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Commentary

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Introduction: Six Comments on the Forum

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This special edition of the *California Journal of Politics and Policy*, in addition to the full report by the Berkeley Forum for Improving California’s Healthcare Delivery System (hereafter “Berkeley Forum”), includes six brief comments by leaders in California’s healthcare system that reflect on the Berkeley Forum process and the fundamental healthcare system issues that dominated its discussions and shaped its recommendations.

Ian Morrison, the Forum facilitator, offers insights on creating and managing the project and provides invaluable advice for those seeking to create similar collaborations.

Pam Kehaly, President of Anthem Blue Cross, acknowledges her initial skepticism of the project and its ambitions and describes the often circuitous and inconclusive discussions in Forum meetings that, over time, evolved into consensus on a “Forum Vision” recommending a shift to integrated care and risk-adjusted global budgets. Kehaly concludes by noting the Forum leaders’ commitment to advance the Forum recommendations, and how Anthem Blue Cross is already doing so with its ACO-type provider contracts.

Former Kaiser Chairman & CEO George Halvorson articulates a macro view of the key failure in the current system. He explains how buying health care by the piece encourages needless procedures and higher prices in pursuit of profit, discourages innovation in reengineering care, and financially rewards poor outcomes and ineffective care. The issues he raises played a major role in shaping the

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Forum's key recommendation: a rapid shift to paying providers via risk-adjusted global budgets.

Jill Yegian and Tom Williams of the Integrated Healthcare Association discuss the worrisome decline in the number of commercially insured Californians receiving care under the delegated model (physician organizations receiving capitation payments) and how the delegated model must innovate in order to remain relevant. The Forum report highlights the delegated model as a key component of California's historically lower utilization and spending than the rest of the country and a basis on which to develop the Forum Vision of integrated care and aligned financial incentives.

Molly Coye, Chief Innovation Officer at UCLA Health, and Samuel Skootsky, Chief Medical Officer at UCLA Faculty Practice Group & Medical Group, discuss the head winds facing the Forum Vision principles, as commercial health plan enrollment moves from capitation-based Health Maintenance Organizations. On a positive note, there has been rapid uptake of Accountable Care Organizations (ACOs), which are providing early positive indications of care transformation, including greater use of health plan-provider data sharing, patient management techniques, and provider performance monitoring.

Former Chairman and CEO of Blue Shield of California, Bruce Bodaken highlights some necessary steps to reach the Forum goal of many more Californians receiving care from integrated care systems that operate under risk-adjusted global budgets; namely expanding the number and sustainability of California ACOs. Taking ACOs to the next level, where success is defined by outcome rather than process measures, requires data-sharing, physician leadership and emphasis on early prevention.