \$3 million charitable donation.

Many families of people who died waiting for kidneys from Kaiser are suing the company for medical negligence and wrongful death. Other patients, such as Bernard Burks, are going after Kaiser themselves for the same reasons. In March 2008, Burks won the right to have his case heard by a jury in a public courtroom, rather than a private judge or lawyer in arbitration. Most patient disputes with Kaiser are traditionally settled behind closed doors, presumably to minimize the damage to the company's reputation and increasing the likelihood of winning their cases. Burks was the first of over 100 patients on Kaiser's kidney transplant waiting list to win the right to a jury trial.

*Sources:* Marie-Anne Hogarth, "Kidney Patient Beats Kaiser Arbitration Rule," *East Bay Business Times*, March 21, 2008 and Kim S. Nash, "We Really Did Screw Up," *Baseline Magazine*, May 2007.

## CASE STUDY QUESTIONS

1. Classify and describe the problems Kaiser faced in setting up the transplant center. What was the role of information systems and information management in these problems?
2. What were the management, organization, and technology factors responsible for those problems?
3. What steps would you have taken to increase the project's chances for success?
4. Were there any ethical problems created by this failed project? Explain your answer.

## MIS IN ACTION

Explore the Web site for TeleResults, a provider of state-of-the-art electronic medical record (EMR) solutions and transplant software ([www.teleresults.com](http://www.teleresults.com)), then answer the following question:

1. How could this company's products have helped Kaiser Permanente manage transplant information?