Everest Group®

Everest Group AI-deas to Action: Operationalizing Generative AI in Healthcare Payer

Focus on Cognizant

April 2025

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Introduction

Generative AI has rapidly emerged as a transformative force, reshaping the healthcare payer industry and establishing itself as a critical driver for innovation. With the ability to optimize key functions such as claims processing, member engagement, and care management, Generative AI has shown the potential to enhance operational efficiency, streamline workflows, and significantly improve outcomes for both payers and members.

However, adopting generative AI comes with its own challenges, such as concerns about data privacy, model accuracy, training resource demands, and ethical implications. To address these issues, providers are leveraging advanced technologies such as encryption, anonymization, and federated learning for secure data handling. Continuous validation processes and feedback loops are improving AI reliability, while modular architectures and scalable cloud infrastructures provide the flexibility required for smooth integration and deployment.

As generative AI evolves into a valuable driver for industry innovation, providers are slowly moving beyond experimental pilot projects to full-scale implementations.

In the report, we focus on:

- The value promise of generative AI across different segments of the healthcare payer value chain
- Generative AI market adoption in healthcare payer
- Provider profiles

Scope of this report

Geography: North America

Industry: healthcare payer

Services: generative AI

Provider profiles: 13 leading healthcare payer providers

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Scope of the research

Product development

- Plan development
- Channel management (agent/broker network)

Member engagement

- Enrollment and eligibility
- Handling of endorsements and renewals
- Risk identification and assessment
- Records management and HIX support
- Billing and collections

Network management

- Provider data management
- Provider credentialing and recredentialing
- Contract management and network strategy
- Provider outreach

Care management

- Case and disease management
- Utilization management
- Population data management and analytics
- Nurse triage
- Remote patient monitoring

Claims management

- Claims intake
- Benefits administration
- Claims adjudication
- Claims disbursement
- Claims litigation; recovery/subrogation
- Payment Integrity

Risk & compliance

- Risk adjustment – Medical Record Retrieval (MRR)
- Risk adjustment coding
- HEDIS and Star rating support
- Internal / external reporting
- Compliance management support

Generative AI

The term "generative AI" (Gen AI) describes a branch of artificial intelligence that concentrates on producing new knowledge, data, or content by using patterns discovered in previously collected data. It creates text, photos, music, and other material using cutting-edge machine learning models, especially deep learning approaches.

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For this report, Everest Group restricted itself to a carefully chosen provider ecosystem

Broad category of providers

Healthcare specialists

Broad-based IT/BPOs

Filtration criteria

- Providers selected for this report have been profiled in **Everest Group's Healthcare Payer Operations PEAK Matrix® Assessment 2023**
- Providers included in this report must either have healthcare payer revenues exceeding **US$100 million** in 2023 or achieve a Harvey score of above 5 in Innovation and Investment in the PEAK Matrix analysis
- Providers profiled in this report have extensive coverage across the healthcare payer value chain, with each provider maintaining dedicated FTEs in at least five of the primary value chain segments

Logos profiled[1]

accenture, cognizant, EXL, firstsource, genpact, HCLTech, Mphasis The Next Applied, NTT DATA, Optum, sagility™, SUTHERLAND, wipro, WNS

1 Assessment of Accenture is based on limited inputs from the provider

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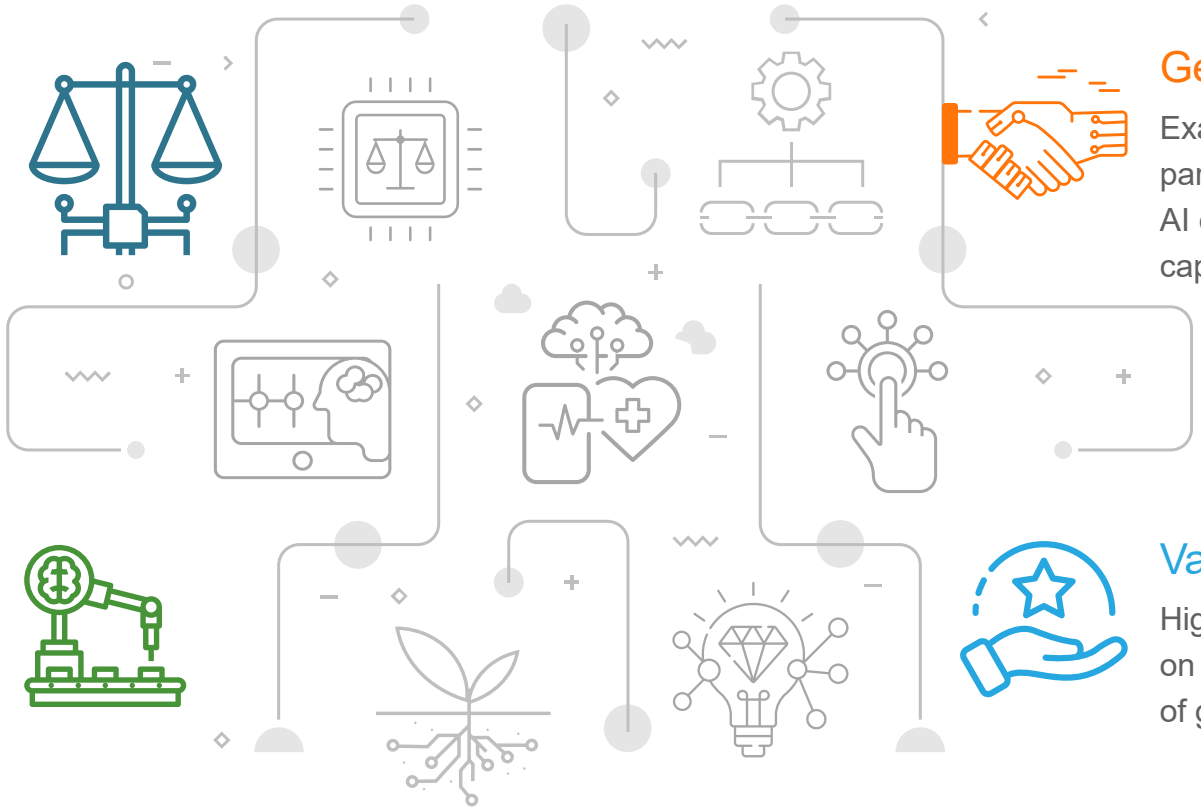
Generative AI capabilities of the provider ecosystem are assessed on specific parameters

Generative AI scale

Focuses on revenue, client reach, and RFP engagements specifically related to gen AI-driven solutions



Gen AI partnerships

Examines the breadth of partnerships with cloud, software, AI companies, enhancing providers' capabilities in gen AI

Generative AI use cases

Captures industry-specific generative AI use cases across the value chain segments that are currently either in pilot or production stages

Value delivered

Highlights buyer perspectives on the impact and effectiveness of gen AI solutions

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Based on the evaluation parameters, the providers are classified as Challengers, Fast-followers, and Front-runners

Challengers

Providers striving to close the gap with the Fast-followers

Fast-followers

Providers that exceed market maturity (38th percentile) but trail just behind the Front-runners

Front-runners

Providers ahead of the Fast-followers and rank in the top 35th percentile of the profiled firms

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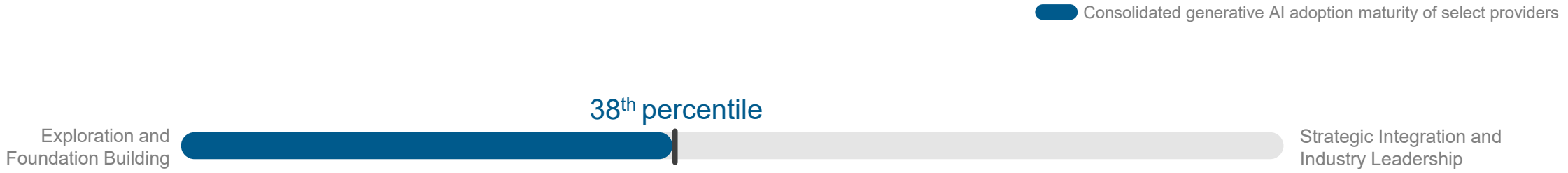
Everest Group's generative AI healthcare payer market adoption assessment



Challengers

Providers striving to close the gap with the Fast-followers

genpact, Optum, sagility, SUTHERLAND, WNS

Fast-followers

Providers that exceed market maturity (38th percentile) but trail just behind the Front-runners

HCLTech, NTT DATA, Mphasis The Next Applied

Front-runners

Providers ahead of the Fast-followers and rank in the top 35th percentile of the profiled firms

accenture, cognizant, EXL, firstsource, wipro

Note: Providers are arranged in alphabetical order. Linear representation of market adoption is not as per scale.

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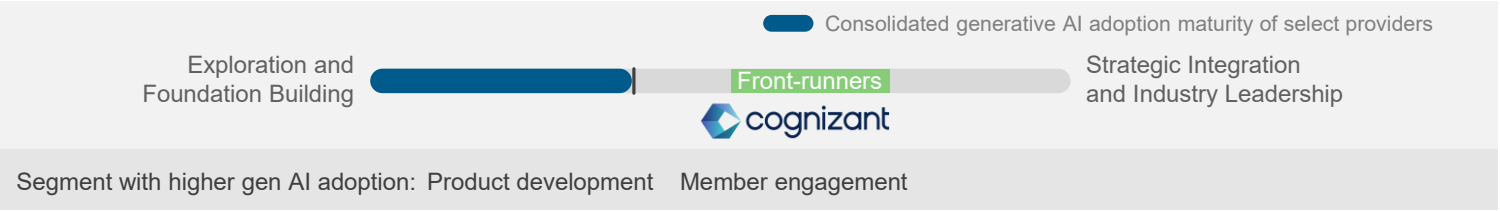
Front-runners | Cognizant (page 1 of 2)

Gen AI adoption maturity and top use cases



Segment with higher gen AI adoption: Product development Member engagement

[NOT EXHAUSTIVE]

Everest Group view: Leveraging its ITS and BPS expertise along with a robust partnership network, while Cognizant has identified numerous use cases, production use cases are currently seeing higher adoption in product development. Additionally, it has a number of use cases which have implications across multiple industries including healthcare.

Key healthcare payer operations use cases in generative AI

Use case	Description	Value chain functions	Stage	Technology used (model, algorithms, etc.)	In-house/M&A/ Partnership/Other
Product Owner Assist	Automates user story creation, allowing product owners to create, modify, or update stories. Powered by a Knowledge Graph, it enables the crafting of detailed user stories	Product development	Production	Azure Open AI	Other
Developer Assist	This solution serves as a virtual assistant for developers, offering technical Q&A through a chatbot that navigates the enterprise knowledge base and provides coding assistance, including issue resolution, revisions, and code refinement to meet internal standards	Product development	Production	Azure Open AI	Other
Accelerated testing using gen AI	This gen AI solution facilitates the automation of unit test codes and generation of test cases and test data which helps in streamlining the testing process	Product development	Production	Azure Open AI	Other
Plan shopper	Accelerates plan selection by aligning member preferences (location, copay, etc.) and clinical profile (conditions, medications) using data from various payer sources (benefit documents, formularies, and provider directories)	Member engagement	Pilot	Google LLM	Partnership
Prediction of Mental Health Conditions	Automates and summarizes the mental health state of the patient, which helps both the patient and provider with early detection of mental health status and diagnoses using conversational language and LLM insights	Care management	Pilot	Azure Open AI	In-house
AI for HEDIS Data Analysis and Measure Calculation	Extracts key information from unstructured data, improving the efficiency and accuracy of measure calculations	Risk and compliance	Pilot	Google LLM	Partnership

Note: Linear representation of market adoption is not as per scale.

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Overview and capabilities

Company overview

Cognizant is a professional services firm that transforms its clients' business, operating, and technology models for the digital age. Its industry-specific, consultative approach assists clients in envisioning, building, and operating more innovative and efficient firms. It provides platform and product suites, infrastructure services, IT services, and cloud and digital solutions.

Headquarters: Teaneck, New Jersey **Website:** www.cognizant.com

Healthcare payer generative AI vision and strategy

Cognizant is driving AI-powered transformation across sectors through focus on human-AI collaboration and enterprise-wide innovation. It plans to invest $1 billion in gen AI over the next three years, focusing on platforms, talent, partnerships, IT, and acquisitions. Cognizant with its **Rewire for AI** approach aims to help businesses adapt their operations for an AI-driven future.
Cognizant's gen AI strategy focuses on five key pillars: embedding domain expertise through verticalized solutions, scaling enterprise adoption via platforms and a gen AI Center of Excellence (CoE), driving innovation to meet market trends, ensuring safe deployment with governance frameworks, and expanding partnerships for joint solution development. Key initiatives include partnerships to enhance AI adoption and efficiency, along with AI Innovation Studios to develop practical solutions. Cognizant has launched AI platforms such as Cognizant Neuro® AI and is integrating generative AI into healthcare administration through its TriZetto-Microsoft partnership to improve operational efficiency and patient care.

Key leaders

- Ravi Kumar, Chief Executive Officer
- Ganesh Ayyar, Executive Vice President, Intuitive Operations and Automation and Industry Solutions
- Naveen Sharma, SVP & Global Head – AI and Analytics Practice
- Sanjay Subramanian - SVP and BU Head Healthcare Payer
- Rajagopal Ramaswamy – Strategy and Growth Leader, Payer Business
- Mykola Hayvanovych - Global Head of Generative AI
- Sarah Smith – Practice Head, Data, AI and Analytics Healthcare
- Melissa Merdan, Vice President Healthcare Business Process Services at Cognizant

Services offered in generative AI in healthcare payer

- Advisory services
- Technology services - gen AI platforms
- Implementation services

Key partnerships for generative AI in healthcare payer

- Microsoft
- AWS
- Google
- Snowflake
- Intel
- Databricks
- ServiceNow
- OpenAI
- NVIDIA
- Qualcomm

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Stay connected

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto
canada@everestgrp.com
+1-214-451-3000

Website
everestgrp.com

Blog
everestgrp.com/blog

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