Healthcare Business Process Automation Solutions PEAK Matrix™ Assessment 2019

Healthcare & Life Sciences Business Process Services (HLS BPS)
Market Report – February 2019: Complimentary Abstract / Table of Contents

EGR-2019-20-CA-3057

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- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Background and methodology of the research

Background of the research

H Healthcare enterprises have traditionally relied on outsourcing and offshoring to improve their business across multitude of parameters such as reducing costs, improving productivity and efficiency, and gaining access to talent and enhanced business continuity. Now, with most of these benefits being realized and slowly reaching the saturation stage, when coupled with some of the market changes, healthcare enterprises are looking at other ways to extract incremental benefits. This is where digital solutions play a critical role and within digital, automation (RPA and AI) is one such solution that has garnered maximum mindshare of enterprises during the last few years.

Some of the benefits that enterprises can achieve by implementing automation solutions include cost savings, enhanced customer experience and quality, revenue growth, better population health, improved speed, security, and governance and compliance. With healthcare enterprises struggling with perennial challenges such as rising costs and consumerization, regulatory changes, margins pressures, shift towards value-based care, and personnel shortage, automation seems like an appropriate and critical tool to help solve a host of problems. Claims and network management, member engagement, RCM, and patient engagement are the areas where automation, largely RPA, is currently deployed. However, as technology adoption increases and reaches at much more mature level, use of AI will impact more judgment-intensive tasks such as claims FWA detection and management, and disease and utilization management.

Scope and methodology

In this research, we analyze the global healthcare business process automation service provider landscape. We focus on:

- Relative positioning of 14 service providers on Everest Group's PEAK Matrix™ for Healthcare Business Process Automation
- Analysis of service provider's market share
- Everest Group's analysis of service providers' strengths and areas of improvement

Overview and abbreviated summary of key messages

This report uses Everest Group's proprietary PEAK Matrix™ to assess and rate service providers on various dimensions of their capabilities. It also includes market share analysis of service providers and Everest Group's remarks on service providers highlighting their key strengths and development areas.

Some of the findings in this report, among others, are:

Everest Group PEAK Matrix for healthcare analytics services

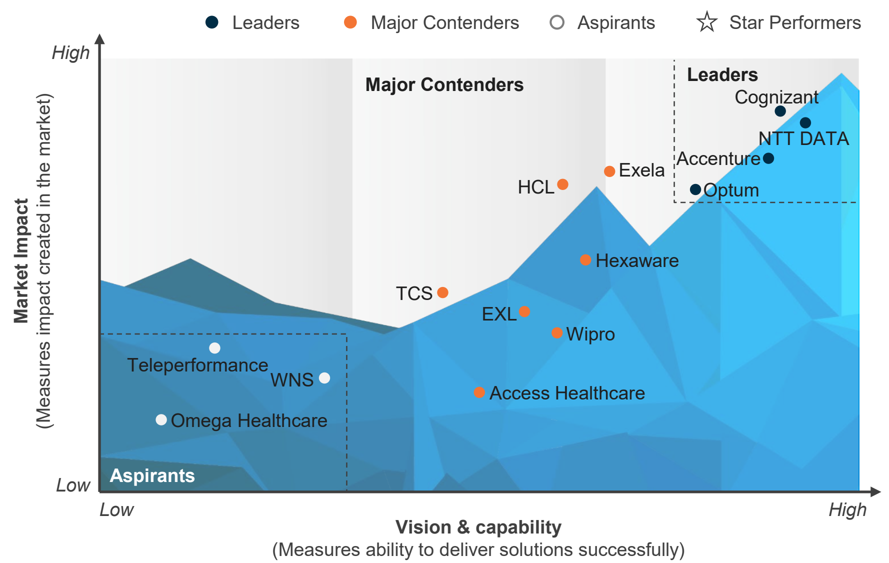
- Everest Group classified 14 healthcare business process automation service providers on the Everest Group PEAK Matrix into three categories of Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework to assess the absolute market success and overall capability of service providers
- Leaders: There are four service providers in the Leaders category – Accenture, Cognizant, NTT DATA, and Optum
- Major Contenders: The Major Contenders category has seven service providers – Access Healthcare, Exela, EXL, HCL, Hexaware, Tata Consultancy Services (TCS), and Wipro
- Aspirants: Teleperformance, Omega Healthcare, and WNS are Aspirants on the PEAK Matrix for healthcare automation solutions

Key insights on healthcare analytics services market shares

- Access Healthcare, Cognizant, HCL, and Optum are the largest service providers by the number of active POCs, together holding more than 70% of the market share
- Cognizant, Exela, NTT DATA, and Optum lead the industry by the number of active clients; together they account for ~85% of the healthcare business process automation clients
- With providers still playing catch up, payers continue to drive adoption of automation. Exela, NTT DATA, and Optum feature among the top four service providers across both the areas
- Owing to their large scale of operations and a distributed buyer portfolio, Cognizant, Exela, NTT DATA, and Optum have dominant shares in all the buyer segments

This study offers three distinct chapters providing a deep dive into key aspects of healthcare automation solutions market; below are three charts to illustrate the depth of the report

Assessment of <<Program Name>> Service Providers<Title Case>



1 Note: Service providers scored using Everest Group's proprietary scoring methodology given in main report Assessment for **WNS** 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 (2018)

Capability assessment *Illustrative example*

Measure of capability: High Low

	Market impact				Vision & capability				
Service provider	Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Service provider 1	3/4	3/8	3/4	5/8	5/8	3/8	5/8	5/8	1/2
Service provider 2	1/4	1/2	1/2	3/8	1/4	3/8	3/4	1/2	3/8
Service provider 3	3/8	3/4	3/4	5/8	7/8	1/2	3/8	1/2	5/8
Service provider 4	3/8	1/2	5/8	5/8	full	3/8	3/4	1/2	5/8
Service provider 5	5/8	3/4	1/2	5/8	5/8	5/8	1/4	1/2	1/2
Service provider 6	1/2	3/8	5/8	1/2	5/8	1/4	3/8	5/8	3/8
Service provider 7	1/2	3/8	3/4	1/2	3/4	3/8	full	5/8	5/8
Service provider 8	1/2	1/4	5/8	1/2	3/8	3/8	1/4	5/8	3/8
Service provider 9	1/4	1/2	3/4	3/8	3/4	3/8	5/8	5/8	1/2

Everest Group's remarks on service providers *Illustrative example*

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
3/4	7/8	full	7/8	full	3/4	7/8	3/4	7/8

Strengths

- Service provider 1 has witnessed notable success in the healthcare business process automation space, which is also evident from a significantly-sized client portfolio and number of deployments
- ABC's acquisition helped service provider augment its healthcare business process automation capabilities, especially with the addition of the XYZ toolset

Areas of improvement

- While service provider 1 has some deployments for large-sized clients, its business process automation deployments are largely skewed toward the small- and mid-sized clients
- With the acquisition of company A, it should focus on increasing its deployments in the healthcare provider space, where there is significant potential of business process automation

Research calendar – Healthcare and Life Sciences BPS

Published | Planned | Current release

Flagship HLS BPO reports	Release date
Healthcare Payer BPO: Service Provider Profile Compendium 2018	January 2018
Healthcare Report Card 2017: Enterprise Initiatives and Service Provider Performance	March 2018
Life Sciences Report Card 2017: Enterprise Initiatives and Service Provider Performance	March 2018
Healthcare Payer Annual Report: Payers Look at Digital to Reinvent in a Turbulent Healthcare Market	March 2018
Healthcare Provider Market: Addressing Issues Beyond Value-based Care	March 2018
What Healthcare Providers Need to Do to Address Myriad Challenges	March 2018
Healthcare Provider BPO Market – Deal Trends Report 2018	June 2018
Healthcare Payer BPO Market – Deal Trends Report 2018	June 2018
Healthcare Analytics Services: Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	December 2018
Healthcare Business Process Automation Solutions PEAK Matrix™ Assessment 2019	**February 2019**
Healthcare Payer BPO: Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	Q1 2019

Thematic HLS BPO reports	
Pharma Sales & Marketing: Old Strategies Into New Methods | Focus on Transmutation rather than Transformation	June 2018
RCM – a new haven for investor money	Q1 2019
RCM 2.0 – what's new for the BPO industry	Q2 2019
Life beyond claims: A payer's perspective	Q3 2019

Note: For a list of all HLS BPO reports published by us, please refer to our website page

Additional Healthcare and Life Sciences BPS research references

The following documents are recommended for additional insights into the topic covered in this report. The recommended documents either provide additional details or complementary content that may be of interest

1. **Healthcare Payer BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2018** (EGR-2017-12-R-2455); 2017. Inability of the new administration to either replace or decide upon keeping the ACA is leading to a high degree of uncertainty. This report uses Everest Group's proprietary Services PEAK Matrix to assess and rate service providers on various dimensions of their capabilities. It also includes market share analysis of service providers and Everest Group's remarks on service providers highlighting their key strengths and development areas

2. **Healthcare Provider BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2017** (EGR-2017-12-R-2427); 2017. Rising administrative cost is putting significant pressure on the profitability of healthcare providers. Additionally, the entire healthcare provider industry is also facing headwinds from a market shift towards value-based payment models. Both these megatrends have multi-fold impact on the healthcare provider market and are giving rise to emergence of outsourcing as a solution

3. **Healthcare Payer BPO Market – Deal Trends Report 2018** (EGR-2018-20-R-2686); 2018. After a year of stalled investments owing to market uncertainty, healthcare payers restarted investments in areas such as value-based care adoption, care management, utilization & disease management, population health, and consumer experience. On the technology front, automation, analytics, and BPaaS continue to be areas of interest for the healthcare community. In fact, inclusion of analytics in total contracts is reaching a whopping ~50%. Outsourcing – both traditional and technology-focused – is expected to continue growing at a healthy double-digit rate in near future

4. **Healthcare Provider BPO Market – Deal Trends Report 2018** (EGR-2018-20-R-2644); 2018. Whether it is regulatory push from authorities in the form of laws such as MACRA, threat of non-payments by the rising uninsured population, or need for investments in technology such as EHR platforms, health systems are coming under never-seen-before pressures, which is leading to them opening up to outsourcing. During 2015-2017, the healthcare provider BPO market grew at a CAGR of 15-20% and is expected to continue growing at the same pace for foreseeable future

For more information on this and other research published by Everest Group, please contact us:

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