

TIPPING POINT 4.0

# Supercharging Provider Sponsored Health Plans: Turning Provider-Owned Advantage into Higher Performance




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Having worked extensively in healthcare, I've spent years navigating the complexities of both payer and provider models. I've witnessed the fundamental disconnect between these worlds - where providers focus on patients and care delivery, while payers think in terms of members/beneficiaries and benefit management. This separation creates inefficiencies and frustrations for everyone involved in the healthcare ecosystem - not only for members or beneficiaries but also from insurers and the people on the frontlines of care delivery.

Not long ago, I spoke with a care manager at a health system and the cracks in the process were too familiar.




### She shared a story that stayed with me.

A young man in his 30s, newly diagnosed with a heart condition, had just been discharged. The provider team knew he was high-risk and developed a thoughtful follow-up plan: nursing visits, medication adjustments, and lifestyle coaching. But when they submitted a request for home health visits, it was initially denied.

From the health system's own plan's perspective, the claims data alone didn't reflect the full clinical picture. And without timely visibility into the provider's insights, the visit didn't appear urgent.

By the time the dots were connected, the patient had already been readmitted. The care manager told me, "We knew what he needed but we just couldn't move fast enough across our own internal fences."



That moment reminded me that no one organization is to blame. Providers and payers both bring essential perspectives to the table, but when they operate in silos, it is people who feel the gap most.

This is exactly the kind of fragmentation that underlies one of the potential benefits of a Provider-Sponsored Health Plans (PSHPs). These are not just delivery systems with added administrative functions but complete health plans that aspire to leverage the advantage of clinical insight and proximity to the care providers.

While the business structure is in place, advancements in technology let PSHPs close the gap between their insurer framework and provider expertise and closeness to the patient.

Seeing and seizing this new tool set is now about a mindset shift vs. waiting for the technology to be ready. It's operationalizing PSHPs from acting too much like standalone insurers to becoming fully integrated within the healthcare ecosystems.

**The path is clear:** Supercharge PSHP operations by leveraging software, advanced analytics, and unified data infrastructure, transforming health system ownership from a passive advantage into an active performance engine. This matches the underlying model to manage the PSHP with a performance-first mindset in operations, innovation and growth.



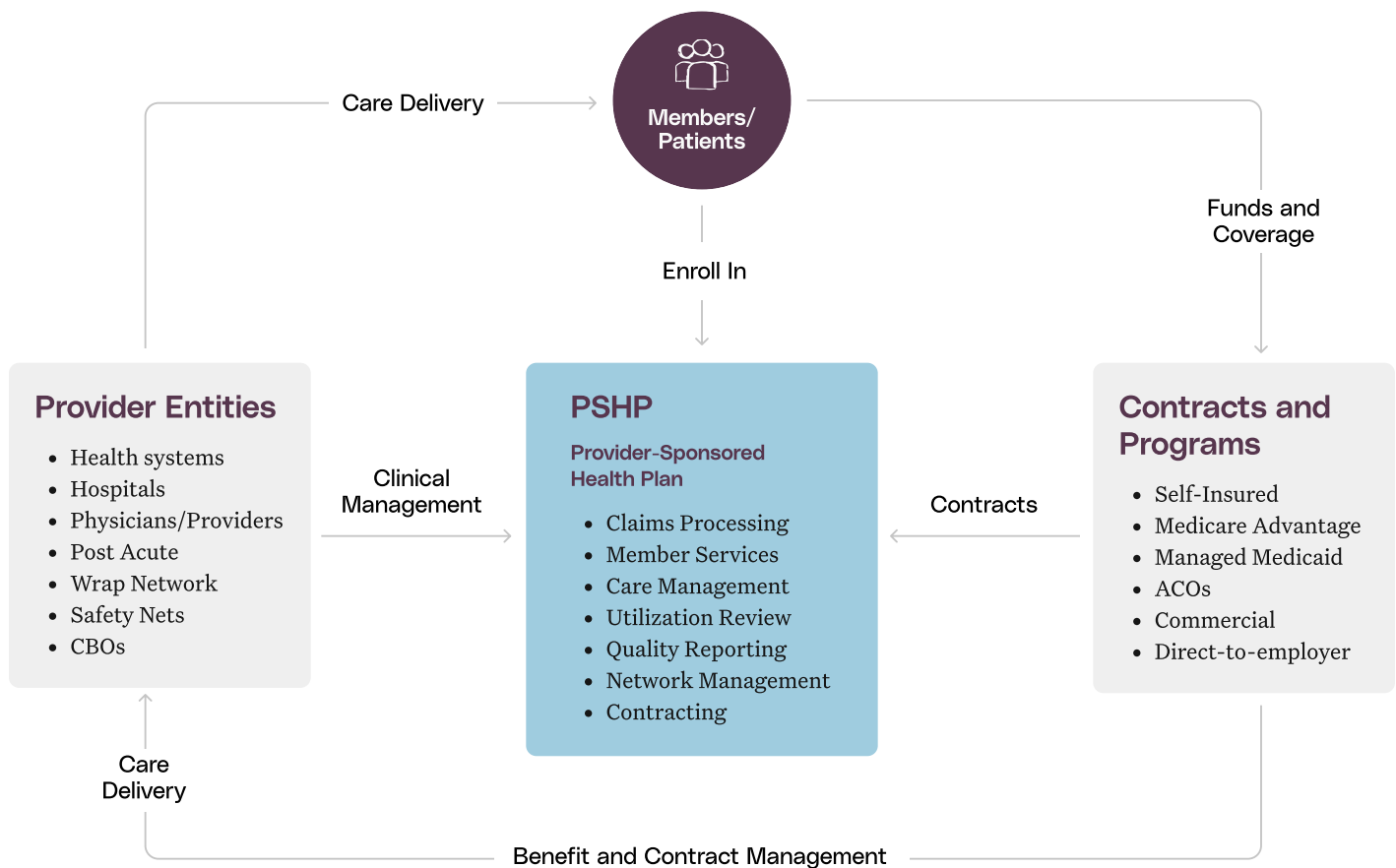
# The Untapped Power of PSHPs: A Model Built for More

The untapped power of PSHPs lies in their ability to seamlessly blend clinical insights with financial incentives, offering a true population health model that is necessary to be a top performer in risk contracting. While commercial insurers operate mostly in a transactional space, PSHPs can create more personalized, efficient care experiences by tapping into the vast amounts of data they have access to – from member histories to treatment outcomes. This makes them ideally suited to drive preventive care, reduce unnecessary hospitalizations, and even proactively manage chronic conditions, all of which significantly impact both cost and quality.

The next frontier is how PSHPs leverage AI and advanced analytics to predict health trends, identify at-risk populations, and implement targeted interventions at the right moment. It's not just about cost control; it's about empowering the Plan's provider network to be dynamic problem solvers, helping beneficiaries stay healthier and avoid preventable costly interventions.

There's also a huge opportunity in collaboration – with technology, payers, and especially within the provider network itself. When providers can work together as a cohesive unit, the synergies they can create in terms of care coordination, efficiency, and member satisfaction are huge. They can turn the traditional healthcare delivery system from a reactive to a proactive, personalized model that's better for everyone.

So, in a nutshell, the untapped power of PSHPs is the ability to drive healthcare transformation from within the system itself. It's about using data, technology, and a deep understanding of member needs to deliver true population health (for any population & contract type) that not only improves outcomes but also reduces costs.



# Why Many PSHPs Struggle: The Data Jungle and the Patchwork of Solutions

Many PSHPs are making progress on outcomes, yet still fall short of targets due to fragmented systems and underinvestment in unified data infrastructure. The scale and complexity of their data ecosystems are often underestimated. A health system chief analytics officer I talked with recently described their PSHP environment as: “I’ve got a massive data jungle!”

This jungle spans systems of record, reporting portals, data sources and point solution EMRs across core functions like prior auth, utilization and network management, benefit design, MLR optimization, and beneficiary engagement. Member-facing programs - covering care transitions, high-risk cases, and chronic conditions like smoking cessation, asthma, and back pain - add further complexity.

The bigger challenge? Almost every function relies on a different point solution. These tools both consume and generate data, creating constant demand for seamless integration. Without interoperability and a cohesive strategy, PSHPs are left tangled in disconnected tech that slows action and weakens impact. To succeed, PSHPs must break down data silos and unify their point solutions on a single, integrated platform.



## The Key to Improved Performance

PSHPs can outperform commercial insurers by strategically leveraging their unique attributes with technology designed for integrated care ecosystems. There are several key strategies PSHPs must adopt:

### Breaking Down Data Silos

A unified data platform allows healthcare providers regardless of their EMRs, to access a comprehensive view of member health, improving decision-making and care coordination.

By integrating disparate data sources, PSHPs can enable their providers to better track member histories, follow up on previous treatments, and coordinate care across different settings.

### Prompt, On-demand Analytics for Risk Stratification and Member Engagement

For PSHPs, it's not just about reacting to health issues, but anticipating them. Dynamic insights make it possible to see risk before it becomes a crisis. High-risk members can be identified earlier, segmented more thoughtfully, and supported with proactive, tiered management that prevents the need for costly interventions.

Say a PSHP spots a diabetic member whose A1C levels are rising up. Instead of letting that slip through the cracks, the system can automatically nudge the right person, like the member's primary care physician during their next visit or a care manager directly within their existing care management platform and daily monitoring routine. Even better, there can be automated direct beneficiary outreach. That small, timely heads-up can trigger earlier action, prevent unnecessary hospital stays, and help them stay healthier in the long run.

## AI-Driven Automation to Streamline Administrative Functions

AI tools can automate time-consuming, error-prone administrative tasks - such as verifying beneficiary eligibility, conditionally approving claims, and managing prior auths. For PSHPs, this isn't just a workflow upgrade - it's a strategic advantage.

By reducing manual interventions and streamlining decision-making, AI-driven automation directly improves operational efficiency, drives down administrative costs, and enhances accuracy across high-impact functions. This, in turn, leads to both more predictable as well as improved Medical Loss Ratios (MLRs), stronger Stars performance, and better HEDIS scores - all critical markers of a plan's financial health and regulatory success.

Put simply, automation isn't just about saving time - it's about sharpening the plan's competitive edge and positioning it for scalable, growth with innovative business models.

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## The Missing Link: Integrating Provider & Payer Functions with the Right Tech

Many PSHPs sit within sophisticated health systems that include both care delivery and insurance capabilities. This alignment holds significant promise - but without the right infrastructure, that promise often goes unrealized.

Too often, **legacy technology, disconnected workflows, and incomplete data exchange** between payer and provider limit the ability to deliver on the goals of population health for all beneficiaries, optimized performance, and competitiveness with large national plans.

What's needed is a **"power strip" solution** - a platform that brings together all essential functions across the PSHP, from care coordination and risk adjustment to reimbursement and member engagement. And, that makes it possible to create true vertical integration within their parent health system.

This foundation must:



Enable timely, bidirectional data exchange



Automate critical administrative tasks



Support seamless <sup>!!</sup> collaboration with clinical counterparts



Equip teams with insights to act, not just report

## Key Benefits of Integration:

### Lower Costs

The greatest savings stem from reducing the total cost of care. Integrated systems improve benefit management and utilization oversight on the plan side and care coordination and disease management on the provider side, leading to lower medical spend and stronger MLR performance.

### Reduced Administrative Burden

Unified systems reduce administrative overhead by eliminating the need for redundant data entry and minimizing errors and using agents to fully perform designated tasks.

### Comprehensive Population Insights

Access to unified data across populations - with the ability to drill down by program, provider network, clinician, or individual member - enables smarter planning, targeted interventions, and improved oversight.

### Better Health Outcomes

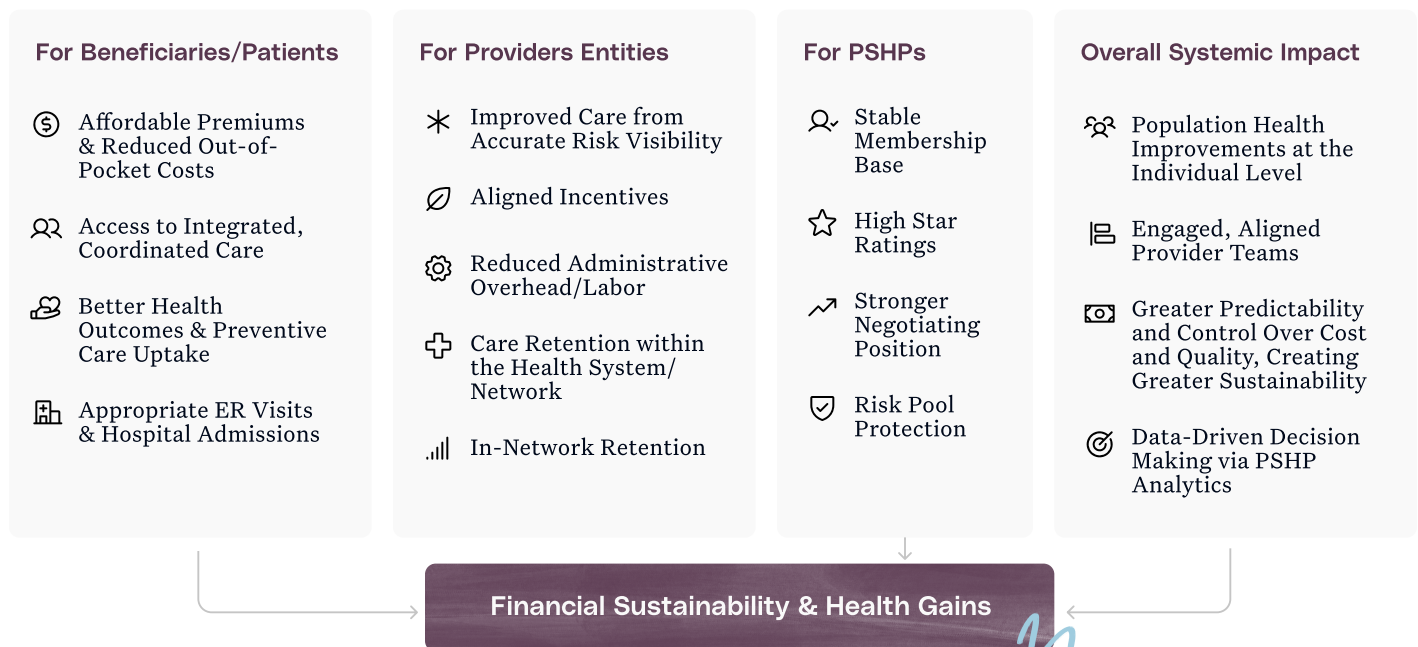
Integration enables earlier identification of beneficiaries with rising risk or unmanaged conditions, allowing PSHPs to delegate or directly perform care coordination resources efficiently and design incentive programs that align providers with areas of greatest need.

### Plan Benefit Design and Management

Most PSHPs struggle to co-develop benefits with their delivery arms, relying on static, generic plans. Embedding performance metrics and clinical insights enables adaptive models that foster shared accountability and real-world health impact.

In short, adopting a unified, interoperable technology solution is essential for PSHPs to break free from inefficiencies and unlock their full potential.

## How PSHPs Create Performance Impact: Provider-Sponsored Impact



# Blueprint for Optimal Performance

The most effective PSHPs are built from a foundation of **unified, cloud-native technology** that doesn't just aggregate data - it activates it. The right platform aligns your operations with the care delivery side of the house without requiring a full systems overhaul.

## What to look for:

- A unified data layer to harmonize claims, clinical, lab, pharmacy, and social needs data
- Quality and risk tools that align clinical performance with Stars, HEDIS, and MLR goals
- A care management hub that incorporates both medical and non-medical determinants
- Seamless member engagement tools to personalize outreach and improve satisfaction & engagement
- Financial analytics to optimize contracts and track plan-level performance

Top PSHPs are making this all come together by using modern cloud platforms. These let them either replace or hook into their old systems, so they don't have to tear everything down and start from scratch - but they can still transform the whole operation across the board.

## But technology alone won't break the silos!

PSHPs need to lead the charge in driving both operational and cultural alignment across functions.

## This means:

- Establishing cross-functional teams across clinical, financial, and operational lines
- Creating aligned performance incentives that support both care quality and cost control
- Redefining processes to eliminate duplication and support end-to-end visibility
- Using shared success metrics that work across business units

## AI Is Your Next Advantage

Once core infrastructure is in place, the next step is optimization at scale. Leading PSHPs are leveraging AI and advanced analytics to continuously sharpen their performance.

## Advanced capabilities include:

- Predictive modeling for early risk detection and proactive intervention
- Natural language processing to unlock insights from clinical narratives & unstructured data
- Digital twins & sandboxes to model strategies before operational rollout
- Intelligent automation to reduce labor and elevate accuracy in everything from claims to care planning

## How is Innovaccer the go-to power strip for breaking down silos, pulling data together... improving provider performance and member outcomes?

Innovaccer is the center of gravity that brings it all together - it breaks down data silos, connects all kinds of data, and helps improve how people are cared for. Its Healthcare Intelligence Platform pulls in clinical info, claims data, and even social determinants of health to build a full, long-term view of each member. This kind of unified data gives healthcare providers the insights they need to coordinate care and make smart, timely decisions.

On top of that, the platform uses AI to handle repetitive tasks, cut down on administrative load, and free up clinicians to spend more time actually with members. And the results speak for themselves - health systems using Innovaccer have seen a 22% drop in readmissions and a 79% bump in member engagement. By making data easier to manage and improving how care teams work together, Innovaccer is pushing value-based care forward, one smart data move at a time.



We use the Innovaccer platform to provide insights and facilitate communication between health plan and the provider. It helps providers understand their attributed patient panel, monitor performance against benchmarks, and collaborate on reducing costs while improving quality.



Donna Sickler  
Vice President & Division Chief Financial  
Officer, Banner Plans & Networks

### Critical Next Steps:

#### Assess your data strategy.

Ensure your infrastructure leverages insights from both the plan and care delivery arms. If not, an integrated approach could unlock significant value.

#### Review the line between benefit design and provider incentives.

Equip your provider network with automated tools that feed them important contracting metrics at the point of care/engagement. And if you don't have the new physician incentive tools that show the financial value for performing specific actions (e.g., "if you do 10 more AWWs this month, your practice unlocks \$x")...then you are missing out on effective gamification solutions that turn daily activities into incentive comp rewards systems.

#### Audit member engagement tools.

Gauge whether they're driving growth, compliance, and Star/HEDIS performance. Benchmark against top-rated platforms across both payers and providers.

#### Evaluate network performance.

Ensure networks balance provider support with plan performance. Use optimization models to surface actionable, data-driven improvements in your network configurations & management.



Innovaccer brings together and vets data in a way that powers not just frontline care, but also the reporting and analytics leadership needs to make decisions. I've also been impressed by how the platform continues to evolve, reducing noise, improving confidence levels on alerts, and helping us deploy our teams more effectively to improve outcomes and reduce costs.



**Dr. Ed Clarke**  
Chief Medical Officer, Banner Health  
Plans & Networks



## About Innovaccer

Innovaccer activates the flow of healthcare data, empowering providers, payers, and government organizations to deliver intelligent and connected experiences that advance health outcomes. The Healthcare Intelligence Cloud equips every stakeholder in the patient journey to turn fragmented data into proactive, coordinated actions that elevate the quality of care and drive operational performance. Leading healthcare organizations like CommonSpirit Health, Atlantic Health, and Banner Health trust Innovaccer to integrate a system of intelligence into their existing infrastructure— extending the human touch in healthcare.

For more information, visit [innovaccer.com](https://innovaccer.com).

