



Industry Initiatives:

A model for scaling and sustaining health care innovation through industry collaboration and policy movement



A bold proposal for tackling health care's biggest issues

The COVID-19 pandemic exploited fundamental flaws in a U.S. health care system where efficiency and effectiveness often are hampered by competitive pressures, fragmentation, and misaligned incentives. Long before COVID-19, these same flaws were at the root of the inability of the system to make meaningful progress on bringing down costs, expanding access and improving quality for patients. Fragmented payment and delivery systems, in particular, have continued to perpetuate a status quo that hinders larger efforts to transform the health care system to promote greater innovation and achieve health equity.

Industry alignment can be notoriously difficult to achieve, particularly among payers, providers, and health systems that traditionally compete with one another. Yet, a health care system that is universal, equitable, accessible, affordable, high-quality, and sustainable will truly require partners to put patients first and come together in collaboration.

The early successes of Blue Shield of California's innovative "Industry Initiatives" show how we can overcome established barriers to alignment and illustrates the potential for creating a system that can deliver better outcomes when stakeholders effectively harness collaboration.

Industry Initiatives looks to transform California's health care industry

In July 2020, Blue Shield of California created its Industry Initiatives effort to address the barriers to innovation in the health care industry by working with a range of partners including policymakers, payers, and providers. The goal is to scale and sustain health care transformation together through industry collaboration and policy movement.

Grounding this work is a vision of a health care system that is universal, equitable, accessible,

affordable, high-quality, comprehensive, technology-enabled, and sustainable.

In its first year, Industry Initiatives has made promising strides in California, advocating for a statewide health information exchange that will make information more readily available in ways that support decision making, as well as efforts to align payers around payment innovation to improve access and equity in primary care.

How Industry Initiatives advances health care transformation

While many stakeholders are innovating ways to improve patient outcomes, access, and affordability within their own organizations, they can face tremendous roadblocks to sustaining and building on successes. Industry Initiatives focuses on priority areas where

industry collaboration and policy movement are critical for scaling and sustaining promising innovations.

Industry Initiative uses an iterative process to identify and develop priority areas:

Evaluation:

Measure the impact of current efforts to determine expansion opportunities and monitor industry and policy opportunities for future assessment.

Implementation:

Engage with external stakeholders similarly committed to health care transformation and execute on partnerships, publications, and events.



Assessment:

Continual surveillance of evolving industry needs and business opportunities.

Analysis:

Scope potential projects based on potential impact and need for industry alignment to realize outcomes.

Through this process, Industry Initiatives identified its three current priority areas:



Social determinants of health (SDoH):

Increase ability to leverage SDoH resources such as social needs data and community health workers to improve health outcomes and equity



Payment innovation:

Build a sustainable future for primary care in California through diverse stakeholder alignment and investment



Data sharing:

Modernize California's health data sharing infrastructure and deliver better care by defining a statewide data sharing mandate



Partnerships:

Range from convenings, workgroups, thought partners, and coalitions. Where partnerships already exist, Industry Initiatives seeks to support and strengthen those efforts. Where partnership is needed, Industry Initiatives provides the framework and resources to build consensus across diverse perspectives in health care.



Publications:

Have included white papers, peer-reviewed manuscripts, and fact sheets, based on the audience and educational need.



Events: Range from webinars to briefings to regular meetings with key partners and interested parties.

Industry Initiatives has hosted several events highlighting industry collaborations underway on issues ranging from [Black maternal health](#) to [addressing patient social needs](#).

An important consideration is that the Industry Initiatives efforts look beyond the interests of Blue Shield of California. As illustrated by the case study below, the goal is to develop a common vision, shared goals, and consensus with partners to ensure the outcomes create a better health care system for all.

Case study: payment innovation



In 2021, Industry Initiatives applied its three-pronged approach to the task of building a sustainable future for primary care in California. Early results have been notable and promising, such as establishing a multi-payer collaborative to align on primary care payment innovation efforts. This case study examines how Industry Initiatives is working to overcome barriers like competitive pressures and misaligned incentives to build support for payment innovation in primary care.

Evidence shows that that primary care is unique among health services for its contribution to health and equity, making it an essential common good for society. Not only is a stronger primary care system required in the U.S. to take care of the majority of people's health care needs during each individual's lifetime, but investment in primary care also has the power to improve health equity more than any other part of our health care system. Payment innovation is a cornerstone of high-quality primary care, and success requires standardization and multi-payer alignment. All payers serving the same communities need to take immediate and concerted action to improve health equity and address disparities in care by collaborating on how they pay for primary care.

Building a case: Primary care is not always a top priority for every organization. To broaden the audience,

Industry Initiatives partnered with Milbank Memorial Fund to host a [series of events](#) that tie investments in primary care to other key outcomes including health equity, behavioral health integration, and social needs. Speakers at each event were selected to ensure a balance of perspectives from across health care, and they use examples from their work to illustrate that primary care is the essential foundation for a high-functioning health care system.

Bringing others to the table: Industry Initiatives partnered with Manatt Health on the production of a white paper, "[Supporting the Future of Primary Care in California Through Aligned Hybrid Payment Models](#)." The white paper served as a vehicle to build collaboration among organizations with diverse and sometimes conflicting interests. Leveraging Manatt's credibility as a respected and nonpartisan

consultant was key to bringing partners to the table for interviews on how to address barriers and opportunities related to alignment in primary care. Industry Initiatives and Manatt co-hosted an event on the paper and included speakers from interviewed organizations, such as Covered California, and from recognized authorities on the topic, such as the California Department of Health Care Services. Speakers discussed relevant plans for the state's future strategic direction for public health efforts, helping to make the case for payers to come together to prepare for upcoming priorities and requirements.

Moving forward together: Building off the momentum created by the white paper and events, Industry Initiatives has partnered with Purchaser Business Group on Health (PBGH) and Integrated Healthcare Association (IHA) to create a roadmap outlining steps to achieve a shared vision for enabling Advanced Primary Care in California, as well as a Memorandum of Understanding (MOU) to secure written commitments from stakeholders to implement Advanced Primary Care.

The partnership with PBGH and IHA served as a springboard for a multi-year participatory, collective process

which includes health plans and delegated provider organizations. The multi-year collaborative had its first convening in January of 2022, but it gained significant traction after an in-person summit in May. At the summit, stakeholders spent the day in working sessions with each other - as well as with public and private purchasers - to finalize agreements in the MOU that will transform primary care across California. Stakeholders negotiated a shared vision clarifying common strategies, commitments, and coordinated actions and investments to implement innovative payment and care models which enable access to Advanced Primary Care for all Californians. By the end of the summit, six of California's leading health plans as well as a provider organization agreed to sign the MOU, committing themselves to scale transformation statewide.

Work remains to realize a vision for primary care that addresses the issues of unequal access to care and disparities in health outcomes. However, Industry Initiatives' significant advancements to date demonstrate that utilizing a targeted approach of publications, partnerships, and events can help bring stakeholders together to move from ideas to concrete action.



Looking beyond

For too long, U.S. health care's biggest issues have continued to fester and grow, and these problems were made even worse by the COVID-19 pandemic. Blue Shield of California Industry Initiatives is partnering with the health care community in California and across the country to collaborate and spur innovation, with the goal of creating a health care system

that is universal, equitable, accessible, affordable, high-quality, comprehensive, technology-enabled, and sustainable. We know this will require partners to put patients over profits and come together in collaboration, and we ask you to join us.

Join Blue Shield of California Industry Initiatives in collaboration and innovation to realize health transformation that benefits us all.