

# The Silent Barrier to Medicaid Care Access: Provider Administrative Friction



## As care delivery models grow more complex and regulatory requirements continue to expand, providers are spending an increasing share of their time navigating documentation, enrollment, billing, and compliance processes rather than delivering care.

The Centers for Medicare and Medicaid Services (CMS) has explicitly acknowledged that administrative burden “takes time away from clinicians and their patients” and negatively affects the well-being and sustainability of the healthcare workforce. [Evidence reviewed by the Medicaid and CHIP Payment and Access Commission \(MACPAC\)](#) underscores that provider enrollment complexity, reimbursement delays, and ongoing administrative friction influence physician participation decisions alongside payment rates.

For many practices, particularly in primary care, behavioral health, and for small or rural providers, the cumulative cost of administrative effort reduces capacity to serve Medicaid beneficiaries or deters participation altogether. As a result, administrative experience functions as a structural lever affecting access, continuity, and equity across state Medicaid programs, with direct implications for network stability and beneficiary outcomes. Reducing administrative burden is therefore not solely a provider satisfaction initiative, but a core access strategy aligned with CMS priorities and state accountability for network adequacy and quality.

Results from a recent nationwide survey of hundreds of medical providers conducted by an independent research firm and sponsored by Gainwell Technologies LLC, underscore the consequences of administrative friction in Medicaid. Nearly one-third of providers report significant dissatisfaction with Medicaid administrative processes, and those providers are 3.9 times more likely to leave the Medicaid program.

These findings highlight a clear relationship between administrative experience and provider participation—one with direct implications for network adequacy. When one in three providers find the operational mechanics of a program difficult to navigate, the stability of the safety net is threatened.

This white paper analyzes the current state of provider experiences based on direct feedback from the medical community. By examining the link between administrative friction and provider participation, we can better understand the levers states must pull to secure robust, accessible care networks for the future.

## Key Findings

**33%**

of providers are dissatisfied with Medicaid administrative processes

**3.9x**

more likely to leave: providers who are dissatisfied with Medicaid

**75%**

more dissatisfied with administrative processes: behavioral health providers compared to other specialties

**72%**

of providers prefer a single credentialing application across all MCOs and states

**50%**

more satisfied: providers in states with modern enrollment processes compared to those without

## Survey Process and Respondents

The survey was informed by preliminary interviews with a diverse set of providers, including critical access hospitals and orthopedic and behavioral health groups across multiple states. Insights from these discussions were used to refine the survey instrument, which was administered electronically in November–December 2025.

A total of 309 providers across 49 states and territories responded, representing facility-based providers, individual practitioners, and large health systems. The results reflect a broad cross-section of the healthcare system and demonstrate that administrative burden is a widespread challenge rather than a localized or specialty-specific issue. Notably, 79% of respondents operating across multiple states or contracting with more than one managed care organization (MCO) are managing their applications for each separately, reflecting the growing complexity providers face as telehealth expands and medical groups increasingly operate across state lines.



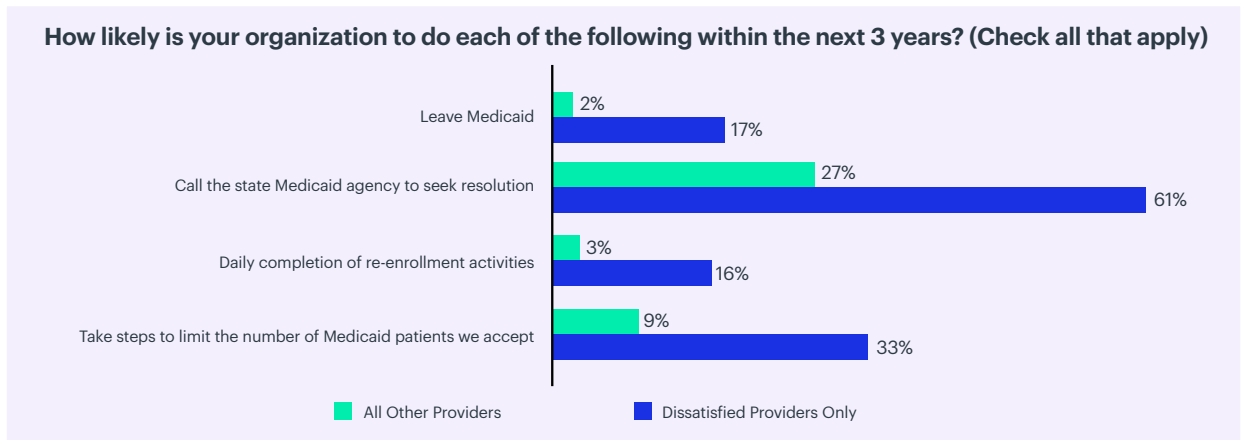
## How Administrative Friction Threatens Provider Participation and Care Access

One key finding in the research was the link between administrative dissatisfaction and provider discord. When providers encounter persistent obstacles in enrollment, claims processing, or revalidation, they alter their participation in the program. The survey data quantifies this risk.

Compared to their satisfied counterparts, dissatisfied providers are:

- **Almost 4X more likely to consider leaving Medicaid.** When faced with persistent administrative barriers, dissatisfied providers are significantly more inclined to exit the program. This puts network adequacy at risk and underscores the need to reduce friction in provider processes.
- **Almost 2.5X more likely to limit the number of Medicaid patients they treat.** Even when providers remain in the program, dissatisfaction can lead to network shrinkage. Many providers stay in the directory but cap their Medicaid patient panels, further reducing access for new members.
- **Almost 2X more likely to delay revalidation and re-enrollment.** Delays in revalidation often lead to administrative termination. When providers fall off the rolls due to missed paperwork rather than intent, it creates churn that disrupts patient care and fills directories with inactive providers.

The data is clear: administrative friction is not just an annoyance—it’s a driver of provider business decisions that negatively impact Medicaid beneficiaries and their ability to access care.



### Backend Barriers to Frontline Behavioral Healthcare

The crisis in behavioral health access is well-documented, but the administrative component of it is often overlooked. The survey revealed that behavioral health providers are 75% more dissatisfied with administrative processes than providers in all other specialties.

This statistic is concerning for policy and operations. Behavioral health practices are often smaller, with fewer staff members managing paperwork compared to large hospital systems. When a state enrollment or billing system is difficult to navigate, it disproportionately penalizes these smaller, critical practices.

If a psychiatrist or counselor spends 20% of their week fighting claim denials or navigating enrollment portals, that is 20% less capacity in a system already stretched. For states, this makes administrative modernization a priority policy concern—simplifying the backend plays a key role in expanding the frontline of mental healthcare.

### Differences Between Modernized and Non-Modernized States

A noteworthy aspect of the research was the importance of interoperability and data-sharing across systems in improving provider experiences and streamlining processes.

The data reveals that enhanced interoperability and streamlined workflows correlate with improved provider experiences. Providers in states with integrated systems report 8% higher satisfaction overall compared to the national baseline.

More telling is the intensity of that sentiment. Providers in modernized environments are 25% more likely to state they are “very satisfied” with their experience, which makes them much more stable participants in the network; they are less likely to cap panels and more likely to engage in program initiatives.

## Enrollment: The Strongest Performer

The data also shows specific approaches can improve satisfaction further. States utilizing a centralized, streamlined approach to provider enrollment and onboarding see the most dramatic variance in sentiment.

In states that offer modern enrollment, providers report they are over 50% more satisfied than those in states that don't. This suggests the enrollment experience is the "front door" of the relationship between the state and the provider. If the entry process is smooth, digital, and transparent, it establishes goodwill that persists throughout the provider's contract. Conversely, a difficult enrollment experience sets a negative tone that can be hard to reverse.

States with modern enrollment vs standard

| Administrative Process                   | % Satisfied |        | Increase/<br>Decrease (PP) | % Increase/<br>Decrease |
|--|-------------|--------|----------------------------|-------------------------|
|  | Standard    | Modern |                            |                         |
| Ability to track grievance status online | 23.6%       | 34.4%  | 10.8                       | 45.8%                   |
| Number of entities needed to enroll with | 24%         | 31.2%  | 7.2                        | 30%                     |
| Responsiveness of customer service       | 34.2%       | 43.8%  | 9.6                        | 28.1%                   |

These higher satisfaction scores are driven by specific improvements in modernized states, such as intuitive portals for prior authorizations, transparent claim and grievance tracking, and clearer requirements, all of which streamline workflows and reduce administrative friction.

## What Providers Want States to Prioritize

The survey asked providers not just about their current experiences interacting with Medicaid programs, but about immediate priorities. The responses provide a clear roadmap for Medicaid agencies planning their technology investments for 2026 and beyond:

### 1. Streamlined Credentialing

72% of providers said a single application to enroll with all MCOs and the state Medicaid agency would significantly improve their experience. The current model, where providers must re-apply to each health plan after state approval, is a major source of inefficiency. Providers want consolidated workflows that pull data from primary sources (like medical boards) automatically, rather than uploading and re-verifying documents that are already validated.

### 2. 24/7 Claim Status

68% of providers identified this as a significant improvement they would like to see. In an era of instant online transactions, providers expect the same visibility into their payments. The ability to check claim status at any time allows practices to manage their accounts receivable more efficiently without needing to make a phone call.

### 3. Faster Enrollment

Speed was also critical, with 68% of providers calling for faster enrollment approval times. Every day an application is pending is a day a qualified provider cannot see a Medicaid patient. Automating license and background data verification is a priority to accelerating this timeline.

Providers are clear on what works: fewer steps, more automation, and consolidated workflows—and implementing these significantly improves their experience and engagement with Medicaid programs. They are looking for states to prioritize providers' time by investing in systems that reduce manual touchpoints and unify fragmented processes.

## Implications for States

The data from this survey clarifies a fundamental reality of Medicaid: administrative friction is a barrier to care. When states don't alleviate administrative burdens, they are essentially shrinking provider networks, particularly in vulnerable specialties like behavioral health.

### The implications for state leadership are clear:

- **Modernization is a network integrity strategy.** Administrative modernization directly impacts provider retention and participation. It is a key lever for addressing network adequacy concerns. States can no longer view backend systems merely as “claims engines;” they are provider engagement platforms that directly improve network integrity.
- **Workflow determines satisfaction.** States that modernize enrollment, credentialing, and provider management systems see measurably better provider satisfaction. Providers have little appetite for added administrative work, and each hour spent on administration takes time away from patient care. The correlation between centralized credentialing models and high satisfaction scores proves the onboarding experience is critical.
- **Low friction is a competitive advantage.** Providers have choices, and Medicaid programs typically reimburse at lower rates compared to commercial plans. To compete, states must look for ways to reduce friction. This requires a shift toward streamlined workflows, consolidated applications that serve the state and MCOs, and robust digital self-service tools.

By prioritizing these operational improvements, states do more than upgrade their technology—they build a foundation of trust with the medical community and strengthen access to care. An efficient, low-friction system sends a clear message that states value their time and partnership.

In today's competitive landscape, modernized systems aren't just a “nice to have.” They're a strategic necessity. A satisfied provider is an active participant, and a network of active participants is the bedrock of a healthy, accessible Medicaid program that truly serves its people. The choice is clear: modernize the experience, or risk losing the providers who are essential to delivering quality care.

### About Gainwell

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