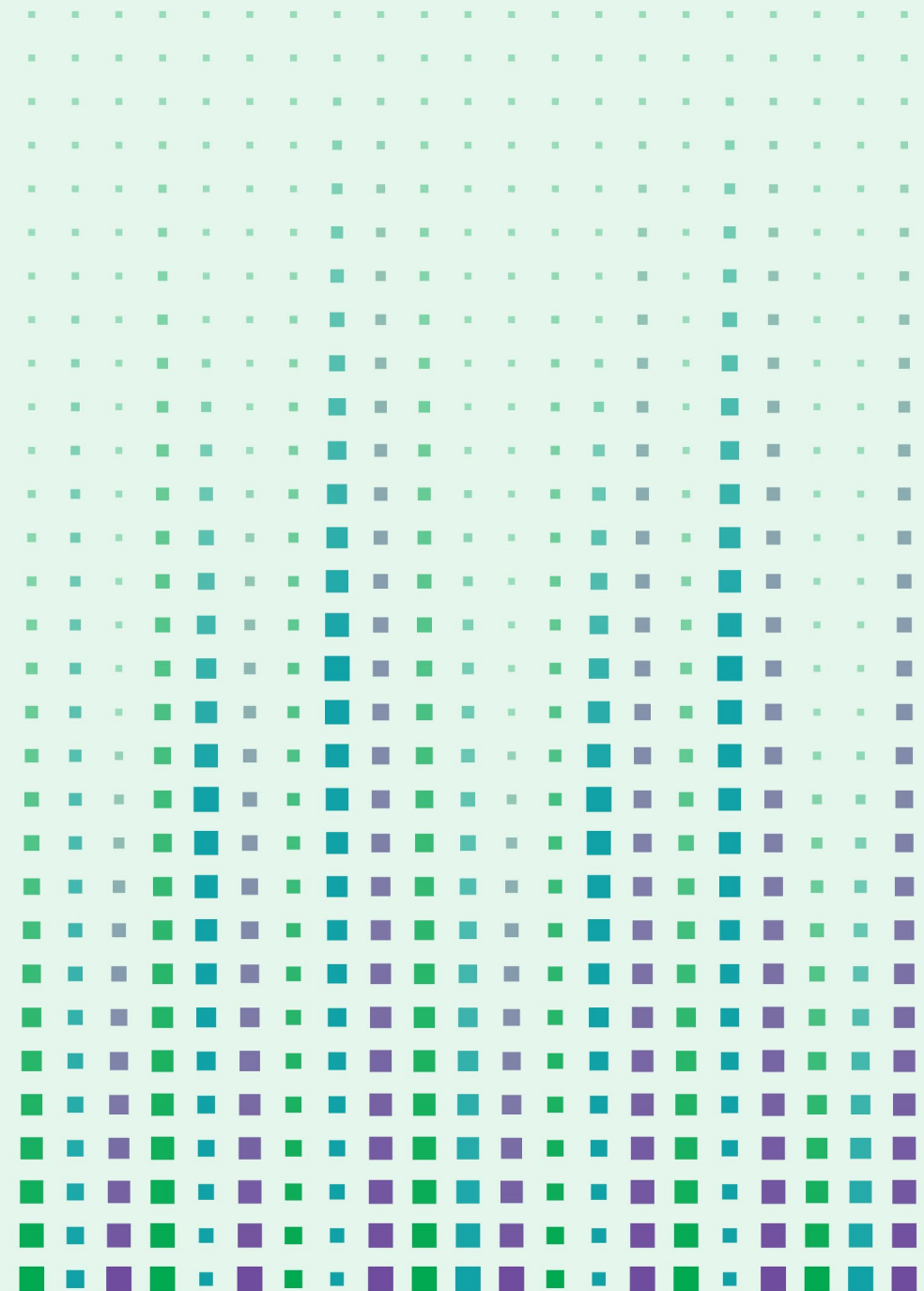


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2025 State of Digital Health Purchasing

A Survey of Health Plans, Employers, and Health Systems



2025 State of Digital Health Purchasing:

A survey of health plans, employers, and health systems

As health technology becomes more broadly adopted and drives healthcare spending, this survey asked decision-makers about their approach to purchasing digital health solutions.

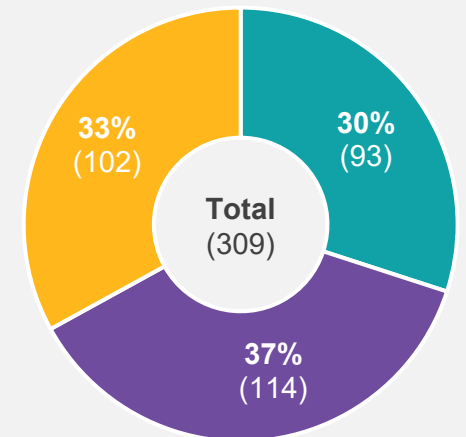
We surveyed 309 digital health decision-makers who are responsible for purchasing decisions in **health plans**, **employers**, and **health systems**. Respondents make or significantly influence decisions about digital health solutions.

Fielded between August 4 and August 22, 2025.

The survey asked purchasers about three main topics:

- 1. Purchasing approach:** Which digital solutions purchasers currently offer and why
- 2. Contracting process:** Approach to contracting with digital health vendors
- 3. Future plans:** Goals and objectives for future digital health purchasing practices

SURVEY RESPONDENTS % (N)



PHTI worked with NORC at the University of Chicago to design the instrument, field the survey, and analyze results. 

2025 State of Digital Health Purchasing:

Summary findings

Purchasing approach

Purchaser interest in digital health solutions remained strong over the past year, with most maintaining or increasing spend; employers leaned toward maintaining, while health plans and health systems continue to expand.

Top clinical areas of focus continue to be diabetes, mental health, and primary care.

AI integration is now mainstream, with most health plans and health systems incorporating AI-powered solutions to drive measurable impact.

Contracting process

Purchasers are using short term contracts and rely on multiple performance metrics, including user engagement, clinical metrics, plan adherence, and financial metrics.

Nearly half of purchasers now use performance-based contracts, with a majority planning to use these contracts in the next year.

Few purchasers are fully satisfied with current agreements and see opportunities to improve outcome performance thresholds (i.e., what population change is necessary to receive performance payments), payment models, and attribution methodology.

Future plans

Over the next year, health plans expect to increase spending, while employers and health systems plan to maintain current spending levels.

Improving access to care is the top priority among purchasers, with health plans focused on competitive benefits, health systems on reducing administrative burden, and employers on enhancing user experience.

Purchasers will continue to maintain focus on many current clinical priorities while exploring obesity and substance use disorder solutions.

Key themes across purchasers

Employers Are Looking to Flatten Spend

Employer spending on digital health is flattening, while health plans and health systems continue to expand their investments.

Contracts Should Focus on Outcomes

Purchasers are shifting toward performance-based contracting, though many see room to improve.

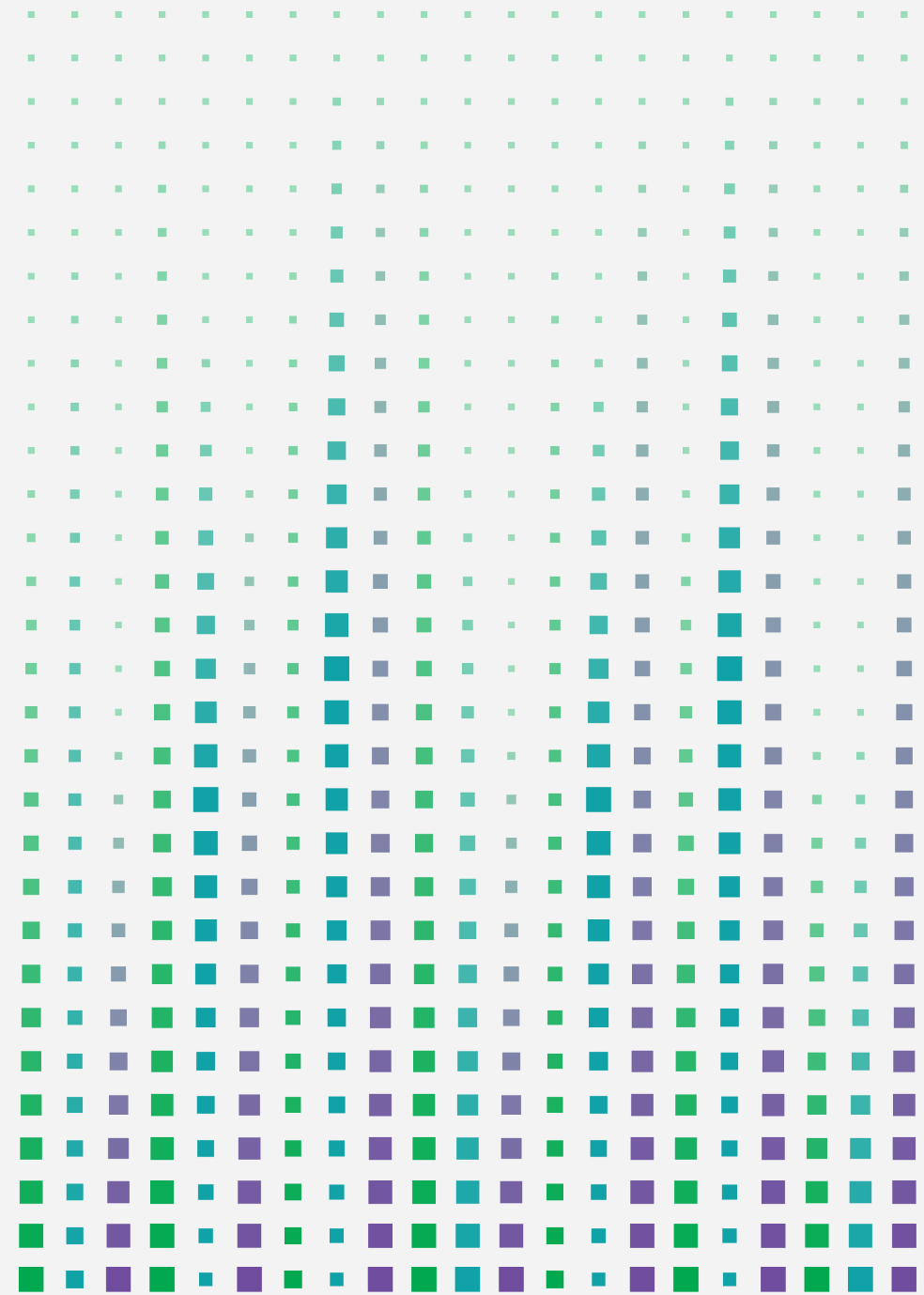
Access, Cost, and Experience Are Top Priorities

Purchasers are continuing to prioritize digital health solutions that improve access, reduce costs, and enhance user experience across populations.

Purchasers Remain Committed to Core Clinical Areas

Purchasers remain focused on core clinical priorities such as diabetes and mental health, with little change from last year's priorities across purchaser groups.

Purchasing approach

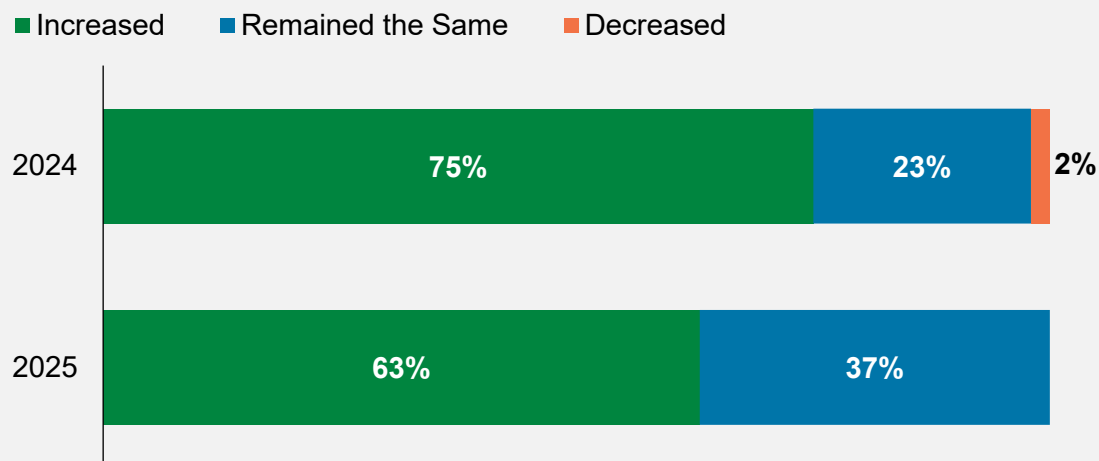


Interest in digital health solutions remains strong, with nearly all purchasers maintaining or increasing spending



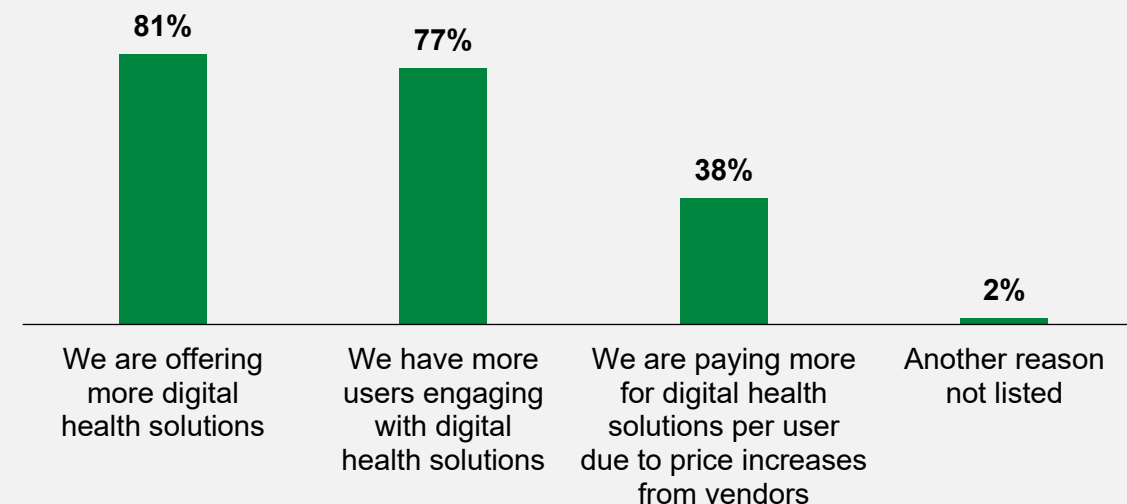
Commitment to digital health investment remains strong across all segments, though spending patterns vary by purchaser type. The primary driver of increased spending is expanding digital health portfolios (81%), followed by greater user engagement (77%).

CHANGE IN SPENDING ON DIGITAL HEALTH SOLUTIONS OVER THE PAST TWO YEARS (%)



Question: In the past two years has your organization's spending on digital health solutions increased, remained the same, or decreased? (2024; n=332); (2025; n=309)

REASON FOR INCREASED SPENDING (%)

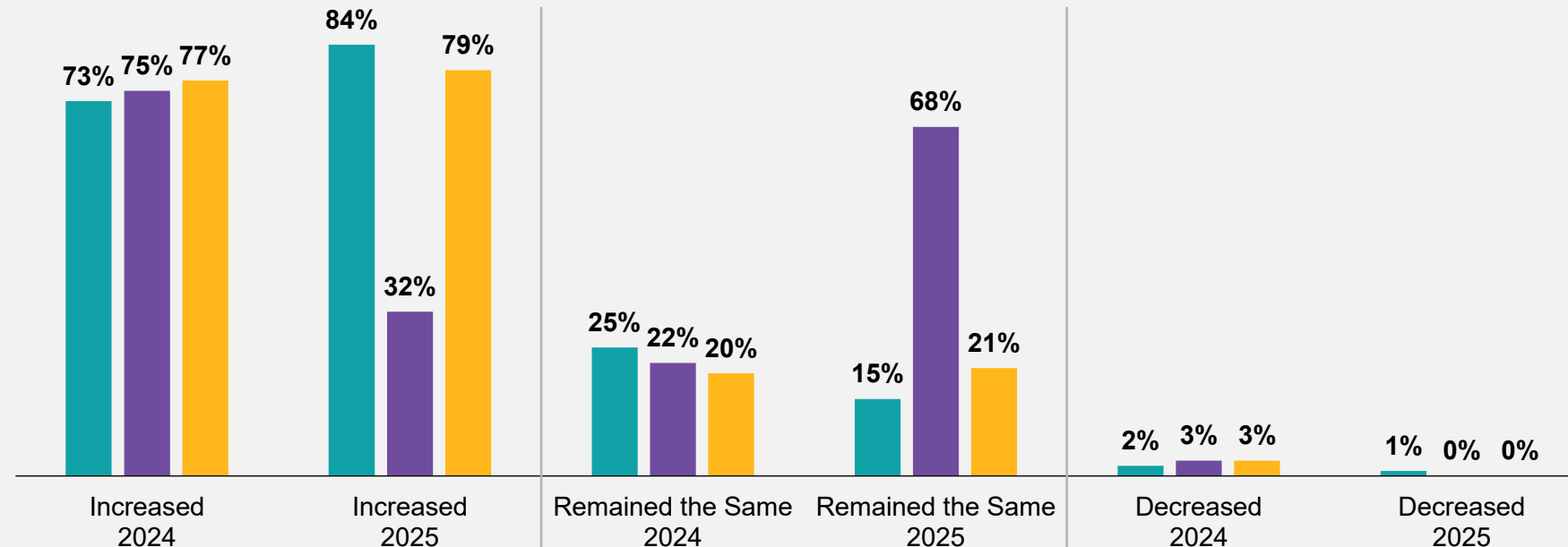


Question: Why has your organization's spending on digital health solutions increased? Select all that apply. (n=195)

Two-thirds of employers say they have kept digital health spending flat over the past two years, while health plans and health systems report growth



■ Health Plans ■ Employers ■ Health Systems



Question: In the past two years, has your organization's spending on digital health solutions increased, remained the same, or decreased?
(n=93, health plan); (n=114, employer); (n=102, health system)

Note: The 2024 employer sample (n=117) skewed toward larger healthcare companies (500+ employees) with decision-makers across HR, product, medical, and finance, while the 2025 employer sample (n=114) was predominantly HR leaders from smaller, non-health care firms across diverse industries; data was not weighted.

Employer spending on digital health solutions has leveled off, with just 32% reporting an increase in spending. In contrast, health plans (84%) and health systems (79%) continue to see strong momentum.

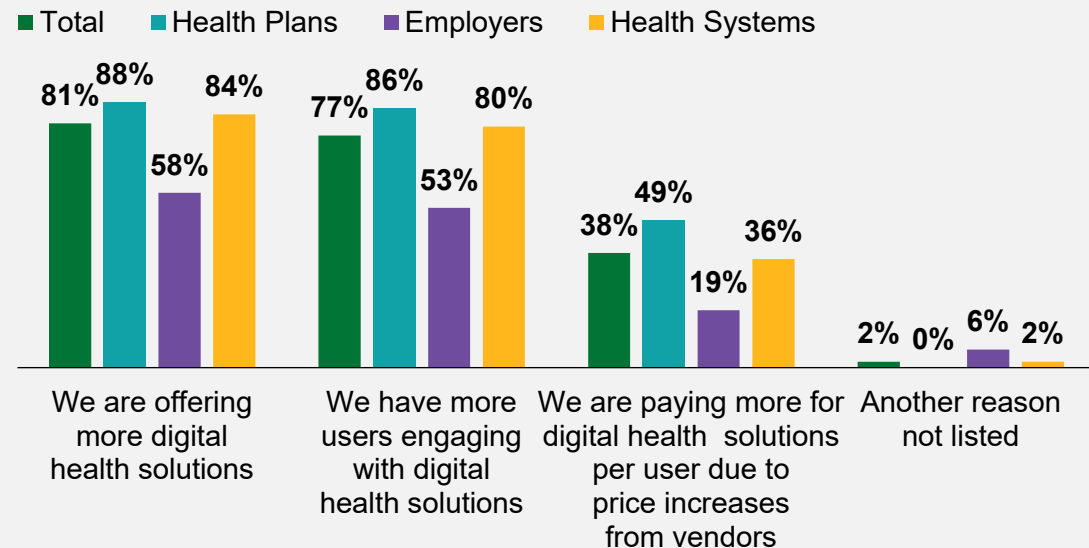
This shift reflects employers' focus on maintaining their current suite of digital health solutions.

Among those increasing spending, purchasers say they are offering more digital health solutions and seeing more user adoption



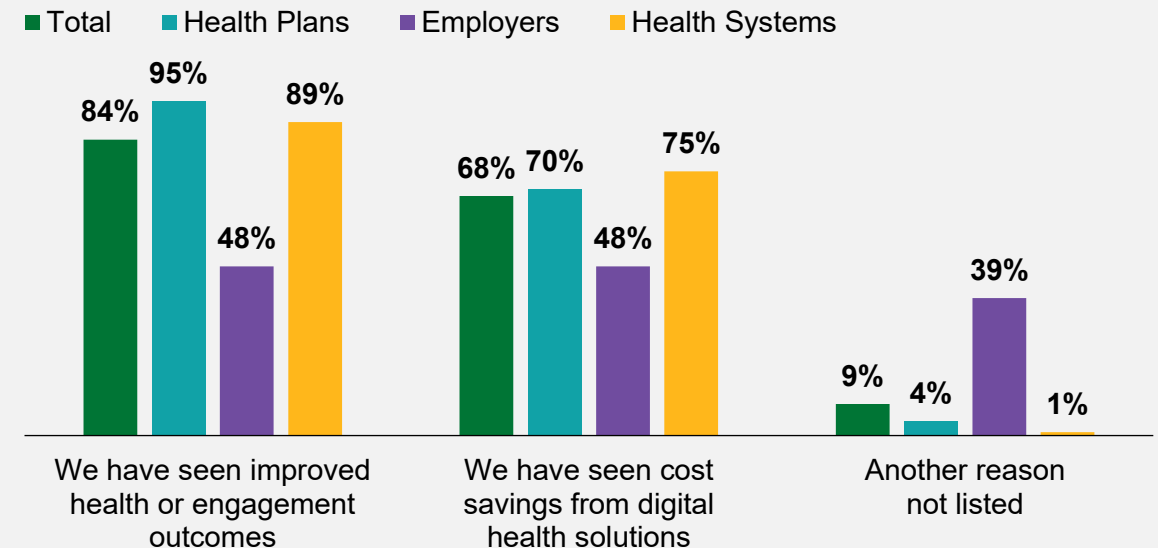
Purchasers believe these digital tools improve health outcomes (84%) and reduce costs (68%). Health plans and health systems are more likely than employers to report they have seen these improvements.

REASON FOR INCREASED SPENDING (%)



Question: Why has your organization's spending on digital health solutions increased?
Select all that apply. (n=195, total); (n=78, health plan); (n=36, employer); (n=81, health system)

WILLINGNESS TO INCREASE SPENDING (%)



Question: Why is your organization willing to spend more on digital health solutions?
Select all that apply. (n=186, total); (n=76, health plan); (n=31, employer); (n=79, health system)

Clinical priorities remain stable, with a focus on diabetes, mental health, and primary care



CLINICAL INDICATIONS PURCHASERS HAVE OFFERED OR COVERED DIGITAL HEALTH SOLUTIONS FOR (%)

	2024	2025
Diabetes	53%	65%
Mental health (e.g., anxiety, depression)	50%	54%
Primary care	46%	54%
Cardiovascular (e.g., hypertension)	47%	51%
Preventive care	51%	44%
Obesity	41%	43%
Asthma and other respiratory conditions	31%	34%
Women's reproductive health and fertility	30%	30%

Question: Within the next year, which conditions or treatment areas are you looking to focus on? Select all that apply. (2024; n=332)
Which of the following areas has your organization purchased digital health solutions for? Select all that apply. (2025; n=309)

Clinical priorities for 2025 remain largely consistent with 2024 expectations, showing stability in purchaser focus areas with some modest shifts in emphasis.

Diabetes solutions are a particular priority for health plans, with 91% currently focusing on diabetes compared to employers (32%) and health systems (76%).

More than four in five health plans and health systems are adopting AI for administrative services and clinical decision support



ORGANIZATIONAL USE OF AI FOR OPERATIONS AND DECISION-MAKING BY PURCHASER (%)

	Total	Health Plans	Health Systems
Automating administrative tasks (claims, prior authorizations, etc.)	35%	77%	36%
Clinical decision support	32%	51%	51%
Member or patient engagement tools	30%	56%	41%
Operational and financial tasks	27%	55%	32%
Not currently using AI	11%	8%	27%



Question: In what ways is your organization currently utilizing Artificial Intelligence (AI) to support your operations or decision-making, if at all? Select all that apply. (n=195, total) (n=93, health plan); (n=102, health system)

AI adoption varies between health plans and health systems, with health plans showing higher usage rates. The majority of health plans use AI for administrative tasks like claims processing.

Health systems take a more clinically-focused approach, prioritizing AI for clinical decision support and patient engagement tools, with fewer organizations using it for operational purposes.

Purchasers maintain their emphasis on solutions that deliver measurable impact through proven outcomes, ease of use, and financial returns



>98%

of purchasers look for digital solutions that **improve experience for individuals**

>98%

of purchasers look for digital solutions that **improve measurable health outcomes**

>97%

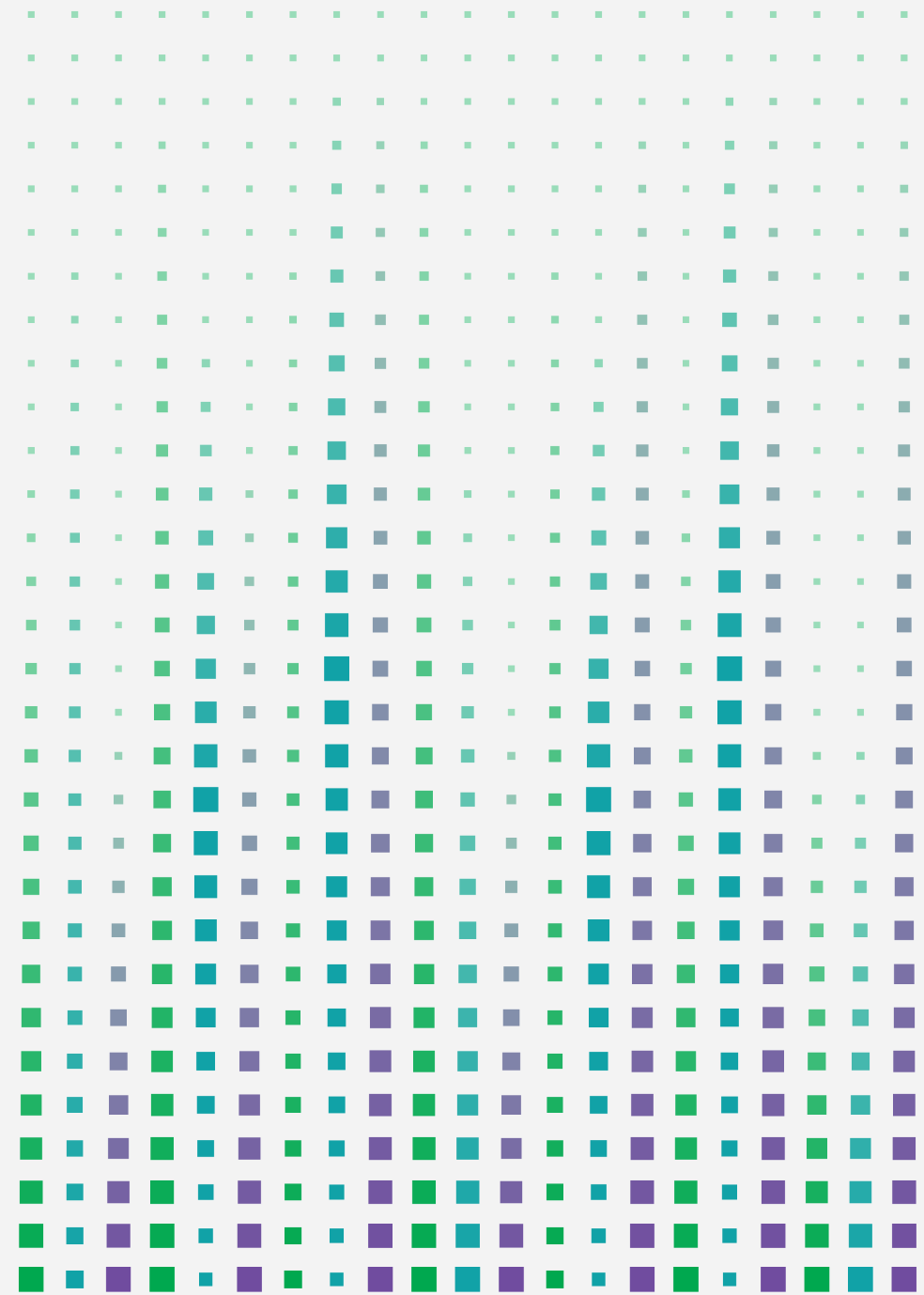
of purchasers look for digital solutions that **lower healthcare costs for individuals**



Question: How important is it for the digital health solutions that your organization contracts with to have an impact in the following areas? (n=309)

Note: While this question is similar to the 2024 version, wording and/or response options were revised in 2025 for clarity, so results may not be directly comparable.

Contracting process



When selecting digital health solutions, purchasers seek vendors with proven track records, while also weighing cost considerations



Employers (66%) are more likely than health plans (23%) and health systems (42%) to cite cost of the solution as an important factor when selecting vendors of digital health solutions.

	Health Plans	Employers	Health Systems
Ranked 1st	Proven track record (57%)	Cost of the solution (66%)	Proven track record (51%)
Ranked 2nd	Expected financial ROI (37%)	Proven track record (43%)	Cost of the solution (42%)
Ranked 3rd	Strong financial backing or level of investment in the company or technology (35%)	Reliable and responsive customer support (42%)	Offers a package or suite of products that meets most or all of my needs (41%)

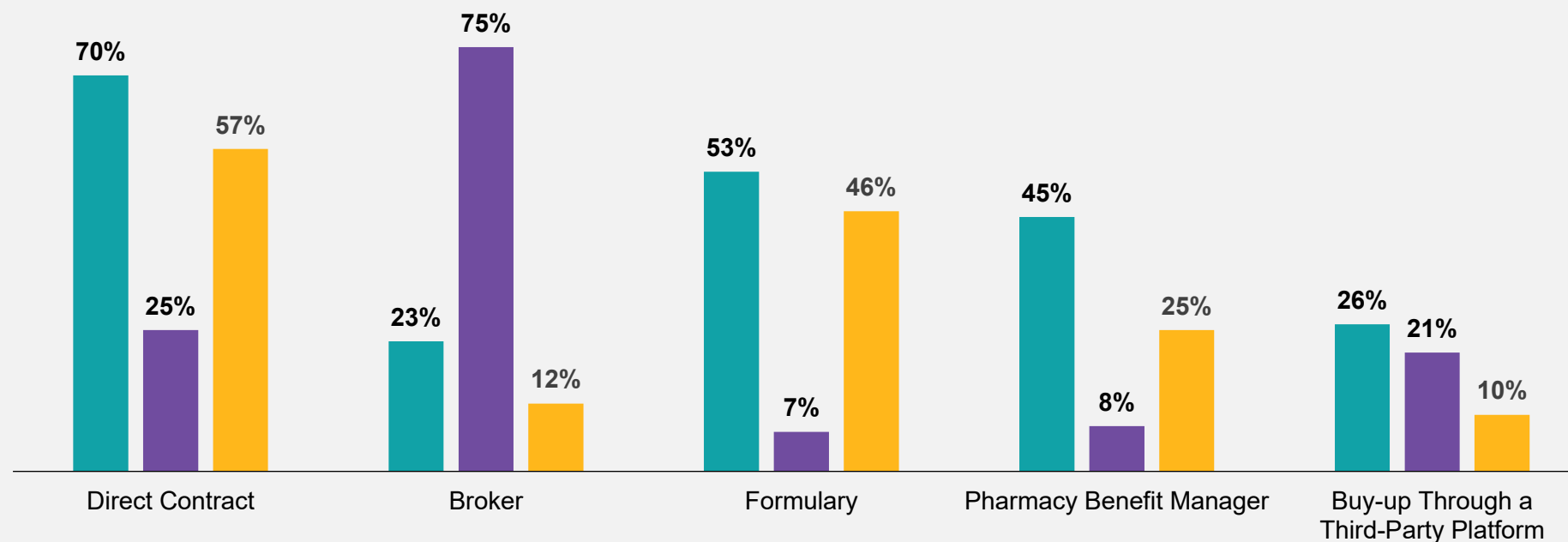


Three-quarters of employers are using brokers, while most health plans and health systems contract directly with solutions



PROCUREMENT AVENUES (%)

■ Health Plans ■ Employers ■ Health Systems



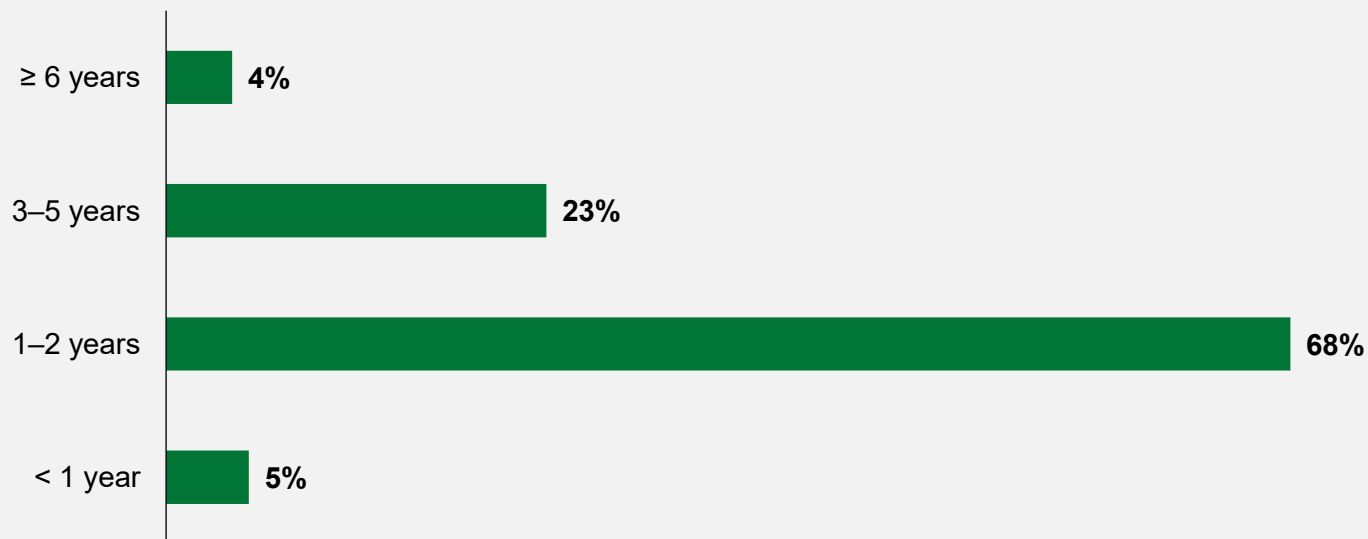
Question: How does your organization procure digital health solutions? Select all that apply.
(n=93, health plan); (n=114, employer); (n=102, health system)

Most purchasers use short-term contracts of two years or less and regularly evaluate their portfolios of digital health solutions



73% of purchasers say their contracts with digital solutions have a duration of two years or less.

AVERAGE CONTRACT LENGTH FOR DIGITAL HEALTH SOLUTIONS ACROSS ALL PURCHASER TYPES (%)



Question: On average, how long are your contracts for digital health solutions? (n=309);
How often do you review your digital health solution portfolio? (n=309)

Employers (75%) report reviewing their digital health solution portfolio once per year—a higher rate than health plans (47%) and health systems (52%).

This annual review cycle aligns with employers' preference for short-term contracts, as they most commonly use 1–2-year contract terms.

Purchasers prioritize user satisfaction, clinical outcomes, and cost considerations when evaluating whether to switch solutions



MOTIVATING FACTORS TO CHANGE SOLUTIONS BY PURCHASER (%)

	Total	Health Plans	Employers	Health Systems
Overall cost of the solution	68%	59%	74%	71%
User satisfaction or needs	40%	33%	53%	31%
Difficult relationship with vendor	32%	17%	52%	24%
Poor clinical outcomes	31%	43%	18%	34%
Need for better integration with other tools or platforms	27%	32%	14%	37%
Data security or privacy concern	23%	30%	12%	27%
Lack of meaningful engagement	22%	26%	21%	21%



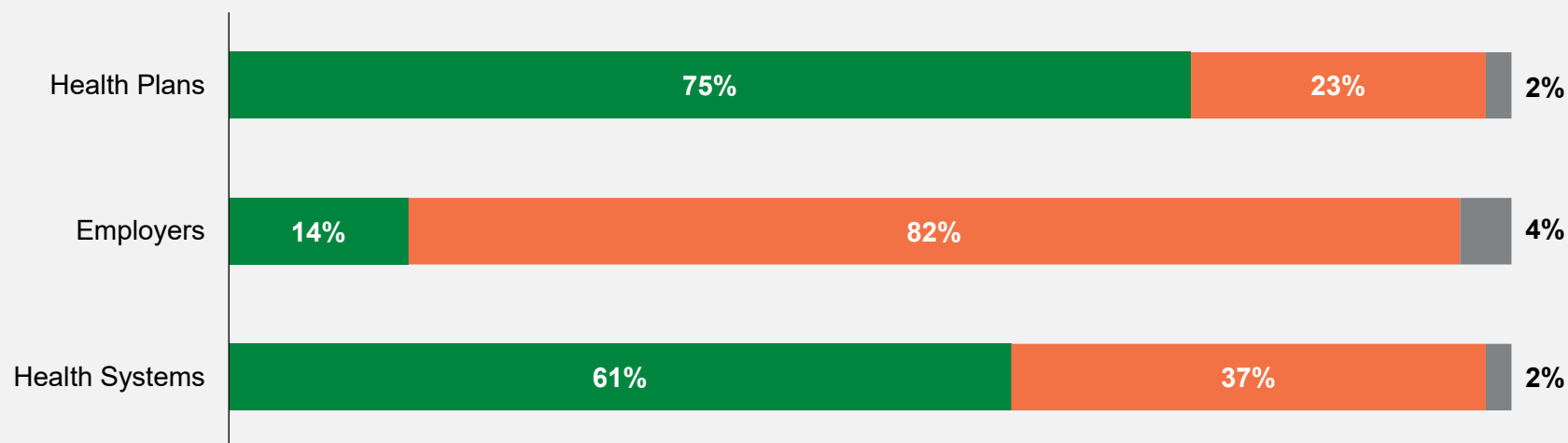
Question: Below are factors that might motivate an organization to change its digital health solution (e.g., switch vendors, add or remove a product). For your organization, which three factors would most likely motivate a change? (n=309, total); (n=93, health plan); (n=114, employer); (n=102, health system)

Nearly half of all purchasers have implemented performance-based contracts, with health plans and health systems leading adoption



USE OF RISK-BASED CONTRACTS (%)

- Yes, we are currently using performance- or risk-based contracts
- No, we are not currently using performance- or risk-based contracts
- I don't know



Question: Are you currently using any performance- or risk-based contracts for digital health solutions? (n=93, health plan); (n=114, employer); (n=102, health system)

Note: We define performance- or risk-based contracts as a contract that ties payment to specific performance metrics (e.g., clinical outcomes, member engagement, or financial savings). We do not consider service-level agreements (e.g., uptime, response times, data availability) to be performance-based.

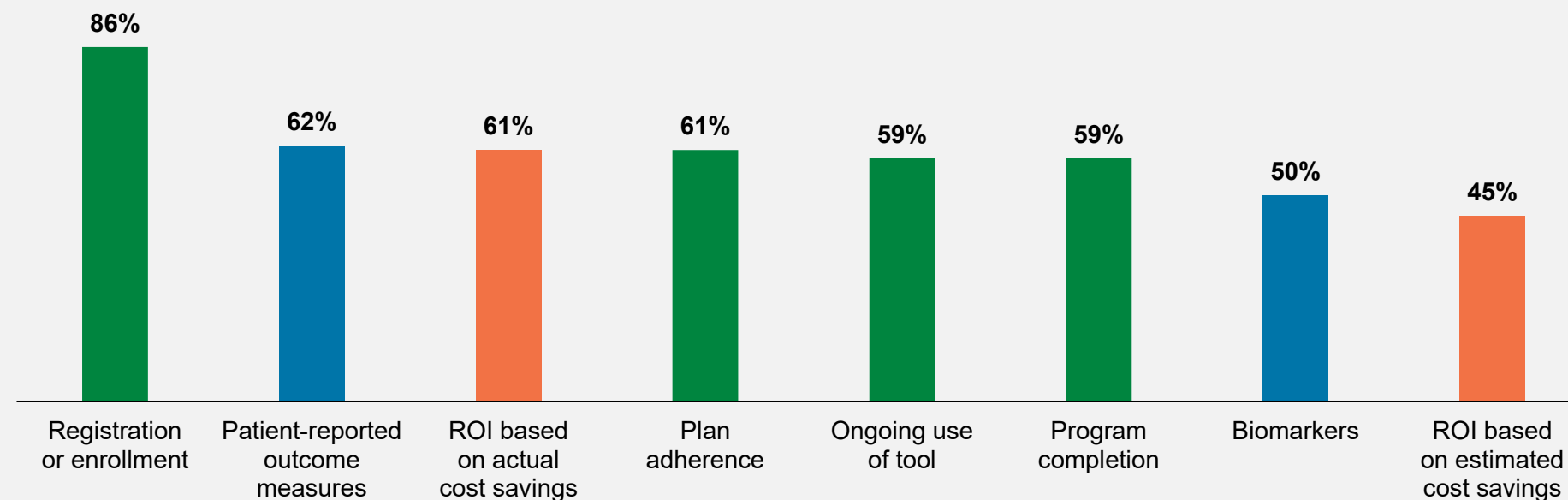
Nearly half of all purchasers have implemented performance- or risk-based contracts. Health plans lead adoption (75%), while health systems follow closely (61%). Employers have been more cautious to adopt (14%).

The most common performance metrics in digital health contracts are enrollment, patient-reported outcomes, ROI, and program adherence



METRICS USED TO MEASURE CONTRACT PERFORMANCE ACROSS ALL PURCHASER TYPES (%)

■ Engagement metric ■ Clinical metric ■ Financial metric



Question: Which of the following metrics are you using to measure contract performance? Select all that apply. (n=148);
What is the primary way you determine which metrics to use as part of these performance- or risk-based contracts? (n=148)

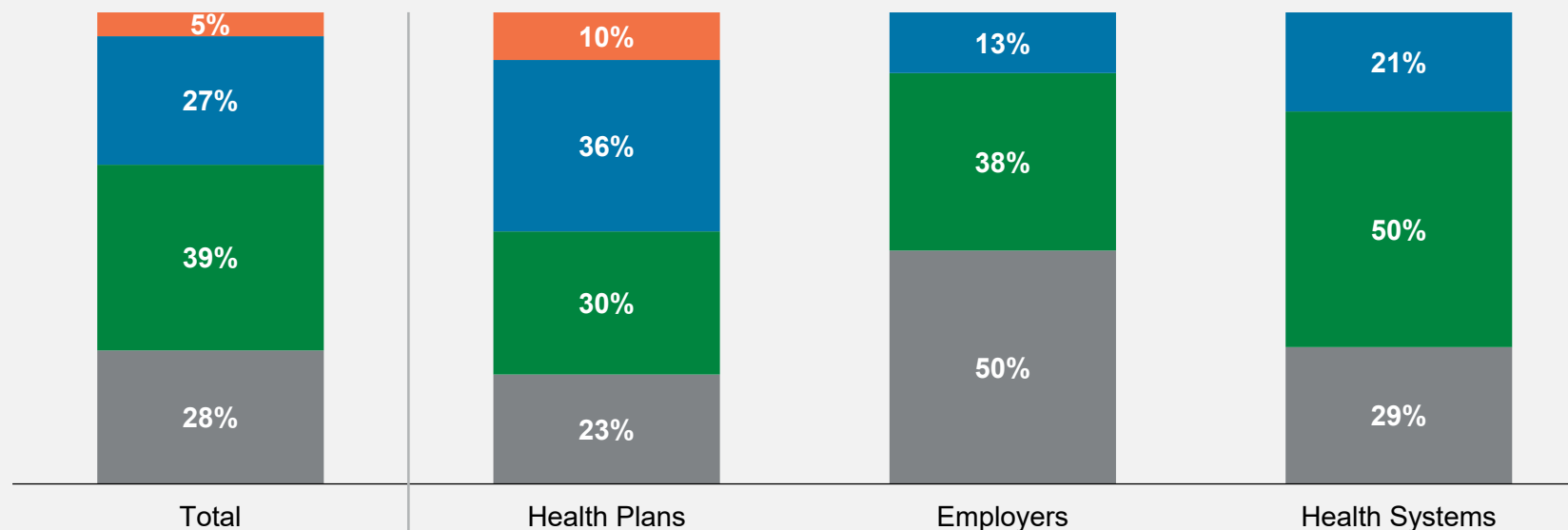
The majority of purchasers use an internal analysis of claims or utilization to determine metrics to use as a part of the performance- or risk-based contracts.

Among those using performance-based contracts, many place over 50% of their digital health contracts at-risk



SHARE OF TOTAL CONTRACT VALUE AT-RISK FOR DIGITAL HEALTH COMPANIES BY PURCHASER (%)

■ 0–25% ■ 26–50% ■ 51–75% ■ 76–100%



Question: If you add up your total spending on digital health technologies, what percentage of the total contract value is at-risk for the digital health companies? (n=148, total); (n=70, health plan); (n=16, employer); (n=62, health system)

Note: Percentages may not add due to rounding. Question skipping should not be figured into the percentages.

For purchasers using performance-based contracts, the majority report that over half of their digital health contracts are value-based.

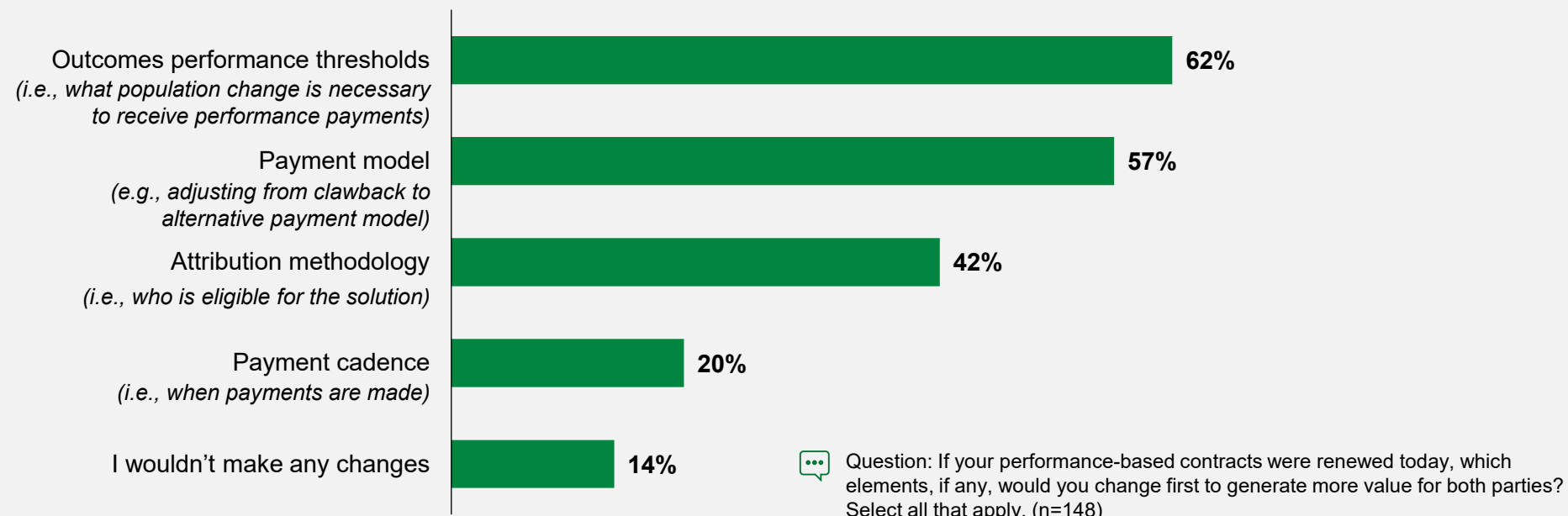
This commitment extends to meaningful financial exposure, with 32%—the majority being health plans at 46%—putting at least half of their total digital health contract value at-risk for vendor performance.

Few purchasers are fully satisfied with current contracts, with more than four in five seeing opportunities to improve value for both parties



Most purchasers see opportunities to improve outcomes performance thresholds, payment models, and attribution methodology.

ELEMENTS PURCHASERS WOULD CHANGE FIRST IN PERFORMANCE-BASED CONTRACTS TO GENERATE MORE VALUE (%)

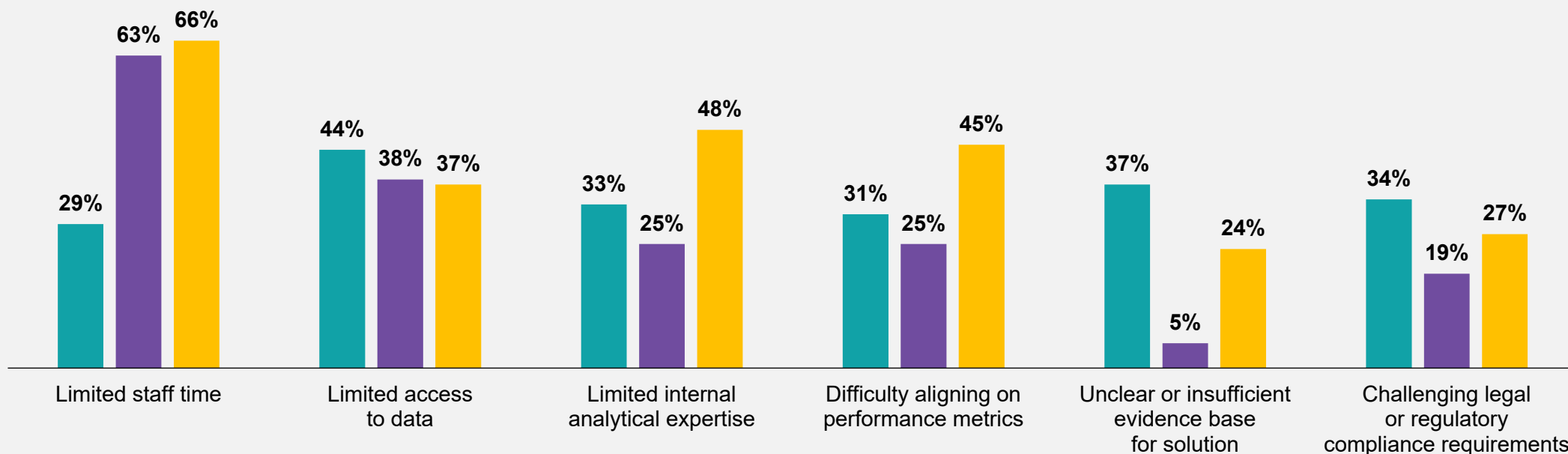


Purchasers' biggest challenges with performance-based contracts are staff time and data access



BARRIERS TO MAXIMIZING VALUE FROM PERFORMANCE-BASED CONTRACTS BY PURCHASER (%)

■ Health Plans ■ Employers ■ Health Systems



Question: What barriers, if any, limit your organization's ability to achieve maximal value from performance-based contracts with digital health vendors? Select all that apply. (n=70, health plan); (n=16, employer); (n=62, health system)

Most health plans and health systems not using performance-based contracts want to shift to this model; employers remain concerned about the administrative burden

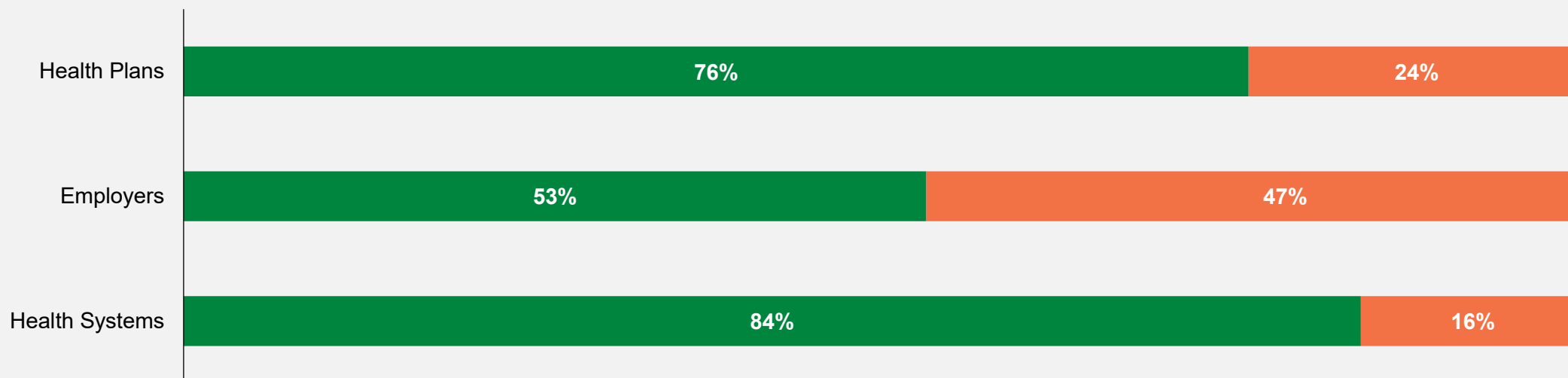


Considerable opportunity exists for performance-based contracting growth, as nearly two-thirds of purchasers not currently using these arrangements show interest in implementation.

INTEREST IN PERFORMANCE-BASED CONTRACTS BY PURCHASER (%)

■ Interested

■ Not Interested



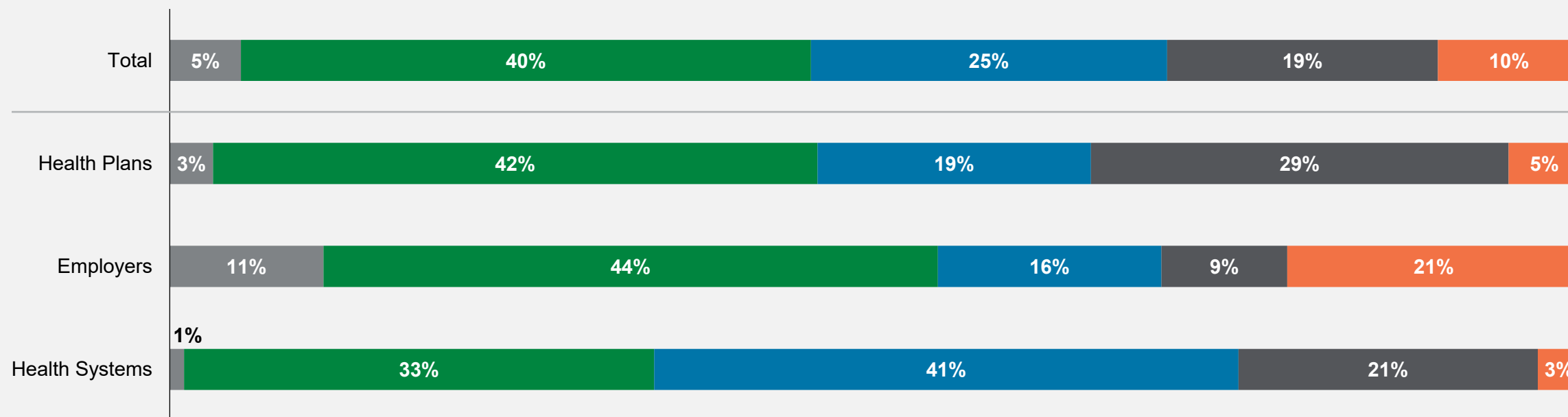
Question: How interested, if at all, are you in having performance-based or risk-based contracts for digital health solutions in the future?
(n=152, total); (n=21, health plan); (n=93, employer); (n=38, health system)

Engagement with digital health solutions remains limited, but some employers report high uptake



AVERAGE PROPORTION OF ELIGIBLE POPULATION ENROLLED IN DIGITAL HEALTH OFFERINGS BY PURCHASER (%)

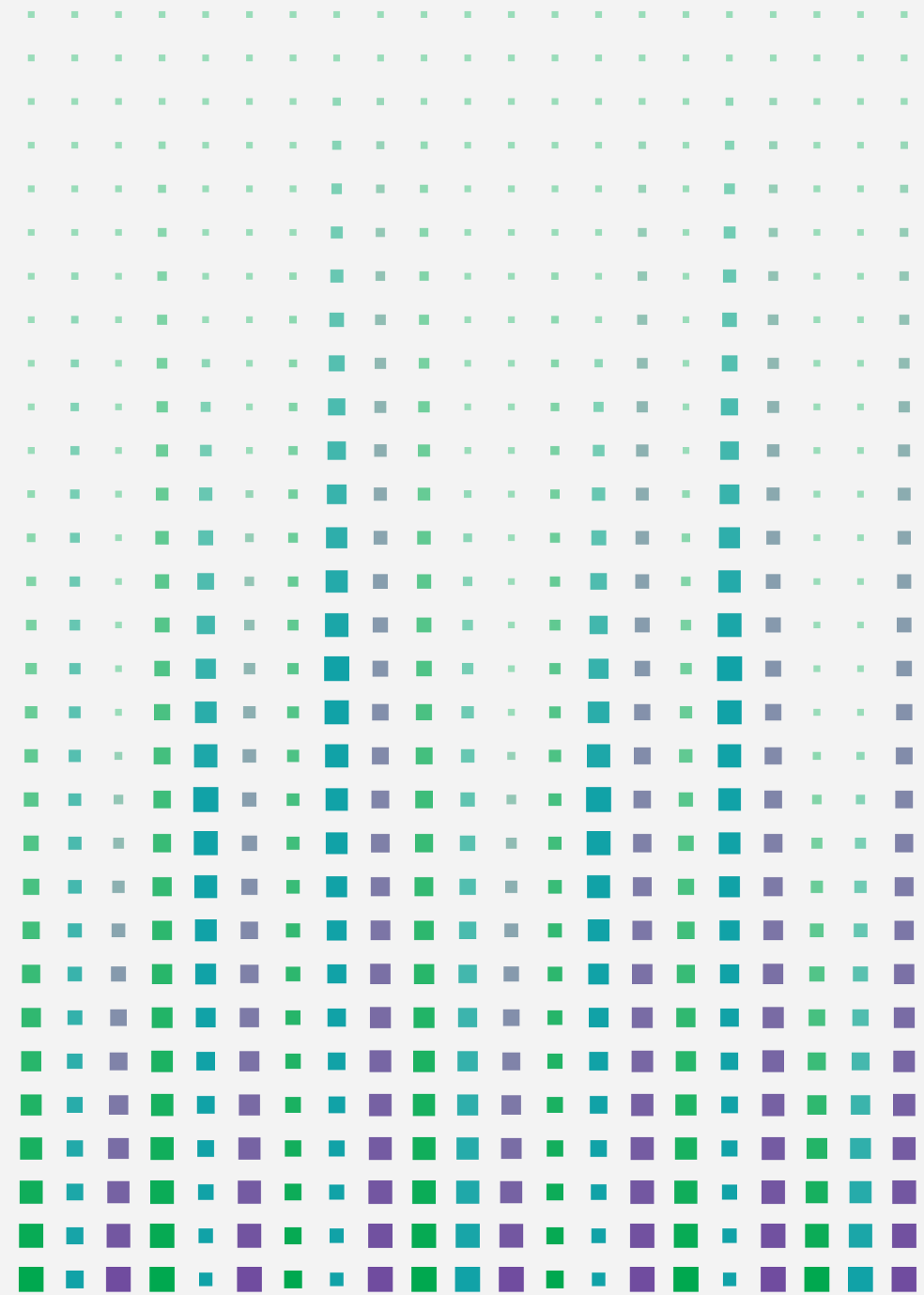
■ < 1% ■ 1–25% ■ 26–50% ■ 51–75% ■ ≥ 76%



Question: On average, across all of your contracted digital health offerings, what proportion of eligible members/employees are enrolled in a digital health solution? (n=309, total); (n=93, health plan); (n=114, employer); (n=102, health system)

Note: Percentages may not add due to rounding. Question skipping should not be figured into the percentages.

Future plans



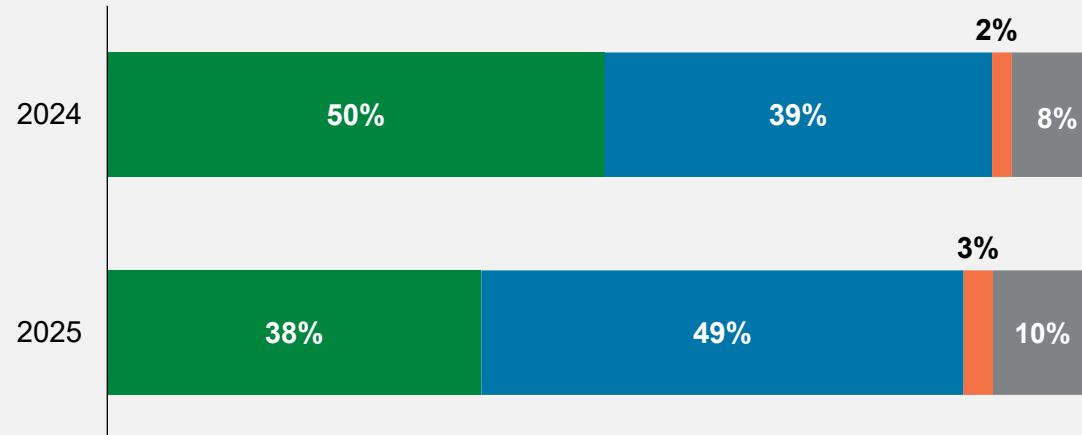
Purchasers plan to maintain current spending levels, with less than half planning to increase spending on digital health solutions in the next 12 months



Compared to 2024, fewer purchasers expect to increase digital health spending in the next year. Employers (65%) and health systems (47%) are more likely than health plans (31%) to maintain spending in the next 12 months.

CHANGE IN SPENDING ON DIGITAL HEALTH SOLUTIONS OVER THE NEXT 12 MONTHS

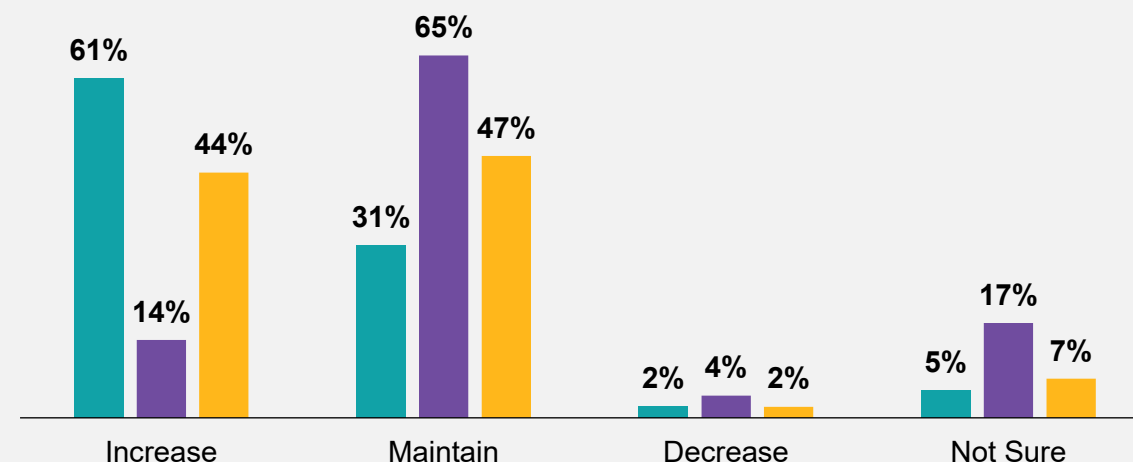
■ Increase ■ Maintain ■ Decrease ■ Not sure



Question: Over the next 12 months, are you planning to increase, maintain, or decrease total spending on digital health solutions? (2024; n=332); (2025; n= 309)

CHANGE IN SPENDING ON DIGITAL HEALTH SOLUTIONS OVER THE NEXT 12 MONTHS BY PURCHASER (%)

■ Health Plans ■ Employers ■ Health Systems



Question: Over the next 12 months, are you planning to increase, maintain, or decrease total spending on digital health solutions? (n=93, health plan); (n=114, employer); (n=102, health system)

For those that do plan to increase spending, they cite clear evidence of improved outcomes and leadership support as the reason why



PRIMARY REASONS FOR INTENDED SPENDING INCREASE BY PURCHASER (%)

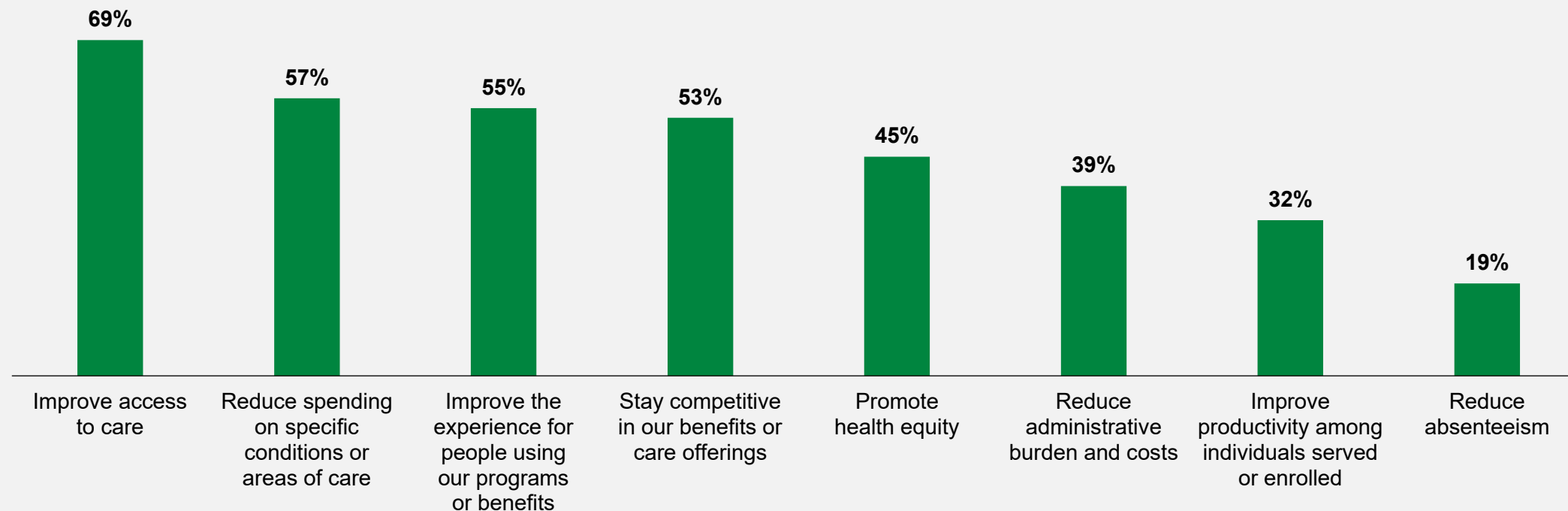
	Total	Health Plans	Employers	Health Systems
Seen clear evidence that these solutions improve health or well-being	64%	68%	38%	67%
Leadership supports increased investment in digital health	56%	60%	25%	62%
Solutions adopted are being actively used by the intended population	44%	47%	31%	44%
Seen a measurable decrease in total cost of care or related spending	37%	39%	19%	42%
Internal stakeholders are satisfied with the solutions	36%	39%	25%	38%
We believe digital health is important to expand access or close care gaps	36%	35%	38%	36%
View digital health as critical to staying competitive	35%	35%	31%	36%

Question: What is the primary reason(s) for your plan to increase spending? Select all that apply.
(n=118, total); (n=57, health plan); (n=16, employer); (n=45, health system)

Improving access to care, reducing costs, and enhancing user experience are top purchaser priorities for digital health in the next year



NEEDS PURCHASERS AIM TO ADDRESS WITH DIGITAL HEALTH SOLUTIONS IN THE NEXT 12 MONTHS (%)

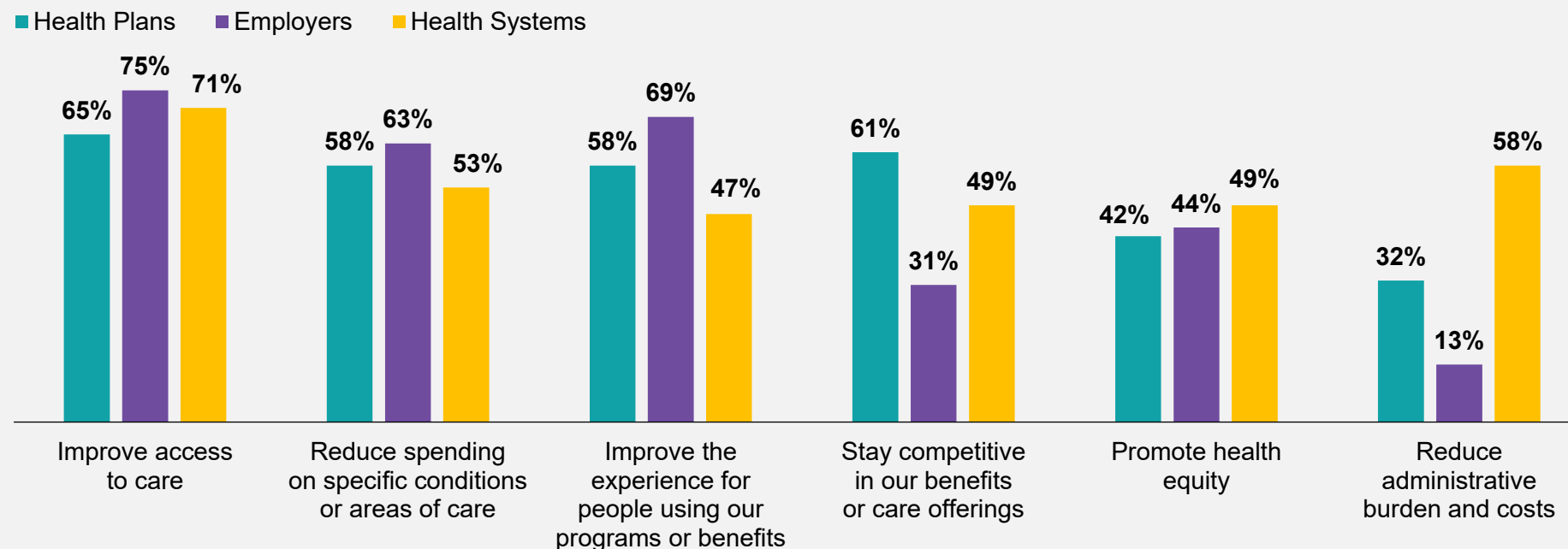


Question: What needs are you looking to address in the next 12 months with digital health solutions? Select all that apply. (n=118)

Purchasers are looking to improve access to care, with segment-specific priorities such as experience, competitive benefits, and reduced administrative burden



NEEDS PURCHASERS AIM TO ADDRESS WITH DIGITAL HEALTH SOLUTIONS IN THE NEXT 12 MONTHS BY PURCHASER (%)



Question: What needs are you looking to address in the next 12 months with digital health solutions? Select all that apply. (n=57, health plan); (n=16, employer); (n=45, health system)

Health systems show distinct priorities compared to health plans and employers, with notably higher focus on reducing administrative burden and costs (58% vs. 13% for employers and 32% for health plans).

Purchasers will continue focusing on diabetes and cardiovascular conditions, while actively exploring obesity and substance use disorder solutions



CONTINUED FOCUS AREAS FOR DIGITAL HEALTH SOLUTIONS IN NEXT 12 MONTHS (%)

	Total
Diabetes	66%
Cardiovascular (e.g., hypertension)	56%
Obesity	47%
Mental health (e.g., anxiety, depression)	42%
Primary care	41%
Oncology (e.g., cancer care)	40%
Musculoskeletal (e.g., virtual physical therapy)	40%
Preventive care	36%

Question: Over the next 12 months, which digital health solution areas will your organization continue to focus on? Select all that apply. (n=118)

AREAS OF DIGITAL HEALTH SOLUTIONS PURCHASERS EXPECT TO NEWLY EXPLORE (%)

	Total
Substance use disorders	20%
Autoimmune	19%
Women's reproductive health and fertility	18%
Oncology (e.g., cancer care)	17%
Obesity	15%
Mental health (e.g., anxiety, depression)	14%
Virtual care navigation	13%
Chronic kidney disease	13%

Question: Over the next 12 months, which digital health solution areas, if any, will your organization newly explore? Select all that apply. (n=118)

About PHTI

The Peterson Health Technology Institute (PHTI) provides independent evaluations of innovative healthcare technologies to improve health and lower costs.

Through its rigorous, evidence-based research, PHTI analyzes the clinical benefits and economic impact of digital health solutions.

These evaluations inform decisions for providers, patients, payers, and investors, accelerating the adoption of high-value technology in healthcare.

PHTI was founded in 2023 by the Peterson Center on Healthcare.



Appendix



Sampling Method

- Unweighted, nonprobability (convenience) sample
- Recruitment:
 - Two paid research panels (respondents received monetary incentives for completion)
 - Select PHTI collaborators invited to complete the survey, unpaid (<7% of sample)
- All responses were submitted anonymously
- All respondents were U.S.-based

Sample Characteristics

- Organization Characteristics:
 - Employers, health plans, and healthcare systems that offer, cover, or use any digital health solution technologies for their employees, members, or patient care
 - Employer sample in 2025 had a higher proportion (76%) of employers with 1,000 or fewer employees compared to the 2024 sample (43%) and a higher proportion of HR leaders (93%) compared to the 2024 sample (56%).
- Respondent Characteristics:
 - Makes or significantly influences decisions about digital health solutions
- n = 309
- Data Collection Mode: Self-administered web questionnaire
- Fielded between August 4 and August 22, 2025

Survey Respondents

Health Plans: n = 93

Employers: n = 114

Health Systems: n = 102

Analytic Approach

- Data were cleaned and validated to eliminate straight-line responses and completions below a reasonable time threshold
- Column Proportions Test (T-Stat Testing)
- 95% Confidence Interval
- Unweighted