Making Sure Members Have Access to Care: A Conversation with Chris Peronto of Blue Cross Blue Shield

By Samantha Mendelowitz and Dan Morgan

Chris Peronto is the Vice President and Head of Enterprise Strategy & Innovation at Blue Cross Blue Shield of North Carolina. We met with the UNC '91 Alum to discuss all things COVID-19. The following is an abbreviated synopsis of our discussion, edited and synthesized by the Healthcare Club. Opinions and commentary in this document do not reflect the official policies or views of BCBSNC, and should not be interpreted as investment advice. You can read more about BCBSNC's specific actions HERE.

Healthcare Club: How is Blue Cross Blue Shield of NC supporting their members through the COVID-19 situation?

Chris Peronto: We're focused on making sure our members have access to care – both COVID related and not – as conveniently as possible. That's a key for us in normal times as well. Even prior to the current crisis, that includes expanding virtual access on both the member and provider side. During the COVID-19 crisis, we're treating virtual visits the same as face-to-face visits to prevent people from needing to leave their homes. We've also waived early refill limits on medications.

Further on the COVID-19 situation, BCBSNC is waiving prior approval requirements and any cost-sharing associated with COVID-19 testing. If people feel like they need to be tested, and have access, they should go get tested. If they're diagnosed with COVID-19, they won't need prior approval for medically necessary procedures.

For providers, we try to mobilize resources to support them and their heroic efforts

to address the outbreak. That means, ensuring they can focus on delivering much-needed care to the people in our state. We're finding ways to accelerate payments to providers to support their financial solvency. We're also collecting masks from every possible resource, including my local dentist! At the moment, it's all-hands-on-deck, doing what we need to do for North Carolina to be ready.

HC: This crisis has put the spotlight on access to care. Has anything surprised you, good or bad?

CP: The rallying spirit and recognition for what healthcare workers do, seeing healthcare providers continue to put their own health (and potentially their families') at risk to help and keep providing care has been inspirational.

But this pandemic has highlighted the fact that, as an industry, we were not prepared for a risk of this magnitude being placed on health resources. There's a potentially extensive need for care and infrastructure, including beds, equipment, people, and even processes. The lack of test availability makes it hard to see who's at risk. Tactically, when care is delivered in non-traditional settings or channels, how do you handle coding to make sure we get appropriate reimbursement identified for providers? All these nuances are extremely important.

HC: Will the health insurance sector look different, coming out of this pandemic? If so, how?

CP: First, as a payer, we have a better sense for what's possible or reasonable in regard to flexing our policies and our workforce. We continue to respond to the changing environment with policy updates to ensure members are seeking and getting care. We moved 98% of our workforce off campus within two weeks. Even

in aggressive scenario planning, you'd never have said that 98% remote work is a reasonable assumption within that time frame. We've learned that we can go remote, with call centers and office personnel being so resilient and effective to serve members and support the provider community.

Second, what do we do differently in the future? That's the more impactful question. It's too early to really know what additional changes will be necessary, either at the site of care or from the payer perspective, until we hit the crest of this pandemic and beyond. But key questions on the payer side include: what does it do to our financial reserves? Does this change the way we invest in new capabilities? Does this change attitudes about an employer-based insurance structure? We'll know and navigate those and more in the next 6-12 months.

What matters the most is that as many North Carolinians as possible have access to health care to receive care when they need it. We want to make sure the mechanisms are in place that enable them to seek that care. An example is the increase in telehealth; suddenly it has become a more viable channel, and a portion of people will like it and want to keep using telehealth in the future. But how many? That remains to be seen.

HC: What message would you give to MBAs going into the healthcare industry?

CP: This industry is so big and so broad there's any range of roles to let you play a part in something that's really meaningful for the state and the country. If that's your ambition and calling, there is such variety – even just within one company – that healthcare offers something for everyone who is eager to be an agent of change.

Specific to this crisis, it really emphasizes how the different parts of the industry fit together. For example, on the supply chain side, Wuhan (the location of the initial COVID-19 outbreak) is a major global manufacturing area for surgical masks! It's tough to plan for things like that, and magnifies the interconnectedness of all these pieces.