CertifyOS

Build, buy, or partner:

Why the future of provider data depends on shared infrastructure, faster time to value, and *collective innovation.*

Introduction

Enterprise provider data management has become one of the most strategically important capabilities for health plans.

Once narrowly thought of as a compliance obligation, provider data strategy — and the technology that powers it — now shapes nearly every metric health plans care about: **financial performance, network adequacy, member experience, and brand credibility.**

Yet today's baselines remain far from sufficient. According to CMS, nearly half of provider directory locations reviewed in one analysis had at least one inaccuracy, underscoring how unreliable foundational provider data remains across the industry.

Most health plan leaders understand the business value of modernizing provider data strategies through new platforms, data sets, analytical approaches, and provider processes.

Meanwhile, the administrative burden on providers continues to grow. A CAQH survey of 1,240 physician practices found that directory maintenance alone costs practices nationwide $2.76 billion annually, reflecting the inefficiencies created by fragmented and duplicative data processes.

Yet across the industry, there is still uncertainty about the right technology model to fully capture that value. Historically, health plans have characterized their decisions as overly binary.

When asked to describe their provider data technology approach, many leaders respond with one of two refrains:

"We work with [vendor] on provider data management"

OR

"We already handle that internally."

In practice, neither approach alone delivers the flexibility, performance, or responsiveness required today, especially given that provider data typically flows into 20–40 downstream systems within a plan's ecosystem, significantly amplifying the impact of even small data inconsistencies.

The risks of maintaining the status quo are significant. For example, according to Experian Health, provider ineligibility is the second highest reason for claim denial, accounting for 42% of denials — and while many denied claims are ultimately overturned, they cost an average of $118 per claim to rework.

The reality is that neither approach alone delivers optimal value. Modern provider data management increasingly operates in a hybrid model.

One where health plans maintain control over governance, business rules, their owned source of truth, and downstream integrations, while outsourcing complex and generalizable work that benefits from shared infrastructure, faster time to value, and product agility.

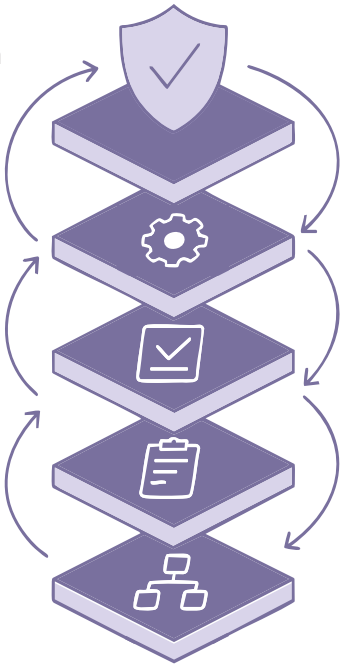
To understand how health plans are adapting, and what drives success or creates missteps, CertifyOS spoke with business and technology leaders across a cohort of national and regional payers.

Their insights reveal a consistent pattern: success depends on "designing for strength" across internal and external areas of ownership.

In this report, we summarize what these leaders shared about achieving that balance and the critical success factors that define a modern provider data management strategy.

Provider data strategy is no longer about build vs. buy — it's about *intentional design*

Health plans increasingly view provider data not as a single system but as an ecosystem of interdependent layers spanning governance, integration, validation, attestation, and directory publishing.



Each requires distinct expertise, infrastructure, and attention — reflecting a growing understanding that provider data underpins much of a plan's broader technology environment, from contracting and credentialing to claims, analytics, and member experience.

Many clinicians practice across multiple locations – in Georgia that number averages 3.3 practice sites per physician – increasing the complexity of maintaining accurate and current records across these layers.

Stack design must therefore be intentional. Retaining internal ownership of governance and core integration functions ensures provider information flows consistently, supports business objectives, and preserves flexibility.

At the same time, external partners play an essential role in delivering innovation, automation, and specialized expertise. Functions such as validation, attestation, and directory publishing require continuous regulatory updates and process optimization — areas where dedicated vendors can deliver greater efficiency and scale.

As one health plan leader noted,

> *"If it's complex and broadly needed, you should buy it."*

When the challenge is industry-wide and the pace of change is high, organizations that succeed are those that partner with vendors built to solve shared problems at scale. Buying into a shared platform also allows health plans to benefit from collective innovation and network effects — continuous product enhancements and insights driven by peers facing similar challenges.

Another senior leader added,

> *"There's no such thing as pure build anymore. We all buy parts of the stack — it's about which layers you control and which you outsource."*

All of this is reinforced by guidance from SAP, which notes that, "As companies transition to cloud-based solutions, understanding the advantages of multitenancy [software architecture where a single instance of a program serves multiple customers] becomes crucial for fostering innovation and staying competitive. Multitenancy offers significant advantages to both service providers and consumers by optimizing resource usage, reducing costs, and improving scalability."

This mix of ownership and partnership — what many leaders describe as a composable architecture — allows health plans to evolve at their own pace while maintaining strategic oversight. **The goal is balance:** combining internal ownership with external specialization to achieve a provider data stack that is sustainable, configurable, and continuously improving.

Composable architectures offer control, speed, and *resilience*

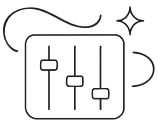
The direction of the market is clear.

Health plans are adopting composable architectures that combine operational control with faster innovation cycles and measurable ROI.

These architectures allow plans to own their core data governance and orchestration while sourcing modular applications for high-complexity tasks.

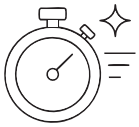
This approach reflects a broader shift toward scalable, API-driven ecosystems that evolve with business and regulatory needs.

This composable, hybrid model offers a practical path to:



Control

maintaining ownership of data standards, governance frameworks, and enterprise integration.



Speed

accelerating time to value by leveraging proven vendor modules and pre-built integrations.

Flexibility

enabling capabilities to evolve or be replaced without major re-platforming.

Resilience

reducing dependency on any single vendor or system and ensuring business continuity.

Together, these principles define a more adaptive operating model — one that lets health plans modernize incrementally without sacrificing oversight.

By designing for modularity, health plans also ensure they can always access and repurpose their own data, even as vendors or systems change — a critical safeguard in maintaining control and compliance.

As one enterprise architect described,

> *"What we're building isn't a platform anymore — it's a stack. You need different players at different layers, and they have to talk to each other cleanly."*

That sentiment captures the mindset behind this evolution: **interoperability, modularity, and long-term maintainability.**

In a rapidly shifting regulatory and digital environment, composable design has emerged as the most sustainable architecture for provider data management.

It gives health plans the freedom to evolve their strategies as compliance demands and technologies change, all while retaining ownership of the governance that defines their enterprise.

Defining the right *balance*

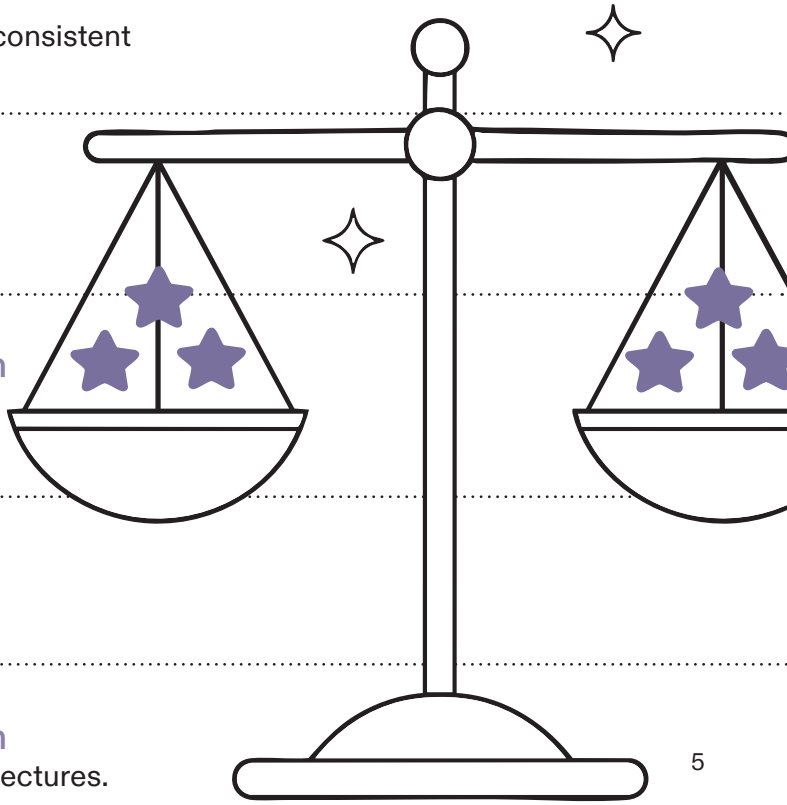
Across organizations, the aspiration is consistent: to achieve an optimal balance where internal governance and external technology work together to meet business goals and architectural standards without excess cost or complexity. This balance evolves as strategies mature and as technology and regulatory expectations shift.

In provider data management, this typically means:

- **Internal control** over enterprise-defining layers such as data governance, core models, and system integration, ensuring provider data connects cleanly into claims, contracting, credentialing, and analytics systems.
- **External partnerships** for high-complexity, high-change functions such as validation, attestation, and continuous regulatory updates, where automation and specialized expertise drive faster performance and compliance readiness.
- **Collaborative ownership models** where internal teams manage governance and standards while external vendors execute against those standards, delivering repeatable workflows and continuous improvement.

Health plans that achieve this balance report measurable *benefits*:

- ↑ 30–50%
  improvement in provider data accuracy through consistent governance and external validation loops.
- **Faster regulatory response cycles**
  enabling CMS or state-mandated changes in days instead of weeks.
- **Reduced rework and integration friction**
  rework and integration friction as vendor tools align naturally with internal architectures.
- **Lower total cost of ownership**
  through predictable vendor pricing and reduced internal maintenance.
- **Reduced rework and integration friction**
  as vendor tools align naturally with internal architectures.



As one senior health plan leader observed,

“The goal isn’t to buy everything or build everything — it’s to design something you can keep improving.”

By clearly defining where ownership belongs and where partnership adds value, health plans create a foundation that is durable and dynamic — preserving control over core governance while leveraging market innovation, shared learnings, and peer-driven improvements to keep pace with regulatory change and digital transformation.

Critical success *factors*

Even with the right architecture in place, the ability to capture business value depends on execution. Across every organization we spoke with, leaders pointed to three consistent success factors:

1. Alignment between business and IT
2. Disciplined lifecycle planning
3. Shared vendor accountability

Together, these determine whether transformation efforts deliver on their promise, or stall under competing priorities and operational friction.

1. Align business and IT to maximize value

Successful modernization depends on tight alignment between business and IT. Governance, architecture, and execution all rely on shared ownership across these teams. Across the organizations we interviewed, over 70% of delays in provider data modernization stemmed from misalignment between business and IT — not technology limitations.

Health plans that succeed treat technology investments not as IT projects but as enterprise transformation initiatives, pairing operational leaders accountable for outcomes with IT leaders responsible for architecture and integration.

The organizations that get this right follow three practices:

Establish joint accountability early.

Define shared success metrics for both business impact and architectural fit before selecting a vendor.

Share architecture expectations upfront.

Bring vendors into early design discussions to align integration and security standards.

Maintain continuous communication.

Hold regular governance reviews and cross-functional checkpoints to ensure progress supports both technical scalability and business value.

These practices reduce rework, accelerate deployment, and ensure technology fits seamlessly within the enterprise — fully realizing the promise of hybrid provider data management.

2. Plan for the full lifecycle cost and invest where it drives the most value

Success depends as much on people and processes as on technology. The goal is not simply to minimize cost but to allocate investment where it delivers the greatest value: maintaining internal governance and integration control while leveraging external partners for automation, efficiency, and scale.

Across payers, cost overruns in provider data modernization were common yet rarely driven by software price alone. The real costs emerge in the people, processes, and coordination required to make technology function effectively within a complex enterprise.

To manage cost effectively and sustain modernization over time, leading organizations:

Budget for the lifecycle, not just the launch.
Include staffing, change management, and governance operations in financial planning.

Define clear ownership.
Set explicit internal and vendor responsibilities, pairing governance roles with automation and integration commitments.

Measure return on value, not just cost.
Build financial cases around measurable outcomes such as fewer provider directory errors, faster onboarding, and improved compliance responsiveness.

This approach helps health plans avoid multi-year internal builds and instead realize value in months, while continuously improving through shared product enhancements and peer-driven innovation.

As one senior IT leader at a national plan described,

> *"The technology cost is never the real cost. The real cost is the people it takes to make it work every day."*

Hybrid models help health plans manage these realities more effectively — enabling internal teams to focus on governance and control while vendors absorb the operational complexity of automation, scale, and regulatory change. The result is modernization that lasts, not just implementation that launches.

3. Treat implementation as a shared operating plan

Even the strongest strategy can fail without disciplined execution. Provider data modernization succeeds when health plans and vendors operate as one team, aligned on goals, scope, and accountability from the start.

Leaders emphasized that success depends both on the strength of the technology itself and on the clarity of shared ownership. Even the most advanced platform will underperform without defined responsibilities, aligned expectations, and ongoing coordination between business, IT, and vendor teams.

The organizations that achieve durable results:

Co-own the delivery plan.
Jointly define milestones, data readiness steps, and success metrics before kickoff.

Leverage proven frameworks.
Work with experienced vendors who bring reusable integrations, tested workflows, and regulatory playbooks.

Design for multiple use cases.
Build foundational elements that scale across credentialing, directories, and analytics to maximize ROI.

As one senior operations executive summarized,

> *"Implementations fail when both sides assume the other will absorb the complexity. The successful ones treat the work like a shared operating plan."*

When business, IT, and vendor teams plan together — grounded in strong technology and shared accountability — they shorten timelines, contain costs, and build systems that adapt as needs evolve. This level of collaboration turns one-time deployments into continuously improving infrastructure, ensuring lasting value.

How CertifyOS enables the model *health plans need*

Provider data management is not something that can be built once and left alone. Health plans that attempt to build entirely in house often underestimate the time, complexity, and maintenance required.

Internal builds can take 18 to 24 months, and by the time they launch, regulatory requirements and interoperability standards have already shifted.

The challenge goes deeper. Provider data is relational and multidimensional. A single provider may have multiple affiliations, specialties, and practice locations.

Building and maintaining survivorship logic, deduplication, versioning, and change management is not a feature — it is the architecture itself. And the work does not end at launch. Continuous updates, source connectivity, and compliance require ongoing capacity and expertise that are difficult to sustain internally.

That is why most health plans are moving toward a buy-plus-integrate model. Certify was built for that approach. Because our platform is fully configurable, health plans do not have to replace existing infrastructure to modernize.

They can layer in Certify's provider data infrastructure to achieve interoperability and accelerate value without disruption.

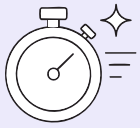
Our implementation timelines are measured in months, not years, because we have already solved the hardest parts — regulatory readiness, integration, and automation across dozens of health plans. That shared foundation not only reduces cost, it compounds value.

As more organizations use Certify, our platform grows stronger through network effects that enhance data accuracy, automation, and intelligence for everyone in the ecosystem.

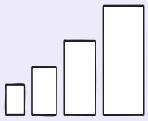
Each organization benefits from improvements driven by the experiences of others, creating a model of continuous, crowdsourced innovation that keeps the platform evolving faster than any single entity could build alone.

By operating on a shared infrastructure, health plans tap into the collective intelligence of the ecosystem. Every enhancement strengthens the platform for all users. Rather than building a single road, Certify enables a shared highway system that connects the industry, improving outcomes and reducing duplication for every participant.

By partnering with CertifyOS, health plans gain:

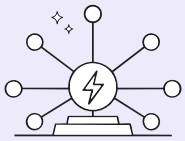


Speed
rapid deployment and faster time to value.



Scale
the efficiency of shared infrastructure serving many organizations.

Resilience
enterprise-grade security, privacy, and compliance built into every layer.



Strength through network effects
a continuously improving data foundation informed by a growing community of payers and providers.

CertifyOS enables health plans to focus on what they should *own:*

Governance, strategy, and business outcomes — while we deliver the infrastructure, automation, and assurance that make it all work. The question is no longer whether to buy or build, but how to innovate together and move the industry forward. CertifyOS makes that possible through a configurable, continuously evolving platform that modernizes faster, operates smarter, and powers the systems healthcare will depend on next.

Ready to *learn more?*

Book time with one of our provider data management experts to see how CertifyOS can transform your operations.