

Building the Intelligent Health Plan

A Look at How Payers Are (And Aren't) Delivering on Digital Care Management

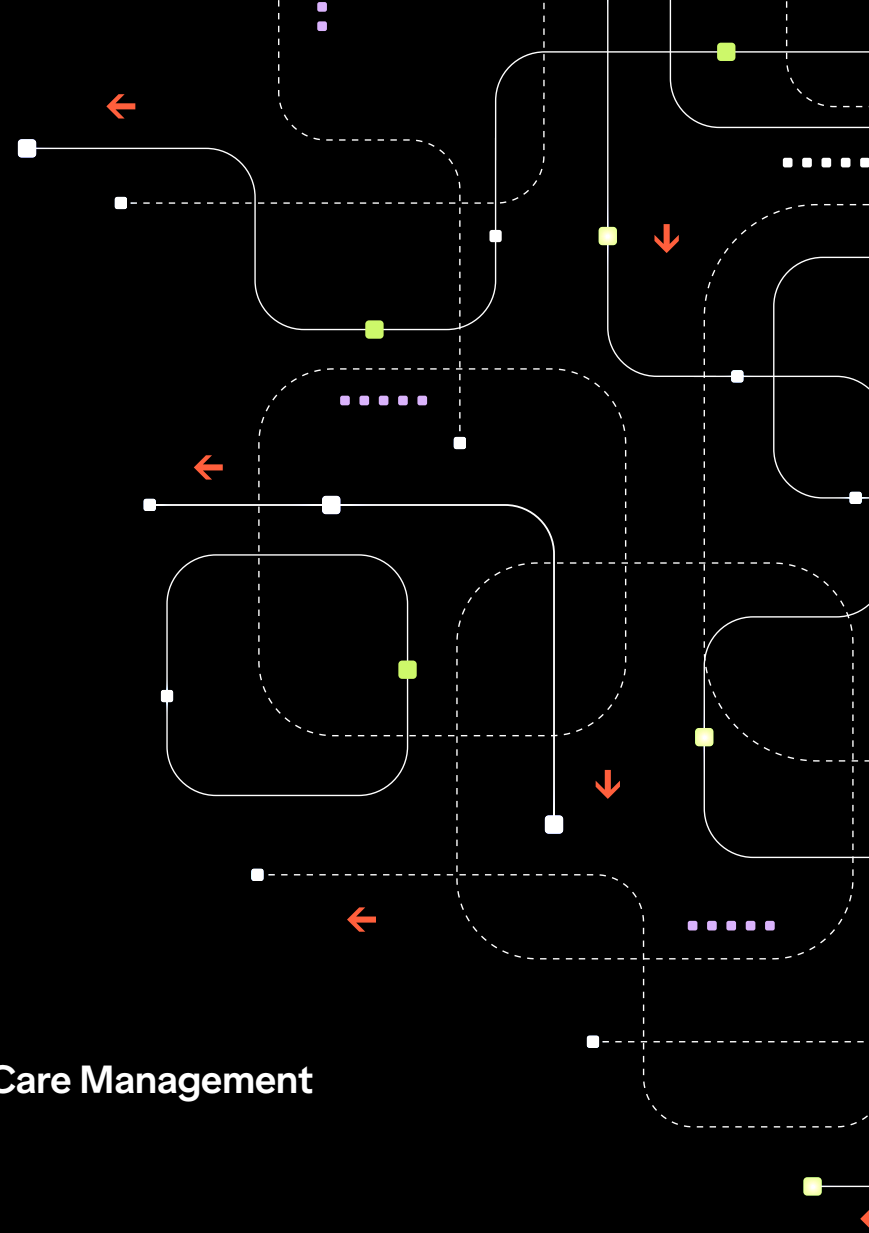
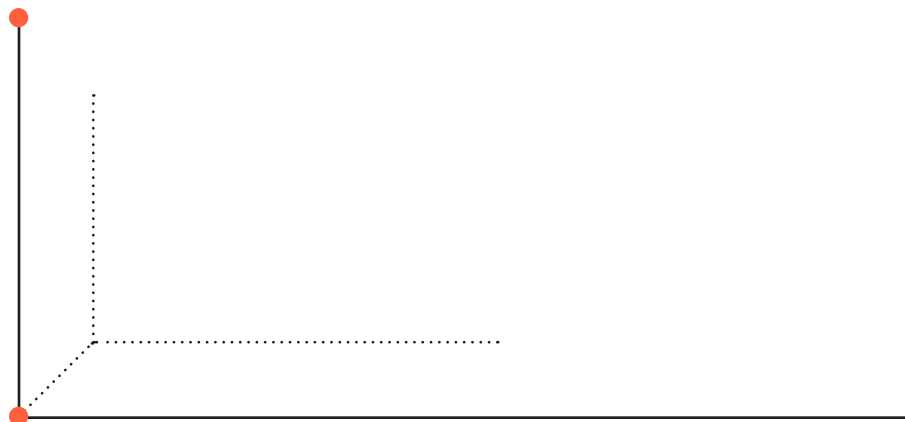


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Foreword

By Kenneth Young, President & CEO, Medecision

Healthcare is at an inflection point. Margins are shrinking, member expectations are rising, and digital transformation is no longer optional—it's foundational. As healthcare leaders, we are being called to do more with less: to engage more members, reduce more costs, and deliver more value. But the legacy care management tools many organizations rely on were never built for that challenge.

At Medecision, we believe the path forward is intelligent health—powered by real-time data, adaptive platforms, and member journeys that evolve with each individual. This report is both a mirror and a roadmap: a reflection of the reality most payers face today, and a vision for what's possible with the right foundation.

I invite you to explore this report, use it to ask tough questions, and imagine how your organization can move faster, scale smarter, and care better. Let's take that step forward—together.

Executive Summary

Health plans are under pressure. Margins are tightening. Complexity is rising. And members expect more—faster, hyper-personalized, more connected care. Digital care management (DCM) solutions were designed to help—but are they delivering on their promise?

To find out, Medecision commissioned an independent survey of 50 health plan executives. The findings reveal a sobering disconnect between what DCM solutions promise—and what they can actually achieve.

The results suggest an existential inflection point. What health plans need now is a bold shift—one that entirely reimagines the way they manage risk. For this evolution, a new breed of solution is required, **dynamic and advanced care management platforms that are real-time responsive: AI-powered, and member-centric.** These innovative and emerging tools will usher in the era of intelligent health.

Gartner defines its intelligent health vision as the essential next step for healthcare—and its future: “Intelligent health harnesses the ever-increasing volume, variety, and velocity of data to anticipate and move interventions to a broader range of moments that matter as they unfold without time or location constraints.”¹

Health plans have a lot to gain from intelligent health

AI and automation could unlock over **\$300 billion** in administrative and **\$980 billion** in medical cost savings across the healthcare system.²



Key Findings

The Readiness Gap

The survey revealed five core disconnects holding digital care management back. To deliver on its promise of transformation, plans will have to solve for these gaps.

GAP 1 DCM's impact is lacking	GAP 2 Data is the future— but it can't flow	GAP 3 Personalization is—still— out of reach	GAP 4 Care teams are stuck in manual mode	GAP 5 Real-time is a rarity
52% Say their tools fail to engage members	44% Report poor integration	98% Want to meet their members where they are	62% Want to reduce care teams' effort	96% Of leaders believe proactive, real-time triggers are key
48% Say they fail to reduce costs or improve outcomes	33% Can't ingest digital health data	Only 8% Can do so today	Only 10% Are doing so effectively today	Only 8% Can deliver them today
	40% Say their tools are highly manual			

Evolution, With Urgency:

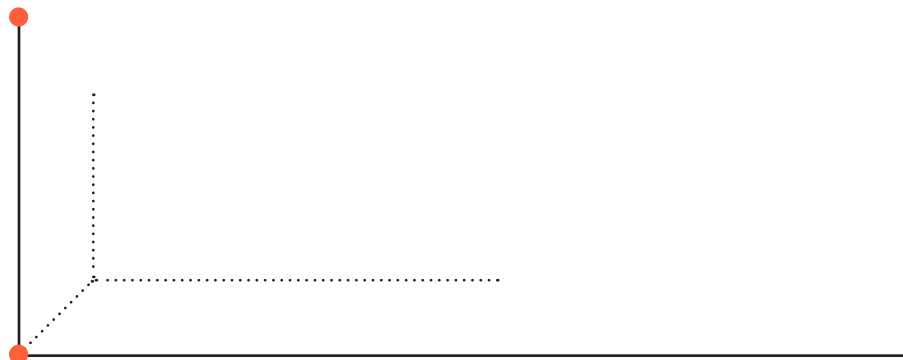
Why DCM, Why Now

Today's health plans are under pressure. Facing mounting financial and operational challenges, on all fronts, they're racing to limit impact and adapt in a rapidly crystallizing new reality.

Before it's too late, leaders are acting to: control skyrocketing costs, drive measurable improvements in outcomes at scale, and personalize care across risk profiles. But, the tools they're using aren't built to succeed.

The survey unearthed critical disconnects between health plan leaders' DCM goals and expectations, and the reality of what their existing solutions are able to deliver.

This report will explore some of these gaps, the essential importance of a data-driven and interoperable foundation to any intelligent health strategy, and what lies ahead if health plans want to survive—and thrive—within the complex and ever-shifting healthcare landscape.



Plans are moving to respond—but they're limited by tools that aren't built to help them succeed

GOAL		REALITY
 Control skyrocketing costs of care & business	➔	48% report their tools aren't reducing costs
 Drive measurable outcome improvements	➔	48% say their tools aren't improving outcomes
 Personalize care & communications across risk	➔	52% say their tools are failing to engage members
 Proactively intervene before health deteriorates	➔	Only 8% say they can act in real time

Today's Digital Care Management: Expectation v. Reality

Digital care management is essential connective tissue for health plans—that is, when it works the way it's advertised.

“[DCM tools are] bridging assets between the organization's clinical and administrative components... [and are] essential to full compliance, satisfaction of members and providers, and the development of the base for AI.”

— IDC³

Health plan leaders have big goals for DCM. When asked about these expectations, leaders outlined three key objectives:



1
Engage members in a personalized way



2
Improve outcomes with data-driven insights



3
Reduce administrative and medical costs

Yet across the board, today's DCM 1.0 tools are falling short of expectations. Many are:

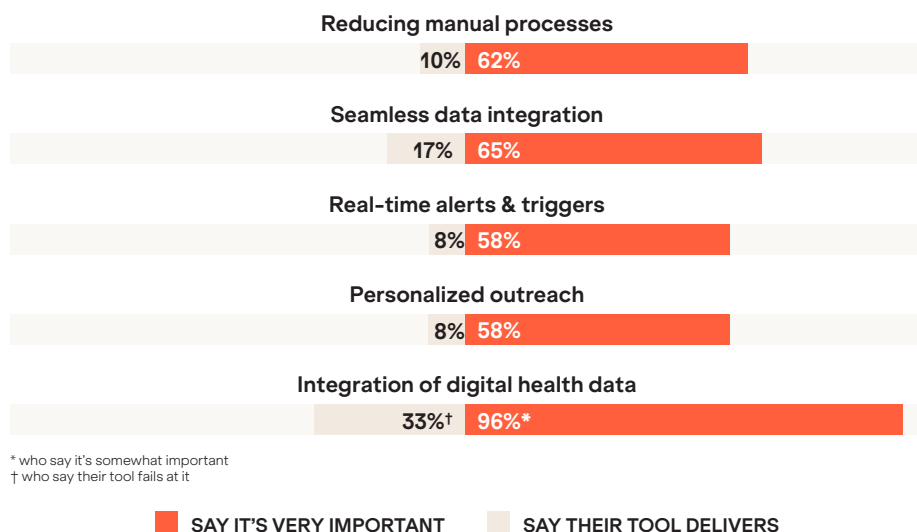
- **Manual and inefficient:** 50% of plan leaders consider their tools highly manual
- **Not interoperable:** 44% report poor data integration and synergies
- **Unable to activate real-time or predictive capabilities:** Only 6% say their tools do this very well

These shortcomings hinder health plans' ability to advance on their strategic goals, limiting engagement, personalization, AI-driven efficiencies, improvements on financial and medical outcomes, and more.

Where ‘Solutions’ Miss the Mark

Despite health plan leaders' high hopes for their digital care management tools, their responses reveal a troubling and consistent trend: when it comes to DCM, health plans are living in a world of mediocrity.

From integrating digital health data to streamlining manual processes and conducting personalized outreach, their existing DCM tools are falling short of expectation.



Despite the integration of digital health data being the most important need, most executives said their DCM tools do not deliver.

“We’re at an inflection point. DCM can make a world of difference for health plans—if the tool is right. It must operate in real-time, adapt along with changes in care journeys. But without these capabilities, stuck with solutions that are lagging, plans are stuck in status quo.”

Kenneth Young
CEO MEDECISION

Health plans feel limited by their current solutions. 44% of leaders feel their solutions aren’t flexible enough to address members with complex histories and multiple comorbidities.

Despite understanding the imperative of intelligent health, plan leaders are overwhelmingly dissatisfied with how their tools are supporting its key objectives.



Solving for complex care needs



Proactively driving real-time intervention



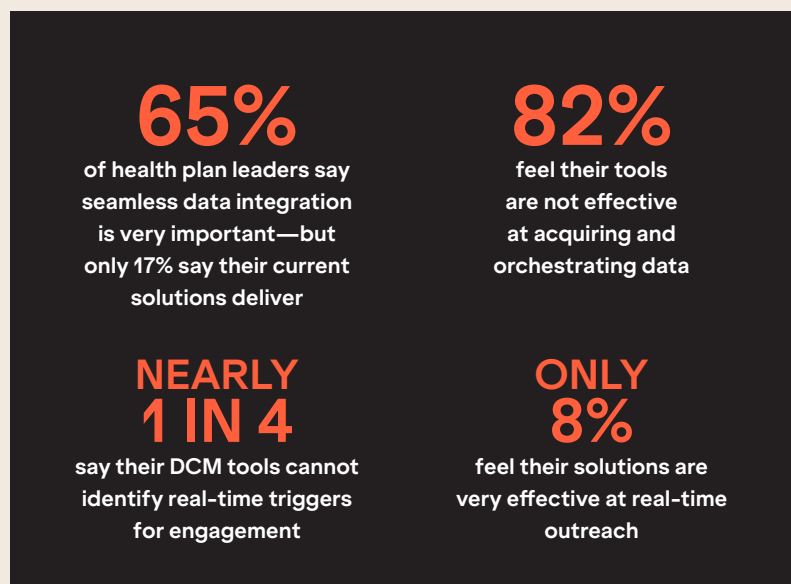
Facilitating scalable personalization based on diverse data sources

The Interoperability Imperative

Health plans cannot make intelligent decisions without an intelligent data infrastructure. Yet, most still lack the real-time interoperability across claims, clinical, pharmacy, remote monitoring, and SDoH data that would harmonize information across payer ecosystems. With incomplete member views and limited context, it's too little insight—too late.

Proactive care management hinges on the data that drives it. According to IDC, “a canonical data model (HL7, FHIR, USCDI) is required to support real-time, cross-functional data exchange.”⁴ Without this, digital care management can never fully deliver on its promise.

Indeed, for plans relying on outdated solutions, this promise feels out of reach:



“It doesn’t matter how fancy an AI-thing you have, or how automated your digital wingding is, if it is not sitting on a data platform that is fast, adaptive, real-time and smart, it’s not going to work.”

Katherine Schneider, MD, MPhil., FAAFP

CMO, MEDECISION

The future of care is data-driven. To power an intelligent health strategy, organizations must enable data liquidity and responsiveness with platforms that:

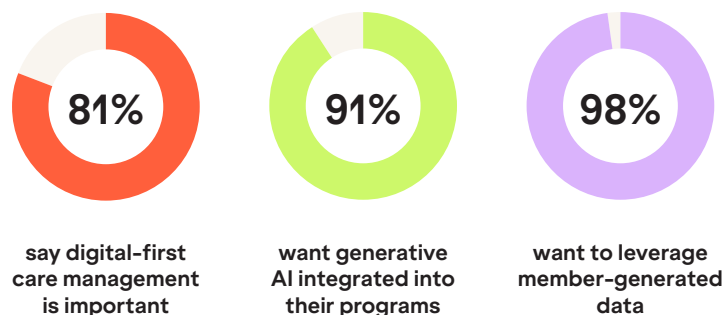
- Deliver seamless digital + in-person care
- Anticipate needs using AI + real-time inputs
- Drive both equity + operational agility

Health plans need more than fragmented systems to deliver care that’s personal, cost-effective, and scalable. An interoperable foundation is the only path forward that provides enough clarity and control for today’s needs and tomorrow’s use cases. Plans must act now—or risk being left behind.

Get Ready for DCM 2.0:

Preparing for What's Ahead

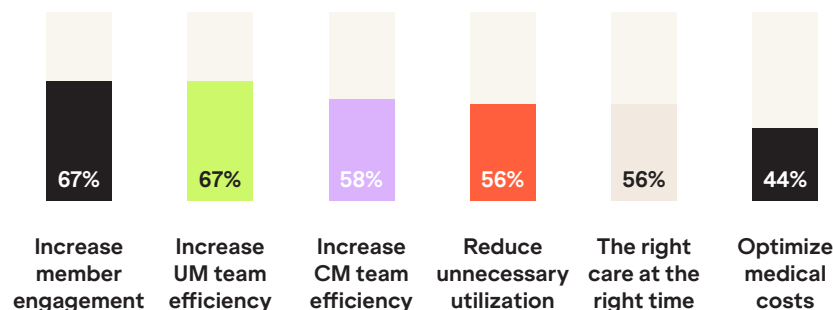
While today's tools are falling short, hope for the next generation of care management solutions abounds. Despite current frustrations, health plan leaders are optimistic about digital care management's potential:



Plan leaders recognize that in order to make headway on their strategic, organization-wide goals, they need to adopt platforms with advanced capabilities. These advanced DCM 2.0 solutions would empower an **AI-driven, digital-first care management platform capable of synthesizing information** from disparate data-sources, including wearables and remote monitoring devices.

Artificial Intelligence to the Rescue

Plan leaders believe generative AI can move the needle across all their stagnant strategic initiatives.



More member-generated data, more insight

Plan leaders believe dynamically ingesting more data will be the key to delivering on digital care management's promise.

Proactively intervene when health status changes



Design hyper-personalized, tailored care plans



IMPACTFUL VERY IMPACTFUL

Leaders are ready to act on the next stage of intelligent health-driven DCM to help move the needle on their biggest priorities: member engagement, unlocking UM and CM efficiencies, and proactively conducting real-time interventions that optimize medical costs and improve outcomes at scale. **Plans are open to reimagining care management—but they need the right tools to get there.**

Conclusion

The Right Tech to Meet the Moment

As pressures mount, health plan leaders face a defining moment. Remain stuck in the status quo and risk falling behind—or invest in a framework that positions their organizations for the future. To remain competitive—and to deliver the outcomes members expect—plans must invest in solutions that go beyond mere case tracking, surface-level communications, and corporate compliance.

What's needed is an intelligent care management strategy grounded in real-time data, AI, and scalable personalization. To get there, plans must adopt a new standard for digital care—designed to boost member engagement, unlock efficiencies, and prioritize the use of internal resources and medical care.

Health plans don't need more dashboards or disconnected tools. They need intelligent, proactive systems that:

- **Make data actionable in real-time**
- **Reduce administrative waste**
- **Enable hyper-personalized, equitable care**

This is the new standard. And the path forward is clear.

Let's dive headfirst into the future, together. Reach out to Medecision to assess your organization's readiness—and how you can unlock greater value, faster.

To help health plans take the next step, we've outlined **five essential questions** every executive should ask:

Your Next Move: 5 Questions Every Health Plan Leader Should Be Asking

1. Are we identifying members in real-time—or after the fact?
2. How personalized is our outreach, really?
3. Can our care model scale without increasing headcount?
4. Are we continuously learning from every member interaction?
5. What would it cost us to not modernize our approach?

Medecision is your partner in the business of healthcare. Our technology is built a step ahead to capitalize on the promise of data with real-time alerts, contextualized decision-making support, and hyper-personalized communications. Designed to improve the member and patient experience from the inside out, our offerings empower you to deliver optimal health outcomes at scale.

Medecision: Digital Care Management, Supercharged by Co-Pilot

Medecision's Care Management with Co-Pilot is built to power the next generation of digital care management. Designed for flexibility, scalability, and measurable impact, it delivers a modern, intelligent approach to engaging members, supporting clinical teams, and managing costs.

Whether deployed as a standalone program or integrated with existing tools and workflows, this solution enables health plans to accelerate care management transformation—without disruption.

Care Management with Co-Pilot moves beyond traditional, one-size-fits-all models. It enables digital care management that's intelligent, adaptive, and hyper-personalized—driven by real-time data, AI, and automation. With this solution, health plans can finally scale support across all risk levels and address core challenges head-on: improving engagement, reducing avoidable utilization, and driving better outcomes.

Why It's Different:

Hyper-Personalized Patient Journeys

Medecision leverages rich data and advanced analytics to design journeys tailored to each member's evolving health status and individual needs. This moves beyond static campaigns and generic nudges—creating truly individualized paths that support real behavior change and clinical improvement.

Dynamic, Real-Time Interactions

Unlike rigid legacy systems, Medecision enables journeys that adapt in real-time. They can pause, change direction, or scale based on new data—ensuring each interaction is timely, relevant, and clinically appropriate. This flexibility allows plans to respond to risk before it escalates.

Continuous Learning and Optimization

Medecision continuously collects and integrates new member data to refine future interactions. The solution “learns” with every touchpoint, improving its ability to engage and support members over time. This ensures outreach is always informed by the most current data—and never based on assumptions.

Built on the Right Foundation

This next-generation care management approach is only possible with the right infrastructure. Medecision's API-first, cloud-based platform ingests structured and unstructured data from across the healthcare ecosystem—clinical, claims, pharmacy, lab, EHRs, remote monitoring, and SDoH. It harmonizes this information in real-time, empowering care managers, and their digital care management “co-worker” to operate with full contextual awareness.

Designed to Deliver Results

- Scalable personalization that reaches more members without more staff
- Workflow automation to reduce administrative burden and improve consistency
- Real-time, AI-informed decisions that drive proactive interventions
- Flexible configuration to support diverse populations and plan priorities

Medecision's Care Management with Co-Pilot isn't just a better tool—it's a smarter, faster, more effective way to manage care at scale. The foundation is here. The intelligence is impactful. The results are within reach.

Appendix

SOURCES:

1. Gartner, Research Note, 6 March 2024, ID G00803679, U.S. Healthcare Insurance Payer Trends: Imperatives for Intelligent Health [Not publicly listed].
2. McKinsey & Company, 2023
3. IDC, Analyst Brief: The Imperative to Implement Care Management and Utilization Management with a Payer Data Platform, Jeff Rivkin, November 2024 [Not publicly listed]
4. Ibid

RESEARCH DEMOGRAPHICS

- Survey of 50 health plan executives conducted in Q1 2025
- Roles included CMOs, VPs of Clinical Operations, and Population Health leaders
- Organizations represented national, regional, and Medicaid/Medicare plans

GLOSSARY:

- **AI-informed:** Refers to decisions, processes, or tools that are supported or enhanced by insights derived from artificial intelligence.
- **Digital Care Management (DCM) 1.0:** Refers to early-generation tools that deliver static, rules-based outreach—typically through a single channel like SMS or email—based on predefined schedules and limited data inputs such as claims or eligibility files. These solutions are not adaptive, lack real-time responsiveness, and operate separately from care team workflows. Common traits include one-way messaging, generic content, no personalization beyond surface-level segmentation, and little to no integration with broader systems. As a result, they fall short in

engaging members meaningfully or driving outcomes at scale.

- **Digital Care Management (DCM) 2.0:** Refers to using hyper-personalized, data-driven, and real-time engagement and monitoring pathways to help healthcare organizations scale care management, enhance member experience and improve outcomes across all risk levels. This is accomplished by leveraging all available data, and with advanced analytics, AI, automation, and omnichannel communication to deliver the right interventions at the right time.
- **Generative AI:** Artificial intelligence that creates new outputs—such as text images, or predictive models—by analyzing patterns in large data sets.

ABOUT

Medecision

Medecision delivers data event-powered solutions that enable risk-bearing organizations to manage care management, utilization management, and population health efficiently and intelligently. Trusted by organizations covering more than 10% of the U.S. population, the Medecision platform provides real-time insights, automation and intelligence, seamless interoperability, and scalable engagement to help customers improve outcomes while reducing cost and complexity. Learn more at www.medecision.com.



ABOUT

Sage Growth Partners

Sage Growth Partners is a healthcare advisory firm with deep expertise in market research, strategy, and communications. Founded in 2005, the company's extensive domain experience ensures that healthcare organizations thrive amid the complexities of a rapidly changing marketplace. Sage Growth Partners serves clients across the full healthcare spectrum, including GE HealthCare, Medecision, ProgenyHealth, Kyruus Health, Together Senior Health, Best Buy Health, New Jersey Brain and Spine, the National Minority Health Association, and Philips Healthcare. For more information, visit www.sage-growth.com.

