

# Revenue Cycle Management (RCM) Business Process Services PEAK Matrix™ Assessment 2019

Focus on Cognizant  
July 2019



# Introduction and scope

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Everest Group recently released its report titled “[Revenue Cycle Management \(RCM\) Business Process Services PEAK Matrix™ Assessment 2019](#).” This report analyzes the changing dynamics of the Revenue Cycle Management (RCM) landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 23 service providers on the Everest Group PEAK Matrix™ for RCM BPS into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of RCM BPS service providers based on their absolute market success and delivery capability. Everest Group also identified 5 service providers as the “2019 RCM BPS Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **Cognizant emerged as a Leader and Star Performer**. This document focuses on **Cognizant’s RCM BPS** experience and capabilities and includes:

- Cognizant’s position on the Revenue Cycle Management (RCM) Business Process Services PEAK Matrix
- Detailed RCM BPS profile of Cognizant

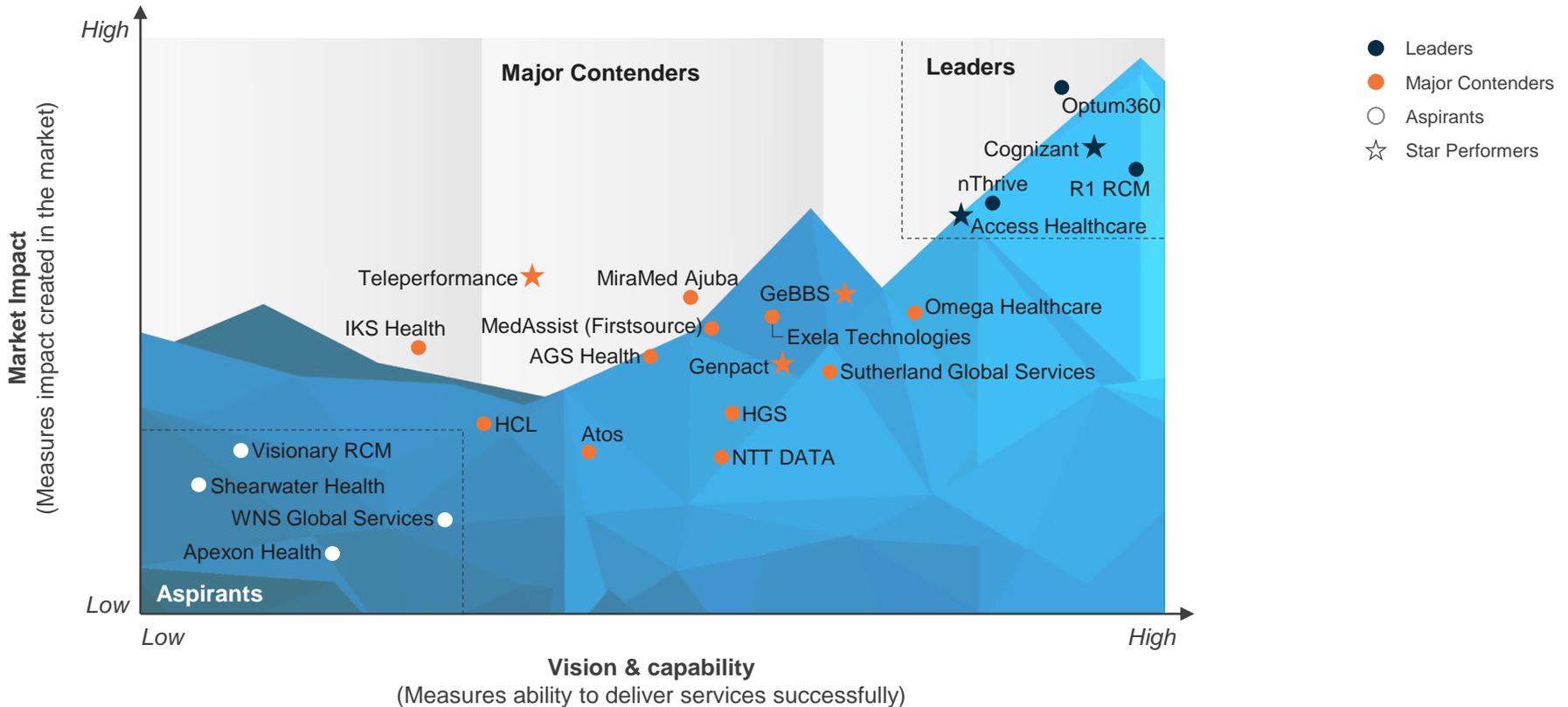
Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly 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™

## Revenue Cycle Management (RCM) BPS PEAK Matrix™ Assessment 2019 | Cognizant positioned as a Leader and Star Performer

Everest Group Revenue Cycle Management (RCM) Business Process Services PEAK Matrix™ Assessment 2019<sup>1</sup>



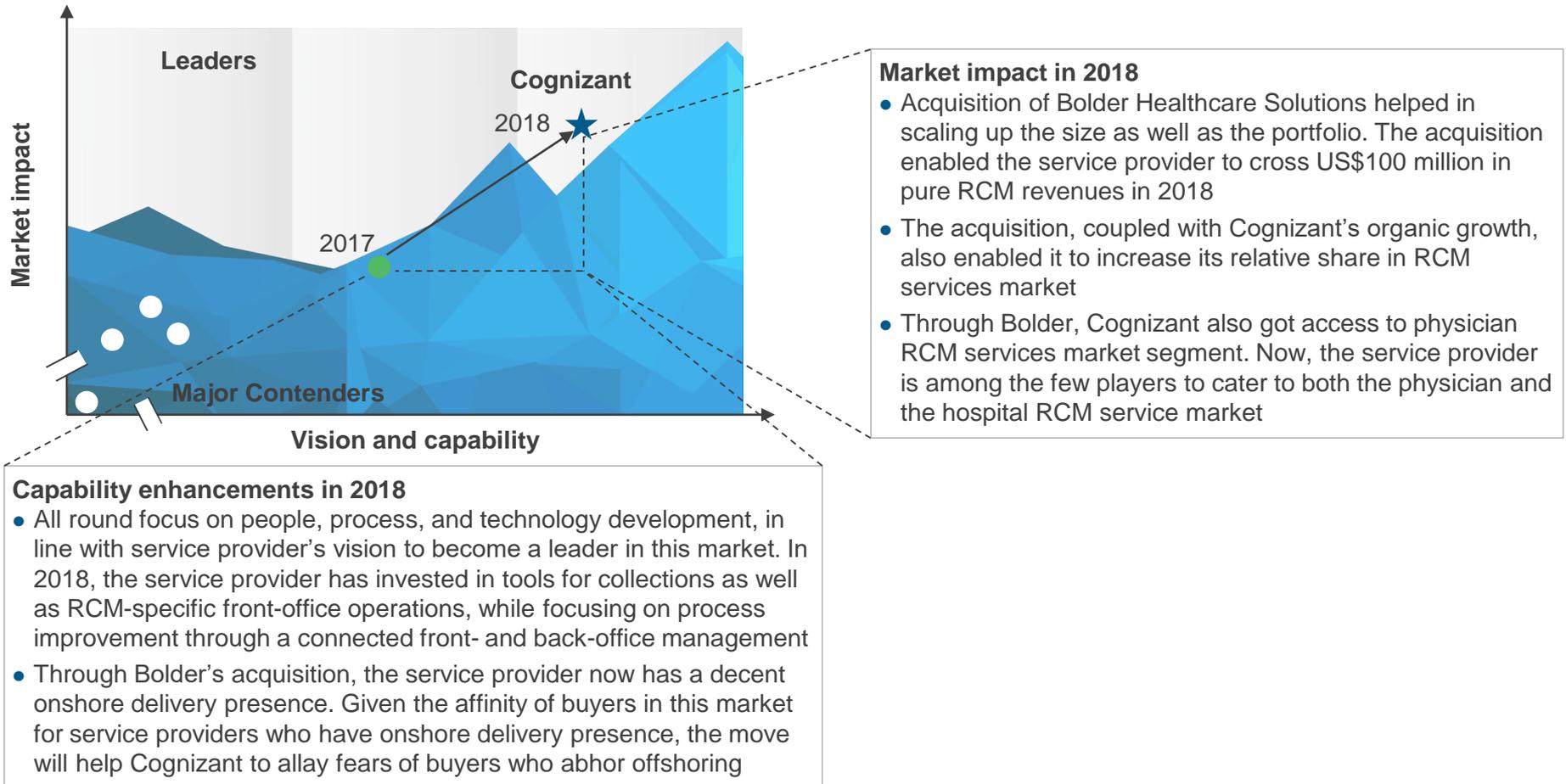
<sup>1</sup> Service providers scored using Everest Group's proprietary scoring methodology

Note: Assessment for Apexon Health, AGS Health, IKS Health, MedAssist (Firstsource), MiraMed Ajuba, nThrive, Omega Healthcare, R1 RCM, 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. For these companies, Everest Group's data for assessment may be less complete

Source: Everest Group (2019)

# Strong performance in last year helped Cognizant cement its position as a leader and star performer in the RCM BPS space

Change in Cognizant's positioning on the Everest Group Revenue Cycle Management (RCM) BPS PEAK Matrix™ Assessment 2019



Source: Everest Group (2019)

## Everest Group assessment

Measure of capability:  High  Low

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

### Strengths

- With the acquisition of Bolder Healthcare Solutions, which had ~2,500 FTEs catering to over 100 clients across the entire spectrum of revenue cycle management, Cognizant has strengthened itself as a leading RCM outsourcing service provider
- Cognizant is among the few service providers that serve all buyer segments within the RCM services market, i.e., hospitals (large-, mid-, and small-sized), physician practices, DMEs, as well as aggregators
- The service provider has one of the biggest libraries of technology tools catering to the RCM market. Whether billing, denials management, or coding, the service provider has a multitude of tools catering to all functions within revenue cycle management
- The health systems are among the few entities who are relatively averse to outsourcing vis-à-vis payers, banks, and pharma companies. In such a scenario, Cognizant's approach to develop and showcase successful use cases and testimonials is a great approach to mine new logos

### Areas of improvement

- Cognizant's offerings in the pre-service (Patient Access) segment is relatively thinner vis-à-vis many of its competitors. Given that the segment is growing the fastest, the service provider should invest in developing capabilities in areas such as propensity-to-pay analysis, pre-authorization, and eligibility verification
- The acquisition of Bolder Healthcare Solutions gave Cognizant access to new logos and capabilities in the RCM market; however, its scale and client base is lower compared to some of the market leaders. Given that client acquisition is one of the most difficult activities in this market, Cognizant and Bolder need to focus on expanding the scale as well, while gaining access to more logos

Source: Everest Group (2019)

## Overview

### Company profile

Cognizant provides information technology, consulting, and business process outsourcing (BPO) services. The company operates its business through four segments – financial services, healthcare, manufacturing, retail & logistics, and others. The financial services segment includes providing banking/transaction processing, capital markets, and insurance services to customers. It has 100 delivery centers globally.

Cognizant has extensive experience in healthcare provider and Durable Medical Equipment (DME) Revenue Cycle Management (RCM) services. It has 4,350+ associates delivering clinical systems integration services to 550+ hospitals and DMEs. It supports 347,000+ care providers and 400+ healthcare provider reimbursement support partnerships with practice management / Electronic Health Record (EHR) partners.

### Key leaders

- **Brian Humphries**, Chief Executive Officer
- **Karen McLoughlin**, Chief Financial Officer
- **Sumithra Gomatam**, President, Digital Operations
- **Harshad Narvenkar**, Vice President, Healthcare Markets
- **Venkatgiri Vandali**, Vice President, Healthcare BPaaS
- **Brent Barber**, Vice President, Healthcare Digital Operations
- **V R Krishnan**, Vice President, Healthcare Digital Operations

**Headquarters:** New Jersey, the United States

**Website:** [www.cognizant.com](http://www.cognizant.com)

### Suite of services offered:

- **Pre-service:** Patient registration, appointment scheduling, eligibility verification, pre-authorization
- **Service:** Medical coding, charge capture, medical record management, specialized services such as concurrent denial, Medicare compliance, and length of stay management
- **Post-service:** Medical billing, payment processing, collections, reconciliation, denial management, and recoveries and bad debt

	2016	2017	2018
Revenue (US\$ million) <sup>1</sup>	Not disclosed		
Number of FTEs <sup>1</sup>			
Number of clients <sup>1</sup>			

### Recent acquisitions and partnerships

- **2019:** Acquired Zenith Technologies, a privately-held life sciences manufacturing technology services company. The acquisition extends Cognizant's capabilities for designing, implementing, and managing end-to-end operational and information technology systems for connected biopharmaceutical and medical device manufacturers
- **2018:** Acquired Bolder Healthcare Solutions to leverage its RCM services that enable hospitals, physician practices, and specialty providers to improve efficiency, profitability, and patient experiences
- **2017:** Acquired TMG Health to expand its Business Process-as-a-Service (BPaaS) solutions for government and public health programs in the US. Cognizant established National Center of Excellence for Medicare/Medicaid services at TMG Health Facility near Scranton, Pennsylvania
- **2016:** Partnered with ReD Associates to build digital economy solutions that integrate social sciences and technology
- **2016:** Acquired Idea Couture, a privately-held firm that offers digital innovation, strategy, design, and technology services

### Recent developments

- **2018:** Digital First Framework implementation across accounts involving initiatives such as design thinking, and operation analytics
- **2017:** Launched Internet of Things (IoT)/embedded analytics and pivotal cloud capabilities
- **2016:** Launched Hyperscale Application Platform (HAP), Epic Center of Excellence (CoE), provider Delivering Business Outcomes (DBO), and Health TranZform suite

<sup>1</sup> Represents information for period ending December 31, 2018

Key delivery locations



# Cognizant | RCM BPS profile (page 4 of 10)

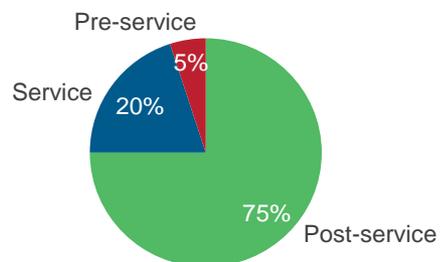
## Capabilities and key clients

Key RCM BPS engagements			
Client name	Processes served	Region	Client since
New England's leading provider of surgical, sports medicine-related, and rehabilitative orthopedic solutions	Post-service	The United States	2018
A medical device company that produces a variety of orthopedic products	Pre-service, service, and post-service	The United States	2017
A California-based leading DME client providing premium high-value sports medicine products and services	Pre-service and post-service	The United States	2012

**RCM BPS FTE mix by segment**

Number of FTEs

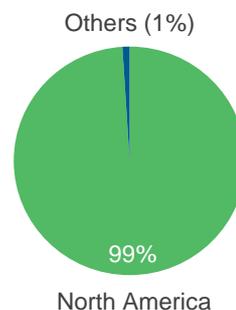
100% = Not disclosed



**RCM BPS revenue mix by geography**

Revenue in US\$ million

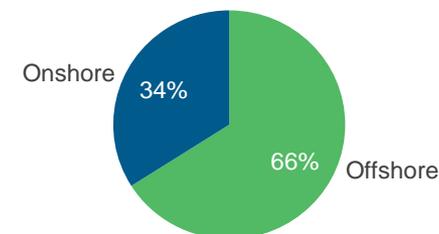
100% = Not disclosed



**RCM BPS FTE split by delivery location**

Number of FTEs

100% = Not disclosed



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

# Cognizant | RCM BPS profile (page 5 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
Payer pay prediction model	Post-service	2018	A predictive analytical model that uses historic data to predict the propensity of the payers to pay	Multiple
Pend management analytical model	Post-service	2018	Analytics solution that uses historic pend data to predict from the inventory, the cases which can be pended	Multiple
Collections dashboard	Post-service	2018	It is used to study financial collections or any other payments-related information in order to profile the members into distinct clusters such as timely payments, delayed payments, and refunds. The billing and collections-related reports can be analyzed to understand the financial inputs and then generate insights	Multiple
Denials dashboard	Post-service	2018	It is aimed at analyzing all the denials using the billing, collections, and denials-related reports. It then presents a drilldown into numerous types of denials and further slices and dices the information by various dimensions such as Line of Business (LOB)s, geography, and specialties	Multiple
Denial management analytical model	Post-Service	2017	The model predicts, from the current inventory, the cases that can be denied for particular pend codes and provides analytics to identify where and why denials occur	Multiple
Patient-pay / self-pay analytical model	Post-service	2017	The real-time analytics model provides patient price transparency and the ability for accurate collections in the front-end of the process	Multiple
Connect	Service and post-service	2016	A tool with basic reporting and analytic capabilities	Multiple
Big decisions analytics framework	Pre-service and post-service	2016	Leveraged for provider-level analytics in some of the critical upstream issues such as Provider Data Management (PDM) accuracy; contract loading accuracy analysis can be done to identify the outliers	Multiple
Tracker	Pre-service and post-service	2016	A web-based eligibility workflow management	Multiple

# Cognizant | RCM BPS profile (page 6 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
Health TranZform Suite: Engage TranZform, Network TranZform, Care TranZform, Insights TranZform	Pre-service and post-service	2016	TranZform is a SaaS-based, multi-channel platform that enables collaboration and engagement around an individual's longitudinal health record. It has four practices: <ul style="list-style-type: none"> <li>• Engage TranZform™: Enables patient and member engagement; helps drive more informed care and financial decisions</li> <li>• Network TranZform™: Powers provider network intelligence; helps improve costs and gain efficiencies across the provider network</li> <li>• Care TranZform™: Enables improved care coordination and collaboration; powers proactive, shared decision-making</li> <li>• Insights TranZform™: Leverages predictive and actionable intelligence; informs decision making to drive better outcomes</li> </ul>	Multiple
ClaimSphere™ Clinical+	Post-service	2015	It is a provider registry to track individual physicians and practices performance against quality and value-based initiatives. It is also a supplemental data management platform for payers, designed in accordance with NCQA Electronic Clinical Data System (ECDS) reporting. It enables large-scale distribution of clinical insights through a provider portal, which includes a quality registry for care quality performance improvement	Multiple
Internet of Medical Things (IoMT)	Pre-service and service	2015	A remote patient monitoring solution, powered by Microsoft's Azure IoT platform, empowers providers to transform the patient care relationship while mitigating the challenges impeding innovation and outcomes. The solution has three core components: patient application, care team dashboard, and alerts & notifications	Multiple
ClaimSphere™ Stream	Post-service	2015	It is a real-time gaps-in-care identification platform that facilitates the continuous identification of care gap metrics across data streams for analyzing patterns and trends. It offers patient-specific analyses that can be ordered individually by clinicians from the provider workflow on demand	Multiple
CareInsight P4P	Service and post-service	2015	It is a provider analytics platform that shows the performance of the hospital and physicians in a form of statistical view based on different measures	Multiple

# Cognizant | RCM BPS profile (page 7 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
HealthActivate	Pre-service and service	2015	It is a patient engagement solution that combines “high-tech” with “high-touch” to modify patient behaviors to obtain the outcomes at low cost with high patient satisfaction. It has a “Bring Your Own Healthcare Device” (BYOhD™) capability that enables connectivity to 80+ medical devices, consumer wearables, and third-party portals to create a longitudinal patient record	Multiple
TriZetto provider solutions	Post-service	2015	A SaaS solution that offers clinical integration, security, and infrastructure services necessary for new care and payment models. It provides consulting, value-based solutions and services, and technology services	Multiple
NHXS Suite	Post-service	2014	It is a SaaS-based RCM analytics suite used to manage denials, contract compliance/modeling, appeals and resolution, and patient responsibility estimation. It help providers maximize reimbursements from payers and payments from patients	Multiple
TriZetto EOB Resolve	Post-service	2014	It is a secure web-based solution that is used by providers to identify underpayments and to automate the disputes to the payer. Provides workflow and analytic products to manage denials, contract modeling, appeals, and patient responsibilities	Multiple
Patient responsibility estimation	Post-service	2014	It helps set patient expectations, facilitate payment collections, and provide transparency. It obtains patient financial estimates at the point of service to help increase patient revenue, decrease billing cost, and improve patient satisfaction through price transparency	Multiple
TriZetto contracts resolve	Post-service	2014	It arms the provider with healthcare business intelligence to negotiate more favorable payer contracts. It measures whether a proposed fee schedule will provide an increase or decrease in healthcare revenue for the physician office	Multiple

# Cognizant | RCM BPS profile (page 8 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
TriZetto collaborative care solution	Pre-service and service	2014	The solution provides a complete PHM strategy working across an entire healthcare ecosystem. It helps create a community view of the patient and facilitate provider's participation in quality programs. It also captures, aggregates, and normalizes patient data from nearly any data source, including EHRs and Practice Management Systems (PMSs)	Multiple
Healthcare Process Automation (HPA)	Post-service	2014	It is Cognizant's proprietary Intelligent Process Automation (IPA) platform that incorporates and allows both Artificial Intelligence (AI) and Machine Learning (ML) to be embedded into business processes. It is a unified integrated platform for developing and scaling large compute and data workloads with varying Quality of Service (QoS) such as batch, micro-batch, and real-time; supporting multiple open source infrastructure components	Multiple
Gateway EDI	Post-service	2013	TriZetto has integrated with 650 PM/EMR'S. It does end-to-end clearinghouse services such as registration, charge entry and coding, billing, AR & denial management, collections & cash posting, and patient collections	Multiple
Platform Services: Health Decisions 2.0	Pre-service, service, and post-service	2013	Cognizant Healthcare BPS leverages IT-BPS synergies to offer enterprise information management through its Health Decision 2.0 solution. It provides 30-day readmissions analysis, 360-degree patient engagement, and longitudinal prediction by practice	Multiple
Paper resolve	Post-service	2012	It converts paper-based Explanation of Benefits (EOBs), patient payments, and correspondence to 835 remittance files and electronic files for easy posting	Multiple
Provider RCM and contract analytics	Post-service	2012	It is a revenue management solution to help providers get paid quickly and accurately, as well as see trends and identify ways to maximize reimbursement	Multiple
TracWork: Real-time work tracking tool	Post-service	2012	It is an activity and work item tracking application that helps in tracking activities and task performed in a day along with the time spent on each activity and task	Multiple

# Cognizant | RCM BPS profile (page 9 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
TracQuality	Post-service	2012	It provides quality audit and reporting for real-time quality management. Quality Analysis and Report (QUART 2.0) is a quality analysis and metrics reporting tool used to measure the process maturity and knowledge level of process teams. The tool enables auditors to perform quality control and audit on cases processed	Multiple
TracPerformance	Post-service	2012	It is a governance reporting dashboard and scalable. It aggregates data from multiple sources and accepts multiple data types as input	Multiple
Virtual printer automation tool	Post-service	2012	The tool uses Optical Character Recognition (OCR) technology to convert images to text for use in the RCM cycle and processing. It results in improved quality by eliminating the manual processes involved in scanning and distribution of EOBs, Electronic Remittance Advice (ERAs), large checks, and patient statements	Multiple
xTracData	Post-service	2012	The tool automates data capture and also receives and extracts data from multiple channels. It helps to identify duplicate documents upfront and enables generation and delivery of output files in multiple formats and multiple modes	Multiple
Provider credentialing management Tool	Post-service	2012	Automatically triggers follow-ups to verification associates on the activities to be performed for the day. Various features include: <ul style="list-style-type: none"> <li>• Generates aging reports and the pend reasons</li> <li>• Helps supervisors to track and proactively manage the Turnaround Time (TAT)</li> <li>• Enables customers to check the status and the history of a particular file at any point of time</li> <li>• Automated allocation of cases based on defined criteria</li> <li>• Real-time reporting through dynamic running dashboards</li> <li>• Transaction monitoring of each case processed by associates</li> <li>• Customized reporting for each processes/subprocesses</li> <li>• Dynamic quality auditing</li> </ul>	Multiple

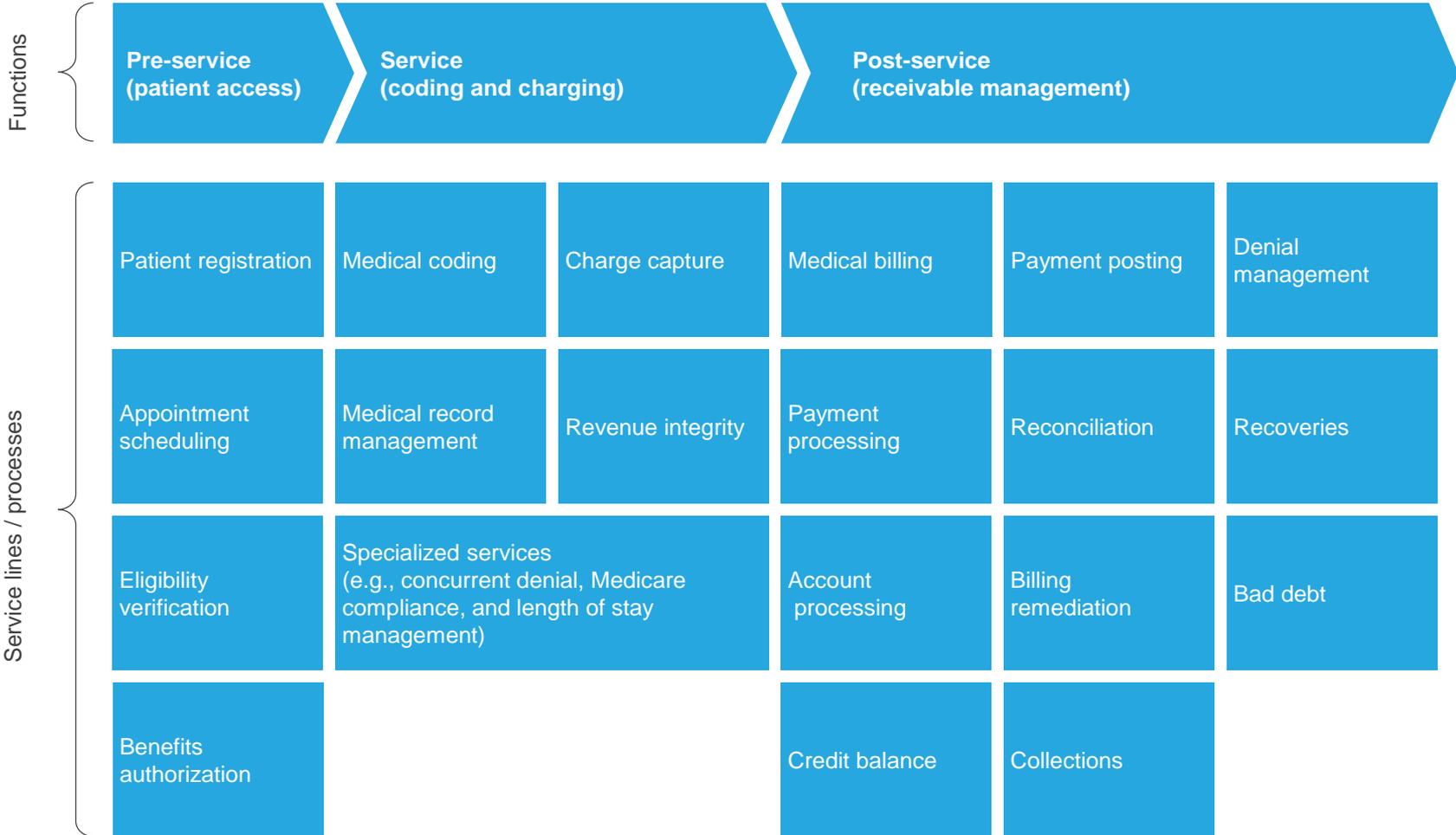
# Cognizant | RCM BPS profile (page 10 of 10)

## Technology solutions/tools

Solution name	Processes served	Year launched	Description	Number of BPS clients
Robotic automation tool for payment posting	Post-service	2012	The JITBIT robot is used to automate payment posting for patient accounts without manual intervention. Leads to reduction in time taken to post payments and team productivity improvement	Multiple
Redaction tool	Post-service	2012	Intelligent Character Recognition (ICR)-/OCR-based tool to automate the redaction of sensitive client information	Multiple
Document management service	Post-service	2012	A web-based, workflow-based document storage and retrieval system that stores various types of documents such as TIF files, PDF, DOC, and DOCX. Workflow allows users to process documents with “not applicable” workflow steps. It has the ability to generate the image from 837 EDI files and then presents the TIF files and PDF files to the user using a built-in viewer. It allows users to attach supporting documents to the main document	Multiple

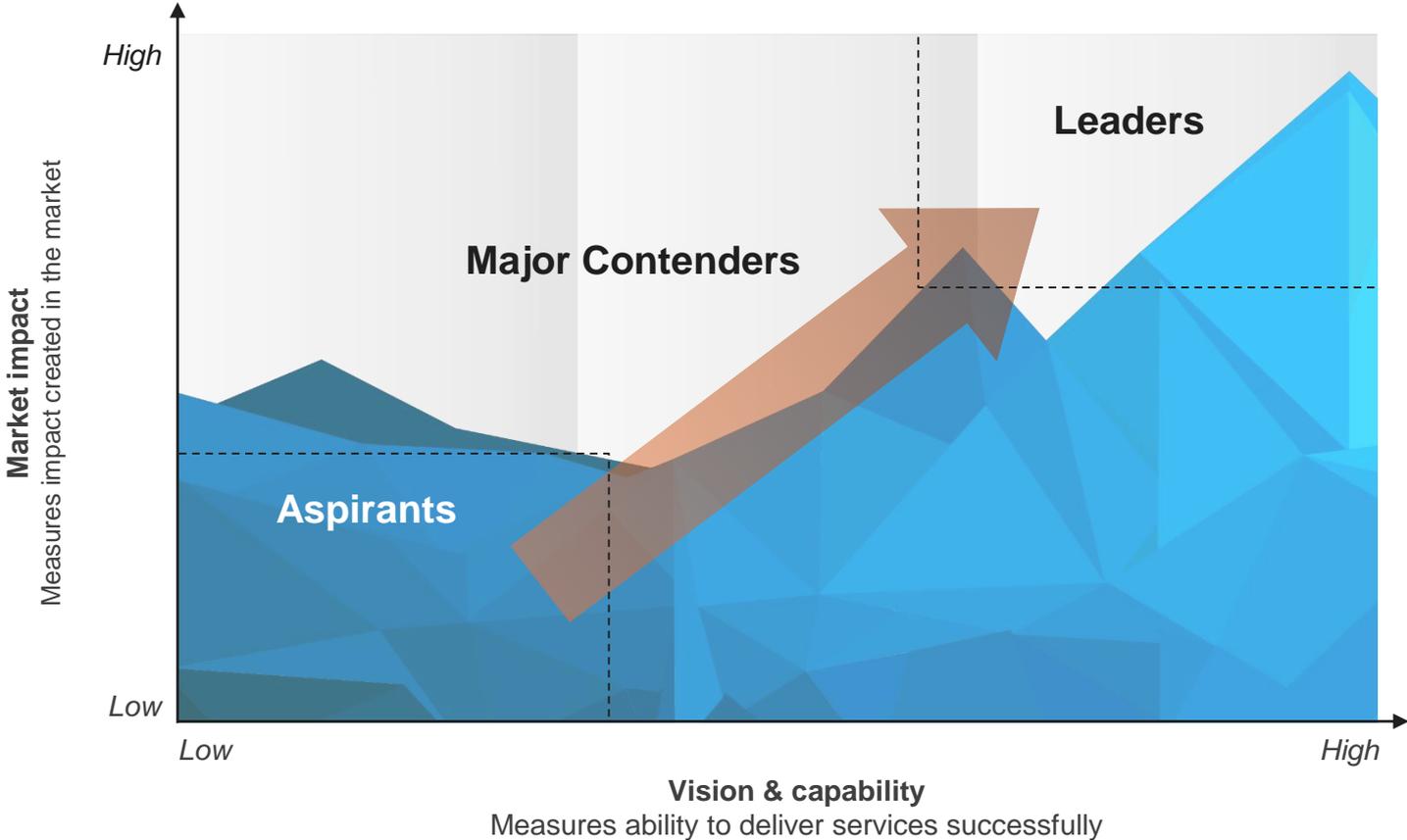
# Appendix

# Everest Group RCM BPS value chain



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

Everest Group PEAK Matrix



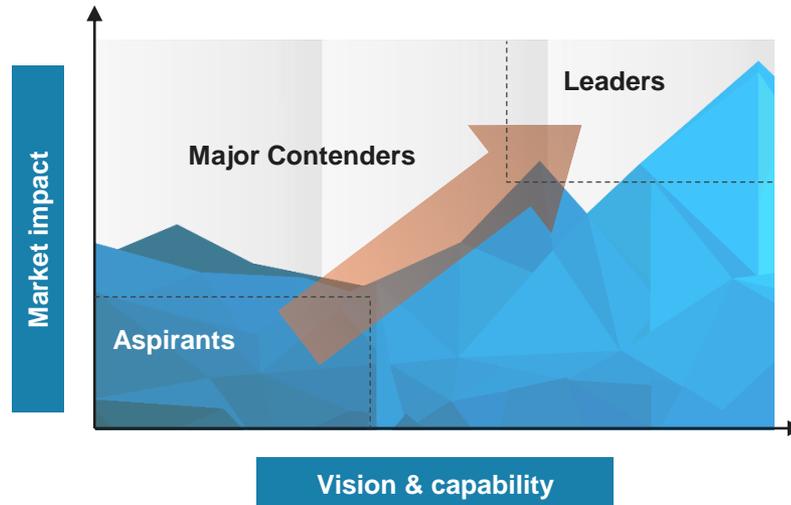
# Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

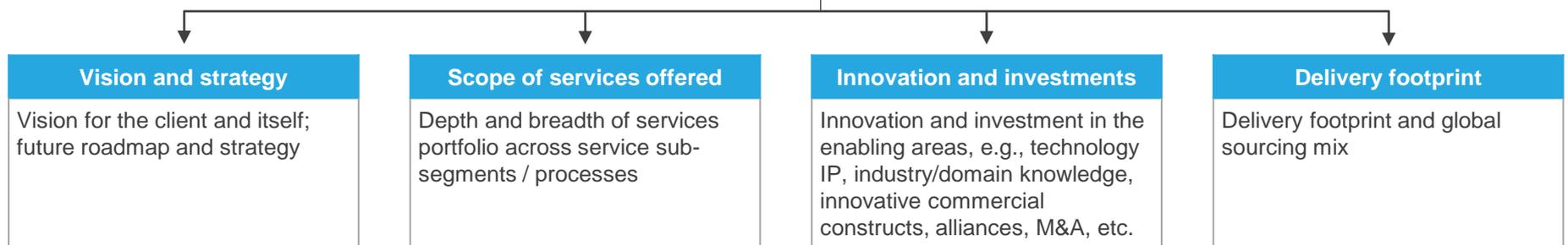
**Market adoption**  
No. of clients, revenue base, and YOY growth, deal value/volume

**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



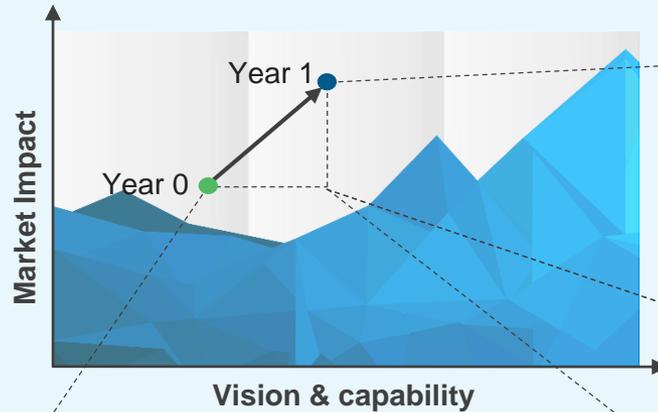
**Vision & capability**  
Measures ability to deliver services successfully. This is captured through four subdimensions



# Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix™

## Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:

- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:

- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:

- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

*The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.*

## **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](http://www.everestgrp.com).

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