

Innovating Healthcare Delivery through Accountable Care Organizations and Beyond

Peter Long, PhD

Senior Vice President
Healthcare & Community Health Transformation
Blue Shield of California

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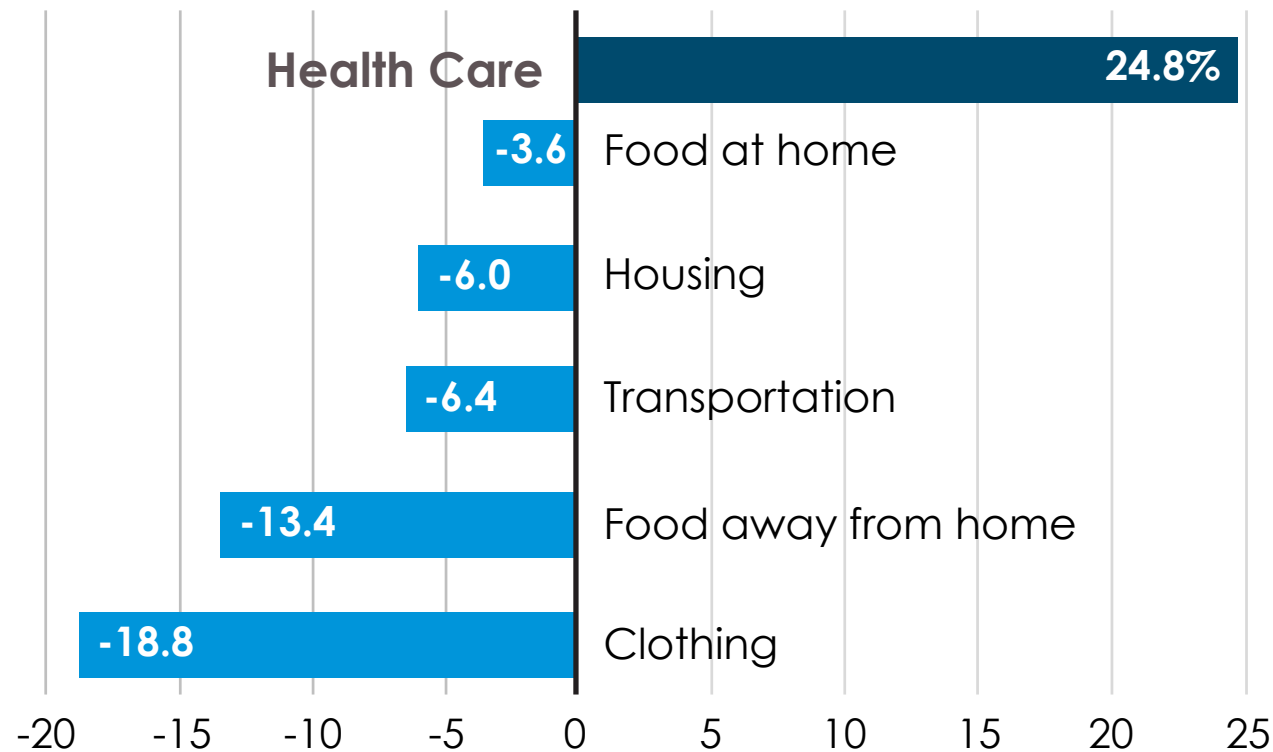


Be the change you want
to see in the world.



The need for change

Patients are spending more but getting less.
Employers are spending 6% more on health care – every year.



Source: Brookings Institution, Wall Street Journal

Percent change in middle income households' spending on basic needs (2007-2014).

Impact of social determinants of health



Impact

A person's socioeconomic factors, physical environment and behavioral factors drive 80% of health outcomes

Health transformation framework



SYSTEM DESIGN	Health service providers, operating separately	Team-based care within health	Community integrated services, health care as one component
CARE MODEL	Little coordination between in/outpatient care, episodic treatment	Chronic condition management, patient-centered care coordination	Health, psychosocial, and wellness care integrated across the life course
DOMINANT PAYMENT APPROACH	Fee-for-service	Value-based health payments	Population-based global budgets, linked to multi-sector financial impact
APPROACH TO QUALITY	Variable, low transparency	Consistent, standardize processes and outcomes	Continuous learning and quality improvement
BENEFICIARY LENS	Individual	Patient and family	Subpopulation and communities, equity-oriented

Principles & design strategies

3.0



Community
Empowerment
& Engagement



Community
Integration Functions



Information &
Measurement



Financing
Approaches

Blue Shield's ACO path to care transformation



Blue Shield launches an ACO for 42,000 CalPERS members in Sacramento with Hill Physicians and Dignity Health

2010

Expanding on the success of ACO HMO product for groups, Blue Shield launches a PPO ACO product in select geographic regions

2013–2014

Blue Shield launches a new clinical strategy for extracting more value out of the healthcare system.

2015

Blue Shield reports \$395 million in savings for members and solidifies 36 ACO relationships across California.

2015– 2016

By end of 2018, Blue Shield had **\$650K** members in ACOs and saved **\$614M** while keeping annual cost increases at 2.5 percent as compared to 6.2 percent for non-ACOs.

2017–2019



CCI
CENTER FOR CARE
INNOVATIONS

20 years of strengthening the safety net



Essential components of innovation



**Skills &
capabilities**

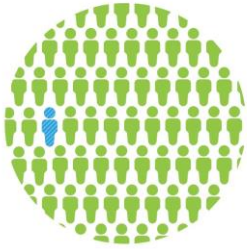
**Leverage
experts &
peers**

**Space to
take risks**

**Create &
foster
network**

**Lessons
learned &
impact**

CCI's focus areas



**Population
management**

**Technology
solutions**



**Innovation &
design thinking**

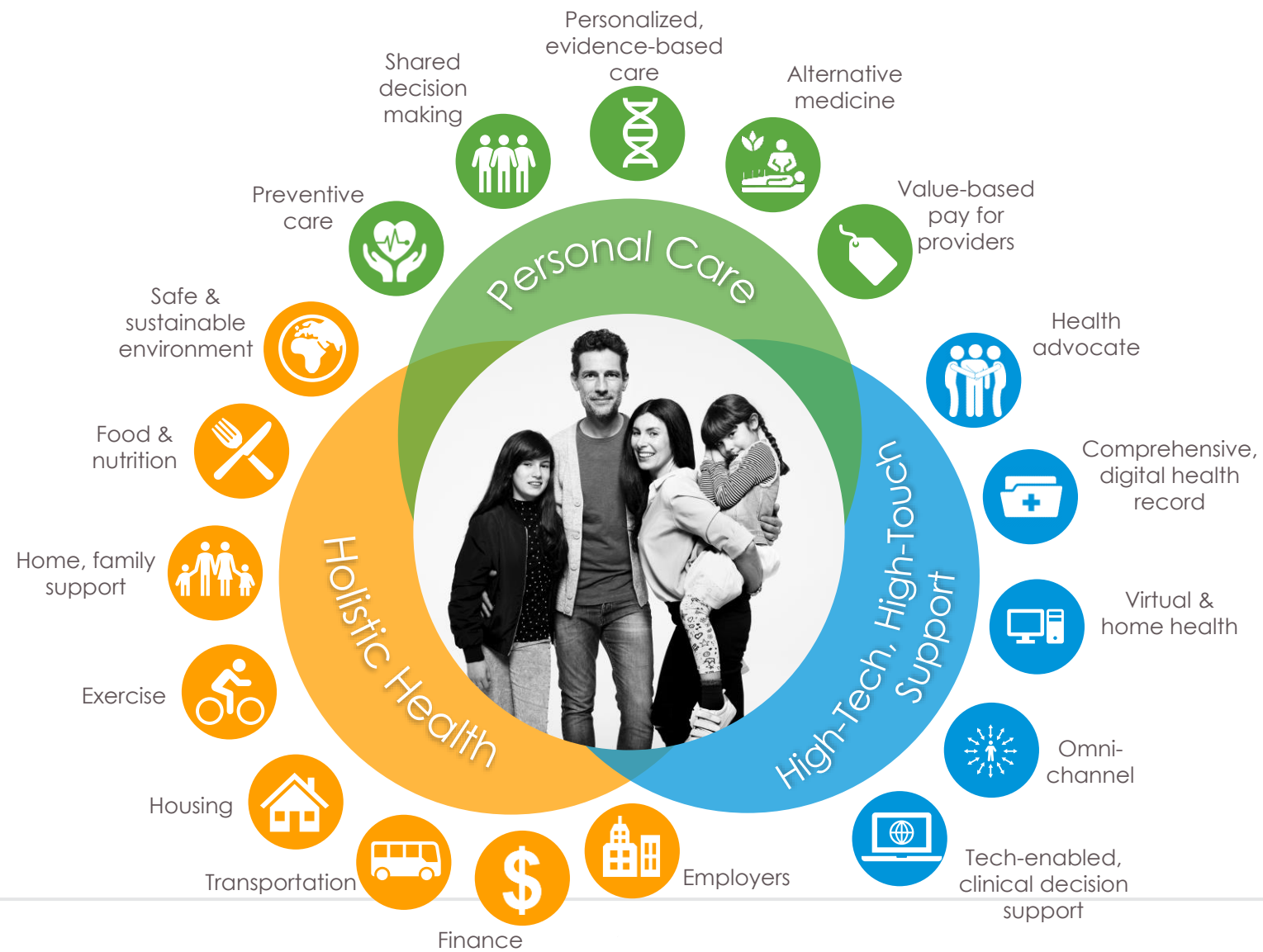
**Community
centered care**



CCI impact (funders/partners)

- CCI has changed the way safety net providers think about implementing health care solutions by using innovation and design thinking to help people get “unstuck”
- CCI has contributed to increased connectedness and cohesion
- CCI has changed the conversation in the safety net by adding prominence to topics and new directions
- If CCI did not exist, the safety net’s access to innovation and pace of innovation and improvement would be constrained

Health Care Model of the Future



Payment model overview

Innovative payment models are designed to:

- Allow physicians greater flexibility in how they provide care
- Provide opportunities to earn additional payments for meeting incentive targets

All models include:

1 Base-pay component
(with a withheld amount for
downside risk)

2 Incentive opportunity, based on:

1. Resource utilization
2. Quality
3. Member experience

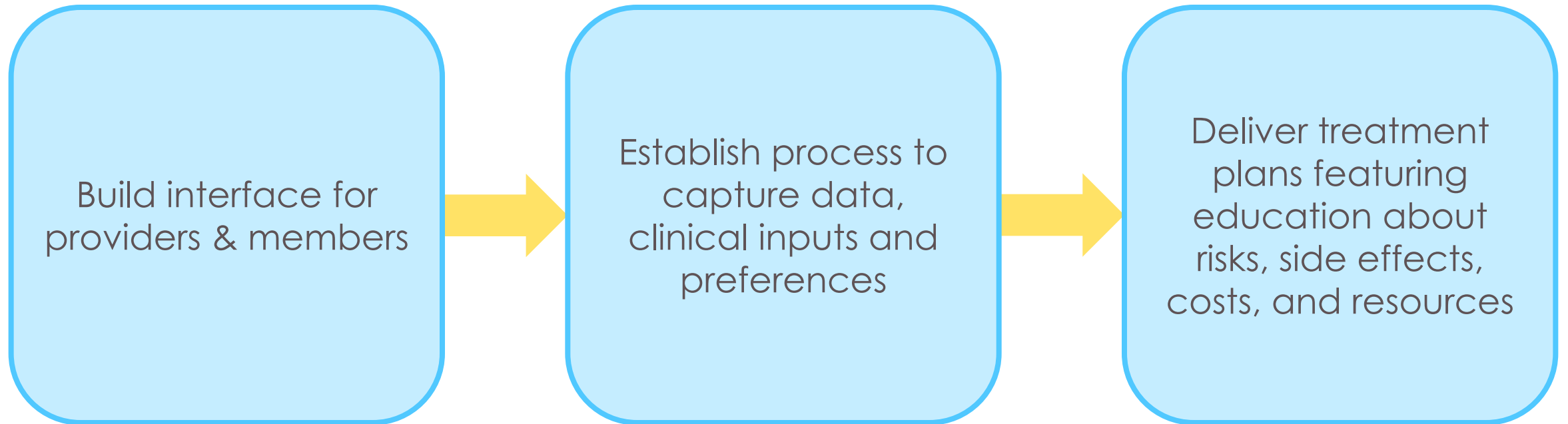
Payment model requirements

Physician Compensation

Clinical Pillars

Practice Administration

Shared Decision Making



Manifest MedEx



17 million records:

- 6 M clinical records
- 11 M claims records



3 national labs:

- LabCorp
- Quest Diagnostics
- RadNet



400+ participants:

- Hospitals
- Ambulatory providers
- Medical groups
- IPAs



5 health plans:

- Anthem Blue Cross
- Blue Shield of California
- Inland Empire Health Plan
- Health Net
- Health Plan of San Joaquin



Manifest
MedEx

CALIFORNIA ACCOUNTABLE COMMUNITIES FOR HEALTH INITIATIVE



blue  of california
foundation

Blue Shield of California Foundation is an independent licensee of the Blue Shield Association

 The
California
Endowment

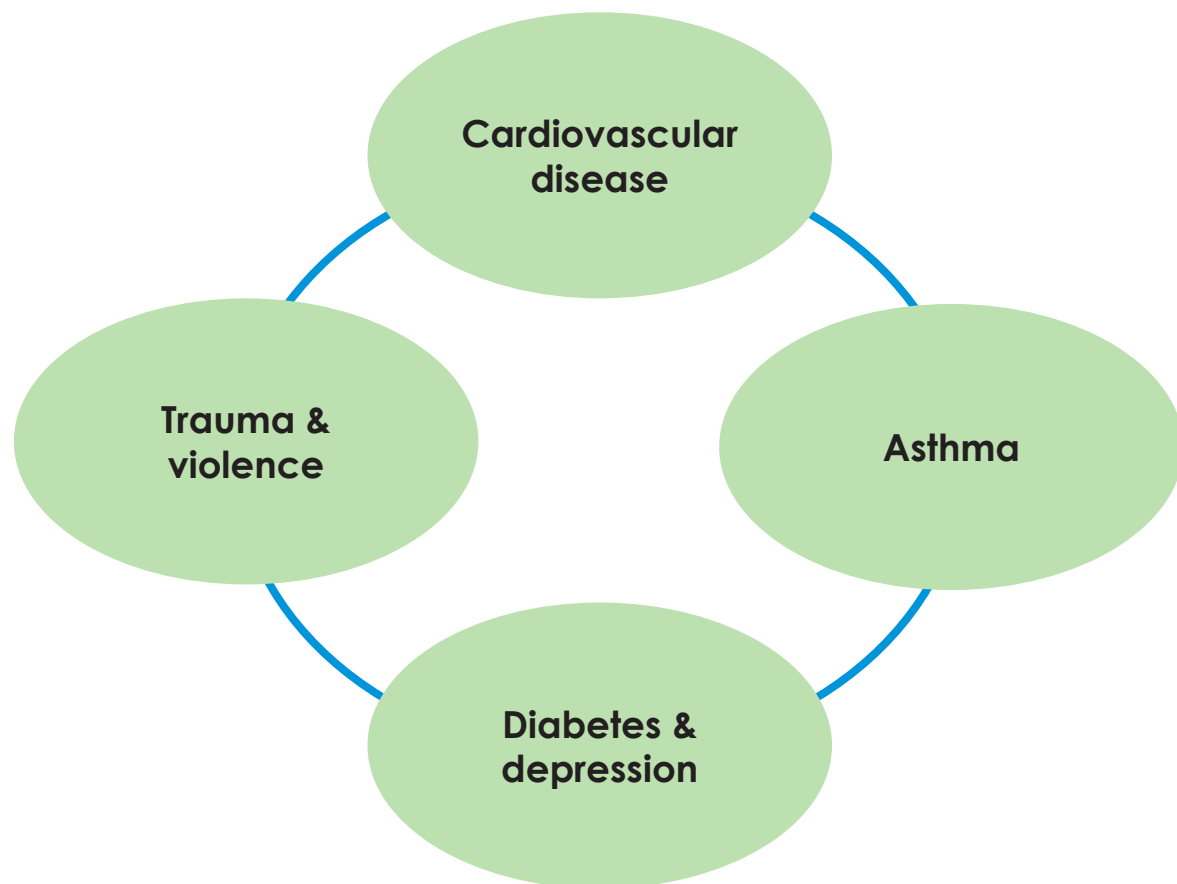


*Accelerating ideas into action
to advance the public good.*



CACHI's footprint

Health priorities CACHI is addressing:





Three-year project, initiated by Blue Shield of California Foundation and Rippel Foundation to bring about a new future of health and well-being in the United States by influencing health care systems, health plans, and communities.

- Equity
- Regional partnerships
- Futures thinking
- Data gathering
- Data visualization



Never stop.



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