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Critical Case: How an Email Rant Jolted a Big HMO

**A 22-Year-Old's Tirade
Made Trouble for Kaiser;
Mr. Deal Got Fired, Famous**

By RHONDA L. RUNDLE
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LOS ANGELES -- On a Friday morning last November, Justen Deal, a 22-year-old Kaiser Permanente employee here, blasted an email throughout the giant health maintenance organization. His message charged that HealthConnect -- the company's ambitious \$4 billion project to convert paper files into electronic medical records -- was a mess.



Justen Deal

In a blistering 2,000-word treatise, Mr. Deal wrote: "We're spending recklessly, to the tune of over \$1.5 billion in waste every year, primarily on HealthConnect, but also on other inefficient and ineffective information technology projects." He did not stop there. Mr. Deal cited what he called the "misleadership" of Kaiser Chief Executive George Halvorson and other top managers, who he said were jeopardizing the company's ability to provide quality care.

"For me, this isn't just an issue of saving money," he wrote. "It could very well become an issue of making sure our physicians and nurses have the tools they need to save lives."

Mr. Deal signed the email. Before sending it, he says, he printed out a copy and handed it to his boss. "She gave me a look like, 'I think you're going to be fired,' " he recalls. Soon afterward, his office phone was ringing off the hook. IT staffers later arrived to seize his computers, and Mr. Deal was placed on paid leave from his \$56,000-a-year job.

Kaiser refutes Mr. Deal's assessment of its custom software system, developed by Epic Systems Corp. The company says HealthConnect is doing fine despite some missteps. Ultimately, the company fired Mr. Deal, who worked on patient-education booklets and provided technical support to his department.

But the email episode shows that, in the digital age, flicking away

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After the message hit, Kaiser sprang into action to assess the damage and figure out a response. Since the missive was sent on a Friday, it went unread by many employees who had left for the weekend. Kaiser's IT staff scrambled to delete it before workers returned to their desks -- but with little success. By Monday, the mass mailing had reached an estimated 120,000

computers at the company. It had also leaked into cyberspace.

On Monday, Mr. Halvorson sent his own Kaiser-wide email dismissing Mr. D's unfortunate combination of partial facts, old data, incomplete data, 'conspiracy naiveté.'

Earlier during the day, Kaiser had announced that J. Clifford Dodd, its chief IT officer, had resigned. The HMO said the timing was a coincidence and gave no reason for departure. Attempts to reach Mr. Dodd for comment were unsuccessful.

Mr. Deal, meanwhile, quickly became a cause celebre in the blogosphere and a popular health-care IT site, featured "an exclusive interview," with Mr. Deal. Deal says that Kaiser's tribulations could alter the competitive landscape for IT vendors.

Soon after the email leak, ComputerWorld magazine ran a negative story about Kaiser based on a 722-page internal Kaiser document chronicling various problems with HealthConnect, including power outages, system failures and incomplete patient records.

That article prompted the California watchdog agency that oversees managed care to send Kaiser an inquiry letter in January about HealthConnect's reliability. The agency is monitoring the system's performance, but is satisfied that Kaiser has taken "adequate steps to address the issues."

Andrew Wiesenthal, a physician overseeing the HealthConnect project, became the center of the buzz Mr. Deal was generating. In a counterpunch, he offered an interview with a well-known health-care blogger. A few days later, Mr. Wiesenthal joined a police officer in the backseat of a taxi. Of the email, he said, "Most of the things he said were true."

Kaiser officials unleashed other communications tactics. To disseminate its story on the Web, the company paid Google to place a special Kaiser link at the top of search results for "Justen Deal."

In February, Kaiser launched its "KP News Center," linked to the company's homepage. The Los Angeles Times ran a critical HealthConnect story that echoed some of the criticisms, the site posted Kaiser's official response.

'HELP ME FIGHT' VS. 'USE THE PROCESS'



Justen Deal's email to Kaiser employees described the insurer's challenges and was critical of the CEO. "Despite the fact that Mr. Halvorson was hired for what we believed was his experience in implementing electronic health records, the truth turned out to not be quite so convincing."

A few days later, Mr. Halvorson responded in another company-wide email. "The person who wrote the e-mail is a young man relatively new to KP whose job involves publications. I suspect he hasn't evaluated very many Boards. We have an excellent Board doing very good work."

[Read the full text of both emails.](#)

WHAT DO YOU THINK?

What do you think is the moral of Deal's story? Post your comments in the [Health Blog](#).



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Mr. Deal, a well-dressed young man who constantly sweeps his sandy hair across his forehead, has been known to go against the grain. As a teen in West Virginia, he testified in the state legislature in favor of gay rights and was mentioned in a front-page Washington Post article. At 16, he dropped out of high school and later dropped out of college, where he worked as a journalist. After stints performing administrative chores at a West Virginia state newspaper and a gay-rights group in Ottawa, he moved to Los Angeles to work for a travel agency.



**George C.
Halvorson**

While at Kaiser, on his own initiative, he edited Kaiser's online encyclopedia Wikipedia.org -- until a public-relations officer asked him to stop. Known to embellish Kaiser's listing of accomplishments as fodder, he also got into skirmishes with a company spokesman over criticism about the HMO on the site.

Mr. Deal's department was involved with employee training for the HealthConnect system. Mr. Deal says the "sheer cost" of the system caught his attention initially. He then began pulling business system engineering data and other documents from the system. "Anyone [at the company] could have done it," he maintained.

He was particularly alarmed when he came across an internal memo that the organization could lose \$7 billion over the following year. "That kicked me into gear to dig more" into HealthConnect, he says.

His research led him to question the integrity of Kaiser's selection of its IT vendors. He accused Mr. Halvorson of mismanagement and Mr. Dodd of undisclosed financial interest that led to the selection of Epic, the outside vendor. "Their poor decision-making positioned us for potentially catastrophic failure," he wrote in a letter dated Aug. 15. A copy of the letter was sent to the company's chief compliance officer as well as to each of Kaiser's top executives.

A company investigation ensued. Kaiser's assistant general counsel sent Mr. Deal a letter that "a thorough investigation" found no evidence of misconduct by the executive. "disastrous failure" of the HealthConnect project.

Mr. Deal wasn't satisfied. That's when he decided to send the email. But it was more than just pushing a button. He didn't have access to a company-wide "send all" address. He says he bought a cheap software tool that helped him gradually build a list of all the company's email addresses on a computer.

When Kaiser switched Mr. Deal to unpaid leave in December, it appeared his situation was in jeopardy. He says he thought that would be protected by a Kaiser policy intended to encourage people to report ethical or patient-safety problems.

Kaiser fired him on Jan. 11. A company spokeswoman says he wasn't dismissed because of a flap, but "rather because he violated numerous company policies, including misappropriation of company property, unauthorized order for three Apple laptops that he converted to his own use." The order was approved by superiors in his department.

These days, Mr. Deal helps friends with their computers and is looking for a job. He was named "IT Industry Figure of the Year" by [HISstalk](#), based on an online ranking conducted by the site. Both he and Mr. Halvorson were asked to participate in a panel at the Healthcare Blogging Summit set for this month in Las Vegas. The CEO of the summit declined the invitation; Mr. Deal says the date conflicts with a job-hunting trip.

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