



## 2016 Evolving Health Interview Series

**Interview Title:** *Care(ing) Delivery Models*

**Interviewee:** Peter Long, President & CEO, Blue Shield of California Foundation

I think this is an incredibly important topic for new care models. We're six years into the Affordable Care Act, which was really about coverage and how do we insure that we pay for healthcare for folks. Now, we're turning our attention to what's the actual care model that can produce high-quality outcomes at lower cost in a way that the patients can experience it as positive. To me, I think there's a huge amount of experimentation, and we've seen the early pioneers - the Commonwealth Care Alliance - are now being joined by hundreds of other organizations and companies who are trying to replicate their success.

I would say the business model development is slower. It's interesting, I'd say the product and process of delivery system changes are ahead of our business models. We've talked a lot about value based care, but to me it's a slower path than the work on the delivery system change. I think the exciting elements are we know for sure it has to have health and social services. Any all of the successful models really are combining things outside the healthcare system. They're working on healthcare and dealing with the deep medial issues, but they're thinking about people holistically. The second I think is the person-centered approach. We're seeing that as winning out as being a sustainable model. It's not body parts, it's not conditions, it's actually what are people's holistic needs. And then I think the third that is beginning to emerge is really a deep focus on functional status and patient-reported outcomes. So instead of what does the system think is success, it's really how is the person functioning in their life as a great leading indicator of how we actually achieve long term success.

I think one of the next steps in the field is going to be to standardize our measurement. So what are we looking for? What are those core measures that we need to see success on, and frankly even what is the evidence that we're looking for? None of these are going to be randomized control trials, but what level of evidence do we need to say that sure, this is it? Whether it's Jeffrey Brenner, or Cara Moore, or some of these other-- Carol O'Regan, there are lots of exciting things, but we need to get clear on what the evidence we need to see and then what exactly are those five, ten measures where if you hit these measures then, that's it, we know you're there?

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It would be a great frontier or white space for us all to work and say how do we come up with a set of measures including patients and families that we can all agree to and then that becomes our aspirational goal. I think it's doable. It will take a series of conversations that are on a different level than we're having today. They really will be about what we value and it won't be about rationing or death panels but it will be about what we value as a society and where we'd like to put our resources.

I would say if you had exhibit 1 and 1A of what's holding us back from more integrated care or care that meets the needs and expectations of patients and families, is that our business model is not there, it's not commensurate. The question is, are we going to leapfrog to what we talk about as Health 3.0, which is kind of a holistic business model that looks at a population level, and develops global budgets, and develops new financing mechanisms, new business models, where we are going to work incrementally, and work with the knees, and the hips, and the body parts, and get ourselves bundling this, and then bundling longitudinal. And I think that's a real question of whether you can get there incrementally. Can we incrementally move the business model forward such we end up in a place that really looks like that's transformational?

there are some exciting examples where they kind of look community for help. I think some of the work that CMMI is doing and some others, The State Innovation Models, those are our first attempts that I think to really move toward a 3.0 or toward a holistic solution. I would say 95% of the activity is really incremental improvements in the current business model, and I would say innovations to compensate for the dysfunction of our current system. I'd like to see at least get that percentage to 5% or 10% of our energy whether it's dollars but more of our thinking of resources, really looking what is the new business model. It's radically different from the one we have today.

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