



# A Crisis of Overconfidence:

Why Payers' Provider Data Isn't as "Clean, Complete, and Centralized" as Leaders Claim

Analyzing a 2025 survey of **150 healthcare executives** at enterprise payer organizations



## ABSTRACT

While every day is different, most people in the healthcare industry will tell you that there are themes that run throughout their work.

At ProviderTrust, one theme emerges repeatedly with our payer clients: messy, inaccurate, disconnected provider data. So, when our team received the results of a payer-focused survey conducted in partnership with *Healthcare Dive* in early 2025, we were bewildered to learn that most of the survey's respondents had a rosy view of their provider network data.

We'd commissioned the survey to strengthen our understanding of how ProviderTrust might better serve payers' needs for improved provider data integrity. Instead, we learned a different lesson:

**Most executives at enterprise-level payer organizations *don't think they have a data problem.***

How does the ProviderTrust team know this problem exists? We see the cracks in payers' provider network data daily, in every department. After receiving the survey results, our team gathered experts from each corner of our business, including product managers, data analysts, implementation specialists, account managers, and sales leaders, to analyze the results. They all said the same thing: **How do payers not know there's a problem?**

In this report, we'll outline the overwhelmingly positive survey results and compare them to our experiences getting up close and personal with the provider data in question. We share this comparison not as an indictment, but as a call for a clearer understanding of the shortcomings that still exist in payers' provider network data.

Together, we can work towards a better future for healthcare— **but only if we all recognize that there's a problem.**

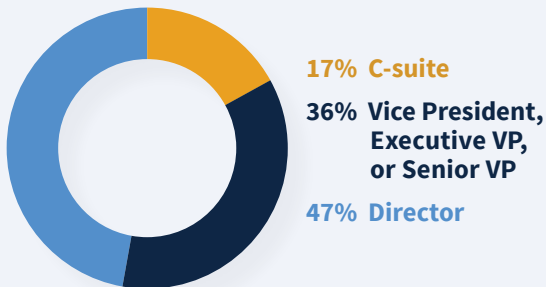
#### ABOUT THE SURVEY

This report reflects the results of a survey conducted in March 2025 by *Healthcare Dive* in partnership with ProviderTrust. The original intent of this survey was to collect and understand pain points that payers experience regarding their provider network data.

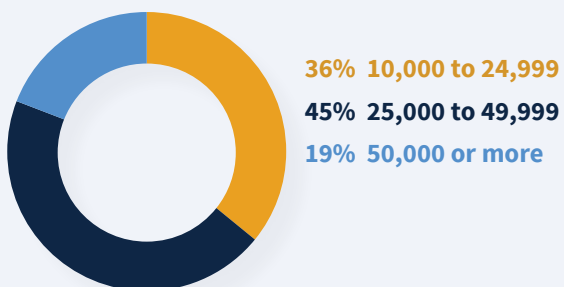
#### SURVEY RESPONDENTS

150 payer leaders who are either “very involved” (51%) or “somewhat involved” (49%) with determining strategy for provider data and operations at their organization.

##### BY TITLE:



##### BY NUMBER OF IN-NETWORK PROVIDERS:

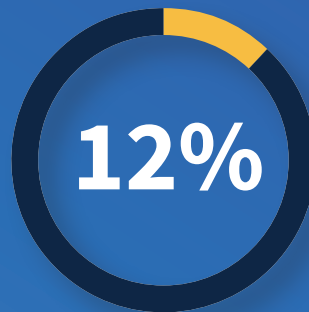


# Results at a Glance

At first glance, our survey results indicate that payers have a solid, successful provider data strategy in place. Despite this overall confidence, the respondents' answers to our more detailed questions reveal a murkier view of their provider data in reality.

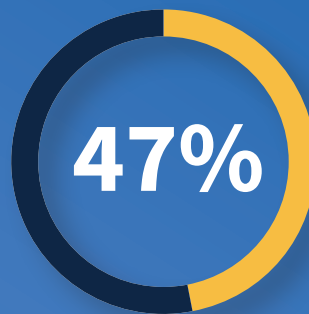


## SURVEY RESULTS AT A GLANCE



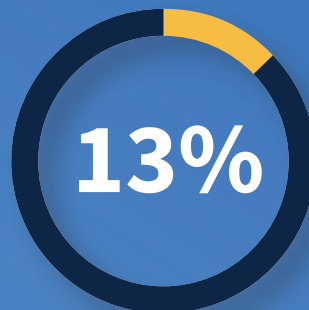
94% say their provider data is accurate and error-free, but...

12% report receiving "incomplete data" from their third-party provider data vendor



93% say their provider data is verified against the primary source, but...

Only 47% list state licensing boards among their provider data sources



97% say their data is connected across departments, but...

Only 13% say data is freely shared between departments on an ongoing basis

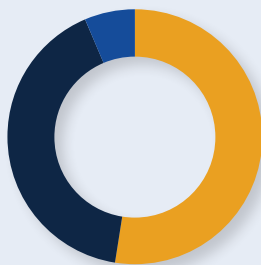
## To Really Assess Data Integrity, Zoom in Closer

Our survey respondents paint a picture of provider network data that's complete, clean, accurate, and up-to-date. But when you dig further into this rosy perception, the cracks start to show.

### RESULTS

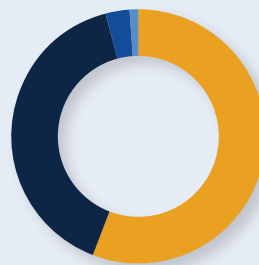
We asked our group of 150 payer executives how well the following terms describe payer data at their organization.

#### ACCURATE AND ERROR-FREE



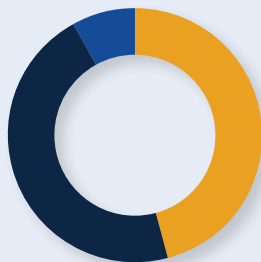
51% Very Well  
40% Somewhat Well  
6% Not Very Well

#### COMPLETE (NO MISSING INFORMATION)



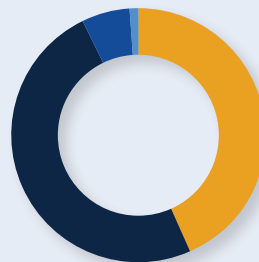
56% Very Well  
40% Somewhat Well  
3% Not Very Well  
1% Not At All

#### CLEAN AND EASY TO UNDERSTAND



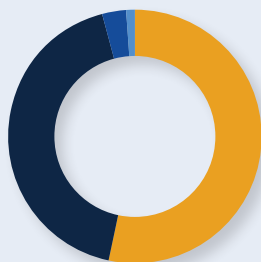
46% Very Well  
46% Somewhat Well  
8% Not Very Well

#### CONTINUOUSLY MONITORED



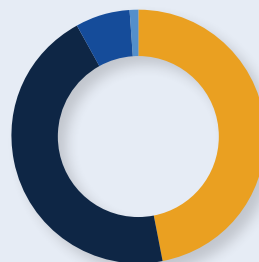
43% Very Well  
49% Somewhat Well  
6% Not Very Well  
1% Not At All

#### CONNECTED ACROSS DEPARTMENTS



54% Very Well  
43% Somewhat Well  
3% Not Very Well  
1% Not At All

#### UP-TO-DATE



47% Very Well  
45% Somewhat Well  
7% Not Very Well  
1% Not At All

If we take these results at face value, it appears that provider data runs remarkably smoothly across the board. The problem is, our team can tell you that simply isn't true.

## What's Wrong with Payers' Provider Data?

You don't know what you don't know, and these survey results made it clear to our team that **payers don't know they have a provider data problem**. On the surface, our survey respondents described their data as accurate and error-free, complete, clean, easy to understand, and up-to-date.

And yet, only 51% of respondents answered that the phrase "verified against the primary source" described their provider data very well. Another 42% said the phrase describes their data somewhat well, and another 7% chose "not very well."



If half of payers' provider data isn't consistently verified against the primary source, *how accurate and up-to-date can it really be?*

We've uncovered every kind of error in our payer clients' data, including a supposedly active, in-network provider who was born in 2024, and another who was born in the 1800s. The client whose data contained these errors is an enterprise-level payer with 26 million members, and they had a "leading" solution in place before we discovered these errors (and more) among their data.

# The Bleak Truth About Provider Directories

To find an example of the inaccuracies in most payers' provider data, you don't have to look far. Provider directories—which were created to be members' source of truth—are full of outdated information, from incorrect addresses and phone numbers to practitioners who are no longer in network or even alive.

A 5-year secret shopper evaluation by the Centers for Medicare and Medicaid Services (CMS) revealed that only 29% of provider directories were accurate and up-to-date in 2017. By 2021, that same study showed improved results, but still, **only 47% of provider directories were accurate and up-to-date.**

This half-right, half-wrong trend continues today, despite the No Surprises Act mandating that payers must verify and update their provider directories every 90 days. The American Journal of Managed Care (AJMC) reports that **40% of provider directory inaccuracies persist for an average of 540 days.** That's about six times longer than the No Surprises Act's required 90-day cadence.

Keep in mind that 97% of respondents said the term “connected across departments” describes their provider data well. If these departments are really well-connected, we can infer that the provider network data that reaches the provider directory is often the data that payers are using across the entire organization, or at least, the quality is similar.

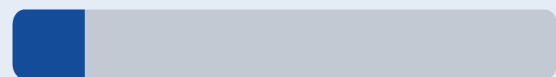
## OUR SURVEY RESPONDENTS DESCRIBED THEIR PROVIDER DIRECTORIES AS:



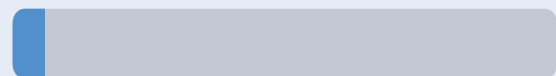
39% Entirely automated



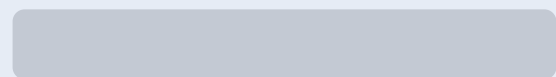
42% Mostly automated



13% About equally automated and manual



6% Mostly manual



0% Entirely manual



CASE STUDY

# See the Difference in Action

Take this case study involving an enterprise managed care organization with over 23 million members who depend on the accuracy of their provider data. This organization wasn't yet a ProviderTrust client when we analyzed their live provider directory data in 2024, and the results we returned were surprising to them—but not to our team, who sees this level of discrepancy all the time.

### ABOUT THE ORGANIZATION



More than 450,000 physicians and other providers in network



More than 10,000 hospitals and other care facilities



More than 23 million members

In total, we found **686 exclusions and sanctions among their active provider network.**

# 3,864

**Opt-Out NPIs providing care to Medicare beneficiaries**

It gets messier: **92% of this organization's NPIs that appear on Medicare Opt-Out are associated with a Medicare Advantage plan.** To phrase it differently, we found a total of 4,200 providers in their directory on the Medicare Opt-Out list, and 3,864 of these providers were *currently providing care to Medicare beneficiaries.*

This organization manages an average of **1.25 million claims every day** for its members. How many of those members have unknowingly seen a provider who is on a federal or state exclusion/sanction list? How many of those claims aren't eligible for reimbursement due to an exclusion, sanction, or other flagged issue?

The answer should be zero, but it's clear that this organization was operating under the status quo with ineligible practitioners in their network, under the common assumption that their data is "complete, clean, accurate, and up-to-date."

## Automated Processes Aren't Automatically Correct

The vast majority of provider network data processes are automated. But has automation become another way to recycle messy, inaccurate data?

### RESULTS

When asked to rate the level of automation in their processes, 75% of respondents answered that the following are either “entirely automated” or “mostly automated”:

- License and certification verifications
- Referring and ordering physician monitoring
- Federal and state exclusion/sanction list monitoring
- State board action monitoring
- Accreditation monitoring
- Employment history lookup
- Education history lookup
- Contracts and fee schedules
- Provider directory

## Not All Automation Is Created Equal

In the healthcare industry, we've been taught that automation is best—and it is, for the most part. Compared to traditional manual processes, automation saves valuable time, cost, and human resources.

The problem is that many provider data solutions treat automation as a means of moving data, no matter the quality of the data. Without a standardized data framework across the industry, payers—or rather, the automated tools they use—are left to piece together disparate fields, shorthands, requirements, and many more variations that occur across primary sources.

Until we have industry-wide standardization of provider data, simply plugging in an automated solution without digging further into the data it's digesting ***won't fully solve the problem.***

On top of variations in each primary source, every payer likely has variations in data hygiene and upkeep that may not mesh well with new, incoming data. One of the few upsides of manual verification is the built-in human analysis stage, which makes it easier to catch simple yet persistent issues that can go undetected, like name changes or typos. There's certainly no need to return to manual processes, but we can take the lessons learned from decades of manual data analysis and apply them to automated processes.

## Our Solution to the Data Integrity Problem

At ProviderTrust, we pair automation with a data oversight team that assists in an extensive data mapping and enhancement process that starts at implementation and continues throughout the life of each partnership. This powerful combination of automation and expert human analysis enhances our clients' data and ensures that we deliver accurate results, not false positives or negatives.

### BASIC AUTOMATION

- Takes client data at face value
- Runs unchanged client data against the primary source
- Returns results based only on exact fields contained in client data
- Overlooks errors, missing fields, or additional information that could lead to matches

### PROVIDERTRUST AUTOMATION

- Scrubs client data at intake for errors and missing fields
- Enhances client data with unique identifiers, such as NPIs or additional names
- Runs enhanced data against all relevant primary sources (e.g., all state exclusion lists, rather than a single list)
- Delivers a time-stamped screenshot from the primary source
- Flags any potential matches for our data oversight team to investigate free of charge
- Delivers only confirmed positive or negative results



## CASE STUDY

# See the Difference in Action

We know that our data mapping process is crucial because it frequently uncovers exclusions, board actions, sanctions, or other negative actions that previous vendors have missed.

We recently demonstrated the power of our unique data strategy to a potential client, a payer organization with more than 15 million members and 700,000 participating providers. ProviderTrust's unique capabilities uncovered major blind spots in this payer's understanding of its provider data.

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To complete the picture, we also ran federal and state exclusion checks for a sample of 75,000 participating providers. We found **38 exclusions** (12 federal, 26 state) in this sample. One-third of these exclusions were identified through our proprietary data mapping strategies, meaning that a plug-and-play provider data solution wouldn't have found them.

Considering that this sample represented 10.8% of the payer's population, the full population likely included over 350 federal and state exclusions. This means that 0.05% of their total provider population was actually excluded—a small percentage, but a large dollar amount when you consider recouping the cost of just 0.05% of claims that weren't eligible for payment. More importantly, it's a meaningful amount for the members who rely on this payer to vet their healthcare providers.

### OUR PRIMARY SOURCE VERIFICATION FOR 25,000 OF THIS PAYER'S PARTICIPATING PROVIDERS FOUND:

- **9.12%** of active par providers had at least one license issue
- A total of **1,677 alerts** for licensing issues that included:
  - 22 surrendered
  - 3 revoked
  - 7 restricted
  - 2 on probation
  - 612 expired
  - 329 inactive
  - 249 board actions
  - 453 name discrepancies

These blind spots carried over to this payer's non-participating provider population. Our primary source verification for a sample of 25,000 non-par providers uncovered:

- A total of **652 alerts** for licensing issues with active non-par providers that included:
  - 7 surrendered
  - 15 revoked
  - 13 restricted
  - 14 on probation
  - 409 expired
  - 194 inactive

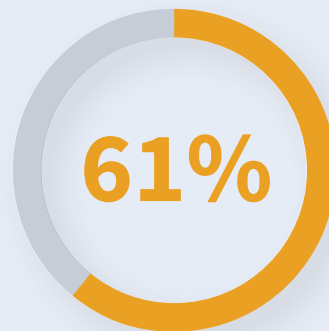
## Payers' Wish List Reveals a Need for Change

Our survey results show that payers are overwhelmingly pleased with their current provider data strategy and vendor(s). And yet, a closer look at their wish list of nice-to-have features reveals serious gaps that contradict their claim of satisfaction with their current data.

### RESULTS



**The vast majority (89%) of respondents are satisfied with the overall performance of their current provider data partner.**



**61% answered that they had “no concerns” at all about their current provider data partner.**

Despite this high level of satisfaction, respondents had answers ready when we asked an open-ended question about what features they wished their current solution had. Their responses highlight a desire for solutions that:

- Verify and/or clean data
- Update data regularly and speedily
- Provide security and fraud protection
- Both collect and manage data
- Exclude useless data
- Provide a centralized data repository
- Deliver automation and/or efficiency to various activities



This mismatch between reported satisfaction and an appetite for improvements perfectly illustrates the crisis of overconfidence. On one hand, payers report resounding satisfaction with their current provider data partner and processes. But on the other hand, they're asking for features that are supposedly already included in their current solutions, based on their previous answers.

It's an unfortunate truth that change doesn't happen until the pain of a problem becomes too great to continue. In the case of provider data, the pain is already there—it's just hidden below the surface by solutions that put a band-aid over the problem. But payers don't want to rip off the band-aid and expose the provider data problem to the world.

When we asked our survey respondents what could drive their organization to focus more on improving provider data integrity, the clear winner was "easier access to better automated technologies." The ease of access factor outweighed "changes in compliance/regulation" by 10 percent and "decreasing provider friction" by 15 percent, too.

Yes, tech solutions should be easier to access. But we can't stop working towards a better future just because it's hard to implement a new tech tool. It's time to start building a healthcare ecosystem where clean, accurate, up-to-date provider data is a true priority.



## Charting a New Path Forward

It's time to stop settling for the systems we already have. At ProviderTrust, we don't claim to have the solution to every problem that payers face. But we're the best in the industry at solving provider data problems, and we're here to help solve yours.

Remember the wish list of features that payers wish their solutions had? Simply put, this wish list describes ProviderTrust's answer to the provider data crisis, a new solution called **DynamicNPI™**.

DynamicNPI gives payers access to live, verified provider data with just an NPI. Our advanced data mapping strategies connect all the dots between disparate primary sources to bring DynamicNPI users instant visibility into the eligibility of any provider in or out of their network.

We deliver up-to-date primary source verifications, monitor ongoing for federal and state exclusions, and exceed all of NCQA's updated guidelines for 2025. If you're ready to create change in your organization, get in touch with the ProviderTrust team today.

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## The verified provider profile you've been looking for.

- ✔ Meet credentialing and recredentialing verification requirements in mere seconds
- ✔ Speed up time to credential, expediting the path to revenue
- ✔ 24/7 access to up-to-date, verified information
- ✔ Hands-off NCQA-certified automation you can trust
- ✔ Delivered directly within your workflow of choice with ProviderTrust's turnkey API



Book your **DynamicNPI™**  
demo with ProviderTrust



## **We believe deeply in a healthcare system that is safe, equitable, and free of fraud.**

We push healthcare toward that reality by building the industry's most accurate dataset to identify eligibility issues within provider and payer populations. We come to work every day to push healthcare toward that reality by building a better intelligent healthcare monitoring system, helping providers and payers identify eligibility, compliance, and credential issues within their populations.

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With superior insight into employees, provider networks, and downstream vendors, our flexible solutions help healthcare companies scale with confidence, ensure compliance, and protect revenue. ProviderTrust was founded in 2010 with a mission to create safer healthcare for everyone through OIG and state Medicaid exclusion monitoring. Today, the organization has developed the industry's most accurate dataset for ongoing exclusion monitoring and primary source verification, serving the nation's top health systems, payers, and pharmacy organizations. Our solutions monitor employees, vendors, provider networks, licenses, credentials, and more for OIG and state Medicaid exclusions, sanctions or disciplinary actions, license expirations, or suspensions.

To learn more, visit [providertrust.com](https://providertrust.com).

