HFS Top 10 Healthcare Service 2018 – Excerpt for NTT

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Transforming healthcare operations is essential for survival. The pace of change, complexity, and uncertainty in the healthcare industry potentially exceeds any other sector. Consequently, the role of third parties is no longer just supporting "business-as-usual," but helping payers and providers drive "meaningful change."

—Saurabh Gupta, Chief Strategy Officer

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Introduction

- Transforming healthcare operations is essential for survival. The pace of change, complexity, and uncertainty in the healthcare industry potentially exceeds any other sector. Consequently, the role of third parties is no longer just supporting "business-as-usual," but helping payers and providers drive "meaningful change."
- The HFS Top 10 healthcare services report examines the role service providers play in the dynamic healthcare industry. We assessed and rated the healthcare-specific service capabilities of 20 service providers across a defined series of innovation, execution, and voice of the customer criteria. The report highlights the overall ratings for all 20 participants and the top five leaders for each sub-category.
- The assessment in the report is based on services providers to healthcare payers and providers across the globe. It does not include life sciences (pharma, biotech, and med-tech) in scope.
- This report also includes detailed profiles of each service provider, outlining their overall and sub-category rankings, provider facts, and detailed strength and development opportunities.
- The report specifically focuses on industry-specific capabilities for the healthcare sector (payers and providers), as defined in our healthcare value chain. It does not focus on horizontal IT or BPS services such as application management or finance and accounting outsourcing, which may be delivered to healthcare clients.

Service providers covered in this report

accenture
High performance. Delivered.

Cognizant

CONCENTRIX
A Business Services Company

CONDUENT

DXC.technology

EXL
look deeper.

Infosys

NTT DaTa

HCL

SUTHERLAND

HGS
HINDUJA GLOBAL SOLUTIONS

firstsource

genpact

HEXAWARE

WNS
Extending Your Enterprise

TATA
TATA CONSULTANCY SERVICES

wipro

Tech Mahindra

OPTUM

Teleperformance
each interaction matters

HFS Research

Research methodology

The Healthcare Top 10 services report assessed and scored service providers across execution, innovation, and voice of the customer criteria. The inputs to this process were detailed RFIs we conducted with 20 service providers, reference checks with nearly 40 healthcare clients, briefings with leaders of healthcare services practices within service providers, HFS surveys with 350 Global 2000 enterprises, and publicly available information sources. The assessment in the report is based on services provided to healthcare payers and providers across the globe. It does not include life sciences (pharma, biotech, and med-tech) in scope.

33.3%

Ability to execute

- **Size and experience of healthcare practice** including healthcare revenues and the scale of healthcare BPM and IT services
- **Geographic mix of healthcare clients** across North America, Europe, Asia-Pacific, and other regions
- **Healthcare industry presence** across payers, providers, and government
- **Depth and breadth of industry-specific offerings** across the healthcare value chain

33.3%

Innovation capability

- **Clear vision for the healthcare industry** including credibility of go-to-market strategy and strong understanding of industry trends and challenges
- **Innovative solutions** including platform-offerings, deployment of intelligent automation, and development of internal IP
- **Recent (2017-2018) investments** in inorganic growth and development of partnership ecosystem
- **Co-innovation and collaboration** with clients including creative commercial models

33.3%

Voice of the customer

- **Direct feedback from enterprise clients** via reference checks, HFS surveys, and case studies critiquing provider performance and capabilities

The HFS healthcare operations value chain provides a comprehensive overview of services for the healthcare industry focused on healthcare payers, providers, and "payviders"

TOP 10

Primary report focus

Industry specific

Claims administration	Member management	Provider management	Health and care management	Administration
• Claims adjudication and processing • Payment integrity • Complaints and appeals	• Account setup • Eligibility and enrolment • Billing • Benefit management	• Provider credentialing • Provider data management • Contracting • Network management	• Population health and wellness • Utilization management • Care coordination and case management • Remote monitoring support	• Customer service • Marketing and sales • Finance and accounting and revenue cycle • Procurement and supply chain • Talent and HR

Horizontal

Enabling Technologies

RPA ● Artificial intelligence ● Smart analytics ● Blockchain ● IoT ● Cloud ● Mobility ● Social media ● Augmented/virtual reality

Horizontal Business Processes

Customer engagement ● Human resources ● Procurement ● Finance and accounting ● Payroll ● Legal and compliance

Horizontal IT Processes

Planning, design, and implementation ● Application development and maintenance ● Infrastructure management ● Security

Note: The assessment in the report is based on services provided to healthcare payers and providers across the globe. It does not include life sciences (pharma, biotech, and med-tech) in scope.
Source: HFS Research, 2019

HFS Research

The healthcare operations value chain defined (1 of 2)

- HFS developed the industry value chain concept to graphically depict our understanding of the processes and functions that specific industries engage in to operate their businesses.
- HFS' industry value chain for healthcare operations provides a comprehensive overview of services for the healthcare industry focused on healthcare payers, providers, and "payviders."
- **Industry-specific processes** include the following specific value chain functions:
  - **Claims administration** — Processes related to administration and management of claims through the contract life cycle;
  - **Member management** — Processes related to the enrollment, administration, and management of members;
  - **Provider management** — Processes related to the management of provider information and relationships as well as contracting and management of the healthcare network;
  - **Health and care management** — This process deals with care management and remote monitoring, which includes a set of activities that is intended to improve patient care, reduce the need for medical services, and help patients effectively manage health conditions;
  - **Health intelligence** — Driving actionable insights around quality and compliance (e.g., STARS, CAHPS, HEDIS), patients, market segments, and waste, fraud, and abuse analytics.

The healthcare operations value chain defined (2 of 2)

TOP 10

- **Enabling technologies** — As core healthcare services revenue continues to increase, these change agents help in optimizing operations and even enabling new revenue streams. They include elements such as RPA and AI, IoT, and smart analytics. We view them as horizontal as they can be used across healthcare enterprises and leveraged for both horizontal and industry-specific processes. Our research on these topics will focus on how they are being utilized within healthcare firms, which service providers are bringing them to the table, and what real business impact is being realized.

- **Horizontal IT and business processes** — Enterprises in all sectors have a range of consistent business and IT processes that are essential to running their businesses but are executed similarly regardless of industry. We refer to these as horizontal processes and have segmented them by IT and business functions. Our industry-specific coverage of these areas will focus on instances where something unique has been developed for the healthcare industry, such as cloud-based services or cognitive agents supporting technical support. In addition to industry coverage of these horizontal topics, they will also be well covered as part of our functional research dimension.

- Our coverage of the healthcare sector will examine core value chain processes across industry-specific and horizontal functions with an emphasis on the impact of critical change agents.

Executive summary

Executive summary

TOP 10

Transforming healthcare operations is essential for future survival. The pace of change, complexity, and uncertainty in the healthcare industry potentially exceeds any other sector. Consequently, the role of third parties is no longer just supporting "business-as-usual," but to help payers and providers drive "meaningful change."

Healthcare industry trends

- Revenue growth beyond cost containment and reduction
- Ongoing health policy shifts (especially in US) and increasing regulatory compliance
- Shift to value-based care
- Managing risks around natural disasters and cyber-security threats
- Payment integrity, provider network management, population health, and care management
- Need for speed, "touchless" claims, reimbursement optimization
- Consumer financial responsibility and accountability
- Tele-health, telemedicine, mobility, remote monitoring
- "Payviders" and cross-sector collaboration

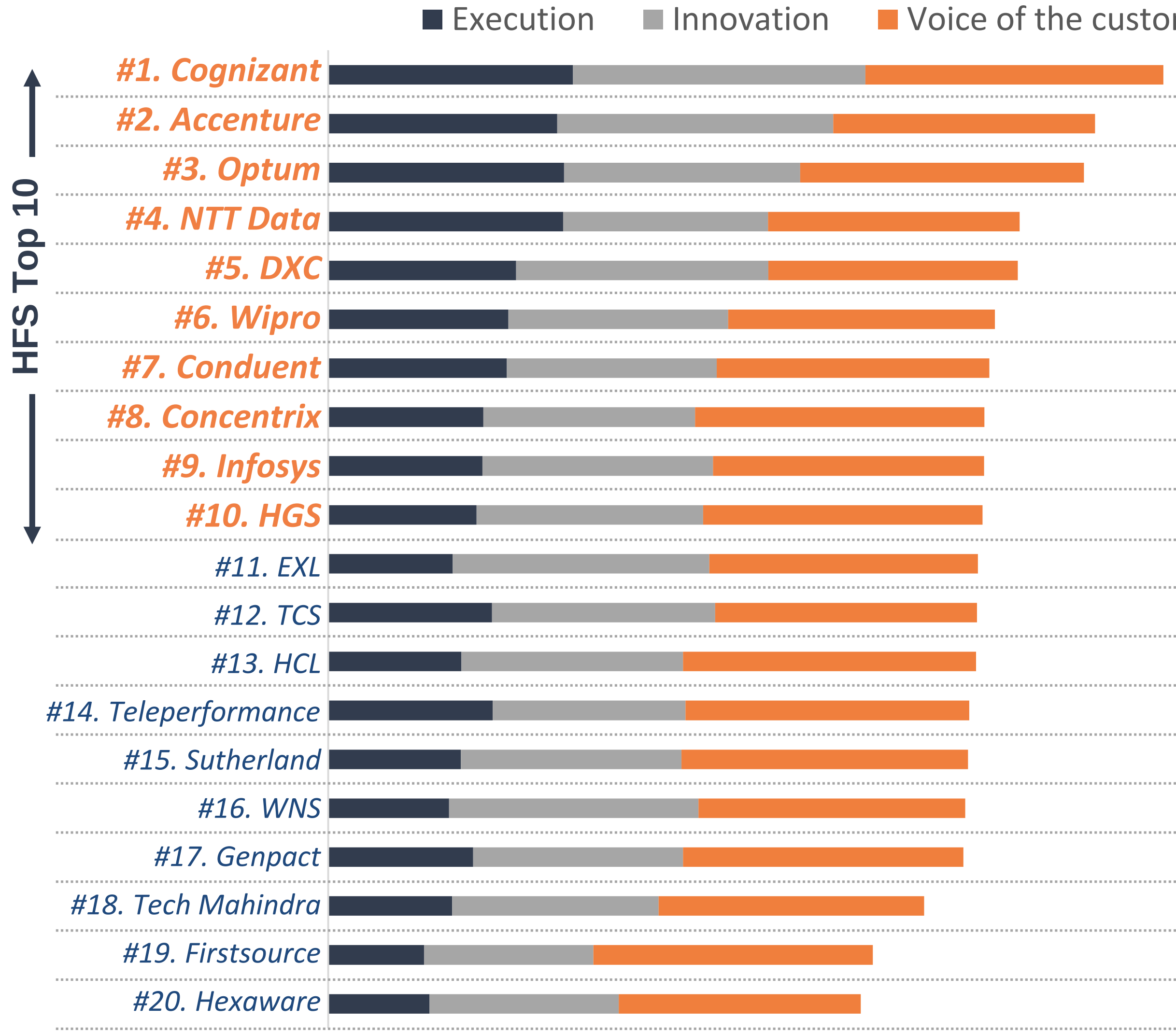
Impact on third-party services

- Digital OneOffice: the convergence of front, middle, and back to focus on the patient
- Triple-A Trifecta of automation, analytics, and AI: machine language (ML) and natural language processing (NLP) for medical review, RPA for claims processing and enrollment, big-data analytics
- As-a-Service: the use of talent and technology in a more agile and impactful way
- Good experience is good business
- More activity in government, mid-sized healthcare payers, Blues, and "payviders"
- Onshore delivery and consulting and advisory services
- Options for plug-and-play BPaaS and platform-based
- Step change toward value-based contracts led by business

The top 10 leaders in healthcare services are Cognizant, Accenture, Optum, NTT DATA, DXC, Wipro, Conduent, Concentrix, Infosys, and HGS. These firms exhibited a strong mix of service execution excellence, applied innovation, and vision, and verified customer satisfaction to rise to the top of our healthcare study.

The HFS Top 10 healthcare service results

HFS Top 10 healthcare sector service providers, 2018



#1. Cognizant	Leveraging its deep US client base and strong platform capabilities to “simplify healthcare”
#2. Accenture	Truly global and scaled consulting and execution capabilities driving continued innovation to healthcare clients
#3. Optum	100% healthcare focus with a powerful combination of consulting, platform, and managed services
#4. NTT Data	50+ years of healthcare managed services with a vision to accelerate clients’ digital agendas
#5. DXC	Enabling enhanced and sustainable healthcare outcomes across the large CSC+HPE client base
#6. Wipro	Balanced portfolio of IT and business services backed by strong platforms and automation accelerators
#7. Conduent	Connecting the entire healthcare ecosystem with strong client base and investments in emerging tech.
#8. Concentrix	Bold go-to-market strategy to drive outcomes by focusing on the end-to-end patient experience
#9. Infosys	Infusing next-gen technologies in healthcare to create differentiated, agile, and localized solutions
#10. HGS	Domain expertise across payers and providers and collaborative culture helping bridge the gap between healthcare, wellness, and consumerism
#11. EXL	Driving healthcare business outcomes with an integration of domain, analytics, platform, and intelligent automation
#12. TCS	Investing in machine-first delivery model (MFDM) and platform-based offering to help healthcare clients leverage latest digital technologies
#13. HCL	Technology-led solutions driven by a mode 1-2-3 strategy to help its healthcare clients be future ready
#14. Teleperformance	Driving patient-focus by connecting the healthcare front, middle and back office
#15. Sutherland	Providing outcome-driven services to healthcare clients leveraging a digital-first mindset
#16. WNS	Bringing together healthcare domain, process, and analytics expertise to capitalize on industry’s disruptive trends
#17. Genpact	Digital solutions for healthcare backed by domain expertise and process experience
#18. Tech Mahindra	Leveraging emerging technologies to drive “patient-centric” healthcare solutions
#19. Firstsource	Financial outcome driven provider and payer services
#20. Hexaware	Automation driven digital transformation for healthcare payers and providers

Note: The assessment in the report is based on services provided to healthcare payers and providers across the globe. It does not include life sciences (pharma, biotech, and med-tech) in scope.
Source: HFS Research, 2019

HFS Top five healthcare sector service providers by individual assessment criteria

HFS TOP 10

Rank	Overall	Execution								Innovation				Voice of the customer
		Size and experience			Geographic client mix		Industry coverage		Value chain coverage	Vision	Inno-vative solutions	Recent Invest-ments	Co-inno-vation	
		Revenue	BPM scale	IT services scale	North America	Global	Payer	Provider						
#1	Cognizant	Optum	Optum	Cognizant	Optum	NTT Data	Optum	NTT Data	Accenture	Accenture	Cognizant	Cognizant	HCL	Cognizant
#2	Accenture	Cognizant	HGS	NTT Data	Cognizant	DXC.technology	Cognizant	Optum	Cognizant	Cognizant	Accenture	EXL	Sutherland	HCL
#3	Optum	Conduent	Conduent	Optum	Conduent	Accenture	Accenture	Cognizant	NTT Data	Optum	DXC.technology	DXC.technology	WNS	Concentrix
#4	NTT Data	NTT Data	Accenture	DXC.technology	Accenture	Tata Consultancy Services	Conduent	Accenture	Wipro	Tata Consultancy Services	Wipro	WNS	Genpact	Sutherland
#5	DXC.technology	Accenture	EXL	Accenture	NTT Data	Concentrix	DXC.technology	DXC.technology	Infosys	Wipro	Optum	HGS	Concentrix	Optum

Notes:
- The assessment in the report is based on services provided to healthcare payers and providers across the globe. It does not include life sciences (pharma, biotech, and med-tech) in scope.
- Service providers assessed: Accenture, Cognizant, Concentrix, Conduent, DXC, EXL, Firstsource, Genpact, HCL, Hexaware, HGS, Infosys, NTT Data, Optum, Sutherland, TCS, Tech Mahindra, Teleperformance, Wipro, and WNS

Source: HFS Research, 2019

Healthcare industry-specific service capabilities heatmap

TOP 10

HFS Top 10 Rank	Service provider	Claims Administration	Member Management	Provider Management	Health and care management	Administration
#1	Cognizant					
#2	Accenture					
#3	Optum					
#4	NTT DATA					
#5	DXC					
#6	Wipro					
#7	Conduent					
#8	Concentrix					
#9	Infosys					
#10	HGS					
#11	EXL					
#12	TCS					
#13	HCL					
#14	Teleperformance					
#15	Sutherland					
#16	WNS					
#17	Genpact					
#18	Tech Mahindra					
#19	Firstsource					
#20	Hexaware					

Not a focus — Emerging — Mature

- We asked **leaders within healthcare payers and providers** to identify the strengths of service providers across the healthcare value chain.
- We then asked **service providers** to rate their healthcare-specific offerings on a maturity scale.
- The heatmap provides **a combined view** of buyer experience with providers and provider-identified capabilities rolled up for each segment.
- **Claims administration and member management** is the **most mature segment of healthcare offerings**. These include services such as claims adjudication and processing, payment integrity, complaints and appeals, account setup, eligibility and enrolment, billing, and benefit management.
- **Health and care management** is the **least mature segment of offerings**. These include services such as population health and wellness, utilization management, care coordination and case management, and remote monitoring support.
- Please refer to our healthcare value chain for more detail on the offerings in each segment.

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Healthcare service provider profiles

50+ years of healthcare managed services with a vision to accelerate clients' digital agendas

NTT DATA — HFS TOP 10

Dimension	Rank
HFS Top 10 position	**#4**
Ability to execute	
Size & experience: Revenues	#4
Size & experience: BPM services	#8
Size & experience: IT services	#2
Geographic mix: North America	#5
Geographic mix: Global	#1
Industry coverage: Payers	#5
Industry coverage: Providers	#1
Value chain coverage	#3
Innovation capability	
Industry vision	#16
Innovative solutions	#11
Recent investments	#13
Co-innovation	#14
Voice of the customer	**#18**

Strengths

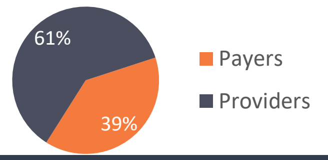
- **50+ years of healthcare experience.** Dell Services was purchased by NTT DATA Inc. in 2016, combining the strength of Keane and Dell. Keane (acquired in 2010) was established in 1965 to focus on healthcare technology. Dell Services acquired Perot Systems in 2009, primarily for its healthcare and life sciences vertical experience. Extensive healthcare process knowledge and deep client relationships help drive process optimization and explore digital transformation and automation opportunities.
- **Managed services healthcare solutions designed to accelerate clients' digital agendas.** The company focuses on six areas: data and intelligence, customer experience, IoT, intelligent automation, IT optimization, and cybersecurity. The combination of services enables the acceleration.
- **Strong global client base.** For providers spread across North America, Europe, Middle East, Asia Pac, and Latin America, the client base allows NTT DATA to bring unmatched global experience across healthcare participants.
- **Intelligent automation at industrial scale.** With 3,000 bots in production and 70 customers achieving 78% full automation and 14% assisted automation, NTT DATA has scaled well. It has a proprietary automation healthcare solution stack driving seamless interaction between humans and bots, analytics, and cyber security enabled by a tool-based tracking of bots through a centralized command center. Cognitive automation tools built with R&D efforts offer best-of-class automation experience to clients.
- **Innovative healthcare products.** Products such as Jibo (social robot that looks, listens, and learns), Hitoe (electrically conductive material that gathers data—heart beat and cardiac electrical activity—simply by being worn), Heuri (NTT DATA AI-based Denial Prediction and Prevention Engine), and Sota (supporting the elderly with communication robots).

Development opportunities

- **Execution of healthcare vision.** Not withstanding a large install base of clients and a strong strategic approach to next-gen healthcare solutions, clients have struggled to recognize the digital offerings to drive patient centricity, as most offerings stem from traditional IT services and solutions.
- **Growth.** With a vision and strategy in place and the integration of Dell Services into NTT DATA, the industry is watching to see how its services find new growth momentum.

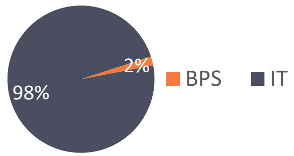
Payer vs. provider

Payer vs. provider revenue mix



IT vs. BPS

IT vs. BPS revenue mix



Capabilities across healthcare value chain

Not a focus | Emerging | Mature

Claims administration | Member management | Provider management | Health and care management | Administration

Relevant acquisitions and partnerships

- **Partnerships:** Oracle, SAP, HealthEdge, Salesforce, RedHat, McKesson, IBM, Optum, Microsoft, EPIC, Telehealth, MarkLogic Corporation, InTouch Health, MD.Ai, MEDITECH, Pieces Technologies
- **Alliances:** HIMSS, CHIMES, AHIP, ACAP
- **Premier Partnerships:** Pega Systems, Blue Prism, IPsoft, Automation Anywhere, UiPath, Open Span, NICE, and Arago

Key clients

- **Number of healthcare clients**: 1,000 (IT+BPS)

Revenue mix:
- 39% payers, 61% providers
- 60% North America, 20% Europe, 7% Middle East, 8% Asia Pac, and 5% Latin America

Key clients:
- Harvard Pilgrim Health Care
- Baystate Health
- Dubai Health Authority

Global operations and resources

Headcount: 15,000
- BPS: 4,500
- IT: 10,500

Recent developments in support of healthcare sectors

- **October 2018:** NTT DATA Services acquired Sierra Systems, expanding capabilities in Canada.
- **October 2018:** NTT DATA's Artificial Intelligence Diagnosis Support Solution demonstrated impact of automated disease detection.
- **July 2018:** Intouch Health and NTT DATA partnered to provide a turnkey virtual care solution.
- **May 2018:** Progress and NTT DATA partnered to deliver exceptional personalized digital experiences for global enterprises.
- **March 2018:** Pieces Technologies and NTT Data launched joint solution to help hospitals and health systems reduce readmissions.

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About the authors

HFS Research authors

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Chief Strategy Officer | HFS Research

Saurabh oversees HFS' global research function managing the global team of analysts across US, Europe, and Asia-Pac. He works closely with the CEO to set the strategic research focus and agenda for HFS Research, understanding and predicting the needs of the industry and ensuring that HFS maintains its position as the strongest impact thought leader for business operations and services research.

As an analyst, Saurabh leads our coverage for horizon 3 change agents such as blockchain, business services (such as finance & accounting and supply chain) as well as overarching and cross-cutting themes under the OneOffice concept like digital change management

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Mayank Madhur is a Knowledge Analyst at HFS Research, supporting different practice leads in area of Industry Research, IoT and Blockchain by working on secondary research, data analysis, PoVs and research writing.

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