9 CRITICAL MISTAKES HEALTHCARE PAYERS MAKE WHEN IMPLEMENTING CORE CLAIMS SYSTEMS AND HOW TO AVOID THEM

MHC Services Group

Your Trusted Partner in Healthcare Payer Operations and IT Excellence

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About MHC:

MHC Services Group is a premier provider of operational and technology solutions and services for healthcare payers, specializing in core administration processing system implementations, system selection, integration, and claims processing. With over 20 years of expertise and a track record of success, MHC empowers healthcare payers and other risk-bearing entities to navigate and overcome the challenges of system implementations, integration management, budget planning, resource allocation, and strategic growth.

What You'll Learn in This eBook

Implementing a Core Administration Processing System is one of the most complex initiatives a healthcare payer will undertake. The process is filled with potential pitfalls that can lead to costly delays, operational inefficiencies, and compliance risks—all of which can set an organization back months or even years.

This eBook, **"9 Critical Mistakes Healthcare Payers Make When Implementing Core Administration Processing Systems, and How to Avoid Them,"** outlines the most common reasons why implementations fail and provides practical strategies to ensure success.

You'll discover:

The top mistakes healthcare payers make when implementing a Core Administration Processing System—from poor budget planning to inadequate stakeholder engagement.

The hidden risks that can derail your project—including unrealistic timelines, system misalignment, and failure to plan for post-go-live support.

The key to a smooth, on-time, and successful transition—how resource management, workforce augmentation, and proper testing can make all the difference.

At MHC Services Group, we understand that implementing technology is about more than just software—it's about ensuring the system delivers real and long-term business value. That's why we don't just implement systems; we help our clients secure success.

Mistake 1: Lack of Executive Alignment
"Without Executive Alignment, Your Implementation is Doomed to Fail"

Where Things Fall Apart

Many organizations underestimate the importance of executive alignment during Core Administration Processing System implementations. **This isn't just an IT project; it's a business transformation**. When leadership isn't fully engaged, priorities become fragmented, and implementation decisions are delayed.

What's at Stake

Imagine investing millions in a new system, only to realize that your CIO and COO have different priorities, or your CFO is unwilling to release necessary funds. The result? Missed deadlines, costly course corrections, and a system that ultimately doesn't meet your organization's needs.

How to Fix It

MHC Services Group works with executive teams to create alignment early and ensure that all stakeholders are engaged. Through executive workshops, strategic planning sessions, and ongoing advisory support, we help leadership stay in sync and make informed decisions that drive a successful implementation.

Get Aligned—Before It's Too Late

Ensure executive alignment from day one. Contact MHC Services Group to schedule an executive alignment session.

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Mistake 2: Underestimating Budget Requirements

"Running Out of Budget Mid-Implementation Can Leave You Stranded"

Where Things Fall Apart

Budget overruns are one of the most common and most dangerous mistakes in Core Administration Processing System implementations. Organizations set initial budgets based on optimistic estimates but fail to account for unexpected costs, scope changes, and extended timelines.

What's at Stake

What happens when your project runs out of funding mid-way? You might be forced to cut corners, compromise on system optimization and quality, or put the entire project on hold—leading to wasted time, lost momentum, and organizational frustration.

How to Fix It

MHC helps organizations create realistic budgets with built-in contingency reserves (20-30%) to handle unexpected expenses. Our experts provide weekly budget monitoring to catch cost overruns before they escalate, ensuring financial stability throughout the project.

Protect Your Budget—Plan for the Unexpected

Avoid budget overruns with MHC's expert financial planning. Contact us today for a consultation.

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Mistake 3: Disjointed Program Planning
"Multiple Plans Lead to Multiple Failures"

Where Things Fall Apart

When different departments manage their own workstreams without a unified plan, misalignment occurs. IT may be tracking progress in DevOps, while operations use spreadsheets, and executives rely on separate project timelines. Without a single source of truth, projects fall apart due to miscommunication and conflicting priorities.

What's at Stake

A lack of centralized planning can cause timeline slippage, scope creep, and budget overruns. Instead of moving forward with clarity, your teams could be working against each other, duplicating efforts, or missing critical dependencies.

How to Fix It

MHC ensures that all departments align under one master program plan. We integrate all workstreams into a single, real-time dashboard that provides leadership with clear visibility into project progress—helping teams stay in sync, identify risks early, and make data-driven decisions.

One Plan. One Vision.
One Successful Implementation

Keep your implementation on track. Schedule a consultation with MHC to develop a unified program plan.

Mistake 4: Unrealistic Timelines

"Fast doesn't always mean successful. A well-paced implementation ensures quality, compliance, and long-term system performance."

Where Things Fall Apart

Unrealistic project timelines in system implementations often lead to rushed and disjointed deployments, compromised quality, compliance risks, and low user adoption. Without realistic timeline planning, phased deliverables, and built-in buffers for unforeseen delays, projects face increased risks of failure. A structured approach that balances stakeholder expectations with realistic execution is critical to ensuring long-term success.

What's at Stake

While faster timelines are possible, they often come with increased costs and significant risks jeopardizing the long-term value and success of the project. What if your timelines are not realistic? You may have to take shortcuts, sacrifice system optimization and performance, or delay the entire project—resulting in wasted time, stalled progress, and organizational frustration.

How to Fix It

MHC helps organizations prevent the risks of unrealistic timelines, intricately evaluate the entire project to determine sufficient deadlines, push back when needed, prioritize phased rollouts, plan for delays, and use agile approaches.

Rushed Implementations Lead to RegretSet Realistic Timelines

Avoid unrealistic implementation timelines with MHC's deeply experienced Program and Project Managers. Contact us today for a consultation

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Mistake 5: Choosing the Wrong Hosting Environment

"One Wrong Hosting Decision Can Lock You Into a Costly Mistake"

Where Things Fall Apart

On-premise? Cloud? Hybrid? The choice of where to host your Core Administration Processing System has long-term financial, security, and integration implications. Many organizations fail to evaluate the trade-offs properly—leading to higher costs, vendor lock-in, or integration headaches.

What's at Stake

A poorly chosen hosting environment can mean limited system control, unexpected costs, security issues, and performance bottlenecks. Once locked in, changing environments can be costly and time-consuming.

How to Fix It

MHC helps organizations make informed hosting decisions by evaluating key factors such as cost, control, scalability, and integration needs. Whether on-premise, cloud, or hybrid, we ensure your hosting environment aligns with both operational demands and long-term business strategy, preventing costly migrations and vendor lock-in.

Choose the Right Foundation for Long-Term Success

Make the right hosting choice. Reach out for expert guidance from MHC.

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Mistake 6: Skipping Comprehensive Testing

"Skipping Testing is Like Flying Blind, Until You Crash"

Where Things Fall Apart

Organizations often underestimate testing requirements, focusing only on functional checks instead of real-world volume and stress testing. Without rigorous testing, unexpected system failures are almost guaranteed.

What's at Stake

Going live without proper testing is like launching a plane without checking the engines. Your system might appear functional in controlled environments, but under real business conditions, it could break down, causing costly disruptions.

How to Fix It

MHC provides structured testing strategies to ensure system stability before go-live. Our large-scale parallel claims testing validates adjudication accuracy in real-world conditions, while performance stress testing confirms the system can handle peak loads. Additionally, data validation protocols prevent conversion errors, ensuring a seamless transition.

Test Today or Pay for It Tomorrow

Don't gamble with system stability. Schedule comprehensive testing with MHC.

Mistake 7: Trying to Implement Too Many Systems at Once

"Fast doesn't always mean successful. A well-paced implementation ensures quality, compliance, and long-term system performance."

Where Things Fall Apart

Implementing multiple systems simultaneously might seem efficient, but it's often a recipe for disaster. The complexity and resource strain can overwhelm your team, leading to missed deadlines, errors, and ultimately, system failures.

What's at Stake

Overloading your project with too many systems can cause it to collapse under its own weight. This could result in a chaotic implementation process, where nothing works as intended, and the entire initiative is at risk of being scrapped.

How to Fix It

MHC advocates for a phased implementation approach. We help you prioritize systems based on your organization's needs and readiness, ensuring that each system is successfully integrated before moving on to the next. This controlled approach minimizes risk and increases the chances of a successful, smooth transition.

Focus on What Matters—Prioritize for Success

Avoid overwhelming your team and systems. Schedule a consultation with MHC to develop a phased implementation plan.

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Mistake 8: Not Leveraging Workforce Augmentation for Project Success

"Overloading Your Core Team is a Recipe for Burnout, and Failure"

Where Things Fall Apart

Relying solely on internal staff for a complex Core Administration Processing System implementation puts immense pressure on your team. Many organizations assume their in-house staff can manage their day-to-day responsibilities while taking on a major system overhaul. This leads to burnout, poor morale, and even higher turnover—derailing the project and causing costly delays.

What's at Stake

Your key team members, who are already doing 80% of the work, could become overwhelmed, disengaged, or leave the company altogether. The consequences? A delayed or failed implementation and the need to scramble for expensive last-minute solutions.

How to Fix It

Workforce augmentation ensures that you have the right resources in place to manage both the system implementation and your daily operations. MHC provides highly skilled specialists and project managers who can step in as needed—whether it's for a specific phase of the project, post-go-live hypercare, or long-term project support.

Don't Burn Out Your Best People, Augment Your Team

Don't overload your core team—let MHC augment your workforce with experts who can keep your project on track. Contact us today for a workforce assessment

Mistake 9: Overlooking Post-Go-Live Support

"Ignoring Post-Go-Live Support Will Leave You in Crisis Mode"

Where Things Fall Apart

Many organizations assume that once the system is live, the hard work is over. But without a post-go-live support plan, unexpected issues can cripple operations. Providers may experience claim denials, payers may face compliance risks, and internal users may struggle with new workflows.

What's at Stake

A poorly planned go-live can erode user confidence, increase call center complaints, and disrupt payments. Without immediate issue resolution, frustrations rise, and leadership may lose faith in the entire system.

How to Fix It

MHC provides dedicated post-go-live support to ensure a smooth transition. Our centralized command center tracks and resolves issues in real time, while a structured hypercare period with expert troubleshooting teams helps stabilize operations. A clear communication plan keeps executives informed, ensuring visibility into system performance and issue resolution.

Be Ready When It Counts—Plan for Post-Go-Live Success

Ensure a smooth transition. Contact MHC to plan your post-go-live support strategy today.

Avoid These Critical Mistakes for a Successful Implementation

Implementing a Core Administration Processing System is a high-stakes initiative that requires careful planning, strategic execution, and long-term support. When done right, it can enhance operational efficiency, improve compliance, and reduce administrative costs—but common pitfalls can lead to delays, overspending, burnout, and even system failure.

Throughout this guide, we've explored the nine most critical mistakes healthcare payers make when implementing a Core Administration Processing System—and how to avoid them.

1 Lack of Executive Alignment
Leadership misalignment causes confusion, delays, and competing priorities. A unified vision ensures a smoother implementation.

2 Underestimating Budget Requirements
Unexpected costs and scope creep can derail projects. Strategic budgeting with built-in contingencies ensures financial stability.

3 Disjointed Program Planning
Disconnected workstreams lead to miscommunication and inefficiencies. A centralized program plan aligns every team for success.

4 Unrealistic Timelines
Rushing implementation jeopardizes quality and compliance. A well-paced strategy with built-in buffers prevents costly delays.

5 Choosing the Wrong Hosting Environment
Vendor lock-in and performance bottlenecks stem from poor hosting decisions. Informed choices future-proof your infrastructure.

6 Skipping Comprehensive Testing
Lack of rigorous testing leads to system failures, compliance risks, and costly disruptions. A structured testing plan is non-negotiable.

7 Trying to Implement Too Many Systems at Once
Overloading your team increases complexity and the risk of failure. A phased, prioritized approach ensures successful rollouts.

8 Not Leveraging Workforce Augmentation
Overburdening internal teams leads to burnout, turnover, and stalled progress. Augmenting your workforce ensures long-term success.

9 Overlooking Post-Go-Live Support
Without structured hypercare, unresolved issues can disrupt operations and erode confidence in the system. A proactive support plan is critical.

Avoiding Mistakes Isn't Enough, You Need the Right Partner to Get It Right

Implementing a Core Administration Processing System isn't just another IT project–it's a mission-critical transformation that will shape your organization's future. It's about ensuring claims are processed accurately, compliance is met effortlessly, and operations run smoothly without disruption. But as we've explored throughout this guide, even the most well-intentioned teams fall into costly traps: misalignment, unrealistic budgets, rushed timelines, inadequate testing, and overburdened staff.

These mistakes don't just delay go-live, they create long-term inefficiencies that drain resources, frustrate teams, and put your entire implementation at risk. And here's the hard truth: a struggling system isn't just a technical problem, it's a business problem. It affects your bottom line, your provider network, and ultimately, the members who rely on you.

The Right Partner Changes Everything

With the right support, your implementation doesn't have to be a gamble.

- Keep your leadership aligned from day one so priorities stay clear and decisions don't stall progress.

- Plan your budget strategically, with built-in contingencies to prevent costly overruns.

- Ensure every department stays on the same page with a single, unified program plan.

- Set realistic timelines that account for complexity and avoid rushed, low-quality rollouts.

- Test rigorously before go-live to prevent system failures, compliance issues, and costly surprises.

- Maintain post-go-live support so issues are resolved before they disrupt operations.

- Prevent staff burnout by bringing in additional resources so your team isn't stretched too thin.

The difference between a successful system launch and a drawn-out, costly failure isn't just in the technology, it's in the execution. That's where we come in.

Let's Get It Right, Together

We don't believe in one-size-fits-all consulting. We believe in tailored strategies, expert execution, and hands-on partnership to ensure your implementation works, long after go-live.

Are you ready to secure your success?

Let's talk. Whether you're in the early planning stages or midway through an implementation in need of course correction, we can help.

Contact Us

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Your system implementation is too important to leave to chance. Let's make sure you get it right.

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