



## Case Study: Healthcare

# In-depth and actionable cloud migration analysis with 360° view for Northeast insurer

A cloud migration assessment with recommendations for annual cost savings of 34% post-migration and a detailed roadmap enabled faster and better decision-making for the Blue Plan on its journey to the cloud.

Cloud, a powerful enabler of business transformation and innovation, is in the top 10 strategic priorities for 60% of healthcare organizations. Moving to the cloud brings the promises of reduced complexity, improved reliability and scalability, as well as faster provisioning and faster, more cost-effective time to market. For many healthcare industry players, the question is not whether to shift to the cloud to realize its many benefits but how to make the transition.

The complexity of the cloud ecosystem makes the adoption journey challenging, and organizations realize that there is no one size fit for all solution. As a first step to migration, organizations weigh the benefits, risks and effects of cloud computing on their existing IT systems and applications.

## At a Glance

A U.S.-based health insurance firm wanted to migrate from its on-premises environment to the cloud for increased efficiency, agility and cost optimization. We did a detailed cloud migration analysis, delivering actionable insights on the cost savings post-migration, recommendations on the best-fit approach and a detailed roadmap for the migration journey using a high-level cloud architecture. This enabled the client to have a faster and more informed decision-making process on cloud migration.

# Detailed cloud migration assessment covering strategy, approach and cost analysis

## Critical role

Our Healthcare Cloud Assessment (HCA) framework delivers a 360-degree view, including ROI, a detailed cloud migration roadmap and migration assistance.

Our client, one of the leading U.S.-based health insurance players, wanted to migrate from its on-premises data center environment to the cloud to improve its efficiency, increase agility and reduce administration expenses.

But before the insurer began the project, its goal was to identify a best-in-class supplier that would provide a detailed analysis of migration from on-premises servers to the cloud. That supplier also needed to demonstrate a best-fit approach for migrating to the cloud, with detailed and actionable analysis on cost, timelines, and the current and future state of its enterprise.

We developed the initial point of view based on our understanding of the client's IT environment and its application environment.

## Comprehensive cloud migration assessment unlocks the full potential of the cloud

As a key player in the cloud transformation arena, with extensive experience in migration assessments, Cognizant helps clients take the right steps before they leap into a cloud-enabled business transformation. This health insurer had many questions about the cloud and was unclear on the right next steps. We helped the client find answers to the questions most pressing and relevant to its enterprise needs, with actionable insights on various factors such as cost, choice of cloud, risks, compliance and security.

## Outcomes:

- Actionable assessment with recommendations for annual cost savings of 34% post-migration.
- Detailed risk analysis with a risk score for each category, including financial, IT operational and regulatory compliance.
- Cloud fitment analysis based on technology stack, architecture dependencies, compliance (PHI/HIPAA) and licensing.
- Defined the cloud migration strategy for cloud-suitable applications.
- Outlined the application wave grouping based on impact, dependency and complexity.
- Provided the high-level cloud architecture.

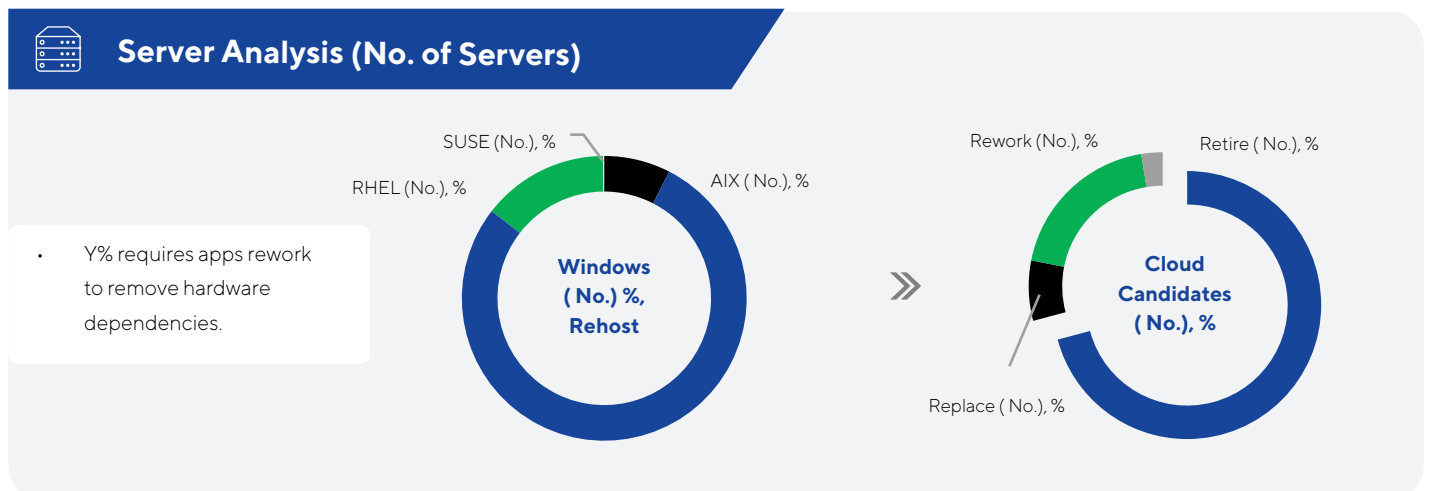
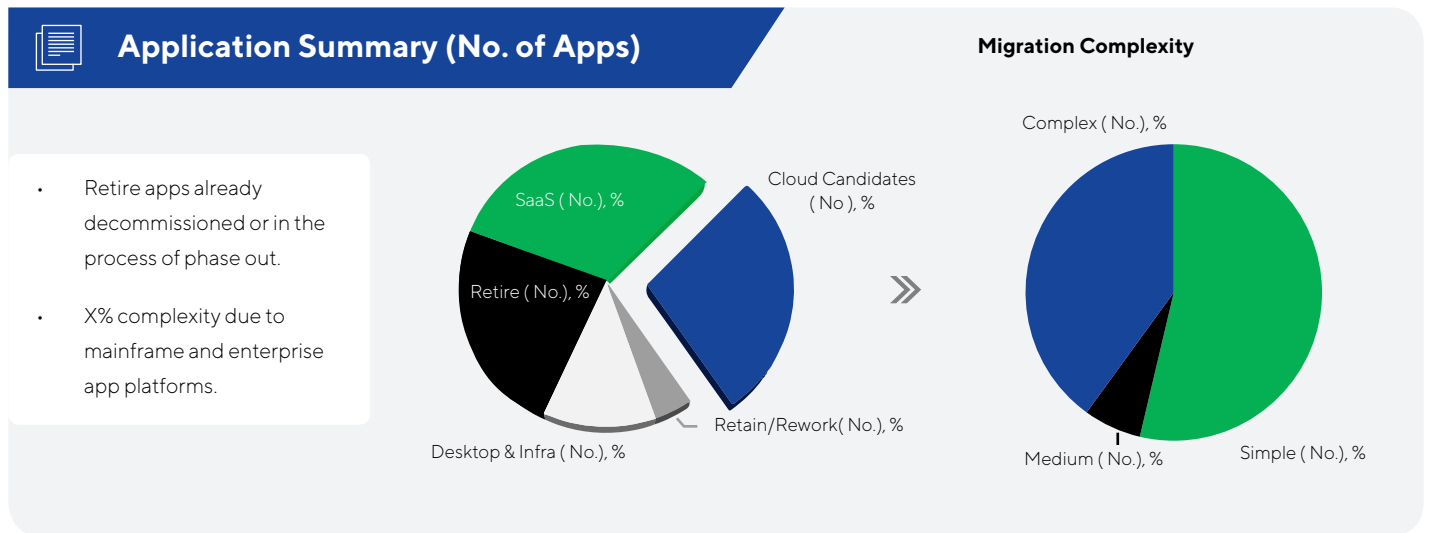
The health insurer wanted Cognizant to analyze its existing application environment, consisting of 300-plus applications and 600-plus servers, and provide recommendations on the best approach to cloud migration. The project needed to not only identify potential cost savings and performance improvements in data center operations but also consider the aspects of improving flexibility and agility with the cloud migration. Utilizing our Cloud Steps Transformation Framework, backed by

our vendor-agnostic multi-industry assessment capabilities, we assessed the client's applications and the suitability of each for cloud migration based on cost, function, ecosystem dependencies and

security. Based on this information, we developed a detailed migration roadmap incorporating the optimal cloud candidates.

## Cognizant's Cloud Migration Assessment

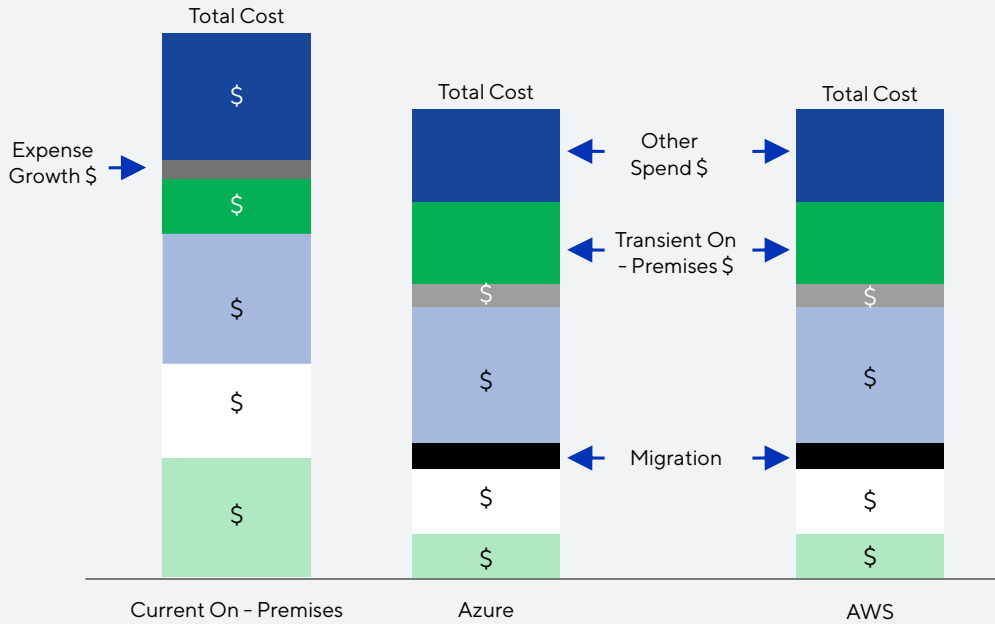
### Sample output for TCO analysis





## Annual cost savings of Y% post - migration

- Infrastructure
- People
- Migration
- License
- License Infra
- Expense Growth
- Transient On - Premises
- Other Spend



- Infrastructure license cost analyzed for cloud migration.
- Additional savings potential considered.
- An X% Y - o - Y growth is considered for infrastructure.

### Analysis-backed recommendations for organizational efficiency and agility

During a 12-week cloud assessment program, we analyzed the suitability of the client’s applications and infrastructure for cloud migration. Our approach included three phases: Discovery, Analysis and Planning.

The Analysis phase followed three critical parameters: cloud fitment analysis, cloud migration assessment and total cost of ownership (TCO) analysis. The critical considerations for the cloud fitment analysis included regulatory and compliance, technology support, infrastructure dependencies and license portability.

The cloud migration assessment depended on factors such as database, application dependencies, application and infrastructure configurations, security and overall business impact. We conducted a detailed assessment of the client’s application complexity and suitability for the cloud, as well as the feasibility of rehosting the application with some changes, replatforming with a higher level of changes, or refactoring or rebuilding to run successfully in the cloud.

We ran the TCO analysis using our CloudFrame and Cloud TCO calculator. It provided recommendations that would result in an annual cost savings of 34% post-migration.

We identified suitable landing zones based on parameters including licensing, hosting and storage costs, services bouquet and technology, and respective hosting regions. After determining the application grouping, we developed a detailed migration plan covering cloud foundation architecture and design. We also evaluated the current compliance requirements of the applications, provided their availability status on public cloud providers and created the business case for application migration.

Cognizant's Healthcare Cloud Assessment (HCA) framework provided the client with a 360-degree view, including return on investment information as well as a cloud migration roadmap and high-level cloud migration architecture, all of which helped the health insurer drive actionable, well-informed decisions on migration.

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### About Cognizant Healthcare Business Unit

Cognizant's Healthcare Business Unit works with healthcare organizations to provide collaborative, innovative solutions that address the industry's most pressing IT and business challenges—from rethinking new business models, to optimizing operations and enabling technology innovation. A global leader in healthcare, our industry-specific services and solutions support leading payers, providers and pharmacy benefit managers worldwide. For more information, visit [www.cognizant.com/healthcare](http://www.cognizant.com/healthcare).

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### About Cognizant Digital Systems & Technology

Cognizant Digital Systems & Technology works with clients to simplify, modernize and secure IT infrastructure and applications, unlocking the power trapped in their technology environments. We help clients create and evolve systems that meet the needs of the modern enterprise by delivering industry-leading standards of performance, cost savings and flexibility. To learn more, contact us at [simplify@cognizant.com](mailto:simplify@cognizant.com) or visit [www.cognizant.com/cognizant-digital-systems-technology](http://www.cognizant.com/cognizant-digital-systems-technology).

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### About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 193 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at [www.cognizant.com](http://www.cognizant.com) or follow us @Cognizant.



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