The Path Forward

for Value-Based Care Payer Success

Perspectives on Overcoming Technological Barriers to Successful Value-Based Care Implementations

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PAYER SURVEY **REPORT**

Executive Summary

Value-based care (VBC) adoption has slowly gained traction in healthcare for decades but has yet to achieve the goal of replacing our broken fee-for-service system. Today, the industry sits in a precarious position, with momentum toward value-based care as strong as it's ever been, but barriers to VBC adoption remain that have thus far kept fee-for-service staunchly embedded as the predominant payment model.

Improved data, analytics, and AI tools are creating a noticeable shift — accelerating adoption and enhancing success in risk-based models. Payers have a clear vision of the ways technology can help them overcome hurdles to participating and scaling their value-based models. Yet, significant challenges remain in implementing and deriving value from these tools.

To better understand attitudes toward value-based care and the strategic investments and efforts underway to improve its implementation, Cedar Gate surveyed 100 senior decision makers from U.S. payer organizations.

KEY FINDINGS

73%

of respondents said that at least one-fifth of their provider contracts are **tied to value-based payment models.**

83%

of respondents agreed that their organizations are **not currently achieving the cost and quality outcomes they expect** from value-based programs. Despite the current struggles, ***72% are planning to continue or expand*** their VBC programs.

ONLY

24%

of respondents said their organizations were **fully equipped to support the expansion of value-based care models**.

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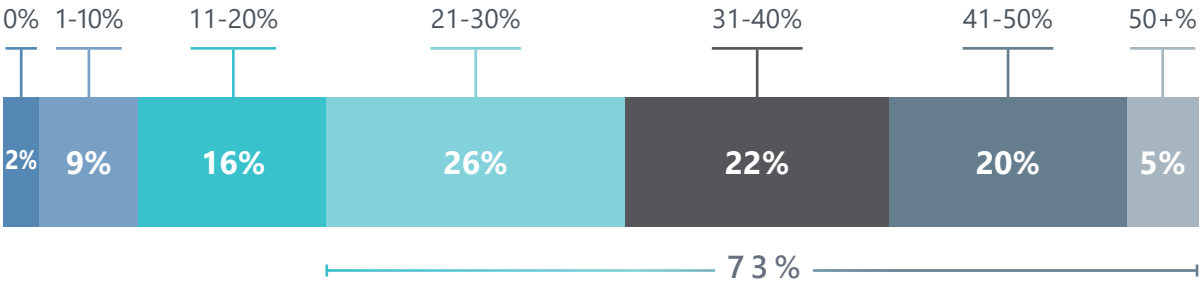
The State of Value-Based Care Adoption

Value-based care adoption has been on the rise for decades, with varying levels of success among U.S. commercial payer organizations. But as cost pressures continue to grow, the momentum to implement value-based models is higher than ever.

Percentage of Provider Contracts Currently Tied to VBC

FIGURE 1



73%

said that at least **one-fifth of their provider contracts are tied to value-based payment models**

ONLY

2%

of payers have ***no*** **provider contracts tied to value-based models**

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When asked about the types of value-based care programs they were actively engaged in now or planning to pursue, the most common answer was quality programs with upside incentives only (68%).

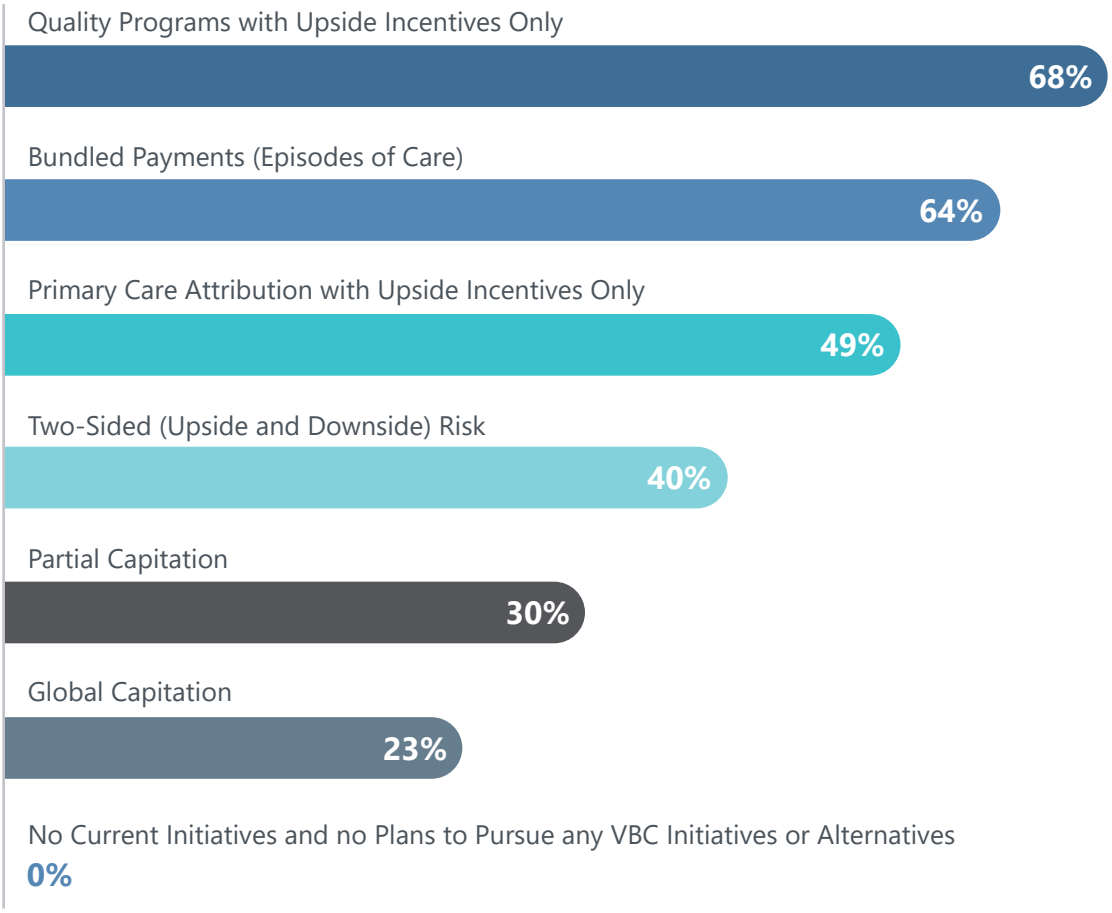
Bundled payments — which can encompass both retrospective episode-based payment programs and prospective payment models — were also popular, with 64% of respondents indicating current or future plans to participate.

While two-sided risk programs were not as prevalent, a significant number of executives said their organizations were engaged in or planning to pursue upside-downside risk, and partial or global capitation in the future (40%, 30%, and 23%, respectively).

As organizations look to the future of value-based care and risk-based models, having the right technology in place to support growing risk exposure will be key.

VBC Initiatives and Alternative Payment Models Organizations are Actively Engaged in Now, or Planning to Pursue

FIGURE 2

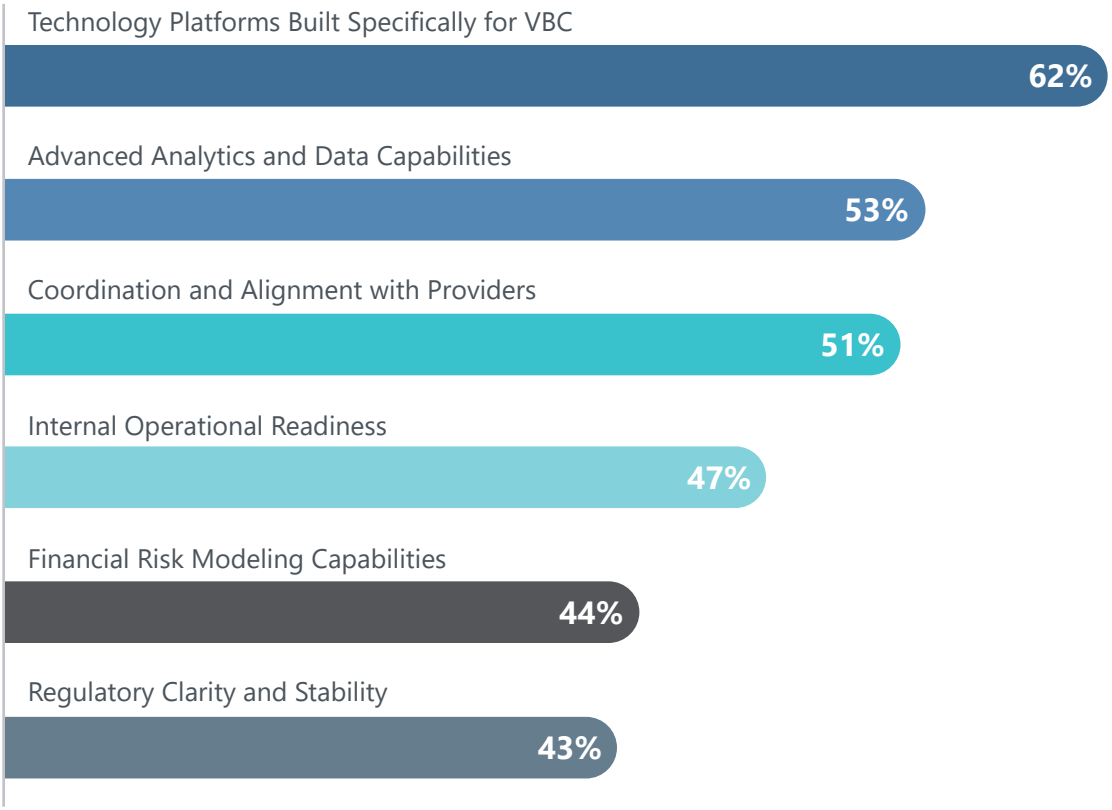


Technology platforms built for VBC ranks as top factor for success

The top factors payers cited as necessary for successfully implementing and scaling value-based care in their organization were having technology platforms built specifically for value-based care (62%) and advanced analytics and data capabilities (53%).

Top Three Factors Ranked for Successfully Implementing and Scaling VBC Within Organization

FIGURE 3



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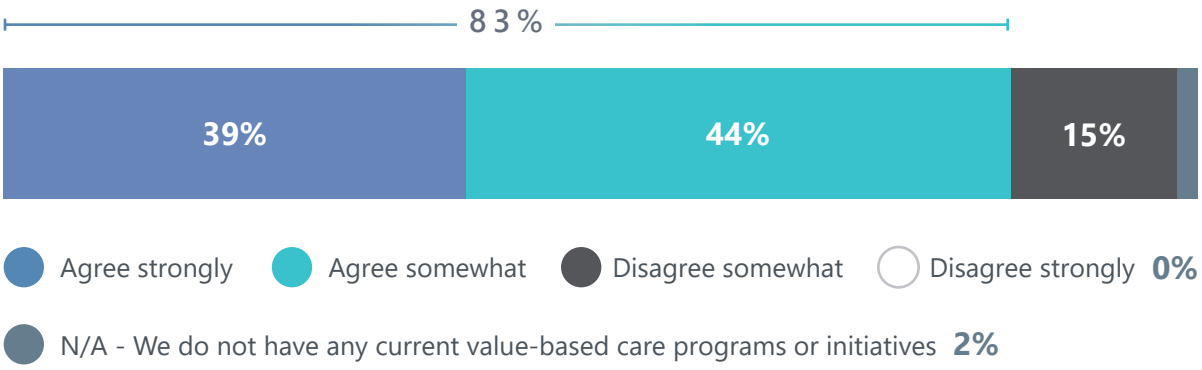
Challenges Inhibiting Payers' Value-Based Initiatives

> **While value-based care adoption is on the rise, longstanding challenges still remain for payers who are trying to get the most out of these models.**

Notably, 83% of payer executives said that their organizations are not achieving the cost and quality outcomes they expect from their value-based programs — with nearly 40% saying they strongly agree with that statement.

Agree or Disagree: **We Are Not Currently Achieving the Cost and Quality Outcomes Expected from Our VBC Programs and Initiatives.**

FIGURE 4



The reasons for this are varied, but technological capabilities and available resources continue to be a barrier for many organizations. The tools necessary for success in a VBC world where risk influences reimbursement are different from the tools many organizations invested in to succeed in a predominantly fee-for-service world.

Many are still navigating a world where both models exist, trying to strike a balance between investing in the necessary technology for VBC while maintaining existing core administrative technology.

98%

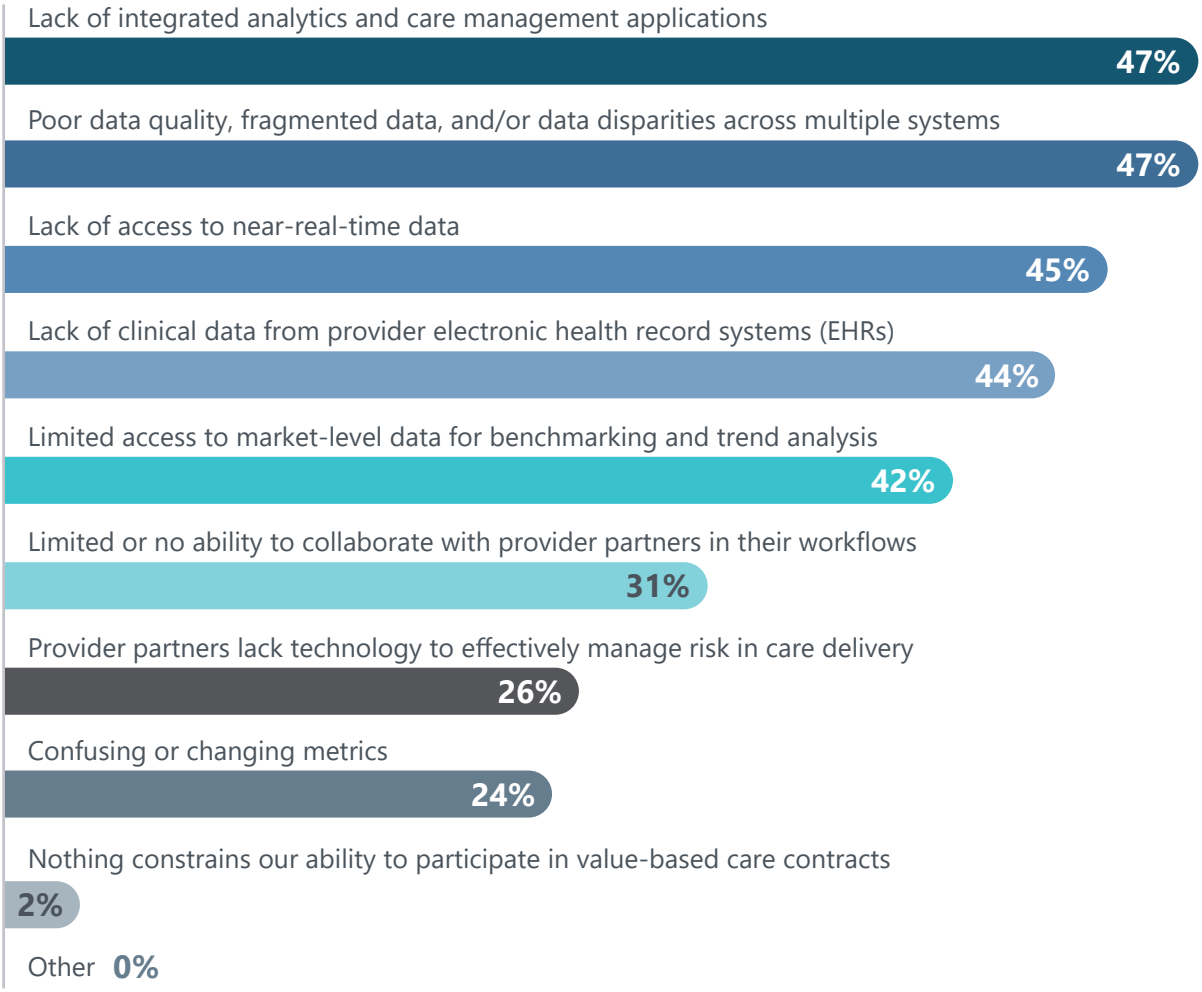
of respondents — every payer with VBC contracts — cited **constraints to effective VBC participation**

Value-based models require access to accurate and complete data, advanced analytics to translate that data into usable insights, and integrated care coordination tools to act on the information derived from analytics. Payers are overwhelmingly feeling constrained by their lack of access to these tools. Every health plan executive surveyed whose organization is engaged in value-based contracts (98%) identified at least one factor holding back their organization from effectively participating in value-based models.

The most cited constraints include a lack of integrated analytics and care management applications (47%), poor data quality, fragmented data, and/or data disparities across systems (47%), and a lack of access to real-time data (45%).

Top Constraints on Organization's Ability to Effectively Participate in VBC Contracts

FIGURE 5



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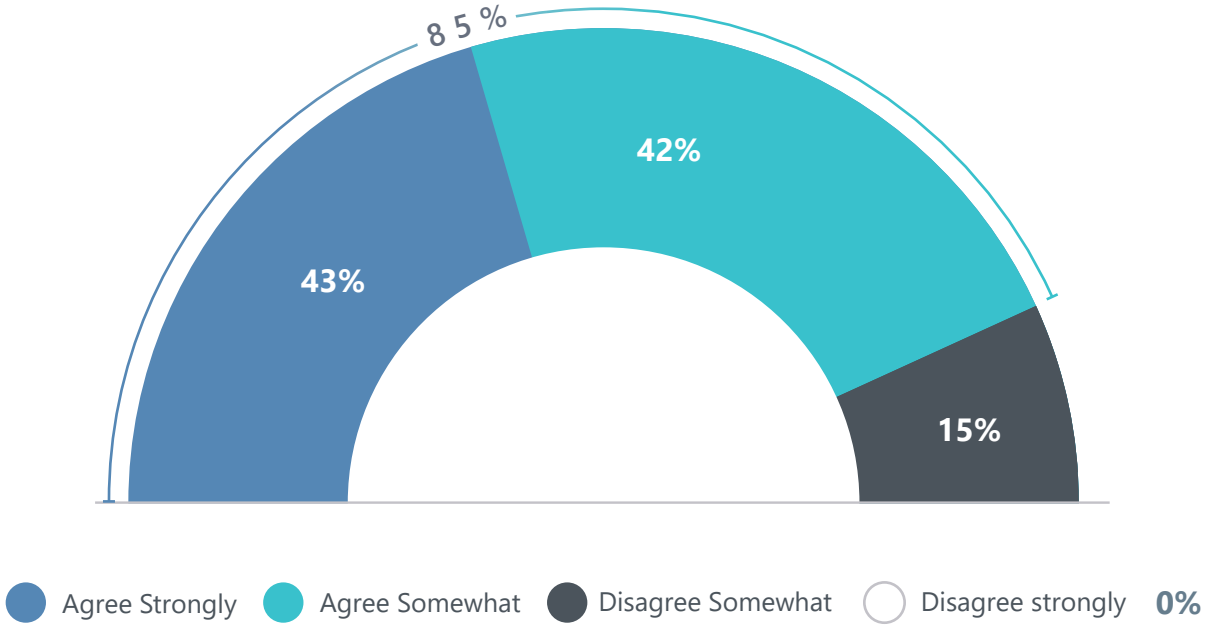
In addition, 85% agreed that interoperability challenges between internal and external systems are negatively impacting their participation in value-based programs.

Current Interoperability Challenges Negatively Impact Participation and Performance in VBC Programs

FIGURE 6



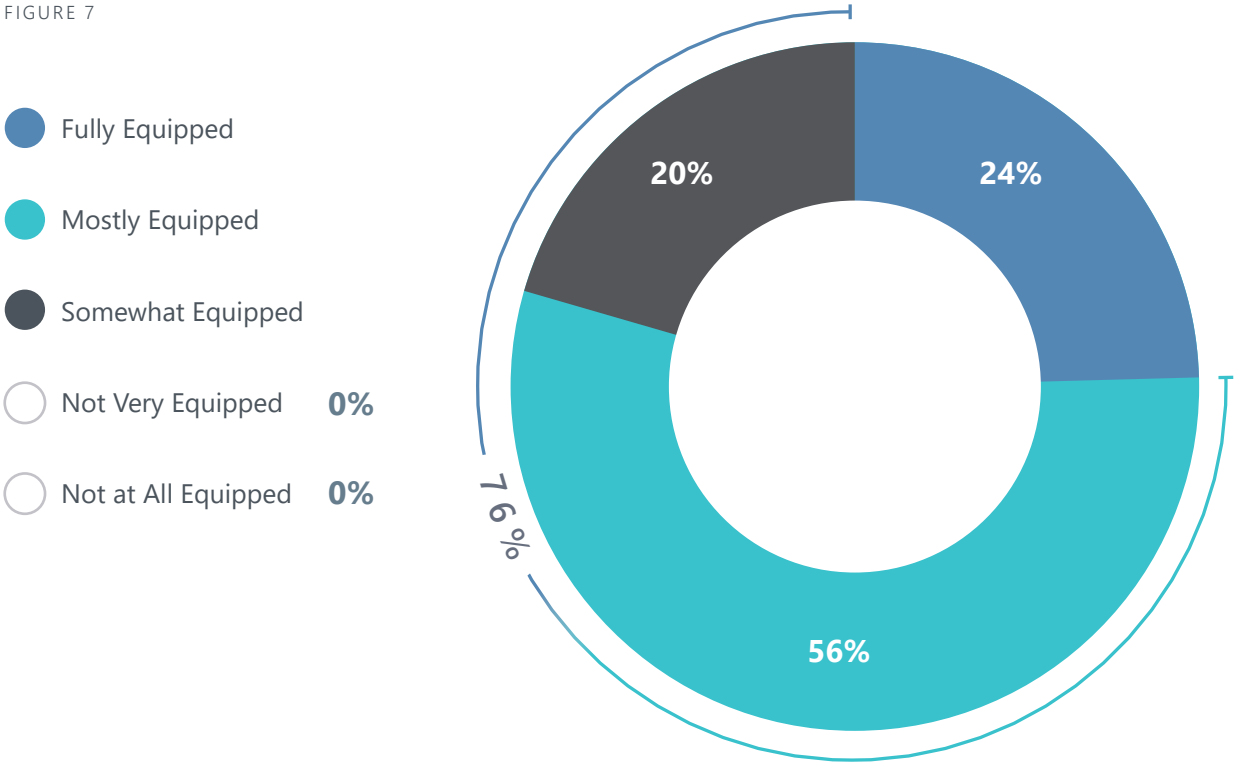
> **Together, these constraints show the critical role of high-quality data and data interoperability in implementing risk-based models effectively.**

The response also demonstrates the fact that many data vendors continue to fall short in their efforts at interoperability — despite years of hearing this concern and knowing it is a significant challenge for nearly every participant in value-based contracts and programs.

As payers aim to accelerate value-based adoption, the deficiencies inherent in technology designed primarily to support fee-for-service payment models are apparent. **Only 24% of respondents said their organizations are fully equipped to support the expansion of value-based care models.**

Organization's Level of Current Technology to Support the Expansion or Advancement of VBC Models

FIGURE 7



76%

of organizations reported they are ***not*** **fully equipped to support the expansion of value-based care models**

The Impact of Technology on VBC Progress

Technological deficiencies are creating significant downstream challenges for payers participating in and scaling their value-based initiatives. Because value-based care requires so many interconnected processes to work effectively, even seemingly small gaps in data infrastructure or technological capabilities can become barriers to achieving cost and quality goals

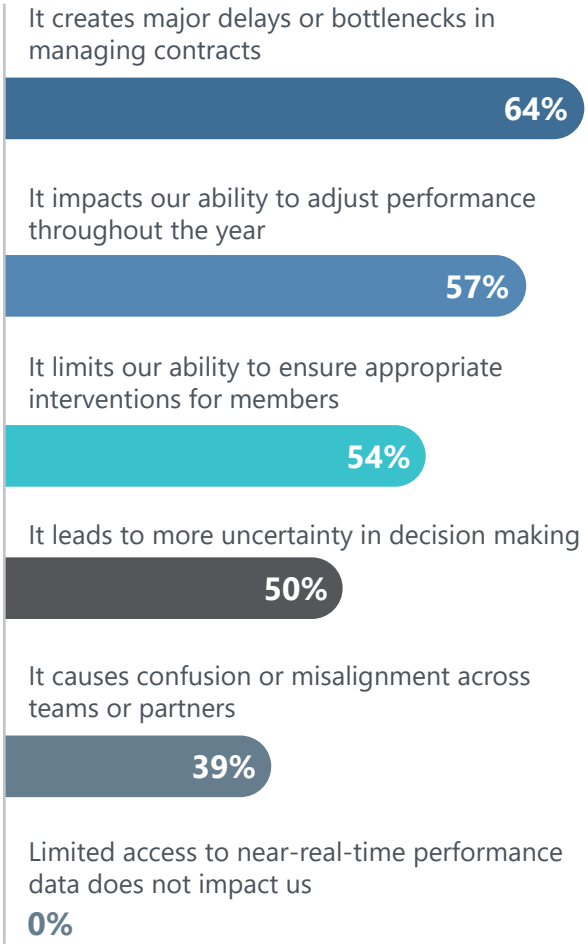
One area of significant advancement in healthcare data is improved access to near-real-time data, providing insights that can lead to better outcomes and performance in value-based programs. Survey respondents shared that an inability to get this timely data remains a challenge for their organizations.

> **Limited access to near-real-time data creates major delays or bottlenecks in managing contracts for a majority of payers.**

When asked if limited access to real-time performance data was impacting how organizations managed value-based contracts, every executive said there was an impact, with major delays or bottlenecks (64%), limited ability to adjust performance throughout the year (57%), and inability to ensure appropriate interventions for members (54%) cited as the most common challenges.

Impact of Limited Access to Near-Real-Time Performance Data on VBC Contract Management

FIGURE 8



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Data and technology barriers limit payer-provider alignment

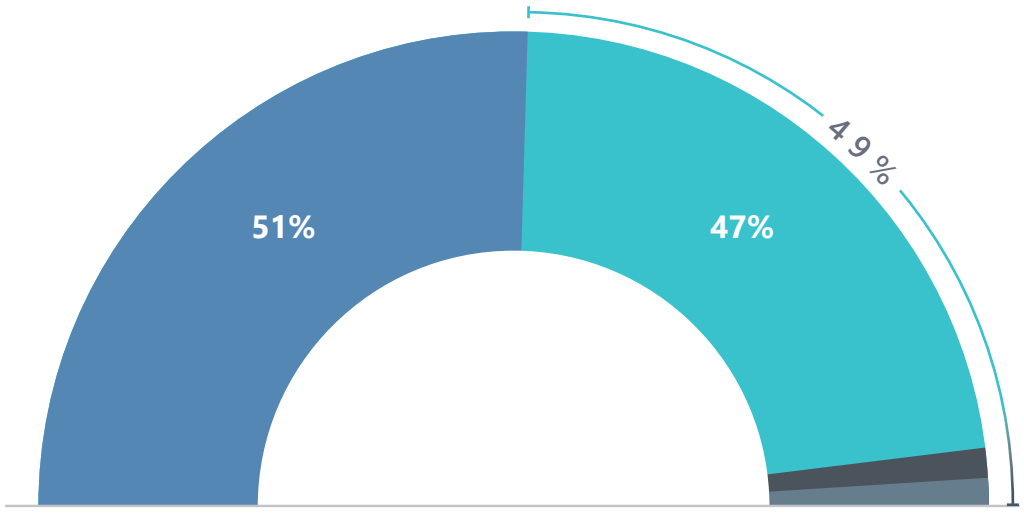
These technological barriers also impact payer-provider collaboration, which is increasingly critical to optimize performance in value-based care models. Slightly over half (51%) of payer executives believe that their organization is "very effective" at collaborating with provider partners, with the other 49% answering that they are still working toward that level of collaboration.

49%

responded that their **collaboration with provider partners could improve**

Effectiveness of Collaboration with Provider Partners to Align on Risk and Execute VBC Program Goals

FIGURE 9



Very Effectively

Somewhat Effectively

Not Very Effectively 1%

Not at All Effectively 1%

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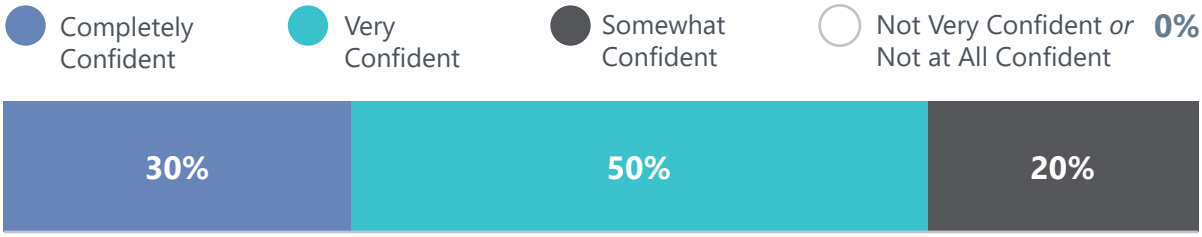
As value-based models proliferate, the ability to forecast clinical and financial performance is increasingly a strategic advantage. Unfortunately, many payer executives agree that insufficient technological capabilities negatively impacts their ability to forecast financial risk and model performance in alternative payment models. Only 30% of respondents said their organization could accurately make these predictions for current or potential value-based contracts.

70%

do not feel completely confident in their ability to forecast financial risk and model performance in alternative payment models.

Confidence in Forecasting Financial Risk and Modeling Performance for VBC Contracts

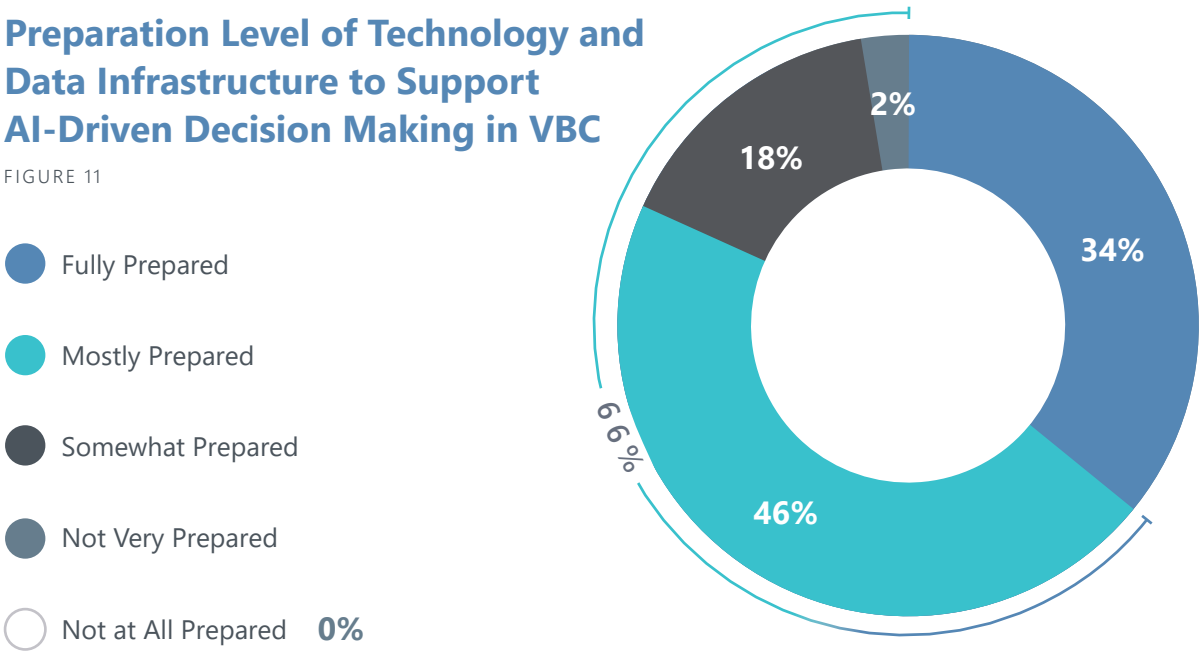
FIGURE 10



Limits to an organization's technological capabilities could also inhibit future innovation. Nearly two-thirds (66%) of respondents said their organization's technology and data infrastructure is not fully prepared to support AI-driven decision making in value-based care.

Preparation Level of Technology and Data Infrastructure to Support AI-Driven Decision Making in VBC

FIGURE 11



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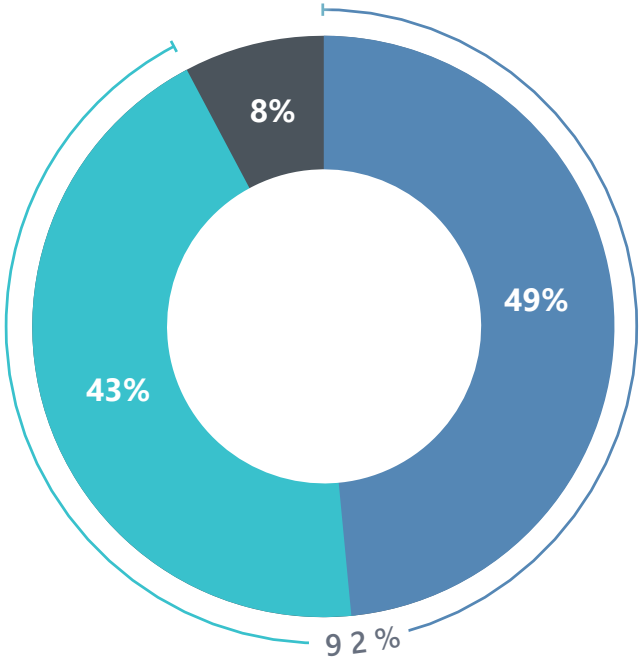
Similarly, 92% of respondents agreed that the lack of a single, connected data source is a major barrier to scaling AI in value-based care, limiting the potential economic and clinical benefits of AI in healthcare.

Not Having a Single, Connected Source of Data is a Major Barrier to Scaling AI use in VBC

FIGURE 12

- Agree Strongly
- Agree Somewhat
- Disagree Somewhat
- Disagree Strongly **0%**



As AI continues to advance, the promise that it provides for reducing costs, improving efficiency, and delivering better outcomes is clear — from risk stratification and predictive analytics to care coordination, revenue cycle optimization, and more. If data and technology infrastructure challenges make it hard for payers to scale AI throughout their value-based initiatives, they risk falling even further behind as healthcare continually marches toward a risk-based future.

Payers executives recognize this reality and acknowledged the need for strategic investment in technology to enable value-based care.

Top Priorities
FOR STRATEGIC INVESTMENT

More advanced analytics and predictive analytics

Near-real-time data infrastructure

Scalable platforms that support multiple VBC models

Advanced risk modeling and contract modeling

Unified data platforms for improved integration and interoperability

> Payers that **lack advanced data and technology infrastructure** to **scale AI-driven decision making risk** ***falling farther behind in a VBC future.***

More than half of respondents (51%) plan to invest in more advanced analytics/predictive analytics capabilities in the next 12 months, with near-real-time data infrastructure (47%), scalable platforms that support multiple value-based care models (45%), more advanced risk modeling and contracting modeling capabilities (45%), and unified data platforms for improved integration and interoperability (45%) also emerging as top strategic priorities.

Conclusion

Healthcare leaders — including payers, Centers for Medicare and Medicaid Services (CMS), and forward-thinking providers — understand the need to move from a system dominated by fee-for-service models to one centered around optimizing outcomes and reducing costs. But as this survey indicates, many payers still struggle with significant gaps in technology platforms and capabilities to implement value-based contracts and programs effectively at scale.

As the need for enhanced capabilities around analytics, AI, risk modeling, and workflow integration grow, and risk-based models proliferate, the investments payers make over the next 12 to 24 months will be critical to their ability to remain strategic — and profitable — in a rapidly evolving U.S. healthcare system.

About Cedar Gate Technologies, an IQVIA business

Cedar Gate enables payers, providers, employers, and service administrators to excel at value-based care with a unified technology and services platform delivering analytics, care, and payment technology on a single data management foundation. From primary care attribution to bundled payments and capitation, Cedar Gate is improving clinical, financial, and operational outcomes for every payment model in all lines of business.

To learn more, visit cedargate.com.

METHODOLOGY

Cedar Gate commissioned Wakefield Research to conduct this survey. The survey polled 100 U.S. health plan executive decision-makers with a minimum of VP-level seniority between May 18 and June 4, 2026, via email invitation and an online survey. Qualifying roles included Actuarial Science & Risk Management, Clinical Transformation & Innovation, Medical Management & Clinical Operations, Data Science & Advanced Analytics, Provider Network & Partnership Management, Value-Based Care & Innovation Payments, Strategic Planning & Corporate Growth, Government Programs, Operations & Effectiveness, Pharmacy and Ancillary Markets, Information Technology & Digital Health, & Policy, Legal and Regulatory Affairs.

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