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Professional Title, Organization: Deputy Chief Medical Officer, Blue Shield of California

CHIP Title: Leading a Payor with a Clinician-Led, Value Driven Lens to Address Health Care Affordability

Project Description:

In California, high health care costs have created widespread access and health problems for millions of Californians, particularly those with low incomes. 36% of Californians report having medical debt, and 1 in 10 Californians report having trouble paying medical bills.

Blue Shield of California is a non-profit health plan serving approximately 4.8 million members and with approximately \$24 billion dollars in annual revenue. The organization's core mission is to ensure all Californians have access to high-quality health care at an affordable price.

My CHIP project was to define a programmatic approach for Blue Shield of California to materially improve our management of health care costs, with the goal of lowering our insurance premiums for our members, improving health outcomes, and member experience. My approach to this CHIP project was to focus on three key actions: (1) developing a robust discipline of data-driven analytics and benchmarking of our health care costs and drivers, (2) leading through a clinician lens focused on quality and value, not cost reduction, and (3) scaling innovative payment models tying quality and cost together.

Key Findings and Lessons Learned:

- Creating and facilitating a weekly roundtable with our senior clinical, financial, and operations leaders was critical to engagement, continuous prioritization, and keeping relentless focus on driving results.
- We shifted from reporting progress on internal organizational savings targets to include benchmarking our performance against core trends in health care. This allowed us to “look outside” and focus on bolder, more meaningful solutions affecting health care affordability.
- Successfully shifted Blue Shield's cost of health care strategy to prioritize and resource scaling payment innovation.
- Multi-payer alignment is essential to scaling payment innovation across the state.

Next Steps:

- Leverage newly created California Office of Health Care Affordability to support our organization's work to address health care costs.
- Continued partnership with providers across the state to scale payment innovation models across primary care, specialty care, and inpatient care.