

# BLUE CROSS BLUE SHIELD OF MASSACHUSETTS SIGNS GROUNDBREAKING VALUE-BASED PAYMENT CONTRACTS INCORPORATING EQUITY MEASURES

*State's leading health plan partners with medical community to address inequities in care*

BOSTON, Dec. 15, 2022 /PRNewswire/ -- [Blue Cross Blue Shield of Massachusetts](#) ("Blue Cross") today announced a milestone in its commitment to ensuring access to high-quality, affordable and equitable care. The not-for-profit health plan is the first in Massachusetts - and among the first in the nation - to create a financial payment model rewarding health systems and physicians for eliminating racial and ethnic inequities in care, with a goal of improving health care for all 2.9 million Blue Cross members.

Four of the state's largest health care systems have signed the agreements, which link financial incentives to improvements in health equity: [Steward Healthcare Network](#) ("Steward"), [Beth Israel Lahey Health](#) ("BILH"), [Mass General Brigham](#) and [Boston Accountable Care Organization, Inc.](#) ("BACO"), which is part of [Boston Medical Center](#). Together, these systems provide care to more than 550,000 Blue Cross members.



**MASSACHUSETTS**

"For more than a decade, we've collaborated with physicians and hospitals via our [Alternative Quality Contract](#), which replaced the fee-for-service model and instead rewards clinicians' efforts to improve the quality and value of the care they deliver," said Andrew Dreyfus, CEO of Blue Cross. "We're now building on that model to help health systems in our value-based payment programs improve equity. As a health plan, this is the most important tool we have to work toward a health system that provides affordable, quality and equitable care to all our members."

The new contracts will initially focus on measuring and rewarding equity in care in several clinical areas where inequities have been identified, including colorectal cancer screenings, blood pressure control and care for diabetes. Additional categories will be added as the payment model evolves.

The Center for Healthcare Organization and Innovation Research (CHOIR) at the UC Berkeley School of Public Health will conduct an [independent external evaluation](#) of Blue Cross' efforts to advance health equity, using qualitative and quantitative methods to examine and publish the effects of this initiative.

"We believe nearly all clinicians already want to reduce racial and ethnic inequities in care," said Dr. Mark Friedberg, senior vice president, performance measurement & improvement at Blue Cross. "By incorporating equity measures into our payment models, we intend to create an explicit business case for large health care systems to increase their investments in developing, expanding and sustaining programs that produce measurable improvements in equity."

Friedberg noted that Blue Cross encourages and supports participating organizations to extend their equity improvement initiatives to all of their patients - even those whose health plans have not yet introduced financial incentives linked to health equity.

## **Steward Health Care Network**

Steward Health Care Network serves as the physician network for the 10 hospitals in Massachusetts that are part of Steward Health Care System. Steward Health Care, among the nation's largest accountable care organizations, is focused on addressing racial disparities in two priority areas: colorectal cancer screenings and controlling high blood pressure.

"We are proud to sign onto an agreement that marks an important step forward towards providing equitable care to patients right in their own communities in Massachusetts," said Dr. Joseph Weinstein, Steward Health Care Network's chief physician executive. "As one of the largest accountable care organizations in the nation, value-based care is at the heart of everything we do at Steward. Our clinicians are working diligently to break down barriers to health equity, and this partnership is a powerful tool in our mission to ensure we continue to deliver high-quality care at a sustainable cost at all of our Massachusetts health centers."

### **Beth Israel Lahey Health**

More than 1 million people rely on the care of Beth Israel Lahey Health's hospitals, primary care and specialty practices and behavioral and community health services. Through its work with Blue Cross, BILH is initially addressing racial disparities in two priority areas: comprehensive diabetes care and controlling high blood pressure.

"We're pleased to be working with Blue Cross on transforming value-based care to address deeply-rooted health inequities, with initial focus on developing health equity infrastructure and eliminating disparities in diabetes and high blood pressure," said Juan Fernando Lopera, chief diversity, equity and inclusion officer at Beth Israel Lahey Health.

### **Mass General Brigham**

Mass General Brigham is an integrated academic health care system, offering the full continuum of care with two academic medical centers, community and specialty hospitals, a health insurance plan, physician networks, community health centers, home care, and long-term care services. Two years ago, Mass General Brigham launched the United Against Racism initiative. This foundational program outlined a plan to confront the many impacts of racism both within the organization and throughout the collective community. These efforts, organized around patient care, community health, and workforce equity, are an organizational commitment enabled by a long-term, multimillion dollar investment and powered by countless individuals dedicated to improving health equity and building a workplace that advances racial equity.

"This health equity partnership with Blue Cross is aligned with our organizational mission to eliminate racism and builds upon our investments within our own system and the communities we serve," said Niyum Gandhi, Chief Financial Officer and Treasurer at Mass General Brigham. "We are proud to join Blue Cross and other local health systems to ensure that equity is at the heart of patient care strategy."

### **Boston Accountable Care Organization, Inc.**

Comprised of 19 provider organizations, BACO is part of Boston Medical Center and includes a mix of academic medical centers, community hospitals and community health centers across greater Boston, Western Massachusetts and Southern Massachusetts. BACO primary care sites have more than 111,000 members, many living in underserved parts of the Commonwealth. As part of its agreement with Blue Cross, BACO will initially focus its efforts on colorectal cancer screenings and controlling high blood pressure.

"I have believed for a long time that financial investment in discovering and disrupting inequity barriers is a sure win-win business model that renders a return," said Dr. Thea James, vice president of mission and associate chief medical officer at Boston Medical Center. "I'm proud of Blue Cross for taking a bold step in this direction. The terms of our partnership with Blue Cross fit squarely in our present operationalized intentionality of identifying inequities that create and perpetuate health disparities, with an explicit goal of closing gaps, and is powered by accountability and oversight."

### **Blue Cross' commitment to health equity**

"While these systems are among the first to take part in these payment contracts, we're eager to add additional health care organizations in Massachusetts," said Sarah Iselin, Blue Cross' CEO-elect. "Our goal is to engage as many physicians and hospitals in equity improvement as we can."

In keeping with its [commitment to act as a leader in addressing health inequities](#), Blue Cross [gathers and publishes data each year](#) for more than 1.2 million of its commercial Massachusetts members. This data has revealed racial and ethnic inequities in many areas of patient care. In partnership with the clinicians in its network, the health plan is using its data to make meaningful change and work toward the shared goal of eliminating racial disparities in the care Blue Cross members receive.

As part of that work, [Blue Cross funded \\$25 million in Institute for Healthcare Improvement grants](#) to support physician practices and hospitals with Alternative Quality Contracts in their efforts to eliminate racial and ethnic inequities in care and share learning across institutions.

Other complementary initiatives toward health equity include:

- The Blue Cross **Health Justice Partnership & Grant** is awarded to seven organizations that share the company's commitment to help all Massachusetts community members lead healthy lives by creating more equitable and just communities across the state. The grant is a two-year financial contribution providing \$35,000 in general operating support and up to \$20,000 in pro bono support annually, with a total support of up to \$110,000.
- The Blue Cross Blue Shield of Massachusetts Foundation's **Racial Justice In Health Grants** support grassroots nonprofit community organizations led by people of color and committed to dismantling institutional and structural racism in health care.

#### **About Blue Cross Blue Shield of Massachusetts**

Blue Cross Blue Shield of Massachusetts (<http://www.bluecrossma.org>) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are committed to the relentless pursuit of quality, affordable and equitable health care with an unparalleled consumer experience. Consistent with our promise to always put our members first, we are rated among the nation's best health plans for member satisfaction and quality. Connect with us on [Facebook](#), [Twitter](#), [YouTube](#), and [LinkedIn](#).

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