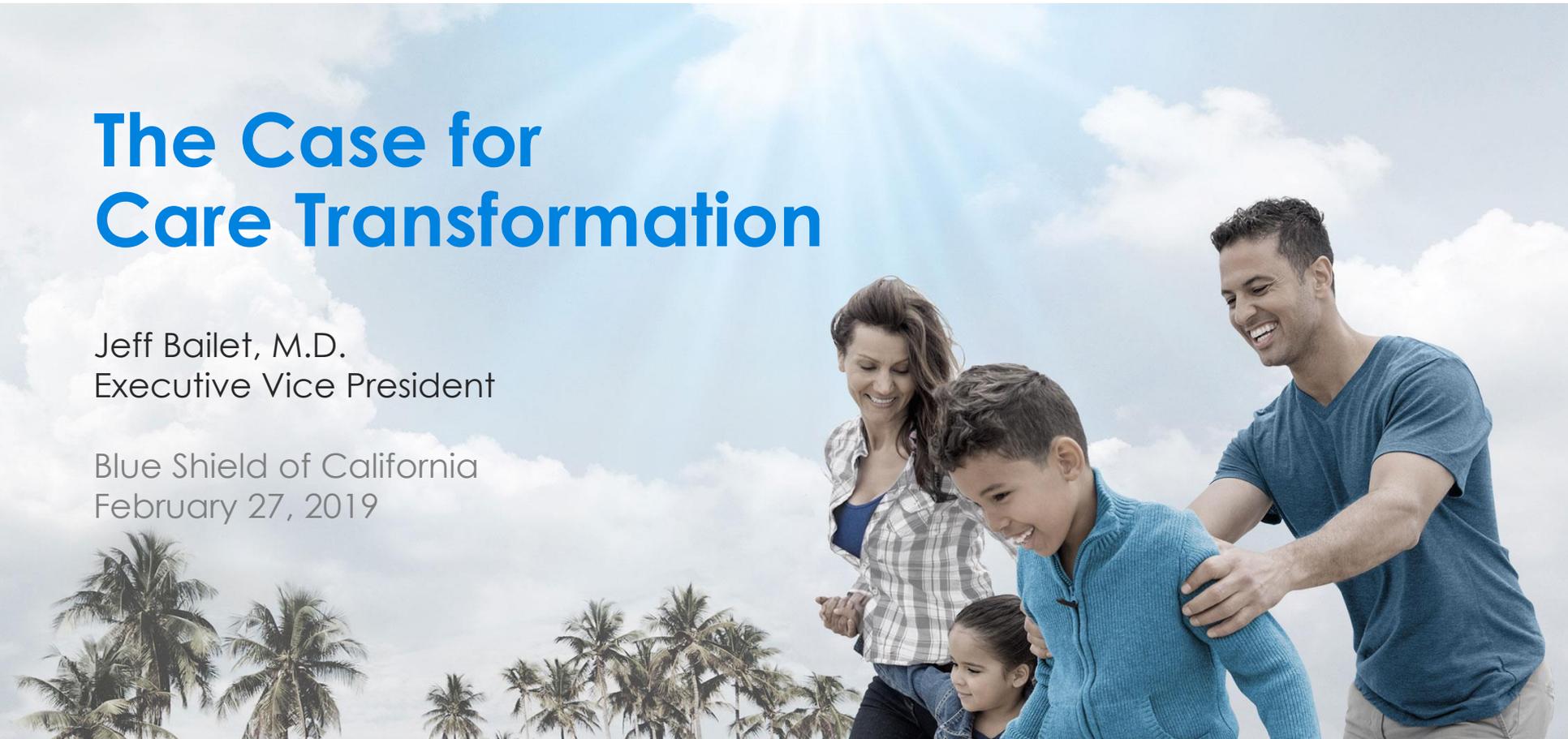


The Case for Care Transformation

Jeff Bailet, M.D.
Executive Vice President

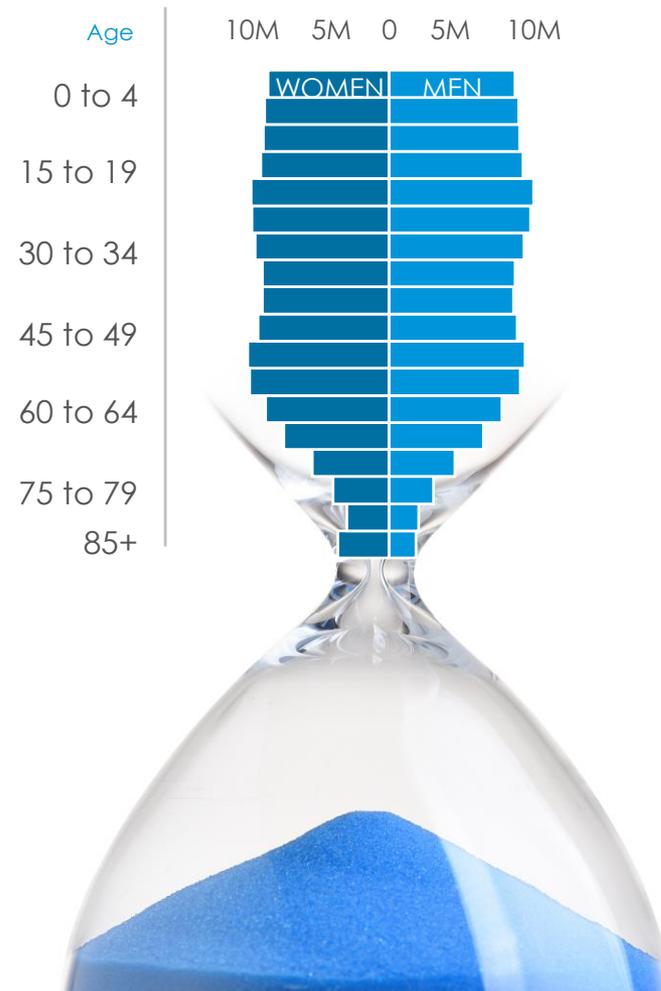
Blue Shield of California
February 27, 2019



Why bother?

Time is running out
and there's not
enough money in
the system.

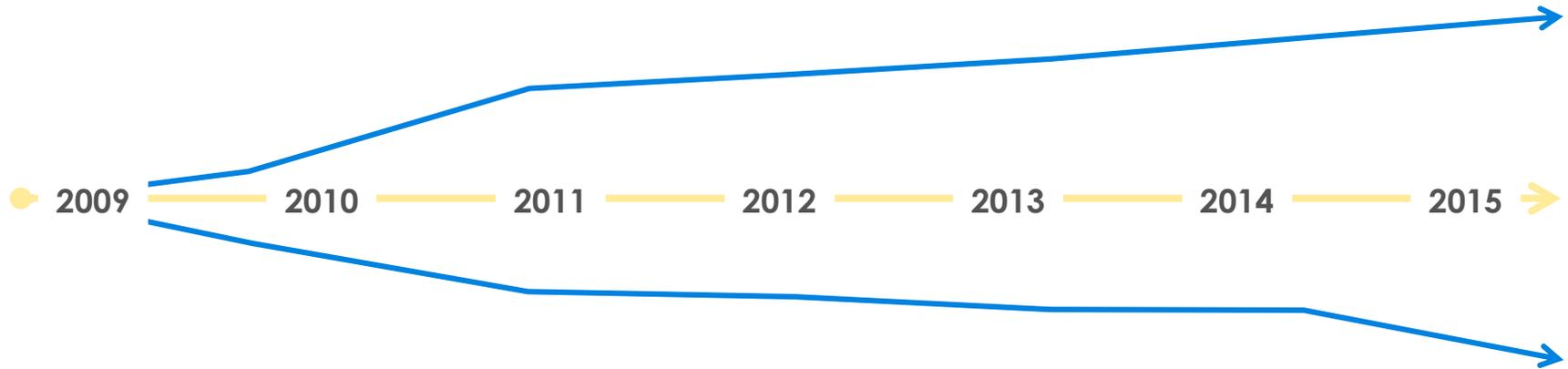
U.S. Population 2015



Where's the Value?

We are spending more, getting less.

Average family premium is up **25%**

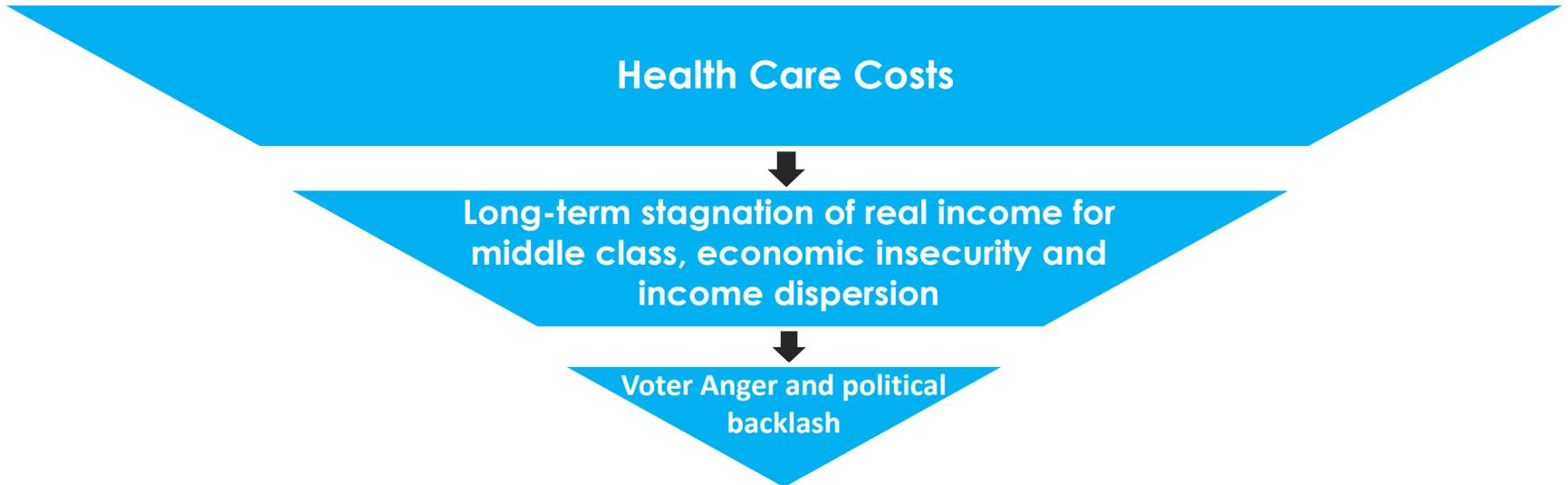


Quality of health care through PPOs and HMOs is decreasing

- Diabetics' blood pressure control
- Diabetics' HBA1C control

Source: Elizabeth Mitchell, Center for Regional Healthcare Improvement

A social/political tipping point is imminent



Increasing burden on physicians and clinicians jeopardize provider sustainability

- Administrative demands taking a tremendous toll on physician engagement and wellbeing
- Charting in the electronic health record extends beyond workday
- Current state of isolated, fragmented, non-interoperable health information is unacceptable
- Practices struggling to remain vibrant
- Loss of practice autonomy contributing to burnout, compelling independent practices to be acquired by Optum or other large integrated delivery systems
- Challenges navigating APMs and MIPS

What we mean by provider sustainability

In order to create a care system worthy of our family and friends and sustainably affordable, we need an adequate supply of physicians who are:

- Qualified, high-performing
- Philosophically aligned
- Affordable
- Professionally happy
- Technically enabled
- Appropriately supported clinically and operationally

We need health care providers to adopt and use transformative capabilities

- Cutting edge technology, including:
 - Real-time claims processing and transcription services
 - Real-time pharmacy formulary, pricing and patient liability
 - Comprehensive digital health records (e.g., statewide HIE)
 - Other clinical tools (e.g., artificial intelligence)
- Properly equipped to successfully navigate APMs and MIPS
- All these tools and capabilities need to be used in ways that support goals for exceptional clinical quality outcomes, improved affordability and excellent patient, physician and clinician satisfaction