

Jon Bernstein:

Welcome to PNC C-Speak: The Language of Executives. I'm Jon Bernstein, regional president of PNC Bank in New England, alongside my co-host, Carolyn Jones, market president and publisher of the Boston Business Journal.

Carolyn Jones:

Thanks, Jon. Each podcast features local executives talking about relevant and timely business topics. This knowledge sharing platform showcases leaders with forward-thinking approaches that disrupt the status quo and cause us to think differently.

Jon Bernstein:

Our guest today is Sarah Iselin, president and CEO of Blue Cross Blue Shield of Massachusetts. Sarah, it's great to have you with us.

Sarah Iselin:

Oh, it's fantastic. Thanks so much for the invitation and opportunity. I really appreciate it.

Jon Bernstein:

There are so many things to talk about, but let's start a bit about you. Could you tell us a bit about yourself and some of the experience that led you to the leadership role at Blue Cross Blue Shield?

Sarah Iselin:

I would love to. So my journey, and I promise I'm not going to walk you through every single step of it, but I was born in Washington DC. I grew up on Capitol Hill. You could literally see the US Capitol out my front door. And so I was the child of two public servants who made it very clear very early on to both me and my brother that their expectation of us was to use our lives to try to reduce human suffering in some way. And for those who know me, they might then ask, "So how did you go from there to art school?" Which is what I did in college. And at that point in my life, I just kind of felt like my niche was in making things. But I finished college. I went to the school of the Art Institute of Chicago with this degree in fine arts and asked myself, okay, what now? What do I do?

And I would love to say that I'd made this really strategic and calculated decision to get into healthcare, but the reality was it was kind of a stumble in. When I moved to Boston, I got an internship at the Visiting Nurse Association of Boston, the oldest VNA in the country. And healthcare just immediately stuck as incredibly complicated, incredibly expensive, and in spite of the beautiful intentions of everyone I know who works in this system, we've got some real challenges. And so that set me off on this path that I'm still on now 30 some years later.

And so I've had the opportunity to work on the provider side, to work in philanthropy. I first joined Blue Cross in 2001, part of the team that launched our company's foundation. We played a big role leading the roadmap to coverage initiative, which provided policy options to get to close to universal coverage. I had time in state government, I worked in the Patrick Administration leading the division of Healthcare Finance and Policy, and then went back to Blue Cross, worked in the foundation and have had a series of leadership roles in mission driven Blue Cross Blue Shield plans around the country, Florida and in California. And now I'm back home again. It's great to be here.

Carolyn Jones:

Well, we are happy that you are back, that is for sure. And thank you for sharing sort of that span of your career, which has spanned 30 years. You mentioned your undergraduate degree being in fine arts, and I wonder how, if at all, that informs the way you work or the way you view things at work?

Sarah Iselin:

Yeah, it absolutely does. And I will say I have a tendency to drive the people who do creative work in any company that I work with, probably a little crazy. As a former art major, I tend to have very strong opinions about how things look. So they either receive them with joy or are really happy when I go back to my office and let them keep doing what they're doing, but truly not joking. A big piece of what I learned by studying art is you learn pattern recognition. And so I've carried that with me and it really has helped me toggle between managing what are often kind of the micro day-to-day priorities in any company that I work in, but also being able to step back and see that bigger picture and think strategically and recognize the patterns which become particularly important in the role that I have now.

So in my career, I've tended to be attracted to pretty intense jobs. In state government I referenced my service, that's a whole other level of intensity, but making things feeding that creative part of me that still exists, it actually turns out to be a big part of how I recharge my batteries and keep my mind fresh. I take really good pictures with my iPhone and then I do other things to kind of feed that creative part of me. I cook, I'm a knitter. I don't do it that often, but all of those things kind of feed another part of my brain that keeps it about as balanced as I guess it can get when you have a job like mine.

Jon Bernstein:

You've been at Blue Cross and then came back as CEO, would you share the core values and the patterns of the organization and how you bring your leadership philosophy to those values and your role?

Sarah Iselin:

Well, I love the question. It was really an extraordinary privilege. I've now been on board for a year, and so we did the classic thing that a first year CEO does, working with the leadership team to do a refresh of our five-year strategic plan, taking a fresh look at our mission and our values. And so what I'd say is we didn't change them. This wasn't like a big page turn, but what we did is refresh them and update our mission and our values into much more contemporary and memorable words that the company could really rally around. And it was just, I mean, such an honor and frankly kind of responsibility when you're leading a company that's almost nine decades old, to work with the leadership team to modernize that expression of who we are and what we stand for.

And a lot of that work was about bringing more heart to the words, to put our hearts front and center, that as a company, we know your health plan, our basic function at its most basic level, our responsibility is to protect people from financial catastrophe if they encounter a serious health event that without insurance could otherwise drive a family into bankruptcy.

And so at the end of the day, our role, our mission is about supporting people during the most vulnerable, scary moments of their lives. And we really believe that our local focus and our mission are what differentiate us from our competition. So that work was about crystallizing and that expression of our mission so that we call our employees associates so that they know the first and the last thing we stand for every day is our members. And so our new mission is to show up for everyone like they're the only one. And our core values are be the example, do what's right, not what's easy, be kind, act with humility and heart, be courageous, ask questions, seek diverse perspectives, bring bold ideas and make them happen and be community focused, always.

Jon Bernstein:

Great mission. You've been sounding the alarm about the healthcare cost in Massachusetts. What has you so concerned?

Sarah Iselin:

We are at, I think, a particularly tricky moment in time right now. We had enjoyed in the early years after we implemented health reform, we had also implemented a healthcare cost benchmark in this state. And it had a pretty significant impact in moderating the cost of healthcare in Massachusetts. But we are entering a moment right now where that's changing, where healthcare costs are starting to grow a lot faster than they have in recent years. And you can imagine that as a health plan, making healthcare affordable has to be our highest priority. It is job one, it is what we and all of our associates wake up and think about every day. And the reason it's so important is because healthcare costs are an enormous struggle for families, for businesses in the state, and frankly it impacts the overall competitiveness, our state, because these costs create barriers that stop people from getting the care they need.

And we know that's the problem. And so as we think about costs starting to grow, we've already got challenges that our business community is facing both small businesses and large businesses. It's getting harder for them to afford to offer coverage to employees. And I worry about this because employers have choices. They have choices about where they want to do business and healthcare costs are absolutely part of that calculus. So we need to come together much as we did on coverage reform as a community with government to continue to find ways to explore how do we moderate the rising cost of healthcare. And that is really hard work.

Carolyn Jones:

So Sarah, women's health and mental health I know are two key areas of importance for you and for all of us, but I know those are special areas that you want to focus on. What are some of the initiatives that you see as important drivers of those topics?

Sarah Iselin:

Well, I have a huge amount of energy on women's health, not just because I am a woman, but also because we know women are often the healthcare decision makers in families. So as we think about our business, we really want to tap into and make sure that we're serving the needs of those healthcare decision makers. Women also happen to make up 70% of our own workforce here at Blue Cross. And yet, and I can say this from my own personal experience, we know that women's health needs often fall through the cracks because women are often taking care of everybody else in their families. So we think about women's health, we're really thinking about it along a holistic continuum of needs. So we're launching new programs that support women who are in their reproductive years who might be struggling with planning their family. They might be struggling and confronting infertility.

And then we're also thinking about it in the later reproductive years. I am a woman who's like smack dab in the middle of perimenopause, and I vowed, I'm going to talk about this publicly so that we can continue to de-stigmatize something that is, I think a big opportunity for us to show up to support our members in our employees because every woman, and that's half the population, is going to go through it and it's going to affect our work, our lives, and our health. And it does still feel like a taboo topic. And so we want to change that. And we're starting with our own company. In fact, we hosted a webinar last year when I came in and made this a priority. We had 400 of our employees show up to a webinar with our on staff. We have a fabulous on staff OB/GYN and nurse practitioner, and these women showing up for this webinar and getting questions answered that they were finding hard to get answered through the healthcare system about how to manage symptoms and share resources with each other.

And we're now actually creating a group where employees can continue to come together to ask questions and share their experiences. And it's now also something that we're rolling out because we're seeing so

much demand to our employer, clients and members. So that's on women's health. We just announced a partnership with Maven Clinic so that we can offer these kinds of services relating to family planning 24/7. I'm starting with digital options.

But Carolyn, you also asked me about mental health. And mental health is also a huge priority. It's been a huge priority for our company long before COVID. And when I came back in, I just underlined and said, "Yep, there may have been a CEO transition, but we're not going to lose our focus on mental health as a priority for our company." And this is another one that is deeply personal for me. I'm the mom of three young adults and two of whom allow me to talk about the fact that they have faced, we as a family have faced supporting them with significant mental health challenges, and they know how important it is, the contribution that we can make to continuing to de-stigmatize talking about mental health.

And so I have lived this. I have personally struggled many times to find the right care for my kids, and it just should not be this hard. So I am incredibly proud of the work that we've done as the company to help lift some of this stigma and increased access to mental health supports. In the last five years, we've grown our mental health clinician network, so people who take insurance, by 50%. And in the last three years alone, our spending on mental health has doubled. And it's very unusual for me to be out there talking with excitement about where we're spending more money on things. But this is an area where we're just really proud because we knew we were probably not spending enough on mental health because so many people were not getting access to care that they needed. So this is an area where when we look at growth and spending, it feels like a victory because it's an indication that more people are getting access to care that they need.

So I have a lot more that I could say about this. We've launched a team of specialized mental health advocates who if you get to one of these advocates, they will offer you hands, hands-on support. They'll research different practices, they'll find ones with availability, they'll help our members schedule appointments because sometimes when a family's in crisis, that's what it takes. And we know that there's always more we can do. Access is still too hard, and particularly for young people, as I mentioned, and especially for those who have more significant serious mental illness struggles. Still learning here.

Carolyn Jones:

Those are so important and it's really encouraging to see you focusing on those two areas, which is so critical, both internally and then now externally with your customers and the community. It's great.

Jon Bernstein:

Thank you for your outspoken leadership on those issues. Ask another question on how digital innovation is changing the world, both in the consumer and customer experience and in the use of AI at Blue Cross Blue Shield. Could you share a little bit about your perspectives and experiences there?

Sarah Iselin:

Oh, sure. I mean, we're all on a journey here. And so just digital in general, we're thinking about in lots of different ways. So we think about it, we've got to be able to meet our members where they are. And so some people really prefer digital interactions to picking up a phone when they have a question for their health plan. So we have digital experiences that range from our website to our mobile app. We're actually going to be launching a new version of our mobile app in 2024. We are using artificial intelligence to help power live chat. So we have live chat as an option that has actually a human on the other end, and we're launching live chat that also takes advantage of artificial intelligence on the other end. And so when we think about digital, we're really thinking about it in lots of different ways, in lots of different channels so that we can meet the preferences of our members.

We're also thinking about it as it relates to how people get care. So you heard me mentioning as it related to women's health, but I could say the same thing for mental health. We're bringing new providers into

our network that are digital first providers. And in doing that, that means sometimes we're able to provide much more access, but we're able to do it at off hours when it might otherwise be hard to find resources. And so I'd say we're all still on a journey here as it relates to how do we fully harness the power of artificial intelligence? We've been using it for years. We use it for things like fraud, waste, and abuse. These are really important programs that help us manage and make healthcare more affordable so that we're not paying claims that we shouldn't be paying. And there are a lot more opportunities moving forward, as I said, to automate so that we can really keep our administrative costs under control.

Generative AI, you didn't ask about explicitly, but I'd say that's one thing we're thinking about with a lot of thought and care. You've seen a lot of media attention around the use by some health plans of generative AI in the space of clinical decision making. I'd say that's an area where we're going to be really cautious. We are at the end of the day going to make sure that when it relates to clinical decisions about care, that we've got our clinicians making those decisions and that we leverage AI as a tool to help just make our business processes more efficient.

Carolyn Jones:

It's such a huge topic, one that we'll be continuing parts of our conversation in all aspects of business. Sarah, we'd love to hear a little bit more about you and how you lead it in your personal experience and all of us learn from mentors and from others in our lives. And I wonder if you could share perhaps some of the best advice that you've been given or have picked up along the way.

Sarah Iselin:

Yeah, so as I mentioned earlier growing up on Capitol Hill with two parents who were public servants we regularly talked about how lucky we were. My parents actually used to probably every couple of years pull out the tax code to just show us exactly where economically we stood. Even though I had two public service parents, that's how much they really wanted us to understand the luck and randomness of the circumstances that we were born into. The Hill was just incredibly economically, racially diverse. And as I said, our family values were to use our good luck to try to affect positive change with the most scale and impact possible. So I grew up surrounded by people who made the choice to lead lives of service and has carried me through my own life and career decisions. And so I'd like to think that I have translated those values into impact.

And now through working for a mission driven not-for-profit health plan, and I've been fortunate to learn from a lot of other tremendous leaders over the years. I'm going to name some names, which always starts, you get in trouble, but I can't not mention Andrew Dreyfus, a fantastic CEO who passed the baton to me last year. Nancy Turnbull, who was a professor of mine at the Harvard School of Public Health, just left an incredible mark on me as a human and as a leader, Paul Markovich, the CEO of Blue Shield of California who I had the great fortune to work with before I came back in here.

And so getting to watch all of them in action has taught me so much. Things like surround yourself with people who are smarter than you are, know what your weak spots are and make sure you're surrounding yourself with people who have strengths in the areas that you don't. Build a kitchen cabinet of advisors, people that you can pick up and have on speed dial and ask their advice. Because no matter how experienced we are as leaders, we know we're always going to encounter a unique circumstance or a challenge. And having that key group of folks that you can call and trust and tap into their wisdom has so much value.

And so I'm lucky and probably really owe a big debt of gratitude and thank you to the people I've called in the last year from Charlie Baker to Jim Roosevelt, the former CEO of Tufts Health Plan to Phil Johnston to former Blue Cross CEO before even Andrew, Bill Van Fossen. These are all people who, since I've been back, have been willing to take my call, have been willing to share their wisdom, and I'm



just immensely grateful because I'll be calling them again, I'm sure for their clarity of mind, their authenticity, their humility, and their sense of purpose, which just continue to inspire me.

Carolyn Jones:

I think that's what makes you such a great leader, is that you will reach out to others who've had the same role, different roles, and it's that humility that you can learn from everyone that makes things really important. I wonder if, just to tag onto that question, what advice would you give to someone starting their career? Maybe just a nugget or two?

Sarah Iselin:

Raise your hand and ask the point that you just made Carolyn. Both ask for help but also ask how you can help. And so I find the people who show up with the most curiosity, it's not a coincidence you're seeing that show up in our values and who are just really trying to take full advantage of any situation they're in, whether it's a job they love or a job they find more challenging. I think just showing up and really asking how can I be of service is often what puts you in the way of learning opportunities for growth and expansion. And that was certainly my experience in my career.

Carolyn Jones:

Great advice. Now we're so glad you are back here in the Commonwealth, as I mentioned, and you have of course become and have always been a key player in the business community. And so from your point of view, why do you see Massachusetts as a great place to work, to live, to grow a business, grow a career, and what do you think needs some work and attention?

Sarah Iselin:

Yeah. Well first, I am so happy to be back and there's nothing like being away and coming back to this community to just really drive home that there really is no place like this. And that's especially true when it comes to healthcare. This is just an extraordinary community that is deeply committed to the health of everyone in this state. And that's just not the case everywhere. It was not actually the case in some of the states where I worked when I left Massachusetts. And so you see the benefits of the community of leaders and the way in which we're connected and committed to supporting each other and investing in the commonwealth. And so you see the benefits, the kind of talent that we attract here is just extraordinary, the kind of companies that we attract to this state in spite of a higher cost of living.

And it also means that we're able to take on some of the most challenging issues. I referenced earlier the fact that the whole community, not just the healthcare community, came together to tackle the problem of the uninsured way back in 2006. And we still have one of the highest coverage rates in the country. And it obviously inspired the coverage provisions of the Affordable Care Act. And we did it again around healthcare cost containment in 2012. And as a result of that work, one of the things that we know makes a really powerful impact on managing the cost of healthcare is moving away from fee for service and into value-based care. And we have one of the highest rates of value-based care in Massachusetts in the country, and we're now working as a community to create financial incentives and to prioritize the elimination of health inequities.

And that's another first in the nation of achievement. So it's really an extraordinary place to get to work in healthcare. And so much of it is because the majority of our hospitals, our health plans, our physician groups, they're locally based, they're mission driven, and many of them are not-for-profit organizations. And again, that's really different than most other markets in the country.

I know you're not going to let me get off without answering your question around challenges. So I'll take it on. And we do have some challenges. I mean, this is a high cost of living state. So the cost of housing, transportation challenges, the cost of childcare, the cost of food, and we can't forget the high cost of

healthcare. And healthcare costs, as we were talking about earlier, are now back at a point where they're growing faster than inflation, even. Faster than the growth in wages and growing faster actually than the rates that we're seeing in the rest of the country. So we've got those challenges. I see them, I've got these three young kids that I'd love to try and convince to stay in this community, but I am optimistic about the way in which we come together with government and across the private sector to tackle some of our biggest challenges. So I continue to feel optimistic that working together will make some progress.

Jon Bernstein:

Blue Cross has a reputation for its focus on diversity. Can you share what you are doing to create a more diverse workforce and foster culture that is inclusive and equitable?

Sarah Iselin:

So I, along with our entire senior leadership team at the company, I just want to be crystal clear, we are 100% committed to diversity, to equity, to inclusion. We added belonging to our priorities last year as a company. And so even as we're reading reports of other companies that are perhaps backing off of their commitment, we're not. And it's not just because it's the right thing to do, and it is unquestionably the right thing to do. It is also not because it's the easy thing to do, this is not easy work. But our commitment is because it makes us better as a company, we know, and there's lots of data that shows companies are more successful when their leaders and their employees reflect the diversity of the customers and the communities they serve. We know that we will make better decisions. We know that we're going to recruit the best workforce that we can because we'll have a better understanding of our customers' needs of their wants and of their challenges.

So in 2024, we're focused on continuing to build diversity into all stages of recruiting. We're focused on infusing those values that I talked about earlier into our culture and finding ways to reward and nurture their practice. And that includes specifically building and launching programs that nurture our employee resource groups and the sense of belonging among our employees. We're investing more deeply in our associate development programs because getting to a diverse management, we're not going to be able to hire our way there. A lot of this is going to be about incubating and supporting our new associates or our entry level associates. And so it's about really tracking and measuring how we're doing at that, at supporting people's career progression.

And then lastly, we're doing a lot outside the building, broadening our corporate citizenship efforts to continue to shine a spotlight on these issues and to be able to actually really dedicate our resources toward work. And that means also dollars in our funding and work toward advancing racial equity and social justice. So I feel like we're still in the early days on this journey, but we're committed and we're committed to working with the rest of the community to continue to make progress.

Jon Bernstein:

Thank you for the work on that as well. We'd like to close with some rapid fire questions. So off the top of your head, are you ready?

Sarah Iselin:

I'm ready.

Jon Bernstein:

All right. What is something that people don't know about you?

Sarah Iselin:

Oh, they may not know. I'm a hiker and a skier. I think of mountains are really, they're my religion.

Jon Bernstein:

Who is your favorite artist?

Sarah Iselin:

Oh, that's a hard rapid fire one. I'm going to say Aaron Siskind, photographer.

Jon Bernstein:

Awesome. What are you currently reading or watching?

Sarah Iselin:

Usually have a couple of things going on at the same time bookwise. And I'm a big Audible fan and I'm listening just in full confession, the new book by Amy Edmondson. I'm a total fan girl, her new book, the Right Kind of Wrong, and I'm also a total fan girl of Adam Grant. And his latest book, Hidden Potential are both, I think I'm about halfway through both of them.

Jon Bernstein:

What is on your bucket list?

Sarah Iselin:

Well, I'm a traveler and so what's always on my bucket list are places I haven't been. So I'd say the short list right now though, I don't have any plans to go to these first two, but I'm dying to go to Patagonia. I have my youngest kid, my 19-year-old who ran 200 mile ultra marathons in 2023, just got back from spending a month on an ice field in Chile. So I'm dying to go to Patagonia. I haven't been, could not visit. Japan's on my list and Scotland's on my list.

Jon Bernstein:

Who's a Boston leader or organization that we should watch?

Sarah Iselin:

I am super excited right now about RIZE Massachusetts. It's a nonprofit foundation that's working on ending the opioid epidemic in this state. It's led by Julie Burns and focused on one of our society's greatest challenges. I don't have to tell you that the opioid related overdose death rates are still rising. And I think we all know, given our earlier conversation about mental health substance use disorder touches, I think every family I know. And so the work that RIZE is doing is just critical to making a contribution, to reducing stigma and to finding novel approaches to prevent overdose. And they just got some really great news about a big investment in funding in their work. So I'm really excited and encourage everybody to get plugged in and engaged.

Carolyn Jones:

Great organization.

Jon Bernstein:

And finally, what's a wish you have for Boston?



Sarah Iselin:

Well, I've mentioned it earlier, these three young kids, I really hope that we can, it's not easy to live in the city on a starting salary these days, and I think it's only getting more challenging. We've got such a vibrant community of young people and students in Boston. I think a lot of them really want to stay here, but it is hard because of the cost of living. So I am hoping that we can continue to work together to make positive changes, to make housing more affordable and accessible so that we can keep these young people in the city, my kids included, instead of losing them to less expensive parts of the country. So that's my wish for our community.

Jon Bernstein:

Great. I hear you on that. Would love that. Same for my three as well, and that wraps up another episode. Thank you so much for joining us, Sarah, and for sharing your insights.

Sarah Iselin:

Enormous thanks to you, Jon, and to Carolyn. I really appreciate the time and really enjoyed the conversation. Thanks.

Carolyn Jones:

Been fun.

Jon Bernstein:

I'm Jon Bernstein.

Carolyn Jones:

And I'm Carolyn Jones. And this is PNC C-Speak: The Language of Executives. Our guest today was Sarah Iselin the President and CEO of Blue Cross Blue Shield of Massachusetts.

Jon Bernstein:

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