



Activating Outsourced Healthcare Operations

A step-by-step playbook for
speed, scale, and stability





Executive Summary

In a healthcare environment defined by rising administrative costs, workforce shortages, and accelerating regulatory complexity, many health plans and providers are exploring outsourcing for the first time.

Outsourcing — whether onshore, nearshore, or offshore — can unlock scalability, cost savings, and modernization. But for first-time outsourcers, the path can feel uncertain.

This playbook provides a pragmatic roadmap to help healthcare executives, operational and clinical leaders, and procurement teams confidently outsource engagements — while maintaining compliance, transparency, and trust.

Three Key Takeaways

These high-level points are important themes to consider throughout this playbook.

- Outsourcing is a lever for transformation, not just cost control
- A “start→strengthen→scale” model helps organizations mature safely
- Governance and compliance must evolve alongside scale

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Why Outsource Healthcare Operations?

Health plans and providers are under pressure from every angle. Administrative costs are climbing faster than premiums. Workforce gaps are widening as competition for healthcare talent intensifies. Technology expectations are escalating, but investment in modernization remains a challenge in the current market conditions. At the same time, regulations are becoming more complex, leaving healthcare organizations struggling to do more with fewer resources.

In this environment, outsourcing is evolving from a cost-saving measure into a strategic capability. By partnering with experienced healthcare operations specialists, health plans and provider organizations can access new efficiencies, specialized expertise, and a level of scalability that's difficult to achieve internally. Partnering allows organizations to refocus their own teams on growth, innovation, and member outcomes.

Policies Pressuring the Market

Recent legislation — most notably the One Big Beautiful Bill Act (OBBBA) — has intensified operational pressures across the healthcare landscape for both payers and providers. The Act's expanded eligibility and oversight requirements have driven new administrative complexity, frequent redeterminations, and surges in member and provider inquiries. For many health plans and providers, internal teams alone can no longer keep pace.

Strategic outsourcing helps relieve that pressure. With flexible service models and global delivery networks, partners can scale operations as membership fluctuates, budgets tighten, or compliance expectations shift. Rather than replacing internal functions, outsourcing strengthens them — bringing structure, scalability, and technology to areas that too often drain capacity. When grounded in strong governance and collaboration, outsourcing becomes a seamless extension of the plan's operating model.

The OBBBA Effect on Payer Operations

The OBBBA underscores the need for greater operational agility. Designed to promote transparency, the policy has instead added layers of complexity that ripple through every function — from eligibility and enrollment to claims, appeals, and customer service.

Outsourcing partners play a critical role in helping payers adapt to these evolving demands, combining specialized expertise with the ability to flex resources quickly.

OBBBA's Operational Ripple Effects:

- More eligibility redeterminations that strain systems
- Higher call and appeal volumes due to changes
- Increased regulations that require enhanced readiness
- The need to move resources as requirements shift

Dispelling Common Misconceptions

Despite its advantages, outsourcing can still feel unfamiliar — especially for first-time adopters. The table below addresses some of the most common myths and the realities that modern outsourcing operations have proven.

Myth	Reality
Outsourcing = job loss	Expands capacity and frees teams for higher-value work
Quality will decline	Agreements and governance ensure quality
Offshore operations = high risk	Secure and compliant models align to reduce risk
Outsourcing is only for large plans	Customized partnerships help smaller plans succeed

Delivery Models: Finding the Right Fit

Every outsourcing partnership starts with a fundamental question: Where should the work live? The answer depends on the balance between connection, compliance, and cost. Each delivery model — offshore, nearshore, onshore, or a combination — offers distinct advantages. The key is aligning the right process with the right geography to instill trust. When it comes to outsourcing work, consider these four delivery model options:

1. Offshore: Scale Without Compromise

Global delivery centers in countries such as India and the Philippines offer cost efficiency, scalability, and deep healthcare expertise. Operating across different geographies and time zones, teams provide around-the-clock availability that ensures business continuity, responsiveness, compliance, and scalability for health plans and providers. They are ideally suited for functions like claims processing, provider data management, and analytics (see Rules of Thumb below).

In India, technology has transformed the nature of offshore healthcare delivery. Once viewed primarily as a back-office destination, India now supports front-line operations across provider engagement, eligibility verification, and member outreach. AI-enabled communication platforms and accent harmonization

technology enhance clarity by adjusting tone, pace, and pronunciation in real time — breaking barriers to understanding while maintaining each agent's natural voice. These advancements allow India-based teams to deliver clear, high-quality communications that meet the evolving needs of health plans and providers.

In the Philippines, where English is widely spoken as an official language, healthcare operations benefit from teams that combine clinical skill with clear communication. A large, clinically trained workforce — including U.S.-licensed registered nurses (NCLEX-RN) — supports utilization management, care coordination, and member engagement, helping to alleviate the ongoing RN shortage and reduce the strain on overextended U.S. nurses.

Offshoring Rules of Thumb:

Offshore Focus

- Non-core, administrative, and support functions
- Claims processing
- Provider data management
- Analytics
- Customer service and call center support
- Compliance and regulatory support

India Expertise

- Back-office activities
 - Medical billing and coding
 - Data entry and record management
 - Scheduling and administrative support
- Front-office activities
 - Provider engagement
 - Eligibility verification
 - Member outreach
 - AI-enabled communications

Philippines Expertise

- Clinical operations and communications
- Utilization management
- Care coordination
- Member engagement
- Patient support and contact center services

Delivery Models: Finding the Right Fit

2. Nearshore: A Bridge Between Cultures

When work requires cultural alignment and efficiency, nearshore delivery is best. Locations such as Jamaica and Colombia offer bilingual capability, cultural alignment, and real-time collaboration in similar time zones. These centers excel at **member and provider support, prior authorization**, and other **customer experience** functions where communication and understanding drive outcomes.

3. Onshore: Assurance and Accessibility

Certain functions must remain closer to home. Domestic delivery centers within the U.S. provide the assurance and oversight needed for compliance-critical or high-touch operations. They are often the right fit for **utilization management, appeals**, and **clinical reviews** — areas that require U.S. licensure, local regulatory familiarity, or direct member engagement. Onshore delivery reinforces trust and compliance when sensitivity is paramount.

4. Hybrid: The “Rightshore” Model

Most health plans and provider groups use a combination of all three. The hybrid or “rightshore” model assigns each process to the geography that best supports it: **offshore for scale, nearshore for agility**, and **onshore for assurance**. This approach builds a flexible, cost-effective operating model that can evolve with regulatory shifts, membership changes, or new program launches. It transforms outsourcing from a cost lever into a strategic framework for sustainable growth.

Techshoring

While traditional delivery models determine where work should live — offshore, nearshore, onshore, or a combination — the rise of techshoring adds another dimension: how specific work is enabled and orchestrated. While not a replacement for the “rightshore” framework, techshoring is an enhancement that overlays technology integration across all delivery types. AI, cloud platforms, and digital collaboration tools allow organizations to distribute processes intelligently, linking global teams through shared data, automation, and insight.

In this way, techshoring transforms delivery models from static location-based decisions into dynamic, technology-driven ecosystems capable of scaling quality, compliance, and member experience across borders.

The Outsourcing Journey: **Start → Strengthen → Scale**

Every outsourcing relationship begins with a strategic starting point — focused on learning, testing, and building trust. As the partnership deepens and results are proven, the organization gains confidence to expand, optimize, and ultimately transform how it operates.

This evolution follows a clear path: **Start. Strengthen. Scale.**

Start: Laying the Foundation

At the start, success is about stability. Health plans and providers typically begin by piloting low-risk processes — such as clearing a claims backlog, handling call overflow, or digitizing mailroom operations.

This phase builds familiarity between teams and establishes a shared governance model, performance metrics, and communication cadence. The goal is to validate outcomes and create early wins that demonstrate value without disrupting the core business.



Strengthen: Expanding and Integrating

Once the foundation is in place, the partnership expands into adjacent areas. Additional processes are transitioned, automation is introduced, and reporting dashboards bring transparency to performance.

During this stage, the relationship becomes more collaborative. Payers, providers, and outsourcing partners work as an integrated team, identifying where technology and process redesign can drive greater efficiency, quality, and compliance.

Scale: Accelerate for Transformation

In this stage, outsourcing becomes a true extension of the organization's operating model. The focus shifts from process efficiency to business transformation.

Predictive analytics, AI-enabled workflows, and continuous improvement cycles come into play, unlocking new levels of insight and agility. The partnership evolves into a co-created ecosystem — one that delivers sustainable outcomes, scalability, and innovation over time.

The Eight-Step Journey for First-Time Outsourcers

Once an organization understands where it wants to go, the next step is charting how to get there. The outsourcing journey works best when approached as a disciplined process — one that builds alignment, sets expectations, and maintains transparency from day one.

The following eight steps form a roadmap for first-time outsourcers, guiding teams from vision to measurable success:

Step 1: Establish the Strategic Case

Every outsourcing initiative begins with a clear “why.” Before anything else, define what success looks like for your organization — and tie it directly to measurable healthcare outcomes.

For some health plans and provider organizations, the goal may be to stabilize claims turnaround, reduce provider abrasion, or improve member satisfaction scores through more responsive contact center operations. For others, it may mean reducing administrative spending tied to prior authorization backlogs, expanding clinical review capacity without overextending internal teams, or modernizing outdated workflows that impact care coordination and compliance.

Establishing intent and securing executive sponsorship early ensures the entire organization moves forward with purpose. Anchor your objectives to strategic priorities such as Star Ratings improvement, Healthcare Effectiveness Data and Information Set (HEDIS) performance, or Medicare Advantage audit readiness. Documenting these goals upfront keeps decisions aligned with what matters most — better access, experience, and outcomes for members and providers alike.

Step 2: Define the Scope

Determine which operational functions are mission-critical and which safely can be handled externally. Focus on scalability, compliance, and clinical integrity.

By mapping functions to their risk, complexity, and regulatory exposure, organizations can prioritize areas where outsourcing drives the greatest impact — such as reducing claims backlogs, improving first-call resolution, accelerating prior authorization decisions, and supporting compliance with Centers for Medicare and Medicaid (CMS) and state-level reporting. A focused scoping phase helps prevent overreach and sets the stage for measurable, sustainable success.



Step 3: Assess Readiness

Before engaging a partner, assess your organization's operational, clinical, and technical readiness. Healthcare operations demand precision and compliance — small gaps can create downstream risk.

Begin with a process inventory across claims, utilization management, provider operations, and member engagement. Are workflows standardized and well-documented? Do teams rely on manual workarounds or legacy systems? Evaluate data accuracy, electronic health records (EHR) or core-admin integration, and compliance maturity (such as, Health Insurance Portability and Accountability Act (HIPAA), CMS, and National Committee for Quality Assurance (NCQA), etc.).

A readiness assessment should also test cultural alignment and change preparedness — how ready is your team to adopt new workflows, automation, and shared governance? Identifying these gaps early helps design a transition that protects both compliance and continuity of care.

Change Management: The Hidden Success Factor

Outsourcing is more than an operational shift — it's a cultural one, too. Success depends on assessing readiness and preparing teams for change.

Key Considerations for First-Time Outsourcers:

- Communicate the “why.” Explain how outsourcing supports strategic goals like improving quality, reducing administrative burden, and modernizing operations.
- Engage early and often. Involve clinical, operational, and compliance leaders throughout planning and pilot phases to build alignment and trust.
- Protect internal roles. Reinforce that outsourcing expands capacity and enables teams to focus on higher-value work, not replace it.
- Enable structured knowledge transfer. Document workflows, escalation paths, and compliance checkpoints to ensure continuity of coverage, care, and compliance.
- Celebrate early wins. Highlight measurable improvements — faster turnaround, fewer backlogs, improving experiences — to build momentum and confidence.

Strong change management turns uncertainty into engagement and helps both health plans and providers embrace outsourcing as a path to shared success.

Quick Win Opportunities:

- Claims backlog clearance
- Provider data management
- Contact center handling
- Appeals and grievances support

Step 4: Build the Business Case

Quantify the impact in operational, clinical terms. A strong business case connects cost reduction with measurable performance improvements.

Translate goals into healthcare metrics, such as:

- Claims accuracy and turnaround-time improvements
- Clinical review throughput and peer-to-peer overturn rates
- Prior authorization cycle-time reduction
- Provider data accuracy and credentialing timeliness
- First Call Resolution (FCR) and Average Handle Time (AHT) in contact centers

Model return on investment (ROI) across cost avoidance (e.g., audit penalties, rework) and quality gains (e.g., Star Ratings, member satisfaction). Include transition and technology enablement costs and demonstrate how outsourcing enables reinvestment in high-value activities like care management and analytics.

Step 5: Design Governance and the Operating Model

Strong governance is the backbone of every outsourcing partnership — it's what turns outsourcing from a contract into a partnership. Establishing the right structure early ensures clarity around decision-making, escalation paths, and performance expectations.

Start by defining who makes decisions, how issues are escalated, and what success looks like at each level of the relationship. Build in mechanisms that promote transparency and accountability, such as:

- Clearly defined service level agreements (SLAs)
- Regular joint performance reviews
- Shared dashboards for ongoing visibility

As the partnership matures, the governance model should evolve — shifting from tactical oversight to strategic collaboration, with both sides jointly focused on innovation, outcomes, and long-term value creation.

Step 6: Select the Right Partner

Choosing a partner is more than a procurement exercise — it's a decision about whom you trust with your members, providers, and data.

Prioritize partners with deep healthcare domain expertise, proven regulatory readiness, and technology-led processes. Verify experience across lines of business — Medicare Advantage, Medicaid, Commercial, Affordable Care Act (ACA) individual/exchange plans — and functional areas like claims, utilization management, payment integrity, and member engagement.

People, Process, and Technology: The Right Balance for Modern Healthcare Operations

In healthcare, transformation happens at the intersection of people, process, and technology. The right outsourcing partner blends robotic process automation (RPA), AI, and analytics with skilled clinical and operational expertise to create efficiency without losing the human element.

What to look for:

- **RPA:** Streamlines repetitive, rules-based workflows, like claims adjudication and provider data updates to improve accuracy and turnaround
- **AI and analytics:** Surfaces trends, predicts demand, and identifies process improvements across claims, care management, and engagement functions
- **Digital workflow integration:** Connects automated processes with human review for compliance, accuracy, and transparency
- **Omnichannel communications:** Combines self-service, chat, and voice technologies — including accent harmonization — to ensure clear, consistent interactions with members and providers
- **Clinical and operational oversight:** Licensed clinicians and experienced healthcare professionals provide judgment, accountability, and regulatory insight

The best partners create synergy among people, process, and technology — keeping healthcare operations digital when possible, and human when essential.

Questions to Ask Potential Partners:

- How do you measure quality?
- What are your compliance certifications?
- How do you manage staffing during surges?
- Can you share a recent client success story?

Step 7: Transition and Stabilize

Effective transition is when strategy meets execution. In healthcare, precision matters — compliance, continuity of coverage, and member or provider experience depend on it.

Develop a joint transition plan with clear milestones:

- **Shadow phase:** The selected partner observes and assesses live workflows such as claims adjudication, utilization management, or provider data updates to document compliance and process nuances
- **Dual operations:** Both teams process tasks in parallel to validate accuracy and ensure uninterrupted service for members and providers
- **Go-live:** Ownership transitions in phases, maintaining real-time visibility into quality, turnaround times, and satisfaction metrics

Cross-functional teams — operations, clinical, IT, and compliance — should collaborate to safeguard Protected Health Information (PHI) under HIPAA, maintain CMS and NCQA alignment, and ensure continuity of coverage and care through stable eligibility, claims, and authorization processing.



Stabilization Indicators May Include:

100%

SLA adherence during the first 90 days

Zero

compliance findings or data breaches

Maintained

or improved member and provider satisfaction

Continuous improvement should be embedded throughout the process — using data, analytics, and collaboration to identify opportunities, enhance quality, and sustain performance from day one.

Step 8: Measure, Govern, and Evolve

In healthcare operations, measurement and governance aren't endpoints — they're the mechanisms that keep quality, compliance, and performance moving forward.

From day one, establish baseline metrics tied to your strategic objectives:

Operational Performance

Claims accuracy, prior authorization turnaround, provider data quality, and contact center response times.

Clinical Outcomes

Case review timeliness, care gap closure, HEDIS measure of performance, and Star Ratings improvement.

Experience Metrics

Member satisfaction Consumer Assessment of Healthcare Providers and Systems (CAHPS), provider satisfaction, and overall Net Promoter Score (NPS).

Governance should include regular performance reviews and joint dashboards that track progress in real time. Quarterly business reviews and ongoing compliance audits help ensure sustained alignment with CMS, NCQA, and HIPAA standards while surfacing opportunities to enhance service and efficiency.

Partners should use data-driven insights and automation to refine processes continuously — reducing rework, preventing compliance risk, and anticipating volume surges.

A mature outsourcing partnership evolves beyond task execution to become a strategic extension of the health plan or provider organization — one that adapts with policy changes, technology advancements, and member needs to deliver measurable, lasting impact.

Client Story Spotlight: 15 Years of Scale and Savings

Client: National, multi-line U.S. health plan (~14.8M members) | **Partnership Length:** 15+ years

What began as a 35-person claims intake pilot evolved into a multi-function partnership spanning utilization management, behavioral health, and care coordination.

Results at a Glance:

\$88M+

in validated savings across intake, clinical, and care programs

550+

Sagility team members supporting operations, including U.S. and Philippine RNs

90%

Clinical quality consistently above 90% and CSAT score of 100 (2024)

Zero

service disruptions during transitions

100%

internal leadership pipeline built through partnership growth

A trusted, long-term collaboration enabled this health plan to scale efficiently, sustain quality, and reinvest savings into improved member care and outcomes.

Read the full case study [here](#) to learn more.



Building a Modern Partnership

Successful outsourcing isn't a transaction; it's a transformation. For health plans and providers, the real measure of success lies not just in cost savings or efficiency gains, but in the creation of a smarter, more resilient operating model. The most effective partnerships are grounded in trust, transparency, and a shared commitment to improving member and provider experiences.

Each phase of the journey — from defining your strategy to stabilizing and optimizing operations — builds the foundation for long-term agility. With the right governance, technology, and a culture of collaboration, outsourcing becomes more than an operational solution. It becomes a strategic advantage that helps payers and providers navigate policy shifts, manage complexity, and deliver better outcomes at scale.

The next step is simple: start strategically, measure what matters, and scale with confidence. Every partnership begins with a conversation, but the best ones end in transformation. Outsourcing done right isn't about shifting work. It's about shifting what's possible.



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Let's Build What's Next, Together

Sagility partners with payers and providers to create "rightshore" outsourcing models that deliver measurable outcomes. If your organization is ready to take the first step toward a smarter, more scalable operating model, we'd love to start the conversation.

Contact us: marketing@sagilityhealth.com or visit our website: sagilityhealth.com/contact-us



Sagility is a global leader in healthcare business process management, combining deep industry expertise with advanced technology to deliver smarter, faster, and more human-centric solutions. Serving top U.S. health plans and providers, Sagility drives better health outcomes and operational efficiency through AI-powered analytics, clinical support, member engagement, and payment integrity. With 42,000+ employees across five countries, Sagility transforms complexity into clarity for healthcare organizations seeking to improve performance and experience. Visit us at sagilityhealth.com.



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