

2025 Paying for Value Survey results: Executive summary

We asked health care plans and providers about their experiences with value-based payment (VBP) in the annual Paying for Value survey. VBP describes payment strategies that tie payment to care quality. VBPs try to contain or lower costs while improving patient care.

The 2025 survey asked respondents to report on calendar year 2024. The survey questions include quantitative reporting about VBP adoption and qualitative questions about designing and implementing VBP arrangements.

We surveyed 10 payers, five Apple Health (Medicaid) managed care organizations (MCOs) and five carriers that provide coverage for Public Employee Benefit Board (PEBB), and School Employee Benefit Board (SEBB).

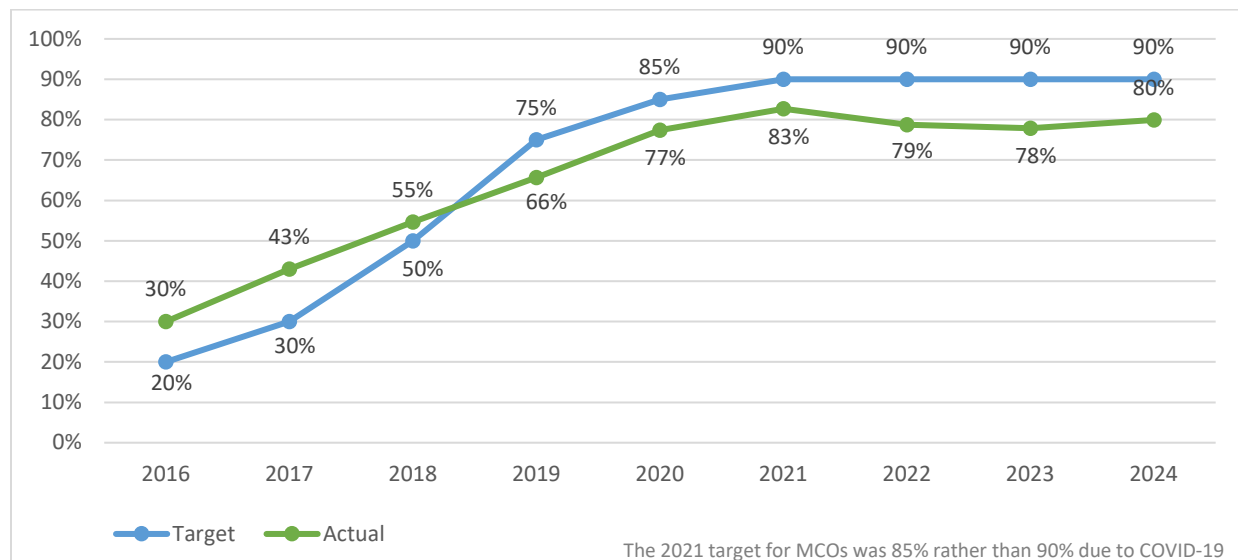
To measure VBP arrangements, we use the [Health Care Payment Learning & Action Network \(HCLAN\)](#) Alternative Payment Model Framework. We define Categories 2C through 4C as VBP, and Categories 3B and above as Advanced VBP.

When conducting and analyzing this year’s survey, we followed up on the themes discussed in [prior Paying for Value Surveys](#). Read the full [2025 survey results](#) for deeper analysis.

Key learnings

Overall VBP adoption increased for the first time since 2021

Figure 1: Total state-financed payments in VBP over time



- 80 percent of state-financed health care flowed through VBP arrangements in Category 2C or higher. This is the first increase since 2021, but still below its peak (Figure 1).
- Advanced VBP arrangements increased slightly for Medicaid MCOs, particularly in shared risk (Category 3B). PEBB/SEBB carriers had a slight decrease in advanced VBP arrangements, notably a decrease in population-based arrangements (Category 4).

Provider participation in VBP

- Managed care plans added 78 new provider organizations to VBP arrangements and advanced 81 provider organizations along HCPLAN categories. PEBB/SEBB carriers had 21 and 8, respectively.
- VBP arrangements are still mostly concentrated in primary care. Among specialty care, most payers targeted VBP arrangements were for behavioral health (substance use and other providers).
- Specialty care engagement in VBP arrangements remain low with most payers targeting behavioral health (substance use disorder and other).
- As equity contract requirements are implemented, payers are working on ways to use VBP to address health inequities.

Achieving payer organizational goals and quality measure outcomes

- Payers reported that VBP has helped align performance goals with state priorities to improve patient outcomes.
- Incentivized quality measures improved health outcomes across payers' organizations.
- All payers reported seeing quality improvement from APMs. Particularly, payers described improved patient outcomes, more timeliness of care, and increased data sharing.

Conclusions

VBP went up slightly, but still below its peak

- Overall VBP adoption increased for the first time since 2021, though is still below the peak from 2021. Advanced VBP continues to slightly increase for MCOs but is still stalled for PEBB/SEBB plans.
- HCA will continue to work with payers, such as our current work to tailor the [common measure set](#), to enhance engagement with performance measures and improve VBP adoption rates.

Plans report some progress in adding new providers, but limited progress advancing providers to higher order models

- Seven out of 10 payers added new provider organizations into VBP arrangements and four payers advanced organizations along the HCPLAN categories. Most were managed care plans which increased in advanced VBP arrangements when compared to PEBB/SEBB carriers.
- Adding and advancing more provider organizations may have increased overall VBP adoption and advanced VBP adoption.
- We'll continue working with payers and providers to engage more provider organizations in advanced VBP arrangements to help support improved quality and better patient outcomes at lower cost of care.

Plans report that VBP arrangements give them an opportunity to engage providers in advancing patient health and their goals

- Payers reported engagement with providers and patients, improved care coordination, and aligned performance and incentives resulting from participating in VBP arrangements. These efforts align with payers' organizational goals and VBP objectives and often align with HCA's goals.
- Policy changes, such as the [H.R. 1 implementation](#), could pose risks to progress in VBP adoption.
- HCA will work with payers and providers on opportunities for progress, such as the refinement of the common measure set, implementation of health equity measures, and the proposed payment model work under the [Rural Health Transformation Program](#).