



Arbitration Fact Sheet

Arbitration is used to resolve disputes involving real estate, personal property leases, attorney fees, uninsured motorists, franchise agreements, construction contracts, labor contracts, banking, and by health care organizations.

Arbitration is a widely used alternative to the court system. Arbitration does not limit a member's ability to sue Kaiser Permanente (Kaiser Foundation Health Plan, Inc.), The Permanente Medical Group (TPMG), Southern California Permanente Medical Group (SCPMG) and its providers, employees etc. Arbitration is simply a different forum for resolution of the dispute.

Kaiser Permanente has used arbitration to resolve legal claims since 1971. Arbitrators are experienced retired judges and attorneys who follow the same laws and have the same ability to render damage awards as if the matter were in court.

In October 1998 Kaiser Permanente abandoned its self-administration of the arbitration system in favor of an Independent Administrator. The Independent Administrator, the Los Angeles-based Law Offices of Marcella Bell, is a neutral, third-party and is not part of Kaiser Permanente. The Arbitration Oversight Board which selected the independent administrator for Kaiser Permanente's arbitration process is comprised of labor, employer purchasers of health insurance, consumer advocates, plaintiff and defense attorneys involved in medical malpractice in the Kaiser Permanente arbitration system, representatives of Kaiser Permanente membership, Permanente Medical Group physicians and other Kaiser Permanente health care personnel.

Under the independent administrator, most claims are resolved within 11 months. A pool of nearly 300 independent arbitrators has been established by the independent administrator. About one-third of the arbitrators are retired judges.

The independent administrator is free to communicate with the public and issues annual reports available to the public detailing how the health plan is complying with the system. The independent administration may be reached at (213) 637-9847. Information is also available on the website, www.oia-kaiserarb.com.