

# Health Plan Spotlight: Blue Shield of California

## Overview

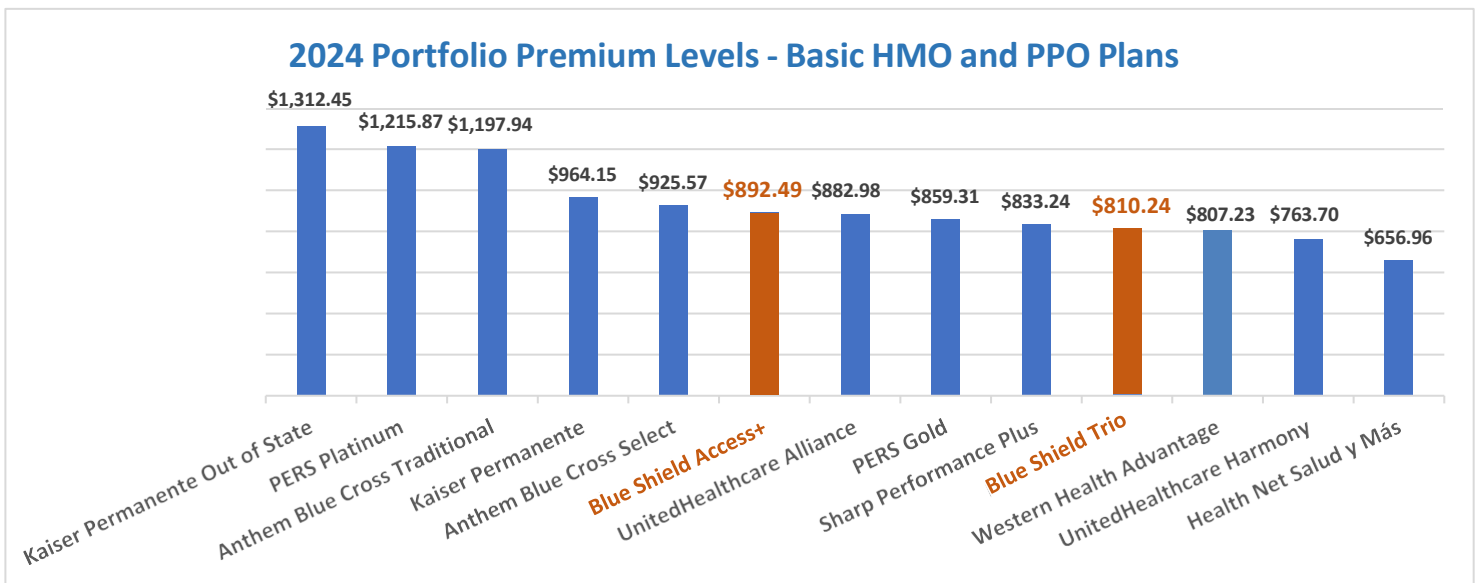
Blue Shield of California (BSC) was founded in 1939 in San Francisco, California as a nonprofit health plan. Serving 4.8 million members, the company has a pledge to cap income at 2% of revenue. In 2023, the company spent 88 % of its \$25 billion in revenue from the state's commercial, individual, and government markets and reported a net income of \$130 million.

BSC currently serves more than 170,000 CalPERS members with its Health Maintenance Organization (HMO) and EPO (Exclusive Provider Organization) plans, including 123,000 in Access +, 45,300 in Trio and 2,350 in Access+ EPO, and 6,700 in the BSC MA plan. Starting January 1, 2025, BSC will serve an additional 400,000 administering our Preferred Provider Organization (PPO) plans. BSC administers prescription drug benefits to its members in the HMO plans and in their Medicare Advantage (MA) PPO plan.

## Highlights

### Competitive Premiums

BSC continues to expand the availability of the low-cost, high-quality options for CalPERS members throughout the state. While higher premium increases are being seen across the industry, BSC increases are lower than the overall statewide increase of 10.77%. In 2024, premiums increased by 5.9% for Access+ and 6.5% for Trio HMO. The Medicare PPO premium increased by 8.5%.

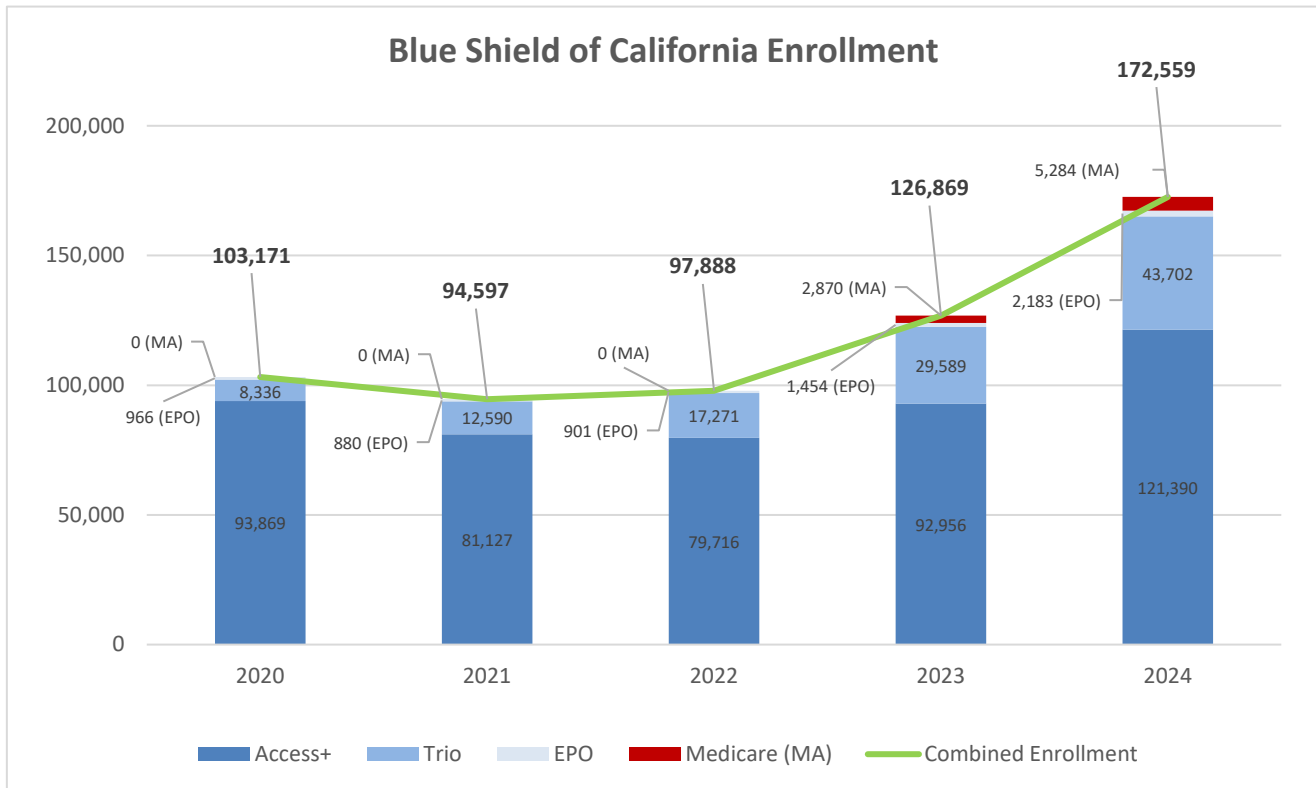


**Expansion into Rural Counties**

In 2024, BSC expanded its Access+ plan into two new rural counties: Del Norte in Northern California and San Benito in Central California. In 2025, Blue Shield Trio will expand into Contra Costa County and into three ZIP codes in Shasta County, one of the rural counties in which we are seeking to expand access.

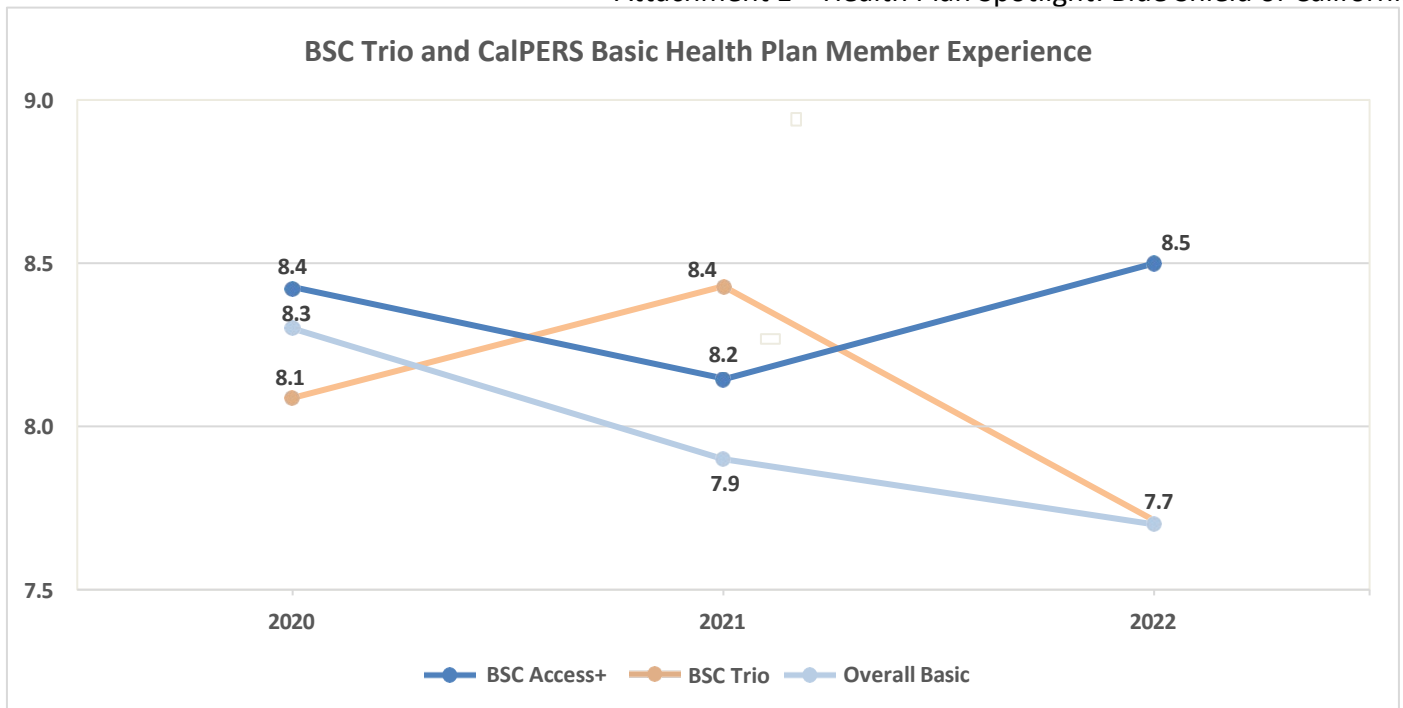
**Enrollment**

BSC’s enrollment has increased annually over the past five years with the exception of 2021 where there was a slight decrease in enrollment. CalPERS added BSC’s MA plan to the health program in 2022, which accounts for the low, but growing, enrollment typical of new plans.



**Member Experience**

The annual CalPERS Health Plan Member Survey asks members to rate their health plan and overall health care satisfaction using a 10-point scale where 0 is the lowest and 10 is the highest possible rating. Nationally and among CalPERS health plans, member experience ratings have decreased since the pandemic. Access+ continues to maintain higher than average member experience scores, while Trio had a higher-than-average member experience in 2021 only. Access+ had a decrease in 2021 but increased in 2022, while Trio was below the overall Basic plan in 2020, increased to above overall in 2021, but later decreased to the same as the overall in 2022 with 7.7.



## Considerations

### Clinical Quality

BSC earned a 3.5 out of 5 on the National Committee for Quality Assurance's (NCQA) Health Plan Rating for 2023, similar to the majority of our HMO plans, and its Medicare Advantage plan in California earned 3.5 stars for 2024. In 2022, the most recent year for which we have performance measure data, BSC was below the benchmark on several of CalPERS' annual clinical performance measures but also improved by at least three percentage points on several of those measure as compared to the year prior. BSC continues to evaluate its clinical performance measures for demographic differences and because of that monitoring, is focused on reducing racial and ethnic disparities for colorectal cancer screening and cesarean sections.

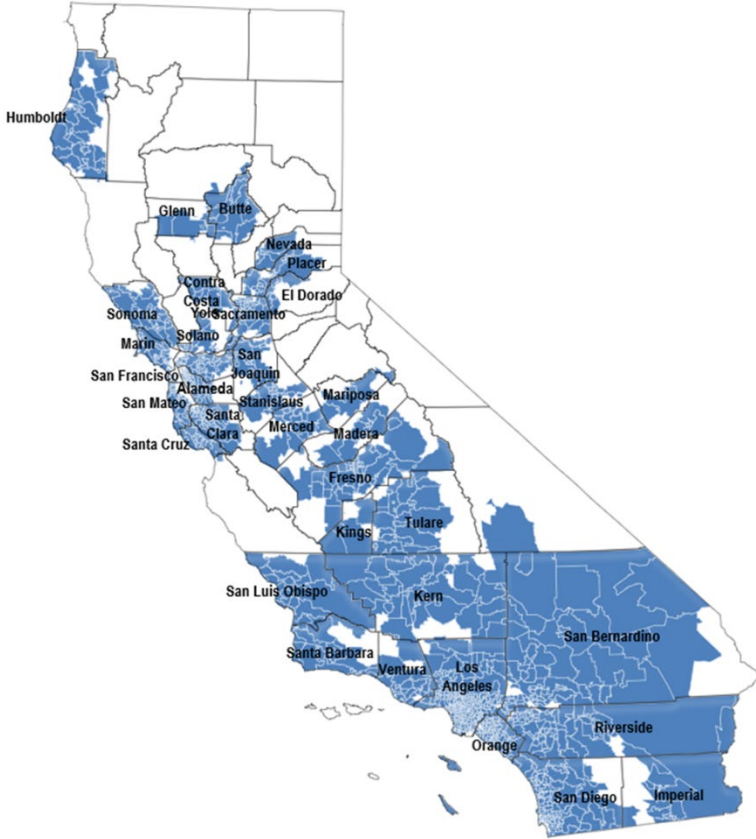
BSC is an industry leader in promoting alternative payment models and operationalizing Advanced Primary Care throughout its provider networks. Their goal is to have 100% of eligible primary care practices within an alternative payment model by 2027. BSC is an active participant in numerous statewide collaboration efforts, along with CalPERS and other state partners, in setting benchmarks for primary care and behavioral health care spend, total health care spend, and alternative payment model adoption.

BSC is committed to the integration of behavioral health and primary care, which is essential to improving on behavioral health access. Since 2020, BSC has been working to implement and scale the Collaborative Care Model through clinical resources and direct investment. The Collaborative Care Model has been implemented with three medical groups, across 51 clinics and across three specialty groups. BSC intends to expand the model to six additional medical groups in 2024.

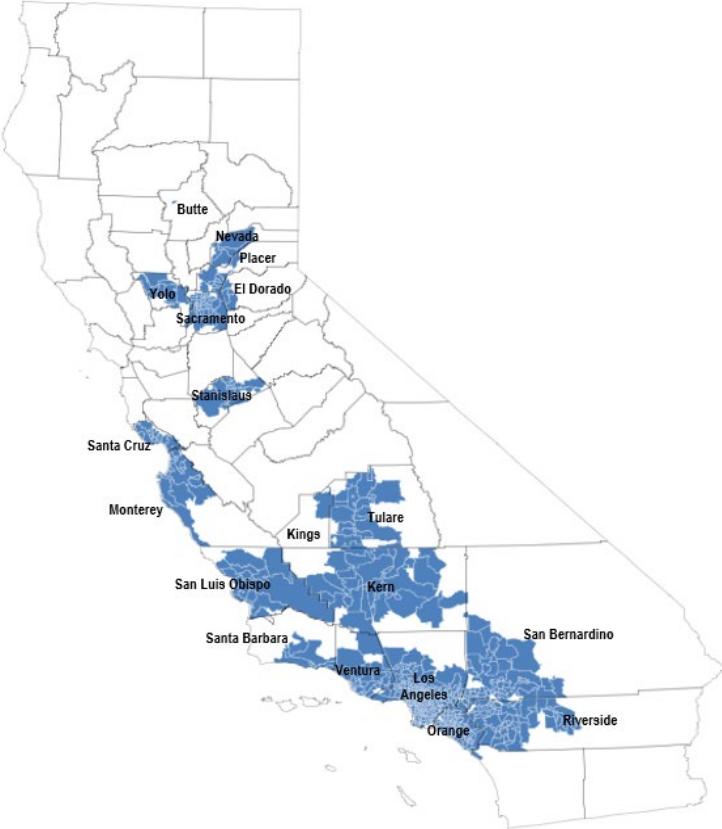
BSC continues to improve on the collection of demographic data from its members. They recently updated their member portal so that members can securely self-report race, ethnicity, language, sexual orientation, and

Attachment 1 – Health Plan Spotlight: Blue Shield of California  
gender identity information, and performed outreach to members encouraging them to visit the updated portal. BSC also continues to evaluate its clinical performance measures for demographic differences and because of that monitoring, is focused on reducing racial and ethnic disparities for colorectal cancer screening and cesarean sections. Finally, BSC continues to work towards achieving NCQA Health Equity Accreditation in 2025, with a scheduled review from NCQA in late 2024. This program offers distinction to organizations that engage in efforts to improve culturally and linguistically appropriate services and reduce health care disparities.

**Blue Shield Access+ Service Area**



**Blue Shield Trio Service Area**



**Blue Shield EPO Service Area**

