



Playbook: Boost Healthcare Payer Growth by Enhancing the Member Journey

A Four-Part Approach to Stronger Member Journeys and Growth for Health Plans

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Introduction

Health plans are undergoing a critical shift from focusing on claims to focusing on members. This transformation isn't just semantic. A member-centric model emphasizes trust, personalization, and health outcomes. It means recognizing each member as a person with unique needs, not just a data point on a claim.

The payoff? Healthier members, stronger relationships, and long-term growth.

The focus on members is even more important with the passage of the One Big Beautiful Bill Act. Plans must not only attract new members, but also retain every eligible member. Plans may see healthier members in Medicaid and marketplace plans disenroll because of eligibility challenges or tax credit changes. A focused member retention strategy that focuses on member experience and health outcomes as essential elements of the member journey will be better prepared for what's coming.

Historically, payers lose between 10–25% of their members to various forms of churn each year. Yet, 30–50% of churn is preventable. Plans that harness the right data, tools, and strategies can make a measurable difference.

This playbook outlines a data-driven approach to understanding churn, building a retention strategy rooted in member experience, and building journeys that improve member health outcomes and reduce overall medical costs.





The Value of Retention — and the True Cost of Churn

Each member that a managed care organization (MCO) acquires means a new relationship and a new opportunity for a member journey that, ideally, will last for many years to come. But new customer acquisition also comes at a premium.

Churn stands as one of the biggest obstacles to profitability for healthcare payers. For every member that voluntarily churns, the MCO must attract and acquire a new member to replace that revenue but at a much lower margin than if that same member had stayed.

MCOs that prioritize member journey improvement help stabilize their existing member base, ensure a foundation of profitability, and make new member acquisition more sustainable. Let's explore how to understand and analyze churn as a path to growth.

COSTS OF RETENTION vs ACQUISITION





Churn Analytics: The First Step to Member Growth

When a healthcare payer doesn't know why, when, or how members are churning, its team can't take the steps to stop the churn and build stronger relationships to retain members. This is the power of churn analytics: MCOs must review and leverage member data to identify reasons for churn and behavioral predictors of future attrition.

30-50% of churn is voluntary, meaning that members decide of their own volition to change health plans.

Some key signals of potential churn include:

- **Lack of engagement:** A member doesn't respond to or take action on plan communication that's often poorly timed or targeted.
- **Poor customer service:** Members indicate that support quality is low due to delays or a lack of problem resolution.
- **Ineffective care management:** Members experience poorly personalized care plans that fail to meet their needs.

- **Lack of understanding benefits:** Members experience gaps in care due to confusion about their benefits and what is covered.
- **Poor self-service capabilities:** Members struggle to access information or resources due to a hard-to-navigate portal or lack of a mobile application.

Even if your members currently experience some of these issues, much voluntary churn is preventable. MCOs can address key reasons for churn through proactive strategies. For instance, if poor customer service is a problem, the payer can improve first-call resolution rates. If lack of personalized engagement is an issue, payers can target member communication based on individual conditions and Social Determinants of Health (SDOH).

DATA TO COLLECT AND KEY METRICS TO MEASURE

From the time they sign up, every action members take (or don't take) should tell MCOs something about their engagement, needs, and behavior. That's why payers must proactively capture data points across the member journey. On top of data collected natively through the payers' platforms, data from third-party solutions or SDOH information offers valuable information to be used as inputs for artificial intelligence models and to create personalized care pathways.

Member Data Inputs

Payers should have a goal of creating a model that can generate a churn propensity score for each member. Sources of member data for these models may include, but are not limited to, the following:

- **Call center activity:** The frequency of calls, rate of first-call resolution, resolution times, and unresolved issues can all contribute to or detract from member satisfaction.
- **Digital interactions:** Members' website or app logins, frequency and quality of portal engagement, and email or SMS clickthrough rates can signal engagement.
- **Utilization and claims data:** Data around the number of emergency department visits or admissions, missed preventive care like flu shots or mammograms, lack of medication adherence, and missed annual exams can show lack of engagement or tie to dissatisfaction with their plan.
- **Care management journeys:** For members with at-risk conditions like congestive heart failure or diabetes, adherence to a defined care management journey signals engagement with their care and the fit of their treatment plan.
- **Enrollment in value-added benefits or programs:** Value-added benefits like wellness programs or educational offerings can deepen relationships with engaged members and predict retention.
- **Survey results:** One of the most straightforward indicators of member satisfaction, survey results reveal members' conscious experience of their care and plan. Just a few negative reviews can drastically impact plan ratings, so responses inform member intel and reflect on public perception of payer performance.



A broad spectrum of member data collection allows MCOs to gain a fuller scope of the member journey, the sources and signs of churn, and opportunities for care improvement. Each healthcare payer should work to calculate and readily report core metrics, including:

- **Overall churn rate:** The overall churn rate for an MCO is its baseline. If the organization is setting out on its member growth journey, its annual member churn rate offers a starting point and a target metric to improve through better member relationships and journeys.
- **Voluntary vs. involuntary churn:** As the terminology suggests, this distinction separates members who choose to leave a payer from those who don't. Reasons for involuntary churn might be changing employers or moving out of state—members' only option was to change plans. Voluntary churn happens when members choose to leave. Some churn is inevitable, but understanding the reasons why a member churns is critical when evaluating engagement strategies.
- **Churn by member segment:** While overall churn rate is valuable intel, more granular churn data is even more telling—analyze churn within your member segments by region, gender, pathology, or age. High churn rate in certain groups can reveal problems and opportunities to better serve certain needs.
- **Engagement scores:** An MCO should calculate its engagement score based on its unique goals and the data it collects. Engagement draws on the actions members take, the quality of interaction or time spent with resources or platforms, engagement with their care, and directly reported satisfaction. You want to increase these on an individual and collective level.
- **Member satisfaction scores:** Member satisfaction scores are typically reported and collected via direct channels like surveys or forms. Although member satisfaction scores are the product of an entire relationship, they can be unduly impacted by one negative experience.

As members may face more hurdles for reporting income, enrolling in plans, or re-enrolling, more may choose to forego insurance. Personalized journeys and a positive member experience make all the difference between members who disengage and those who stay with a healthcare payer long term.

It's up to MCOs to find the right pathways for members using data. When payers collect and analyze data proactively, they build the foundation for a member retention strategy that serves the business and strengthens member care.

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The AArete Retention Approach: A 4-Step Framework for Payers

Building better member relationships doesn't happen overnight—it should be a multi-step and highly data-driven process. Healthcare payers must build a customized plan that scales to meet the goals of the business and members' healthcare needs in the current regulatory landscape.

The following four-step framework is a proven approach to evaluate and enhance the member journey across every channel. These steps will help you assess your current state, improve member relations, and optimize engagement.

1. UNDERSTAND MEMBER BEHAVIOR

All of the data you collect and analyze across channels serves to help you build a fuller picture of who your members are and how they behave. Using your data inputs, map out the interaction points of a typical member journey: the beginning, middle, and end.



At each of these steps, consider questions like these:

- When and how do we reach out?
- What do members experience when they receive outreach?
- When and why would they reach out proactively for help?

Take stock of your current state and look for points of friction and frustration (as well as helpful and personalized moments) to uncover ways to deepen the relationship and enhance the care experience.

Keep these elements in mind as you review the current member journey in-depth.

EVALUATE COMMUNICATION EFFECTIVENESS

Review your existing outreach strategy. Which channels do you use to reach customers, and are they effective? How many are digital versus traditional? Are you using costly and inefficient channels like static letters or outbound calls? Without personalization or timely delivery, these channels often fall flat. In one client case, static letters and calls were the primary outreach tools and more than 70% of those attempts were ignored.

Consider your current response rate based on both channel and content. If your communication approach isn't meeting your members' needs or expectations, then it's not contributing to a stronger relationship or supporting retention.

ASSESS MEMBER EXPERIENCE

Don't just wonder about what members go through when they interact with your MCO. Walk in their shoes—use the platforms and evaluate how easy it is to find information or resolve issues.

By now, you should have reviewed member data to identify when members most often leave. Zero in on those moments: Are there technology challenges that keep members from enrolling or renewing? Do they abandon the experience due to specific frustrations or lack of clarity? Once you've determined the root causes of churn, you can take steps to solve them and bolster the member journey.

CREATE DATA-DRIVEN SEGMENTS

Each member's needs are unique, depending on where they live, their health conditions, their socioeconomic status, and many other factors. This makes personalization a major challenge, but these traits can also guide your strategy by helping you to create defined personas.

Leverage the data from sources we've already explored to create meaningful population segments based on demographics, SDOH, health conditions, and risk assessments. With these personas in mind, you can build and enhance targeted engagement journeys that match individual and collective needs.

IDENTIFY OPPORTUNITIES FOR IMPROVEMENT

Once you've found key problems in the member experience, you can work to resolve them. In places where members need more guidance or instruction, introduce new touchpoints via their preferred channels. Instead of only reacting when members reach out or express an issue, proactively offer information they might need later, or remind them of a resource that could enhance their journey.

2. LEVERAGE MEMBER CHURN ANALYTICS

After assessing the current member journey across channels, the next step is to dig deeper to understand how their experiences reveal potential signs of churn.

One major obstacle MCOs face in leveraging member data and analytics is disconnected data silos. Their teams struggle to create a central, cohesive picture of the member care journey because data collection and outreach occur through disparate channels. Points of contact at the MCO don't have a unified picture of the member from one interaction to the next, and the result is a disrupted member care journey that fails to maximize opportunities for proactive customer engagement.

Once an MCO centralizes and streamlines data within its CRM as a single source of truth, the team can more easily spot problems in the member journey and identify behavioral signals that a member is not engaged. That's how they can work to create more seamless interactions that deepen member relationships and, ultimately, prevent churn.

WHERE AND HOW TO IDENTIFY CHURN RISK

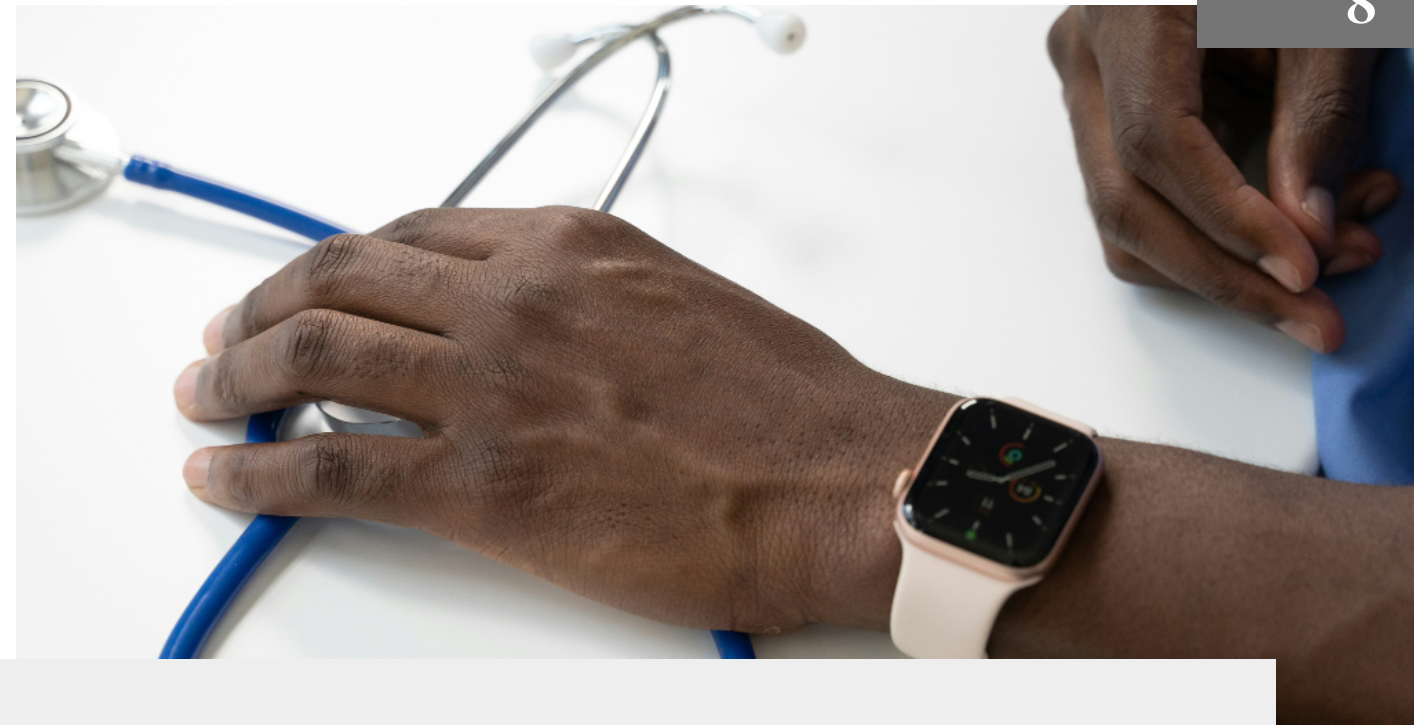
We've covered the many reasons voluntary churn can occur. But predictors of these gaps are more subtle – hidden in your data. Common risks can include:

- Poor first-call resolution rates for basic member inquiries
- Lack of awareness of re-enrollment timing, revealed through surveys or high volume of churn at those times
- Weak engagement with communications due to generic or poorly timed messaging
- Limited awareness of included services
- Care management that overlooks SDOH factors, including economic challenges, location and transportation, or social limitations

Start by reviewing the member experience. Look for patterns in the behavior of members who have churned, and identify similar warning signs in current members. Isolate the problems driving churn, and develop a roadmap for proactive strategies.

Effective churn analytics can help you create a reporting framework that identifies areas for improvement, connects members to specific marketing tactics, and defines the ideal outcome for each interaction and the next best action for the member to take.

Using trackable predictors reflected in the data, aim to calculate the total percentage of your membership that is at risk and the apparent cause for each one. This will reveal the scope of churn risks, how much revenue is at risk, and how many members are in need of improved care management journeys.



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*By customizing messages based on individual member benefit coverage, language preference, and location, the client improved retention by **30%**.”*

3. DEVELOP A MEMBER RETENTION STRATEGY

Member behavior and churn analysis create the foundation for an effective member retention strategy. Apply the insights already gathered to plan for more personalized, member-centric engagement:

- **Introduce new touchpoints during the member journey that add value and drive awareness.** One AArete payer client introduced personalized welcome emails and SMS outreach during members' first 90 days. By customizing messages based on individual member benefit coverage, language preference, and location, the client improved retention by 30%.
- **Enhance existing touchpoints to make them more helpful, relevant, and personal.** An AArete client increased SMS clickthrough rates by 72% by timing messages to members when they were most likely to engage.

This is the most important and involved stage of this process because it compiles all of the data and analysis thus far and turns those insights into a unified member outreach strategy. Based on your members' needs (including friction points and personalization opportunities), you can create an omnichannel experience across the member journey.



CHANNELS TO OPTIMIZE FOR MEMBER RETENTION

To deepen member relationships, most MCOs must prioritize adding or enhancing touchpoints in a few core areas:

- **Mobile strategy.** Send SMS or mobile app push notifications to enrollees to provide important reminders or helpful information like appointment reminders, vaccine due dates, and prescription refills.
- **Website and portals.** Create streamlined pathways for electronic access to relevant member information. Make it easy for members to find Explanation of Benefits, new member packets, in-network providers, and benefits like gym memberships, rewards, and health assessments.
- **Social media.** Entice members to follow and engage through social channels to build a thriving community on Facebook, BlueSky, Instagram, and X. Share timely and value-added information, and create two-way Q&A interactions.
- **Customer service.** Deepen the support experience by ensuring easy access to call centers, chat engines, and customer service email portals where members can submit questions, feedback, and concerns. Go even further to build member rapport with proactive outreach and personalized care management services.
- **Community partnerships.** Partner with community-based organizations for educational events, housing needs, childcare, or food delivery for vulnerable members.

After uncovering common predictors of churn and ways to improve communication and connection with members, map those opportunities to these channels with additional or enhanced member touchpoints.

Remember: The goal is not only to retain these members but also to improve their journey and care management for improved health outcomes.

Strategy in Action: Member and Provider Portals

Having an online hub for members to access important information, get answers to their questions, and take next steps is table stakes. For payers looking to build better member journeys, it's one of the first touchpoints they should optimize, along with provider portals.

Member portals combine billing, care, benefit programs, and notifications in one intuitive interface. Members can access data across multiple systems in a central, secure location. Payers can deepen relationships with this touchpoint through surfacing relevant information, reminding members to log in for important updates, and streamlining alerts.



Provider portals centralize and deliver prescriptive and consultative analytics, notifications and alerting, and exchange of data. Provider groups, individual providers, and internal users at the health plan access an intuitive, personalized interface to see exactly what action needs to be taken to improve member care.



4. INTEGRATE TECHNOLOGY AND AUTOMATION

After creating a plan to improve the member experience at key risk points, technology and tools enable payers to implement this new approach and build better member journeys.

Without today's advancements, truly omnichannel touchpoints would be difficult to accomplish. But modern CRMs like Salesforce and their automation capabilities advance payers' ability to personalize outreach and anticipate member needs. Here are a few examples of churn risks and how technology helps to solve them.

AI AND AUTOMATION

Many payers uncover recertification periods as a common risk because members are unaware of the timeline and steps to take. When creating a member retention strategy, they may decide to add targeted and timely outreach across multiple channels to ensure members are aware of their responsibility to re-enroll.

With the help of AI and automation, payers can implement technology capable of automatically engaging with more than 700,000 members through omnichannel touchpoints during looming recertification periods. This increases the likelihood that members know of upcoming timelines and take steps to stay covered and cared for.

Predictive analytics takes this technology even further. With the input of well-defined member personas, MCOs can use AI predictive models to automatically search for churn risk parameters, flag at-risk members, and trigger outreach workflows.

PROACTIVE CUSTOMER SUPPORT

Disengagement patterns can signal that a member relationship is weak and that churn is possible, if not likely. Instead of ignoring these warning signs or simply reacting when members reach out for help, a member-centric approach notes disengagement and takes action.

An AArete client implemented proactive retention efforts by defining disengagement parameters. Such patterns automatically triggered customer service intervention for primary care physicians and disease-specific case management assignments. This outreach led to a 33% decrease in new member churn.

UNIFIED ENGAGEMENT PLATFORM

At the core of the member journey should be a single digital source of truth. A Member 360 engagement platform creates a centralized view of each member for customer service, care management, members, and providers.

These platforms bring together data from across channels for all involved stakeholders to access. But perhaps most importantly, they give members the tools to manage their healthcare journey and find the right support at the right time.



The CRM in Action

At the center of your engagement efforts is your CRM. A tool like Salesforce brings together all of the elements of your member retention strategy, offering a central view of members, targeted omnichannel engagement, and ongoing evaluation of engagement and satisfaction. It also allows you to embrace more efficient ways of getting in touch with members based on their unique needs, so you scale your vision for a better member journey across your base.

Choose the Right Priorities

The goalpost for MCOs has moved. Leading MCOs recognize that the real value lies in creating member journeys that are personal, proactive, and outcome-driven. These priorities can lower costs for patients and MCOs alike and, creating more long-term sustainability.

As retention rates do improve, payers free up further resources to serve members, enhance their care management, and acquire new members more efficiently for plan growth. By leveraging a CRM like Salesforce to surface insights and identify risk earlier, you can design experiences that meet members where they are. Data becomes the foundation — not just for understanding churn, but for driving more targeted, effective interventions.

AArete helps you unlock more value from your current tools to implement real strategic change that your members can feel. We conduct metric-driven analysis to compare performance to industry standards, then drill down into underlying process gaps to improve performance and increase efficiency.

If you're ready to build a member retention strategy that delivers the journey your members are waiting for, let's work together. Reach out today.

Let's Connect



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