Everest Group PEAK Matrix® for Healthcare Payer Digital Service Provider 2022

Focus on Accenture

May 2022

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Background of the research

Healthcare enterprises have made digital adoption the bedrock of their growth strategy to optimize processes, realize cost efficiencies, and enhance the member experience. With the healthcare industry evolving, enterprises are leveraging digital services to unlock prominent business use cases such as value-based care and population health management and to comply with changing regulations.

To support enterprises on their digital transformation journeys, service providers are ramping up capabilities through vertical-specific partnerships and acquisitions, investments in Centers of Excellence (CoE), training, etc. This, in turn, is driving the need for research and market intelligence on demand and supply trends in healthcare payer digital services. Everest Group's healthcare ITS research program addresses this market need by analyzing demand themes and service provider capabilities in healthcare payer digital services.

In this report, we present an assessment of 26 healthcare ITS providers. These service providers are mapped on the Everest Group PEAK Matrix®, which is a composite index of a range of distinct metrics related to a provider's capability and market impact. We focus on payer digital services market size and growth, digital services themes for healthcare payers, assessment of the service providers on several capabilities and market success-related dimensions, and Everest Group's independent remarks on service providers.

The full report features the following 26 leading service providers on the Healthcare Payer Digital Services PEAK Matrix:

- **Leaders:** Accenture, Cognizant, Infosys, NTT DATA, Optum, TCS, and Wipro
- **Major Contenders:** Atos, Capgemini, Conduent, Emids, IBM, Infinite Computer Solutions, Mindtree, Mphasis, Persistent Systems, SoftServe, UST, and Virtusa
- **Aspirants:** Ascendum, HTC Global Services, Tech Mahindra, and Vee Technologies
- **Star Performers:** CitiusTech, EPAM, and HCL

Scope of this report

Geography
Global (focus on US)

Providers
Healthcare payer

Services
Digital services

Healthcare payer digital services PEAK Matrix® characteristics

Leaders:

Accenture, Cognizant, HCL, Infosys, NTT DATA, Optum, TCS, and Wipro

- Leaders have established themselves as front-runners to support large payer accounts in their digital transformation journeys across various areas of the payer value chain such as claims management, network management, and policy servicing
- Leaders differentiate themselves through balanced portfolios, strong thought leadership, innovative digital solutions, and continued investments in technology and service capability development (internal IP/tools, CoEs, etc.)
- Enterprises prefer Leaders to be their strategic partners due to their strong healthcare experience and consulting expertise, understanding of the client’s business, the ability to execute large-scale projects, and a robust partner ecosystem
- They have a strong innovation focus with significant investments in digital labs, partnerships, acquisitions, and collaborations to strengthen their capabilities and further build verticalized digital offerings around niche areas such as member engagement and coordinated care delivery

Major Contenders:

Atos, Capgemini, CitiusTech, Conduent, Emids, EPAM, IBM, Infinite Computer Solutions, Mindtree, Mphasis, Persistent Systems, SoftServe, UST, and Virtusa

- The service portfolios of Major Contenders are not as balanced as those of Leaders and tend to be less comprehensive in payer value chain coverage. However, Major Contenders are trying to bridge the gap with Leaders by making investments (e.g., partnerships with niche vendors and innovation labs) to scale up their offerings and increase value proposition
- Major Contenders’ focus on being more client-centric, agile, and flexible is well acknowledged by enterprises. Clients get adequate face time with senior leadership and appreciate the responsiveness of the senior management

Aspirants:

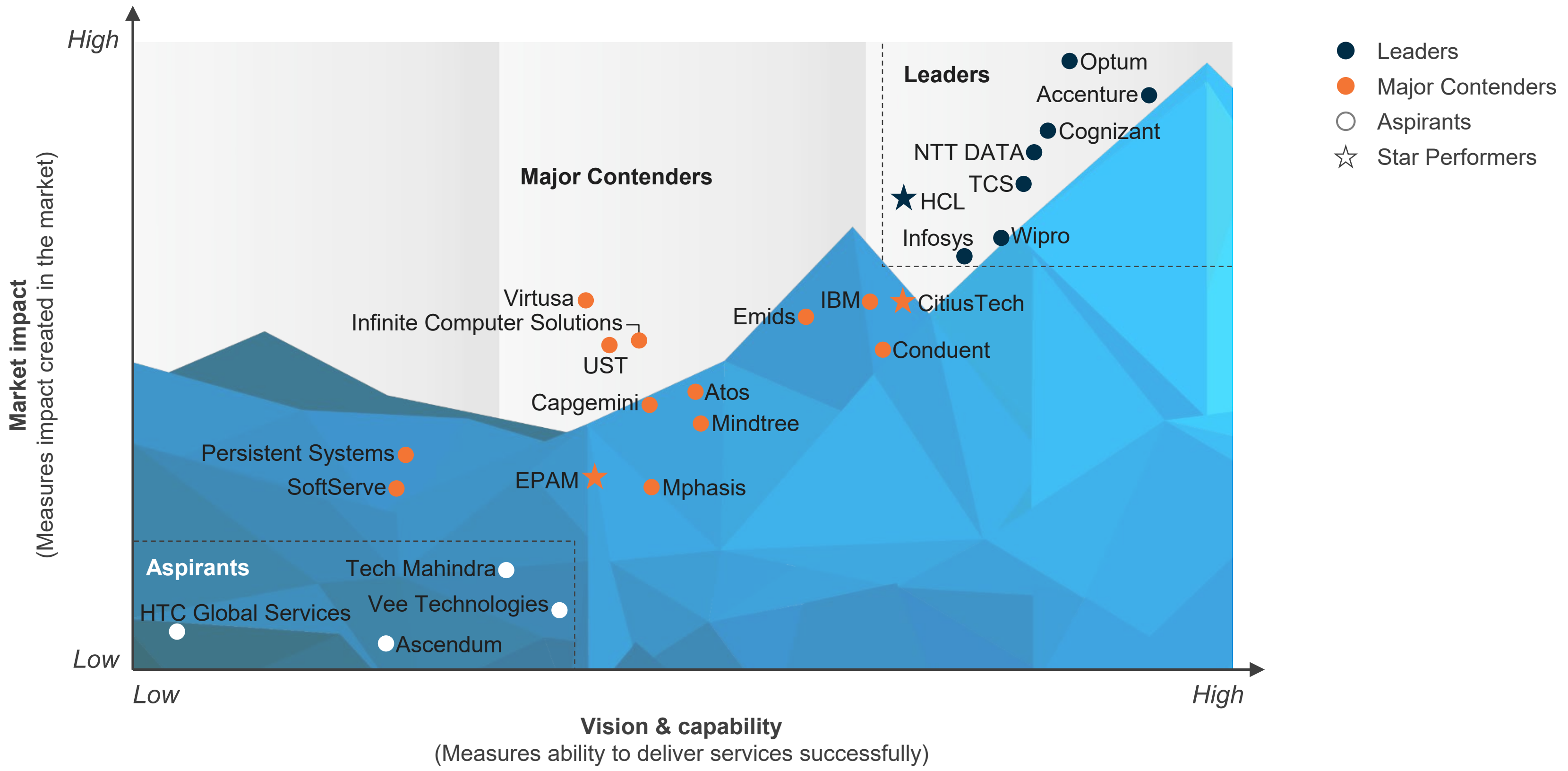
Ascendum, HTC Global Services, Tech Mahindra, and Vee Technologies

- Aspirants need to build a more mature partnership ecosystem – on both the horizontal and vertical front – to enhance their technical and domain expertise, and co-innovate and build more payer-specific solutions addressing multiple areas within the payer value chain
- Aspirants should look to enhance thought leadership and invest in marketing efforts backed by relevant case studies and proof points to enhance their vertical story and mindshare in the payer market

Everest Group PEAK Matrix®

Healthcare Payer Digital Services PEAK Matrix® Assessment 2022 | Accenture positioned as Leader

Everest Group Healthcare Payer Digital Services PEAK Matrix® Assessment 2022[1]



1 Assessments for Ascendum, Capgemini, Conduent, HTC Global Services, IBM, Tech Mahindra, and Vee Technologies, excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with insurance buyers.

Source: Everest Group (2022)

Accenture | healthcare payer digital services profile (page 1 of 4)
Overview

Company mission/vision statement

Accenture's vision is one of "Humanizing Healthcare" – improving health access, experience, and outcomes by harnessing the power of technology and human ingenuity. It wants to enable its clients provide convenient and affordable care by improving health access and experiences, as it would yield better clinical and business outcomes.

Healthcare payer digital services revenue

<US$50 million	US$50-150 million	**>US$150 million**

Key partnerships

amazon web services, Google Cloud, Microsoft, ORACLE, salesforce, workday

Revenue by line of business[1]

Low (<10%) | Medium (10-35%) | High (>35%)

Medicare Advantage (MA)	Medium
Medicaid managed care	Medium
Private health plans	Medium
Public health plans	Medium

Revenue by value chain element[1]

Low (<10%) | Medium (10-20%) | High (>20%)

Care management	Medium
Claims management	High
Network management	Low
Policy servicing and management	Medium
Product development	Low
Others	High

Revenue by buyer size[1]

Low (<20%) | Medium (20-40%) | High (>40%)

Small (annual revenue < US$1 billion)	Low
Medium (annual revenue = US$1-10 billion)	Medium
Large (annual revenue > US$10 billion)	High

Revenue by geography[1]

Low (<15%) | Medium (15-40%) | High (>40%)

North America	High
United Kingdom	Low
Rest of Europe	Low
South America	Low
Asia Pacific	Low
Middle East & Africa	Low

1 All the revenue components add up to a total of 100%.

Accenture | healthcare payer digital services profile (page 2 of 4)

Key offerings

Proprietary solutions (representative list)	
Solution name	**Details**
Accenture Healthcare on Azure	A modular solution based on Azure for healthcare businesses that harnesses the power of data, delivering data ingestion, transformation, translation, analytics, and distribution of clinical data to deliver better insights. Healthcare on Azure also enables connected care services
Human Health Insights (HHI)	A data analytics offering that curates and channels data through machine learning models to generate personalized, population-level, and operational insights—driving value for care providers and business operators. Current use cases includes care management and navigation, claims operations and quality, clinical value targeting, sales and product, and financial spend and operations. The design of HHI is underpinned by Responsible Artificial Intelligence (RAI), including more than 60 RAI checkpoints in the model development lifecycle
Accenture Health Insights Platform - Public Health	A data analytics platform that helps state Medicaid, public health, and other agencies harness the power of data to generate insights and accelerate decision making. The platform empowers states to share data across agencies and gain a 360-degree view of people and programs
Solutions.AI for Processing for Health	A collection of patented healthcare AI solutions that augment human processors across health business processes. **Solutions.AI for Processing for Health** has over 20 health automation use cases. The solution pre-reads unstructured (e.g., medical records), semi, and structured (e.g., claims) documents, and provides recommendations. Its application uses computer vision, Natural Language Processing (NLP), machine learning and administrative / clinical knowledge libraries, to classify content and identify key terms and phrases, to deduce answers, and present the recommended answer. With the help of the skilled user, the application continually learns and improves over time
Accenture SynOps for Health	A human-machine operating engine that optimizes the synergy of data, applied intelligence, digital technologies, and talent to help organizations transform business operations, improve user experiences, and deliver results
Care 24/7 (TeleHealth/Virtual Health)	A virtual health solution that enables consumer-to-provider, provider-to-provider, and administrative capabilities, including virtual visits, remote patient monitoring, specialty consults, rounding, discharge planning, customer relations, and patient experience

Accenture | healthcare payer digital services profile (page 3 of 4)

Recent developments

Key events (representative list)

Development	Type	Year	Details
Medical Device Security & Patient Privacy	Investment	2022	Invested in the IoMT / medical device security offering to help health providers navigate the complexity of asset management, network security, and clinical Security Operations Center (SOC) implementation in the hospitals
AI4BetterHearts	Initiative	2022	Joined AI4BetterHearts, a global data collaborative founded by Microsoft and the Novartis Foundation, that aims to help stakeholders – from policy makers to patients – make better decisions about heart health and improve the overall population health
Gevity	Acquisition	2021	Acquired Gevity, a strategy and consulting service provider, to bolster its healthcare transformation service capabilities in Canada and other global markets
ixlayer	Investment	2021	Invested in ixlayer – a provider of technology-based solutions for diagnostic testing. The company's telehealth platform allows players across the healthcare ecosystem to offer convenient and scalable health testing in a virtual environment
TripleBlind	Investment	2020	Invested in TripleBlind, which reduces data sharing complexity and increases control over data, opening up new revenue opportunities for clients and automatically enforces privacy regulations (e.g., HIPAA)
Sentelis	Acquisition	2020	Acquired Sentelis, a data consulting and engineering company, to scale up the Accenture Applied Intelligence practice by leveraging the technical expertise of Sentelis' workforce across data and AI
Byte Prophecy	Acquisition	2020	Acquired Byte Prophecy, an analytics company, to enhance its enterprise-scale AI and digital analytics capabilities in emerging markets
End-to-End Analytics	Acquisition	2020	Acquired End-to-End analytics, an analytics and data science consultancy, to bolster its Accenture Applied Intelligence practice by leveraging their data and analytics capabilities and accelerate transformation for its clients
Strategic Alliance / Partnership Ecosystem	Investment	Ongoing	Continuing to invest in dedicated teams called Accenture Business Groups, focused on joint strategies, assets, and go-to-market activities with Microsoft, Oracle, Salesforce, AWS, Google, ServiceNow, and other ecosystem partners, building tools and solutions to lead in digital transformation
Digital Talent Upskillng	Investment	Ongoing	Continuing to invest significantly in key hires, training and career development in Technology Quotient and practitioner Masterclasses as well as certifications in AI, cloud, security, blockchain, HL7, FHIR, EPIC/EMR Cloud and emerging technologies like Extended Reality, edge, 5G, and quantum computing
Centers of Excellence / Innovation Centers	Investment	Ongoing	Continuing to invest in innovation centers of excellence across North America and Europe as well as growth markets related to AI, cloud, security, interactive, and IoT to showcase innovation and cutting-edge digital technologies to clients

Accenture | healthcare payer digital services profile (page 4 of 4)

Everest Group assessment – Leader

Measure of capability: Low High

Market impact				Vision & capability				
Market Adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery Footprint	Overall

Strengths

- Accenture has made strategic investments to tackle the ongoing talent retention and management issue through initiatives such as domain-specific training to upskill employees and enable targeted recruitment of subject matter experts focused on technologies (e.g., AI, cloud) that drive digital transformation
- It focuses on strengthening its healthcare consulting capabilities across the globe through strategic acquisitions – acquired OpusLine and Gevity to enhance its strategic advisory and transformational services in Europe and Canada, respectively
- Clients appreciate Accenture's partnerships with platform and cloud vendors (e.g., Oracle Microsoft, and AWS), technical expertise, and its wide ecosystem of solutions and accelerators as a major step in enabling faster implementations
- It has made strong acquisitions to expand its technology capabilities, especially around analytics, AI, and cloud; for instance, it acquired End-to-End Analytics and Byte Prophecy to enhance its AI and analytics capabilities

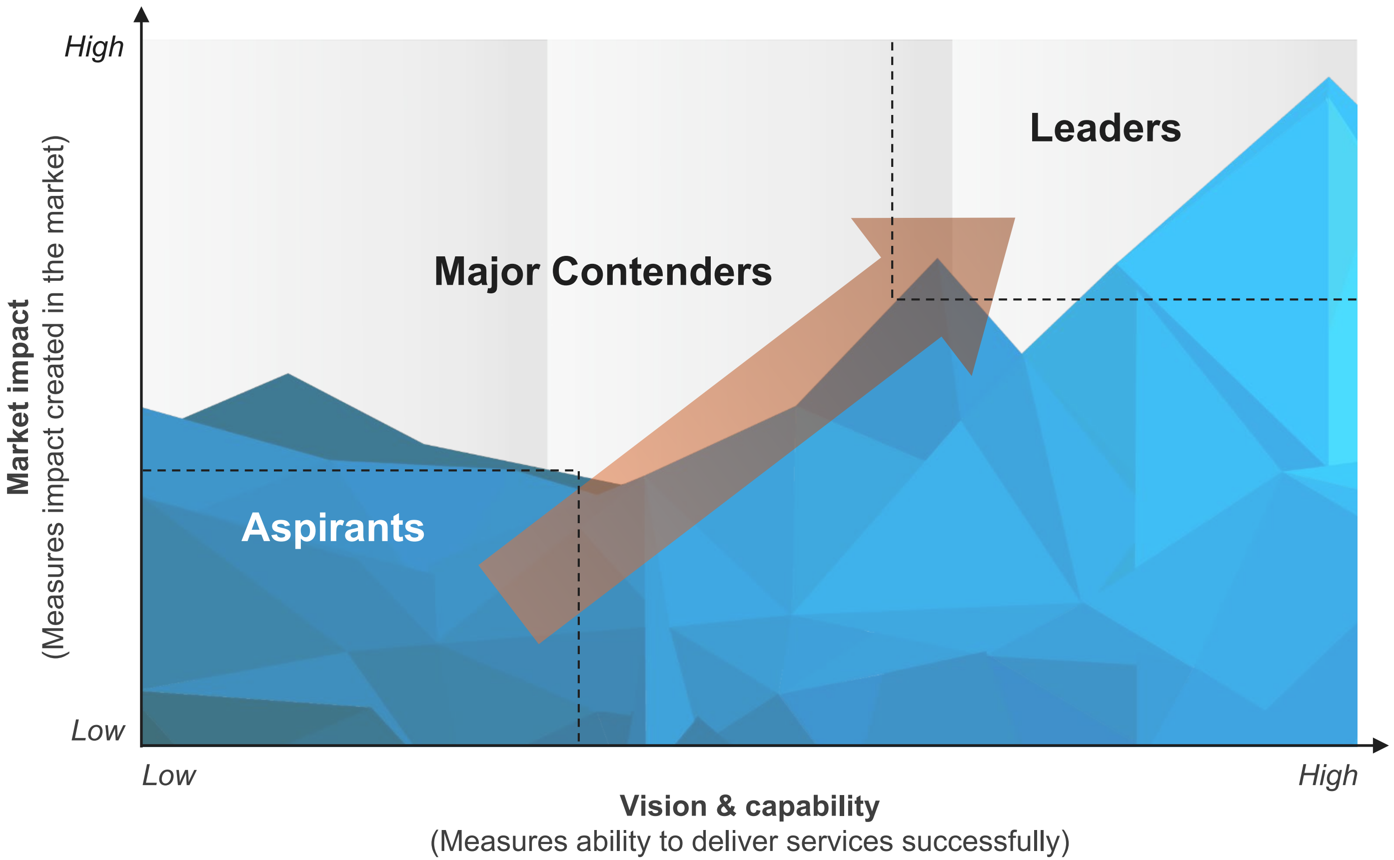
Limitations

- While Accenture has a major presence among big health plans, it can look to increase its focus on small and midsize payers to increase its market presence
- Despite offering innovative pricing models (such as outcome-based and risk-sharing models), Accenture is perceived as a premium-priced player; should look to renew its market perception around price competitiveness
- While Accenture has made investments (e.g., acquisition of OpusLine and Gevity) to enhance its healthcare consulting capabilities, it needs to work on positioning itself as a strategic partner for healthcare clients

Appendix

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

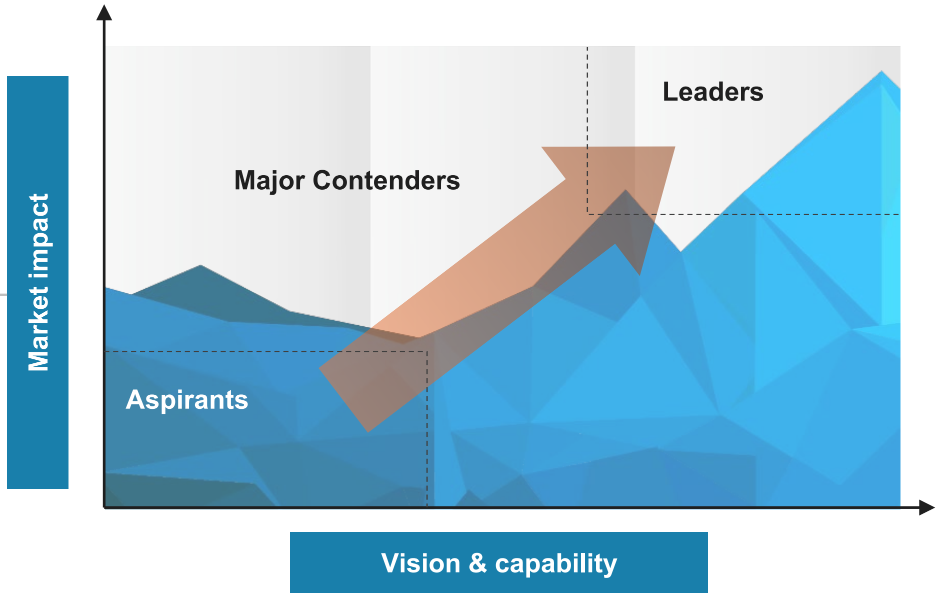
Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

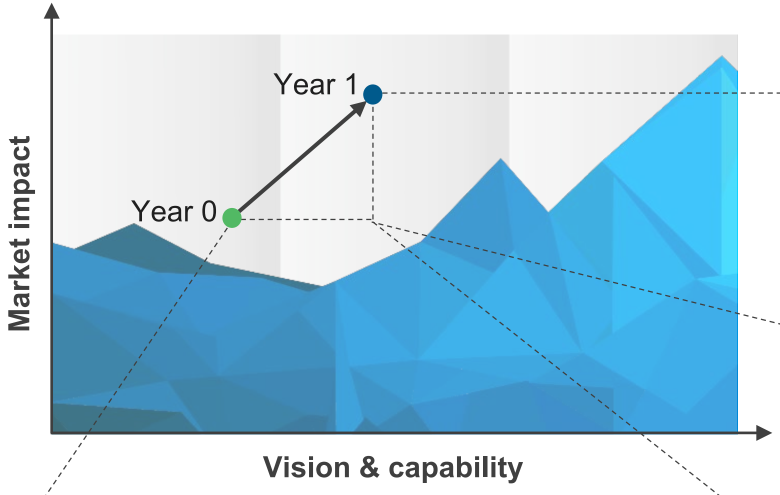
Delivery footprint

Delivery footprint and global sourcing mix

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 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 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 providers whose improvement ranks in the top quartile and award the Star Performer rating to those 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.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging 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 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 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

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With you on the journey

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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
+1-647-557-3475