

Healthcare Payer Business Process Services PEAK Matrix™ Assessment 2019

Focus on Cognizant
April 2019



Introduction and scope

Everest Group recently released its report titled “[Healthcare Payer Business Process Services PEAK Matrix™ Assessment 2019.](#)” This report analyzes the changing dynamics of the healthcare payer business process services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 27 service providers on the Everest Group PEAK Matrix™ for healthcare payer business process services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of healthcare payer business process services providers based on their absolute market success and delivery capability.

Based on the analysis, **Cognizant emerged as a Leader**. This document focuses on **Cognizant’s** healthcare payer business process services experience and capabilities and includes:

- Cognizant’s position on the Everest Group Healthcare Payer Business Process Services PEAK Matrix
- Detailed healthcare payer business process services profile of Cognizant

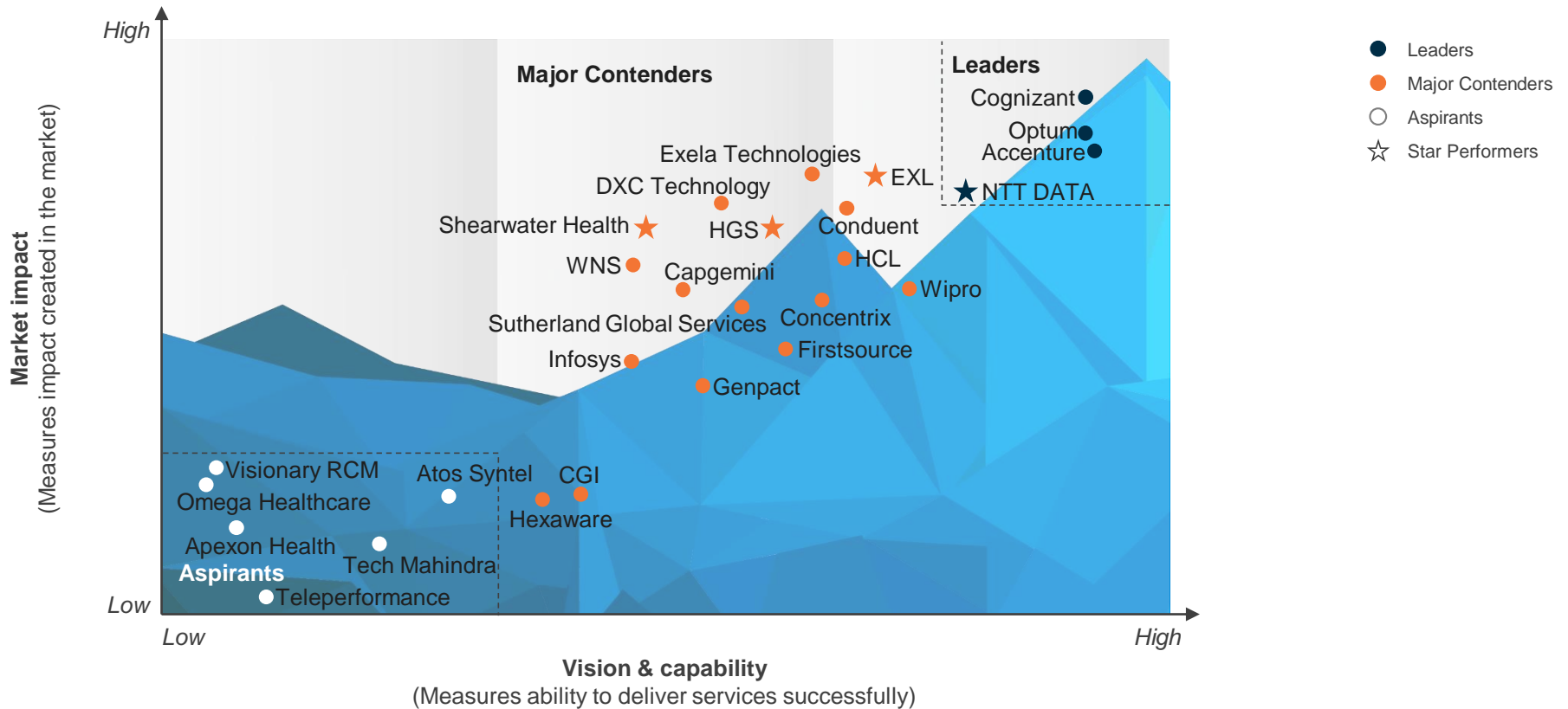
Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Source: Everest Group (2019) unless cited otherwise

Everest Group PEAK Matrix™

Healthcare Payer Business Process Services PEAK Matrix™ Assessment 2019 | Cognizant positioned as a leader

Everest Group Healthcare Payer Business Process Services PEAK Matrix™ Assessment 2019



Note 1: Service providers scored using Everest Group's proprietary scoring methodology

Note 2: Assessment for **Apexon Health, CGI, Omega Healthcare, Tech Mahindra, Teleperformance, and Visionary RCM** excludes service provider inputs on this particular study and is based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers










Source: Everest Group (2019)

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Everest Group assessment

Measure of capability:  High  Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
								

Strengths

- Cognizant is well recognized as a broad-based end-to-end service provider with capability to offer business process services in either stand-alone or BPaaS construct
- In addition to the core administrative platform, Cognizant has invested in multiple augmentation and RPA solutions that help plug gaps across the payer BPO value chain, especially where there is absence of efficient platforms
- Cognizant's focus on the high growth MA and MCO plans has grown with the acquisition of TMG Health and they have been able to expand their portfolio of clients in 2018
- Buyers appreciated its collaborative, consultative, and client-centric approach, which aids in positioning them as a strategic vendor of choice for multiple functional areas

Areas of improvement

- While Cognizant has some capabilities in the care management space, going forward the service provider needs to shift its focus from being opportunistic to a more long-term vision, which is backed by appropriate investments as well
- While the service provider has invested in building and developing some use cases in analytics, its capabilities largely revolve around operational analytics while business analytics use cases are still lagging
- With TMG Health's experience of serving the MCO market, strong network and claims management capabilities, and big investment appetite make state Medicaid MMIS space one adjacent area which could help future growth, especially now when states are increasingly moving toward modularity
- Buyers have highlighted slight sluggishness in relationship management and lack of proactiveness as key improvement areas for the service provider

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Overview

Company overview

Cognizant provides information technology, consulting, and business process outsourcing services. The company operates its business through four segments – financial services, healthcare, manufacturing, and retail & logistics.

The healthcare segment provides healthcare technologies and business services to support multiple client segments such as commercial, individual, HIX, Medicare, Medicaid, dental, vision, behavioral, and ACOs. In addition to providing BPS and Business Process-as-a-Service (BPaaS) services to the top 10 health plans and medium-sized health plans, it also provides Born Digital Health Plans. It provides its clients with a platform and product suite, along with the BPS and BPaaS delivery model, infrastructure services, IT services, and cloud and digital capabilities

Key leaders

- Francisco D'Souza, Chief Executive Officer
- Karen McLoughlin, Chief Financial Officer
- Sumithra Gomatam, President, Digital Operations
- Krishnan Iyer, Senior Vice President, Healthcare BPS & Delivery Lead
- Brent Barber, Vice President, Healthcare BPS & Market Lead

Headquarter: Teaneck, New Jersey, United States

Website: www.cognizant.com

Suite of services

- Claims management
- Care management
- Product development
- Network management
- Member engagement
- Risk and compliance

Healthcare payer BPO	2016 ¹	2017 ¹	2018 ¹
Revenue (US\$ million)	Not disclosed		
Number of FTEs	10,000	13,500	15,500
Number of clients	70	100	130

Recent acquisitions and partnerships

- **2018:** Acquired Bolder Healthcare Solutions, a provider of Revenue Cycle Management (RCM) solutions to hospitals, physician practices, and other specialist healthcare organizations
- **2017:** Acquired HCSC's subsidiary, TMG Health, to offer enhanced business process platforms and services for government and public health programs
- **2016:** Acquired Idea Couture, a digital innovation, strategy, and design firm to develop solutions in the patient-centered design thinking space
- **2016:** Acquired Mirabeau BV, a digital marketing and customer experience agency, to expand its digital business capabilities in the Netherlands and across Europe
- **2016:** Entered into a strategic partnership with Red Associates, a consulting firm specializing in the use of human sciences, to help business leaders better understand customer behavior

Recent developments

- **2018:** Cognizant Healthcare Digital Operations achieved CVO certification from NCQA across all the 11 verification services
- **2018:** Launched Risk Adjustment as-a-Service (RAaaS), a one stop shop to solve a health plan's risk adjustment challenges
- **2017:** Launched Cloud capabilities, IoT, TruProvider, Design Thinking, and BigDecisions
- **2016:** Launched BPaaS model (for end-to-end payer services, supported by TriZetto technology, driving growth and interest in the market), Healthcare Process Automation (HPA), HealthActivate, Delivery Business Outcomes (DBO), and SightPrism

¹ 12 months ending June 30 of any particular year, i.e., from July 20XX-1 to June 20XX

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Key delivery locations



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Key clients and capabilities

Key healthcare payer BPO engagements

Client name	Processes served	Region	Client since
Leading West Coast-based Medicaid plan	Network management	North America	2018
Leading U.S. health plans focused on delivering Medicare and Medicaid programs	Claims management, network management, product development, and member engagement	North America	2017
Largest customer-owned health insurance company	Claims management	North America	2017
Large multi-state blue plan	Claims management, network management, and product development	North America	2016
Leading not-for-profit health plan in the United States	Claims management, network management, product development, and member engagement	North America	2015

Healthcare payer BPO FTE mix by segment

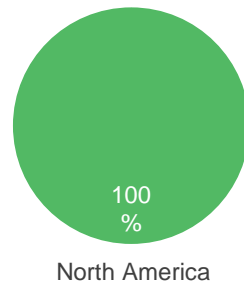
Number of FTEs



Healthcare payer BPO revenue mix by geography

Revenue in US\$ million

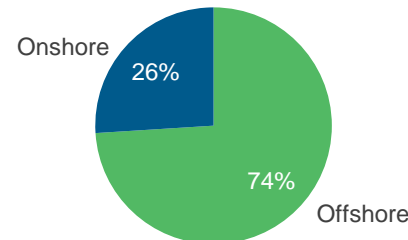
100% = Not disclosed



Healthcare payer BPO FTE split by delivery location

Number of FTEs

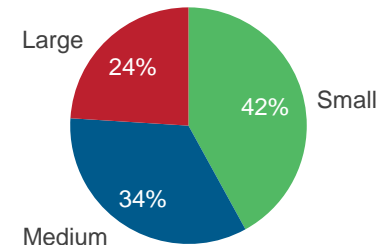
100% = 15,500



Healthcare payer BPO number of clients by buyer size¹

Number of active clients

100% = 130



¹ Buyer size is defined as large (>US\$10 billion in revenue), medium (US\$1-10 billion in revenue), and small (<US\$1 billion in revenue)

Note: Based on contractual and operational information as on June 2018

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Technology solutions/tools

Solution name	Processes served	Year launched	Description	No. of BPO clients
Digital Operations Fabric (DOF)	All	2018	DOF is an integrated operations management suite that facilitates work inventory management, workflow, and helps in tracking time on desktop applications and activities of agents. It also has a quality module which helps to manage the audit related functionalities	Not disclosed
Analytics-as-a-service for automation	Care management, claims management, network management, product development, and risk & compliance	2018	The dashboard is developed for the clients to present operational metrics and business metrics. Audit logs are captured by the robots to generate the desired metrics in the dashboard	Not disclosed
Bot Analytics	All	2018	The dashboard is developed for the clients to present operational metrics and business metrics. Audit logs are captured by the robots to generate the desired metrics in the dashboard	Not disclosed
Automated web extraction	Network management	2018	It gathers the sanction details of the provider across multiple external website. Sanction details are used for credentialing the provider	Not disclosed
Medical records review automation	Care management	2018	The tool automatically validates the claims from the provider. While the human extracts the data from the input paper forms, the automation solution validates the extracted data against the internal system, and updates the missing data	Not disclosed
Sanctions monitoring solution	Network management	2018	Enables automated sanction detail extraction from multiple sanction websites to enable ongoing sanction monitoring	Not disclosed
Human In The Loop (HITL) validation	Claims management	2018	It is used in the automation of clinical validation of the claims from the provider. While the human extracts the data from the input paper forms, the automation solution validates the extracted data against the internal system and updates the missing data	Not disclosed
Appeals and grievances intake automation	Customer service	2018	Integrated and end-to-end solution involving RPA, ML, and OCR to extract the required information, and enable data enrichment, case classification, and case creation	Not disclosed

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Technology solutions/tools

Solution name	Processes served	Year launched	Description	No. of BPO clients
ClaimSphere™ hybrid analytics engine	Care management	2018	A rule-based engine delivering detailed insights on the hybrid project progress involving clinical data acquisition and quality measurement. It offers detailed dashboards and analytics that provides insights on the quality of the provider chases and on the performance of Medical Record Review (MRR) vendors associated with the hybrid project workflow	Not disclosed
Medical management intake and mail tagging	Multiple	2017	Clinical records are automatically retrieved through fax messages and tagged in the internal customer database. Tagging enables the business users to easily identify a clinical record	Not disclosed
Work Force Management (WFM)	Multiple	2017	WFM is a solution that includes software, services, and hardware and helps organizations manage the operational deployment of the workforce	Not disclosed
Medical management intake and case creation	Multiple	2017	Retrieves clinical records received as fax messages and tags them to respective clinical records to enable business users to easily identify clinical records	Not disclosed
Provider credentialing and recredentialing	Multiple	2017	Automation solution for initial validation of provider credentials and periodical revalidation	Not disclosed
Enrollment and member management	Multiple	2017	Creation and maintenance of member demographic and insurance attributes	Not disclosed
Enrollment intake automation	Multiple	2017	Automation for enrollment form intake, extraction, and data validation	Not disclosed
Member billing and payment	Multiple	2017	Automation solution for member billing setup and payment	Not disclosed
Claims adjustment solution	Multiple	2017	Handles multiple types of claims adjustments	Not disclosed
TruProvider	Network management	2017	A one-stop solution for data management across the lifecycle of a provider – credentialing, recredentialing, contracting, and reimbursement	Not disclosed
BigDecisions	All	2017	The solution enables boundaryless business possibilities using an analytics-driven approach, to help achieve digital transformation through business experimentation	Not disclosed

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Technology solutions/tools

Solution name	Processes served	Year launched	Description	No. of BPO clients
Internet of Things - IoT - HOUR	Product development and care management	2017	The HOUR tool provides the capability to remotely orchestrate and run standardized, configurable tests on patients via their iPhone	Not disclosed
TranZform Suite: Engage TranZform, Network TranZform, Care TranZform, Insights TranZform	Member engagement, network management, and care management	2016	The solution provides a 360-degree digital awareness to help healthcare organizations increase customer engagement, improve price transparency, and increase collaboration & network intelligence	Not disclosed
Hyperscale Application Platform (HAP)	All	2016	It enables 360-degree view of the customer by cross-pollinating data and analytics between solutions. Integrates and shares data and analytics into a big data environment	Not disclosed
Provider data management	Multiple	2016	Automation solution for addition, updation, and termination of provider data such as demographics, NPI, and other details in the provider system	Not disclosed
Claims adjudication automation engine	Multiple	2016	Automation solution to improve auto adjudication rate by processing all edits/pends identified by the claims engine	Not disclosed
AI and chatbots for personalized healthcare	Member engagement and care management	2016	A chatbot-based interface where the user can request for a specific report or metrics in the natural human language	Not disclosed
QicLink	All	2015	An enterprise-wide solution for today's health benefits administrators. It supports the management of self-insured, PPO, HMO, Medicare supplements, and multi-option point-of-service plans, and helps increase efficiency through greater automation	Not disclosed
Claims Audit tool	Claims management	2015	Enables process improvement by automating and streamlining several manual and time-consuming claims auditing and tracking processes	Not disclosed
Enrollment accelerator	Member engagement	2015	The tool provides a granular-level check by triggering alerts for agents on a daily basis in projects, which helps in enhanced and efficient enrollment process management. It also reduces processing time and gaps in a project and improves the organization capability for providing timely services, resulting in higher customer satisfaction	Not disclosed

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Technology solutions/tools

Solution name	Processes served	Year launched	Description	No. of BPO clients
FACETS™ Enterprise Core Administration Platform	All	2014	It is an enterprise-wide administrative platform that helps payers respond quickly to new opportunities, maximize efficiencies through greater automation, and enable seamless transactions among providers, members, and the health plan in order to respond to healthcare business, regulatory, and technology challenges	Not disclosed
QNXT™ Enterprise Core Administration System	All	2014	It is an end-to-end solution with measurable results that enables payers to transform their business to take advantage of market changes and successfully navigate healthcare reforms	Not disclosed
TriZetto Medicare Solution	Medicare plan specific functions	2014	A medicare solution for payers that helps Medicare Advantage and Part D Administrators reduce administrative costs, maximize revenue opportunities, and support CMS compliance through automation	Not disclosed
DBO framework	All	2014	The framework can be applied across payer business processes, such as claims organization, provider organizations, membership & enrollment, and contact center operations, to define metrics that have the highest impact on reducing costs while increasing operational efficiencies	Not disclosed
Intelligent Process Automation (IPA)	All	2014	It is a proprietary platform that incorporates and allows both AI and ML to be embedded into business processes	Not disclosed
HCC Coding Medical Risk Adjustments (RAM)	Care management, claims management, network management, and product development	2014	A software solution that helps Medicare payers optimize revenue through improved data collection that generates accurate risk scores and therefore, accurate payment	Not disclosed
SmartSERV	Care management and product development	2014	A Quality improvement-as-a-Service (QaaS) platform that packages software and services to enable healthcare organizations drive quality improvement projects and implement value-based models by providing on-demand access to various pieces of the quality improvement puzzle	Not disclosed
StarSERV - Medicare Star Rating Solution	Care management and product development	2014	A digital, end-to-end platform that aggregates all Medicare star rating measures into a single actionable view and drives collaboration between different stakeholders	Not disclosed

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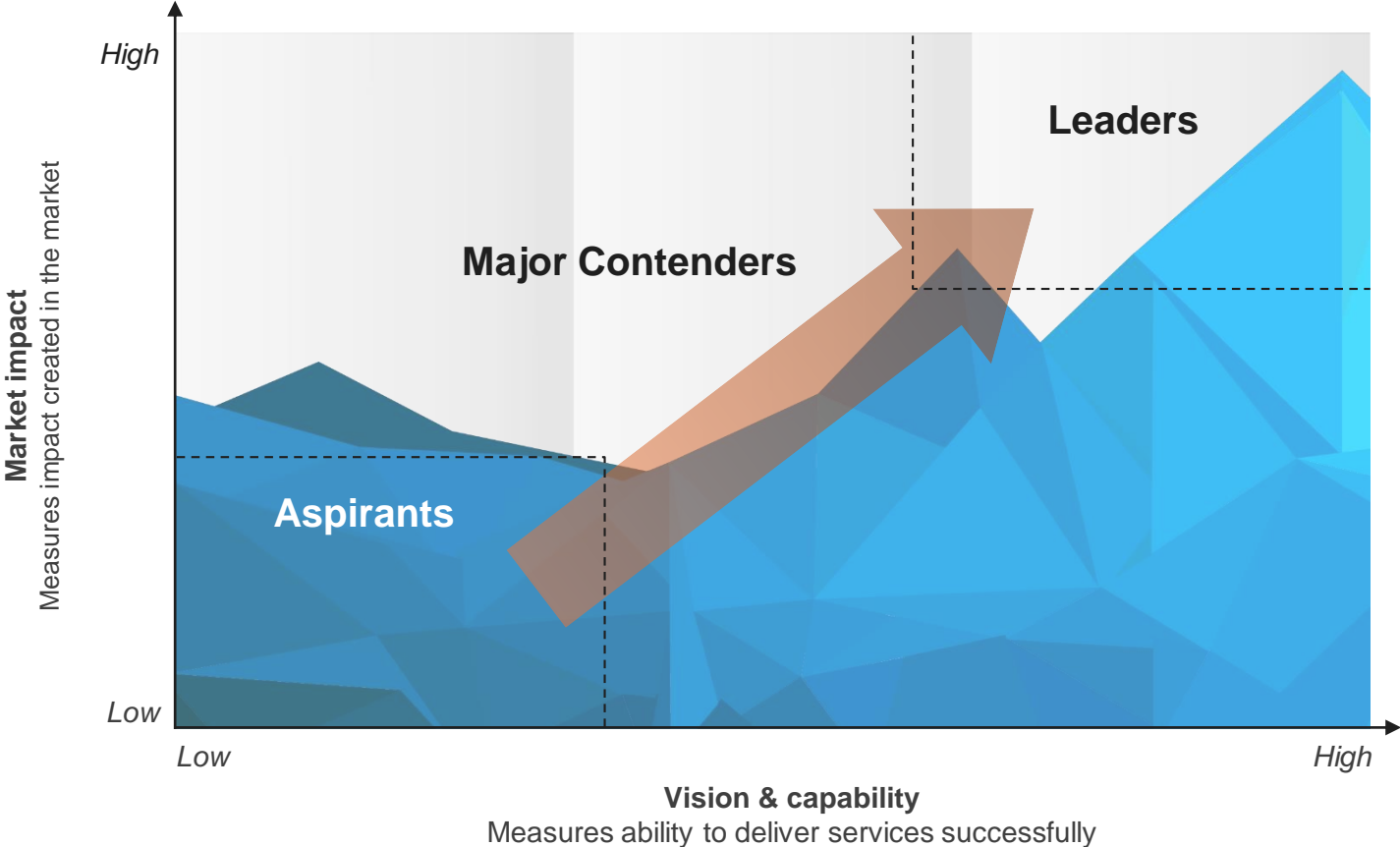
Technology solutions/tools

Solution name	Processes served	Year launched	Description	No. of BPO clients
BenefitServ proprietary integrated tool	Claims management	2014	It is a macro-based data migration tool that helps improve error tracking rates during the coding process and helps in the modularization of the benefits coding process	Not disclosed
OnVida	Member engagement and care management	2013	Multi-channel program and intelligent desktop – it integrates people, processes, and cloud platform suite and is delivered as-a-service for healthcare to engage contacts across all channels and achieve measurable return on investment faster and at a lower cost	Not disclosed
Mobility solution	Product development	2013	End-to-end mobility services from consulting to delivery across healthcare payer clients. It offers a portfolio of tools and services to develop enterprise mobility strategies across a range of mobile platforms and devices	Not disclosed
FactSERV	Care management and product development	2013	It is a care benchmark database and market intelligence tool built over external data sources	Not disclosed
WellSERV	Care management	2013	Population health management tool in conjunction with mobile apps to foster collaboration and disease management	Not disclosed
ClaimsCop	Claims management	2013	Enables process improvement through the automation and streamlining of claims auditing and tracking processes	Not disclosed
ClaimSphere™ QaaS (formerly known as ClaimSphere™ HEDIS®)	Care management and product development	2011	The solution offers a unique integrated system that generates actionable information that can be leveraged to close care gaps, comply with federal regulations, and enhance care management	Not disclosed
Healthcare Process Automation (HPA)	All	2010	Over 1,500 robots autonomously automate work on a daily basis for payers across all lines of work.	Not disclosed

Appendix

Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix



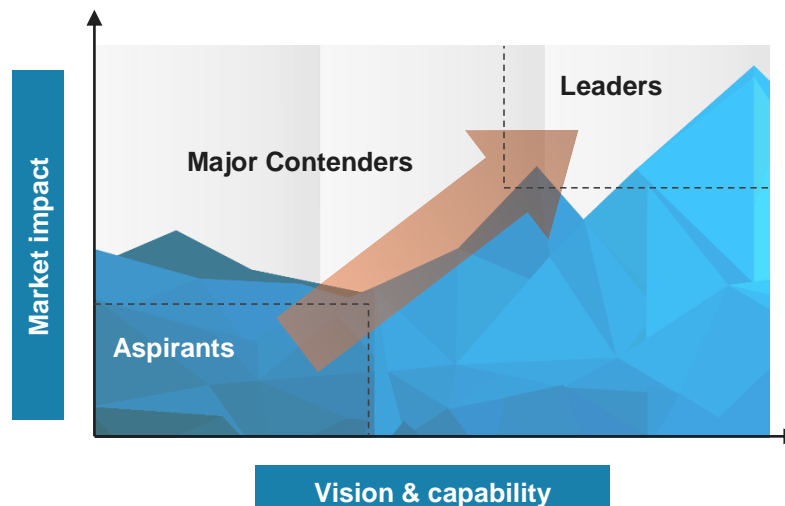
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

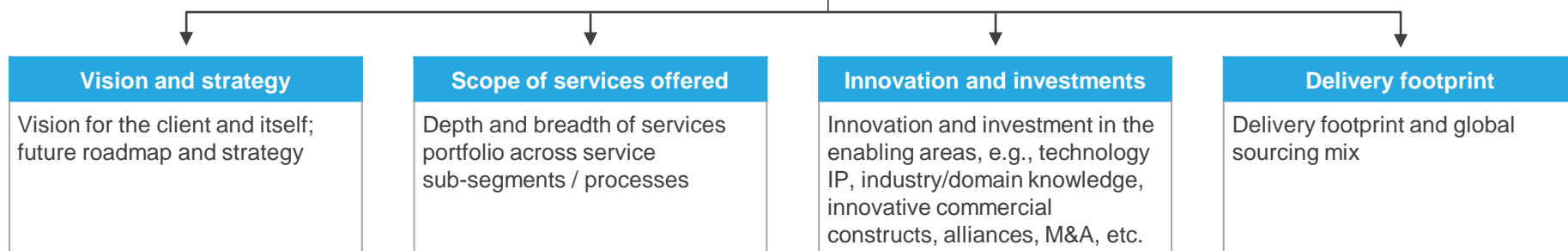
Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
Diversity of client/revenue base across geos and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact



Vision & capability
Measures ability to deliver services successfully. This is captured through four subdimensions



Does the PEAK Matrix™ assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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