



photo: Center for Care Innovations

# early lessons in innovation

For the past decade, Blue Shield of California Foundation (BSCF) has invested heavily to help two critical health-related fields in California rediscover their potential and embrace and lead change in a rapidly shifting environment. BSCF has focused on organizations in the healthcare safety net and domestic violence fields to help them shore up operations, strengthen leadership and build capacity with an ultimate goal of improving healthcare access and effectiveness, as well as ending domestic violence. However, as it examined the successes and challenges its grantees faced, BSCF realized that truly achieving this goal would require significant and transformative new ideas and ways of operating in both fields.

"While leadership, capacity and core support were all key tools for transformation, it became clear to us that investments in innovation needed to be a core part of our philanthropic strategy as well," says Brenda Solórzano, BSCF's chief program director. "We incorporated it as a cornerstone strategy in our strategic plan but also realized that we'd need to learn as we went along how to define and refine our role in a meaningful way."

To that end, BSCF is continuing to learn, two years into its innovation funding. But one thing is clear: Because innovation is an ongoing process of learning and thinking, even the earliest lessons can inform new thought and ideas. BSCF is pleased to embrace that spirit of ongoing learning and to share this early look at its investments, the initial outcomes, lessons learned so far and questions for the future.

## the need for innovation

If necessity is indeed the mother of invention (or in this case, innovation), then the double whammy of healthcare reform and an economic recession spawned a huge need for change in both the healthcare safety net and domestic violence fields over the past decade.

On the healthcare side, as hundreds of thousands of previously uninsured Californians were preparing to receive health coverage, it was clear that there were several different factors at play that would mean health safety net providers would

"With the ACA and patient-centered medical homes and electronic medical records, there's a rapid layering of change. Most of these we don't have choices about accepting, but we can chose how we implement and use them."

Liz Forer, CEO,  
Venice Family Clinic

need to up their game. On the one hand, as state and federal governments prepared to up their investments in response to the Patient Protection and Affordable Care Act (ACA), they also insisted that safety net providers hold down costs, which meant finding new ways to be cost efficient. On the other hand, new coverage meant that those previously uninsured would now have new options and might choose to go somewhere other than

to safety net providers, who found themselves in new competition with private providers. Safety net providers would need to innovate to attract and retain patients while improving their care. The ACA also dovetailed with safety net providers' increasing focus on creating patient-centered medical homes and the use of electronic medical records, which added to the depth and complexity of change. For domestic violence service providers, the proposed elimination of California's state funding for most providers was a huge wake-up call for the field; long-term dependence on one funding source was no longer a viable model.

"Many domestic violence organizations are still constantly trying to keep their agencies afloat and meet requirements, so there's not a lot of space for innovation," says Jill Zawisza, executive director of W.O.M.A.N., Inc. "But that's also why innovation is really needed. Things can't keep going like they have since the '90s. They get stagnant. New approaches and new eyes are important. If we aren't innovative, nothing's going to change. We need to keep trying to make the impact we want to make."

The passage of the ACA also provides an opportunity for domestic violence service providers to tap into the funding and patient care discussions with safety net providers. For example, domestic violence is one of eight screening and counseling services covered under preventive health and all health plans have to cover the cost, so it makes sense that domestic violence service providers and safety net providers work together to determine how to incorporate those services. This crossover, in turn, can provide further opportunities with regard to innovation and new options for investment.

## what we mean by innovation and what we hope to accomplish

BSCF began intentionally looking for opportunities to focus on innovation in 2014, building on its deep relationships in both the healthcare safety net and domestic violence fields.

"Innovation" can be defined in a number of ways. BSCF views innovation as a fluid process, spanning a continuum that ranges from the sparking of entirely new ideas to seeding those with promise to spreading and scaling the most promising ideas into broader practice.

"We're making an effort to focus our support for innovation on topics and issues and problems that matter most to our grantees and their respective fields — not in areas that seemed important to us," explains Richard Thomason, BSCF's director of health care and coverage. "The innovations have to be relevant. We had a variety of discussions about how we focus on innovation and where we focus our time and energy in supporting it. Do we come up with something really new that's disruptive, or focus on innovation that's really more about imitation and adaptation?"

Other funders were supporting the creation end of the innovation spectrum, such as seeding the development of new technologies, but BSCF's grantees were better prepared and more eager for adaptation of new innovations in practice to improve impact — the "spread and scale" part of the continuum. This was especially true in the healthcare arena, where the entire field is shifting from innovations focused on drugs and devices to innovations in the processes by which care is delivered.

## innovation spectrum



"We're focusing more on spreading innovation around the safety net rather than coming up with only new things," says Thomason. "For BSCF and its grantees, innovation is a focus on process rather than product, with the ultimate goal of improving the experience for patients and clients."

His BSCF colleague working on domestic violence, Senior Program Officer Lucia Corral Peña, agrees. "We're not necessarily making the new stuff, but finding, supporting, spreading, scaling the most promising new ideas."

BSCF's approach to spreading innovation is particularly evident in its partnership with the Center for Care Innovations (CCI), which operates the Foundation's innovation grants program for safety net providers.

"We've been focusing on giving people different entry points into innovation," says Veenu Aulakh, CCI executive director. "Some want to be trailblazers and thrive on trying new things, but not everyone. Some want to be second. We're allowing safety net providers to spark, seed and spread innovation. To help spark new ideas, we're conducting site visits to other industries, training people in design thinking, giving them exposure to new thinking and learning opportunities. Seeding means providing support for good ideas but also allowing space for failure. However the vast majority of people we work with want to take what works and adapt it for their own organization. Our job is to focus on sharing and spreading, fostering partnerships and overcoming implementation hurdles. Plus, spreading allows us to attract new organizations to this work."

Corral Peña emphasizes that BSCF is careful not to position itself as a source of directives for innovation. "Foundations should definitely fund innovation, but should they lead the innovation? Maybe to get it started, but we don't think we should be the ones to do that always. Innovation should be led by the field."

## what we've funded so far

### in the healthcare safety net

As mentioned above, BSCF has worked largely through CCI to reach providers in the safety net. Specifically, BSCF funded CCI to:

- Create and lead the Safety Net Innovation Network, a learning collaborative to bring leaders and cutting-edge thinkers from the safety net together for ongoing learning and collaboration around innovation. The Safety Net Innovation Network not only helps organizations explore innovation but also tests aspects of innovation pedagogy, like design thinking.
- Serve as a regrantee agent for BSCF, identifying key topics for innovation and putting together funding support and technical assistance for those innovations.
- Focus on innovation that helps achieve the Institute for Healthcare Improvement's "Triple Aim" of improved patient experience and population health, and decreased cost of care.



photo: Center for Care Innovations

The Safety Net Innovation Network helps providers find new ways to improve health, enhance the patient experience and reduce costs.

Participants in the Safety Net Innovation Network are exposed to the principles of design thinking, a proven approach that encourages participants to better understand the user (i.e. patient) and develop a variety of creative solutions to entrenched problems. "The first time we offered design thinking, we weren't sure it would be of interest to providers and administrators," says Aulakh. "I think most people going through the training are super excited about what's

coming out. It's a new skill that gives them new leadership ability and new ways to solve problems differently. Probably the biggest shift in thinking for participants is taking a user-centered approach, deeply understanding the needs from an end-user perspective. Another big shift is the focus on prototyping and trying things on a small scale quickly."

Many of BSCF's investments in innovation for health care grew rather seamlessly from earlier investments in leadership and capacity building. For example, over time BSCF introduced more and more conversation about innovation into the alumni network of its Clinic Leadership Institute (CLI), including annual innovation seminars.

"One key thing that helped us move forward was being part of the CLI alumni network," says Liz Forer, CEO of Venice Family Clinic. "We realized that we were struggling with a strategic plan that didn't address things in a concrete enough way. We realized that it would help our clinic to come up with three to five key goals that would tie into the plan. That focus put us all on same page. Each manager understood how they fit in and what their roles were. That was basic management, but then we layered on what we learned about innovation and design thinking — and that really helped."

### in the domestic violence field

The springboard for BSCF's investments in innovation came from the Strong Field Project, a four-year (2010–2013) initiative to provide comprehensive capacity building and leadership development support for domestic violence service providers. The Strong Field Project helped create new capacity, leaders and networks within the domestic violence field that fertilized the ground for innovation. Alumni of the Strong Field Project's Leadership Development Program can participate in a newly created Thought Innovation Lab, funded by BSCF, to develop strengths-based solutions to advance both the field and the movement. The Foundation also is helping to start a new Movement Mobilization Institute, a grantee-driven effort to inform innovation within the domestic violence movement by networking and collaborating with other movements across the nation.

BSCF helped to fund the creation of several innovations that change the way domestic violence service providers interact with one another and with their clients. In each case, innovative ideas generated by grantees have fueled the development of new technological tools with the support of technology consultants such as TechSoup Global. (See examples in the next section.)

### cross-sector innovation

BSCF also has just begun a cross-sector investment in innovation that connects both the healthcare safety net and domestic violence fields. Under the Affordable Care Act, patients now have the right to a domestic violence screening as part of



Cross sector innovation efforts pair clinical providers with domestic violence service organizations to develop better ways to offer domestic violence screenings.

their safety net care. However, the ways in which screenings are provided offers many opportunities for innovative approaches. To help capitalize on this opportunity for innovation, BSCF provides support for 19 teams that include at least one domestic violence organization that has received previous support from BSCF, and at least one safety net healthcare provider (a community health clinic, hospital, federally qualified health center, etc.). BSCF grantee partners are exploring delivery of screenings in clinic settings, at domestic violence shelters or both, as well as who might conduct those screenings. In exploring the options, partners also are learning how safety net providers and domestic violence service providers can work collaboratively to help improve a patient's overall health.

## research and resources

While grant support and networking are the cornerstones of BSCF's innovation investments, the Foundation also generates a number of resources for the fields it serves. BSCF's website includes a number of research reports that provide objective explorations and analysis of the needs that can inform innovative thought. For example, since 2011 the Foundation has funded research by Langer Research Associates to conduct multiple surveys of low-income Californians about their experiences in the healthcare safety net. Results of this research and subsequent analysis include six reports and six issue briefs, all of which document patient experiences and perspectives to inform innovation thinking among safety net organizations. In addition, BSCF supported research into links between social services, behavioral health, and healthcare delivery transformation in the safety net to meet the needs of low-income, vulnerable individuals. (Opportunities for Whole-Person Care in California, JSI, 2014) In the domestic violence field, reports such as "How do Survivors Define Success? A New Project to Address an Overlooked Question," help field leaders think more innovatively about solutions to entrenched challenges. All BSCF-supported research is available on the Foundation's website.

"The reports that BSCF shares give legitimacy to the initiative that you want to take on. I use them for reference and for ammunition."

Mark Richman, MD,  
Director of Primary Care and Managed Care,  
Los Angeles County Department of Health Services  
Olive View-UCLA Medical Center

## examples of innovation

### at safety net providers

Many innovations are emerging from CCI's Safety Net Innovation Network. Projects such as phone visits, telemedicine, e-consultations and other approaches that provide patients with easier access to providers top the list.

## improving connections with patients

"We've created telephone visits as a legitimate means of patient contact that count toward provider productivity," explains Mark Richman, MD, Director of Primary Care and Managed Care at Los Angeles County Department of Health Services Olive View-UCLA Medical Center, describing one of the outpatient clinics. "One telephone visit is valued at one-third of a face-to-face visit. We use phone visits for things that can be managed over the phone but require a provider, such as abnormal lab result discussions or prescribing medications. We don't allow them for issues a non-provider can handle, such as informing patients about normal lab results or re-scheduling appointments. Out of 120 phone contacts, 40 of them involved medication adjustment, and our patient surveys are highly favorable."



By applying new and innovative solutions, health care providers are reducing wait times, learning from patient feedback, and building stronger relationships with those they serve.

Richman realizes that the clinics' willingness to try innovations now will pay off in California's impending new healthcare payment structure. "Right now, we don't get paid for telephone visits, but we feel that it doesn't really matter, since we're moving toward managed care and away from fee-for-service and won't want to encourage unnecessary face-to-face visits."

Richman and his team also developed a system of real-time email notices that alert care managers in a patient's medical home when that patient has

an emergency department visit. In a randomized experiment, in which emails were sent in half of the cases and no email in the other half, Richman saw a 6 percent lower rate of repeat ED visits in cases where emails were sent. “That would save about 1,100 ED visits a year among our patients at our ED,” he says.

### **creating a more welcoming environment**

Venice Family Clinics were in one of the first CLI programs that included an innovation component, and they subsequently used their new design thinking skills to create a new layout and patient experience for a children’s health and wellness center. (The design thinking process behind the clinic was highlighted in a Forbes article on May 23, 2014.)

“This is a complete redesign,” explains Forer. “It’s much more focused on patients.” There are spaces for small kids and a room for teens to work together. Patients interact with providers in large exam rooms that can accommodate entire families. There are teaching kitchens and a café and exercise room in the waiting area. “The whole focus is on health and wellness, and it’s welcoming even if you’re not a patient. You can stop by and work out or get a coffee. And it’s in a shopping center, within a block of three elementary schools and next door to woman and infant care center.”

Debra Rosen, director of quality and health education for Northeast Valley Health Corporation (NEVHC) is just as excited about improving the patient experience. She and another “innovation catalyst” on staff have been shadowing patients with chronic diseases through their entire visits, from check-in to checkout, and listening to the comments of the patients and family members. They will implement changes as a result of that shadowing process. Rosen also uses interns to “sit and see” in the waiting areas to observe what’s happening for patients.

“We designed a quick, two-question patient survey to ask what went well and where we could improve, and that was unbelievably impactful,” says Rosen. “We heard from patients that if we could improve wait time they would be much happier. That influenced a major organizational

focus to improve wait time. Now, in addition to collecting our traditional information about cycle time, we’re collecting data to ensure that providers see patients within 15 minutes, [as well as] data about clinic start times and the range of wait times. We’ve seized on the importance of having new data and more data — if you don’t look at it, you can’t improve it.”

### **streamlining referrals**

Beyond the work of CCI, BSCF has supported care integration through the development of an e-consult system and set of protocols that can help county health systems and specialists work with community primary care docs to manage specialty care needs and referrals from safety net providers. For example, in the past a patient with a suspicious-looking mole might receive a referral to the county hospital that could take up to a year to schedule. E-consult allows a specialist to see images of mole and supply feedback within a couple of days. Los Angeles county health services tested the e-consult system and implemented it countywide. BSCF supported the system rollout in the Los Angeles County safety net and is now helping to deploy it in other counties around the state.

### **at domestic violence service organizations**

BSCF supports domestic violence service providers by encouraging and funding ideas that come from grantees — most of whom are graduates of the Strong Field Project’s Leadership Development Program. BSCF funded the Strong Field Project from 2010 to 2014 to help domestic violence service providers find innovative ways to adapt to a changing operating environment by developing new ways of doing business and creating a strong, coordinated network within the field.

Innovations that make use of technology are currently at the forefront, including:

- The Domestic Violence Information and Referral Center (DVIRC), a shared online database that helps agencies coordinate across multiple shelters in the Bay Area to find available beds. In the past, shelter staff would have to spend hours calling other shelters one by one. DVIRC also is becoming a robust resource network to help domestic violence

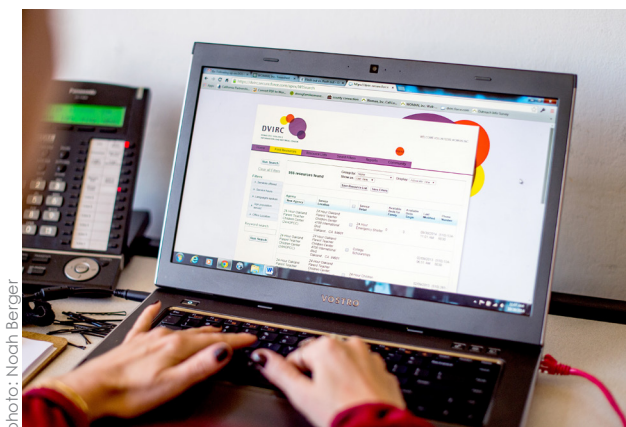


photo: Noah Berger

The Domestic Violence Information and Referral Center (DIVRC) was one of the first innovations developed by DV organizations. It helps centers locate available shelter beds quickly and easily.

service providers share information and inform one another's practice.

- The creation of an award-winning mobile app called SafeNight, which reaches out to individual donors to cover the cost of hotel rooms for domestic violence victims when local shelters are full. SafeNight crowdsources funding by collecting five- to ten-dollar donations. In addition to securing a safe harbor, SafeNight also creates a new community of funders and supporters for the agencies that use it. The app currently is piloting in two counties and preparing to roll out in five more.

SafeNight was developed in partnership with TechSoup Global, and it highlights both the unique aspects of innovation investments in what has become a relatively close-knit field and the opportunity to build a sense of ownership. "This project has approached innovation in a very different way than in the business community," says Mary Duffy, director of field projects for Caravan Studios, the division of TechSoup Global that supported the SafeNight development. "Rather than supplying something that was already developed and asking for reactions, it's been developed by the community, for the community, with an advisory committee that weighed in heavily at every stage. The feeling now is that 'this is really for us.'"

- A texting program at the Immigrant Legal Resource Center in the Central Valley through which the Center shares health and safety information with area immigrant women. The text content is based on research showing that while women may not identify themselves as victims of domestic violence, they will respond to messages that relate to them in terms of their cultural background, their roles as mothers or in other ways. The texting campaign uses that as a vehicle to create access to domestic violence information and resources within the context they select. Even if a victim isn't the one getting the text, friends or family who do are likely to share.

## early outcomes

Although BSCF has only been funding innovation formally for approximately two years in the safety net provider field, and less than that for domestic violence, there are emerging outcomes that are worth noting.

## shifting cultures

One of the most noticeable outcomes so far from BSCF's innovation investments in the healthcare field is the shift in culture around innovation, says CCI's Aulakh. "It's not completely across the board, but you can see it in the way organizations operate and the approaches they take. We can see it in grant applications and their presentations. They are taking risks, trying out new ideas, adopting the 'fail fast' concept of not investing too much up front, getting user perspectives, conducting ethnographic research and gathering feedback in concrete ways. We've also seen an increase in the number of organizations interested in our innovation programs and networks. They're seeing that innovation is different than quality improvement."

Domestic violence service organizations also are warming up to innovation as a part of their culture. "In terms of DIVRC, we were initially kind of wary of it, but now we've turned a corner and it's very exciting," says Zawisza. "We can be very creative and can strategize about who should be on the system and how to bring them in."

## building skills through design thinking

BSCF supported the incorporation of design thinking into the CCI curriculum, but it did so with initial questions about how relevant and resonant the skills of design thinking would be for participants, says Richard Thomason. However, the participants appear to be fans.

“Design thinking is very freeing in terms of how we brainstorm,” says Venice Family Clinic’s Forer. “We’re seeing things in different industries and thinking of how to bring them into ours. As we were designing our new clinic, we saw how places ranging from museums to the play area at McDonald’s engaged children and made [the space] interesting, educational and fun. We may not have time to



photo: Noah Berger

Design thinking skills have changed the way organizations brainstorm, shifting the mindset away from fear of failure to “let’s try this and see if it works.”

prototype all the things we want to do, but we can try different approaches in different parts of the building to see what happens (such as screens in one area and specific kinds of toys in another). We have a new willingness to try things for a week and see what happens. We’ve sent ten different kinds of Astroturf home with employees to test. We’re asking patients to test different things. We’ve realized the importance of testing on a smaller scale and more rapidly before committing.

“Having clear skill sets has really helped us — we’ve identified a method we can walk through that doesn’t feel tired or old, like strategic planning. It’s allowed us to move more quickly as well,” she adds.

“It’s taken us a year for people to think about what innovation is — not process improvement, but how do you think crazy?” says Dr. Jason Cunningham, agency medical director at West County Health Centers. “We’re a lot more fluent in that now than we were before. We have more skills for design thinking. Our whole operations team is going through the design thinking curriculum with CCI.”

Cunningham shares the story of how examining a problem from an outside, analogous perspective helped lead to an innovative approach for his clinic. “My brother’s company used a web conferencing service, and we realized that we had the same challenges and could use the same solution. We now use web conferencing to connect teams at different clinic sites. In terms of care delivery, we use video to bring nurses and access coordinators and doctors together with a patient when they can’t all be there in person. This was a big win for us.”

The “fail fast” aspect of design thinking has had particular resonance in the cultures of many safety net providers. “We’ve been learning to take ideas and try them more quickly at a basic level, learn from our failures and move on to spread them,” explains Rosen. “That’s made a big impact, because traditionally we made a decision, made lots of assumptions and moved slowly into change. Now we take quicker, smaller steps, learn what works and iterate from there. That’s a huge lesson from innovation.”

## supporting failure

BSCF grantees are becoming more comfortable with the idea of pointing to failures, which is a big step in terms of traditional grantee-funder relationships. But failure is recognized as par for the course when it comes to innovation.

In fields where failure has traditionally not been an option, this new mind-set is refreshing, but it requires a great deal of trust in BSCF as a funder. “You have to understand that with innovation, there will be failure. We want our grantees to embrace this so they can fix what’s failing,” says Corral Peña.

"We don't like failure, but for any given project there's very little at stake," says Richman. "We should be the world's greatest risk takers, but instead it's totally the opposite. There's no such thing as failure if you learn from it and incorporate those lessons to improve."

"Value the idea of fabulous flops! There are so many things we learn from the attempts that don't yield the results we want, especially when we're working in a new area. There are bound to be some missteps."

Virginia Duplessis, Program Manager for Health, Futures Without Violence

### improved recruiting potential

Innovation funding also may be creating a more attractive environment for future leaders, says UCLA's Richman. "There generally is less value on graduate medical education and more focus on provider productivity these days, so there's a big risk of not attracting really talented people. Innovation funding gives staff an opportunity to tap into their desire to be creative and academic in some manner, which serves as a way for us to recruit and retain young faculty."

This sentiment extends beyond academia to health care and domestic violence service providers across the board, especially in terms of attracting new leaders. The more innovative the organization, the more interesting and engaging the work is for those who will assume leadership roles (and take the reins for ongoing innovation) in the not-too-distant future.

## lessons we're learning

Although BSCF's innovation funding work has only just begun, lessons from the first two years are helping to inform and shape its work moving forward. Among the "lessons learning" are:

**Make time for planning.** Innovation should never be based on assumptions, so it pays to for funders to spend time considering the questions they hope to answer or problems they wish to solve, as well as identifying the space within the innovation spectrum in which they want to invest — sparking, seeding, spreading or scaling. This also will help clarify the expected return on investment in innovation.

**Don't innovate alone.** It would be virtually impossible for a single person or a single safety net provider or domestic violence service organization to pursue innovation on its own, although some have tried. "I used to be a cowboy innovator," Mark Richman admits. "CCI taught me that it's important to get people aligned with you. Otherwise, you may have a great idea but it won't go anywhere."

**Include staff at all levels.** While organization leaders must provide the enthusiasm and guidance, innovation can't be presented as a top-down directive, or else the valuable ideas of mid-level and frontline staff can be lost in the shuffle. Also, funders should be aware that staff within grantee organizations will approach innovation with varying degrees of enthusiasm and reluctance. Helping naysayers change their thinking can be challenging, and sometimes support from an outside consultant can help.

**Expand your timeline.** "We came up with our concept of what a medical primary care unit should look like, but it's taken a long time to make that happen," says West County's Cunningham. "Sometimes it takes more than you think for people to do what you ask" It may be valuable for funders to remember to consider innovation in terms of an ongoing process, rather than a fixed outcome. After all, thought doesn't have to stop once a milestone has been reached.

**Be adaptable.** In the grand scheme of grantmaking, innovation may seem extreme in terms of uncertain outcomes and unclear direction. Funders have to be okay with flying the plane while building it, and comfortable with the idea that they may land somewhere far away from where they thought they'd go. They also must be comfortable in the role of learning partner, sometime leading and sometimes following in innovation.

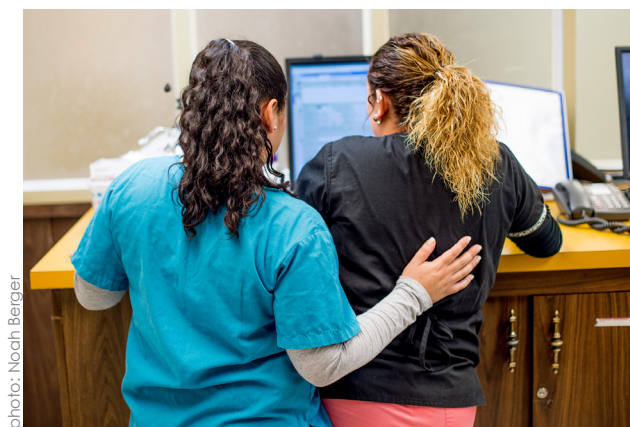


photo: Noah Berger

Innovation is by nature disruptive and can be unsettling for some employees. Leaders should take time to encourage input for and support the adoption of new ways of working.

**Show what innovation looks like.** BSCF grantees are quick to note the value of site visits to other businesses that have nothing to do with health care or domestic violence. Exploring analogous examples provides fresh perspectives and inspires new thought, and BSCF grantees are clamoring for more. As one grantee enthused, “Learning from outside of health care was so amazing!”

**Help tell the story.** Grantees frequently do not document their stories of innovation — perhaps in part because the tale can be winding and there's rarely a point at which it's completely finished. Helping document the story by producing periodic updates can provide both a record and ongoing motivation for a grantee, and help them see how far they've come. Funders can also use tales of grantees' innovation work to intentionally spark new ideas and continue to move others forward.

**Leverage other types of grantmaking to support innovation.** Although it wasn't part of BSCF's original strategy, the years it spent investing in core support, leadership development and capacity building within the healthcare safety net and domestic violence fields laid an incredibly strong groundwork for its investments in innovation. “Over the past decade, we made significant investments in both fields to help them not just survive but thrive in a changing world,” says Brenda Solórzano. “Although I don't think we could say we had innovation in

mind when we started, what we did helped the organizations in both fields ready themselves for the opportunity to explore innovation. Now they're moving ahead in new and exciting ways.”

**Remember that technology is both a blessing and a curse.** Grantees' technology platforms and staff IT expertise may not be as robust as needed for tech-based innovations. This can mean extra work is required to implement innovations. On the flip side, it can be tempting for an organization to view technology (or a tech upgrade) in and of itself as an innovation and thus miss the idea that technology is actually a tool for moving innovative ideas and processes forward. While technology can provide innovative tools or solutions, it's rarely a “magic bullet” for the field's complex challenges.

“You have to be willing to take a risk — innovation is risk. So what's your posture as a funder? For us, we have effective learning relationships with our grantees. We're trying something new and there's a tolerance for failure and course correction. If we don't do that, learning together and having more communication, we're likely not to stick with that innovation.”

Lucia Corral Peña, ,  
Blue Shield of California Foundation

## next steps and questions

At this stage of the innovation game, BSCF has far more questions about innovation investments than answers. In fact, BSCF and its grantees and partners wrestle daily with ongoing questions — some about growing the reach of innovation, some about sustaining the strides already made and some about how to further refine the Foundation's approach.

Some grantees are hoping that BSCF might help spur more opportunities for innovation. Jason Cunningham dreams of “coffee shops for innovation” where he and colleagues could be

exposed to the ideas of others from outside the healthcare industry. Mark Richman likes the idea of a formal innovation center. "That seems to legitimize the entire process. It could be as simple as one room with a lot of flip charts in it, where people could meet but also leave ideas and contact info."

Several grantees and partners wonder how they might maintain the momentum around innovation, should BSCF eventually choose to invest in other areas. "Financial sustainability is a big concern," says Forer. "How do we sustain the innovations we've made? Despite the fact we have all these newly insured, the payment system is still shaking out, so there are a lot of unknowns for safety net providers."

On the other hand, sustainability may be addressed on some fronts by the very innovations that grantees adopt. "The funding from BSCF has not been to implement something and be done. Instead they have provided infrastructure and training to allow us to continue beyond the term of each grant," says Rosen. "We've trained trainers and coaches and do ongoing communication observations to make sure we're really integrating skills into our care. The work funded by our grants is sustainable, and that's very different than other funding we get."

### questions for BSCF

Perhaps the most pressing question for the Foundation is one of related to outcomes far down the road: What are the most effective ways to accomplish BSCF's goal of spreading and scaling innovation?

"For BSCF, there is always the question of what are the right innovations for us to be promoting and in which areas," muses Thomason. "Safety net providers will always have bandwidth challenges, so we wonder if there are ways in which we can disseminate lessons and ideas to help people learn about this and take it up in a way that is less intensive than participating in the Safety Net

"How do we get more people engaged in innovation and see the power? Or should we just accept that innovation isn't for everyone and keep funding the best ideas that will inevitably come from the same group of people?"

Veenu Aulakh, Executive Director,  
Center for Care Innovations

Innovation Network or in our grantmaking. Is there a way we can innovate with a lighter touch?"

Thomason also wants to more closely examine the value of design thinking in innovation pedagogy. "How much does design thinking really help in innovation? It makes sense, we've seen it be helpful, but there is no rigorous study of it in the healthcare field. Is there an alternative that would be more helpful?"

"Design thinking seems like the next new framework — but it's very resource intensive," observes Corral Peña. "A lot of innovations we've funded to date haven't been in that framework. But maybe identifying innovations that can incorporate design thinking will be a new approach."

Although BSCF is still learning, the Foundation very much recognizes the value of the innovation investments it has made to date and looks forward to learning more as current and future innovations unfold.

"I believe that innovation has always been a part of our DNA, and seeing how safety net providers and domestic violence service providers are embracing it only reinforces that this is a powerful opportunity for us as a funder and partner," says Brenda Solórzano. "We can't wait to see what the fields we support will be able to do in the next few years to up their game and ensure improved experiences and accessibility for the people they serve."

### innovation: one piece of the puzzle

Supporting innovation can spur transformation, but more is needed to create long-term change. BSCF's 2013-16 strategic plan includes an organizational logic model that incorporates four interconnected strategies: Adaptive leadership; Capacity building; Innovation; and Policy.

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**Blue Shield of California Foundation**

50 Beale Street  
San Francisco, CA 94105

[blueshieldcafoundation.org](http://blueshieldcafoundation.org)  
email: [bscf@blueshieldcafoundation.org](mailto:bscf@blueshieldcafoundation.org)

The mission of Blue Shield of California Foundation is to improve the lives of all Californians, particularly the underserved, by making health care accessible, effective, and affordable, and by ending domestic violence. Since 2002, the Foundation has awarded more than \$300 million in grants throughout the state.



**Putnam Consulting Group**

*Confident Giving • Dramatic Return*

authors: Elizabeth Russell  
Kris Putnam-Walkerly

Putnam Consulting Group provides a full range of expertise and services to help philanthropic organizations achieve dramatic results with confidence and clarity. With our assistance, foundations and nonprofits visualize, design, implement, evaluate and share programs and ideas effectively and in ways that inspire.  
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