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Who Owns the Outcome?

Why strong vendor reports can still leave gaps in health plan performance

By Paul Richmond, Chief Commercial Officer, Wellnecity

A PBM can meet its guarantees. A TPA can meet its service standards. Other vendors can report strong engagement and savings.

The health plan may still be underperforming. How can that be?

As employers face a second consecutive year of health care costs exceeding expectations, the conversation is shifting from managing vendors to proving value. Business Group on Health's 2026 Employer Health Care Strategy Survey reports that more than half of employers are changing or conducting an RFP for health and well-being vendor relationships, while 41% are doing the same for their PBMs. Individual vendor performance is no longer enough.

But evaluating or changing individual vendors does not answer the larger question: **Is the health plan performing as expected**?

No single vendor is accountable for the performance of the health plan as a whole.

The challenge is that every vendor reports on the part of the plan it manages. Who, then, is responsible for evaluating pharmacy claims, medical claims, stop-loss, care management, and point solutions together?

That responsibility belongs to the employer.

The Missing View

Vendor reports may appear to measure the performance of a vendor, but that measurement is often against baked-in assumptions rather than the plan's real and timely claims experience.

For example, a PBM may seem to meet its guarantees while questions remain about specialty drug costs, rebate calculations, or reconciliation due to vague contract terms.

A TPA may seem to meet service standards while payment errors, eligibility issues, or stop-loss reimbursements go undetected.

Point solutions may report strong engagement or savings even when those results rely on projected assumptions, overlap with savings claimed by other vendors, or cannot be validated against actual claims experience.

At Wellnecity, we've uncovered duplicate claims, missed reimbursements, incorrectly applied fees, and other financial discrepancies that individual vendor reports did not reveal.

Each of those discrepancies affected the plan's overall performance, not just one vendor's results.

How Employers Need to Respond

Employers must be actively governing the plan, and that governance starts with one question:

Is the health plan performing as expected?

To answer this question, employers need to dive into the data, validate results, identify financial gaps, assign accountability, and document decisions.

Before renewal (and throughout the plan year), employers should know:

- Are we paying what we expected?
- Are guarantees being measured correctly?
- Can reported savings be verified?
- Who owns the issue?
- What action needs to be taken?

Leadership, finance, and fiduciaries need to be able to respond to those questions with definitive answers.

Effective governance should not result in more reports. Rather, it should produce better decisions proactively with continuous monitoring.

The Bottom Line

Strong vendor performance does not automatically translate into strong health plan performance.

Vendors are accountable for their contracts. Employers are accountable for the outcome.

That requires visibility across the plan, not just into individual vendor results.

To learn how Wellnecity helps employers evaluate and proactively manage health plan performance across vendors, contact governance@wellnecity.com.

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