Everest Group®
RESEARCH

Healthcare Provider Digital Services PEAK Matrix™ Assessment with Service Provider Landscape – 2019: Providing Healthcare as a Digital Service in the Age of Consumerization

Healthcare & Life Sciences IT Services (HLS ITS)
Market Report – December 2018: Complimentary Abstract / Table of Contents

Everest Group® PEAK MATRIX™

EGR-2018-30-CA-3007

Our research offerings for global services

- **Market Vista™**
  Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

- **Application Services**
- **BPS | Banking & Financial Services**
- **BPS | Healthcare & Life Sciences**
- **BPS | Insurance**
- **Catalyst™**
- **Cloud & Infrastructure**
- **Customer Experience Management Services**
- **Data & Analytics**
- **Digital Services**
- **Engineering Services**
- **Finance & Accounting**
- **Human Resources**
- **ITS | Banking & Financial Services**
- **ITS | Healthcare & Life Sciences**
- **ITS | Insurance**
- **IT Services Executive Insights™**
- **Locations Insider™**
- **PricePoint™**
- **Procurement**
- **Recruitment & Talent Acquisition**
- **Service Optimization Technologies**

Membership information

- This report is included in the following research program(s)
  - **ITS | Healthcare & Life Sciences**
- **If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at info@everestgrp.com, unitedkingdom@everestgrp.com, or india@everestgrp.com**

More about membership

In addition to a suite of published research, a membership may include

- Price book
- Accelerators™
- Data cuts
- Analyst access
- Virtual Roundtables
- Workshops

Custom research capabilities

- 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

Table of contents (page 1 of 2)

Table of contents (page 2 of 2)

Background and methodology of the research

Background of the research
Health systems around the world are facing testing times. The availability of physicians is well below demand, while governments are placing greater emphasis on achieving positive health outcomes. Hospitals are struggling to remain profitable, while new-age tech-savvy consumers are demanding innovations in how they receive healthcare. The healthcare provider market is now faced with an impending point of inflection, wherein digital transformation will be required to achieve positive business outcomes, cost and efficiency goals, wider access to healthcare, and improved patient experiences.

The need for healthcare providers to reorganize and adopt digital technologies has not gone unnoticed by service providers. To take optimal advantage of the market situation, vendors need to step up, create relevant offerings, co-innovate, and act as strategic partners to healthcare provider enterprises in their digital transformation journeys.

In this report, we analyze the capabilities of 19 IT service providers specific to healthcare provider digital services. These service providers are mapped on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix, which is a composite index of a range of distinct metrics related to a provider's capability and market success. We focus on:
- IT digital services market trends for healthcare providers
- The landscape of service providers for healthcare provider digital services
- Assessment of the service providers on several capability- and market success-related dimensions

Scope of this report
- **Industry:** Healthcare provider
- **Services:** Digital services
- **Geography:** Global
- **Sourcing model:** Third-party ITS transactions; excludes shared services or Global In-house Centers (GICs)
- **Methodology:** The report is based on four key sources of information: proprietary database of IT services contracts of major IT service providers with digital services in scope of work (updated annually), proprietary database of IT service providers (updated annually), service provider briefings, and buyer reference interviews

Overview and abbreviated summary of key messages
(page 1 of 2)

This report examines the 2018 healthcare provider digital services provider landscape and its impact on the healthcare market. It focuses on service provider position and growth in the healthcare provider digital services market, changing market dynamics and emerging service provider trends, assessment of service provider delivery capabilities, and key healthcare provider digital services provider profiles.

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

Healthcare provider digital services market

- The overall healthcare provider digital services market is a US$2 billion+ opportunity, with the North America region comprising over half of the market
- This is expected to grow at a rate of ~17% from 2017 to 2022

Provider enterprises' approach to digital

- Most healthcare provider enterprises are only using IT for compliance, record keeping, and to solve for internal inefficiencies
- While smaller enterprises have budget constraints to make meaningful investments, larger health systems are recognizing the looming challenges of Value-based care (VBC) imperatives, overburdened hospital staff, and rising consumer expectations, and the potential of digital technologies in combating these challenges
- Digital technologies also pose opportunities for cost reduction and creating new means of revenue generation for healthcare providers

Overview and abbreviated summary of key messages
(page 2 of 2)

Emerging service provider trends

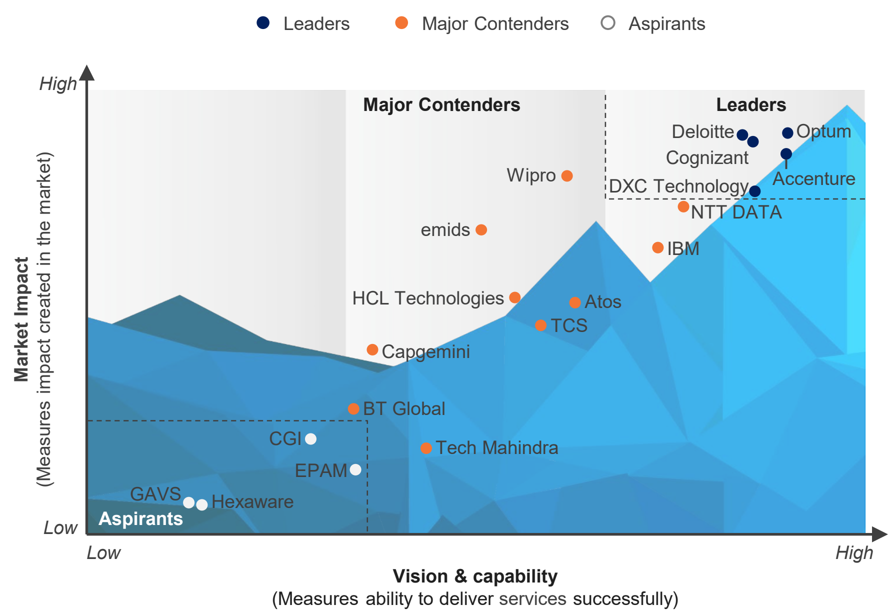
- Currently, 7 service providers account for over 40% of the market for digital services for healthcare providers
- The market for healthcare provider digital services is mostly supply-led, with adoption levels from enterprises being low
- Over the next few years, as improving patient experiences becomes more of a focus area for health systems, adoption rates are envisaged to grow at a CAGR of ~17%, with the proportion of digital services out of the total IT services being consumed also expected to grow
- To address the looming challenges in the healthcare provider industry, service providers are stepping up their capabilities and bringing in innovations in the areas of data analytics, automation, artificial intelligence, cloud, and IoT

Service provider delivery capability

- Healthcare provider digital services providers can be categorized into Leaders, Major Contenders, and Aspirants based on vision & capability and market impact
- Accenture, Cognizant, Deloitte, DXC Technology, and Optum are the current Leaders in the healthcare provider digital services market. However, several service providers are emerging as Major Contenders

This study offers four distinct chapters providing a deep dive into facets of the healthcare provider digital services market; the exhibits below illustrate the depth of the report

Assessment of Healthcare Provider Digital Service Providers[1,2,3]



1 PEAK Matrix specific to digital services in the healthcare provider sector
2 Assessments for Accenture, BT Global Services, CGI, Deloitte, EPAM, GAVS, IBM, and Tech Mahindra exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with healthcare firms that are buyers of digital services
3 Following the acquisition of Syntel by Atos, in this study, we have collectively considered data for the two entities, i.e., Atos and Syntel, and have called the combined entity Atos

Capability assessment

Illustrative example

Measure of capability: High Low

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

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

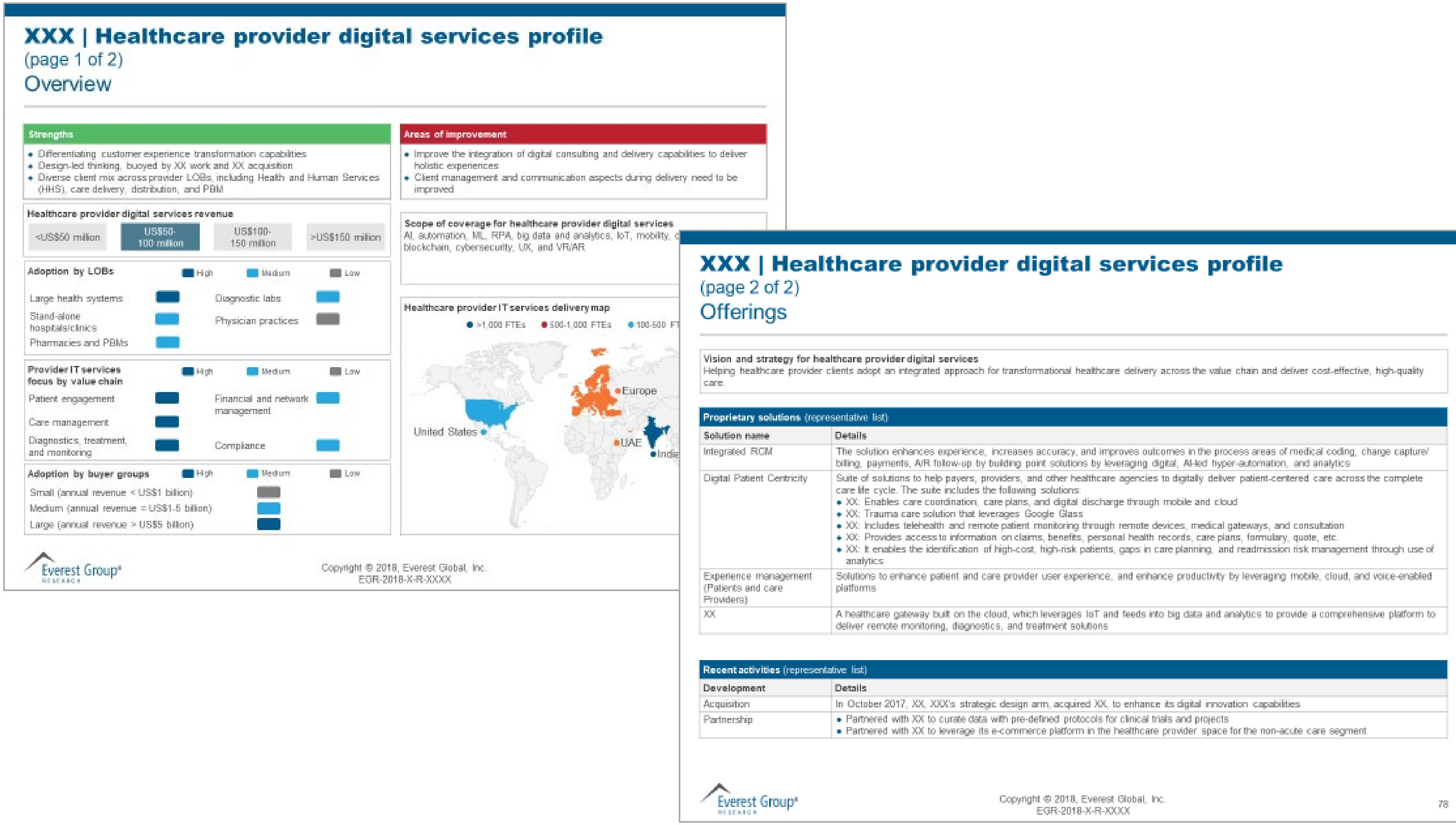
Strengths

- Service provider 1, has a robust delivery presence in Asia Pacific with multiple delivery centers in India, Australia, the Philippines, and China, enabling it to service client requirements efficiently
- It has a good number of multi-country as well as single-country clients across the world

Areas of improvement

- Service provider 1 should increase offerings of value-added services such as employer branding, talent communities and workforce planning
- It should try to expand into larger multi-country deals and also scout for engagements in other Asia Pacific markets to strengthen its presence in the region

The report has 19 service provider profiles



XXX | Healthcare provider digital services profile (page 1 of 2)
Overview

Strengths
- Differentiating customer experience transformation capabilities
- Design-led thinking, buoyed by XX work and XX acquisition
- Diverse client mix across provider LOBs, including Health and Human Services (HHS), care delivery, distribution, and PBM

Areas of improvement
- Improve the integration of digital consulting and delivery capabilities to deliver holistic experiences
- Client management and communication aspects during delivery need to be improved

Healthcare provider digital services revenue

<US$50 million | US$50-100 million | US$100-150 million | >US$150 million

Scope of coverage for healthcare provider digital services
AI, automation, ML, RPA, big data and analytics, IoT, mobility, c... blockchain, cybersecurity, UX, and VR/AR

Adoption by LOBs (High / Medium / Low)
- Large health systems
- Stand-alone hospitals/clinics
- Pharmacies and PBMs
- Diagnostic labs
- Physician practices

Healthcare provider IT services delivery map
>1,000 FTEs · 500-1,000 FTEs · 100-500 FT...
United States · Europe · UAE · India

Provider IT services focus by value chain (High / Medium / Low)
- Patient engagement
- Care management
- Diagnostics, treatment, and monitoring
- Financial and network management
- Compliance

Adoption by buyer groups (High / Medium / Low)
- Small (annual revenue < US$1 billion)
- Medium (annual revenue = US$1-5 billion)
- Large (annual revenue > US$5 billion)

Everest Group® RESEARCH
Copyright © 2018, Everest Global, Inc.
EGR-2018-X-R-XXXX

XXX | Healthcare provider digital services profile (page 2 of 2)
Offerings

Vision and strategy for healthcare provider digital services
Helping healthcare provider clients adopt an integrated approach for transformational healthcare delivery across the value chain and deliver cost-effective, high-quality care.

Proprietary solutions (representative list)

Solution name	Details
Integrated RCM	The solution enhances experience, increases accuracy, and improves outcomes in the process areas of medical coding, charge capture/ billing, payments, A/R follow-up by building point solutions by leveraging digital, AI-led hyper-automation, and analytics
Digital Patient Centricity	Suite of solutions to help payers, providers, and other healthcare agencies to digitally deliver patient-centered care across the complete care life cycle. The suite includes the following solutions: • XX: Enables care coordination, care plans, and digital discharge through mobile and cloud • XX: Trauma care solution that leverages Google Glass • XX: Includes telehealth and remote patient monitoring through remote devices, medical gateways, and consultation • XX: Provides access to information on claims, benefits, personal health records, care plans, formulary, quote, etc. • XX: It enables the identification of high-cost, high-risk patients, gaps in care planning, and readmission risk management through use of analytics
Experience management (Patients and care Providers)	Solutions to enhance patient and care provider user experience, and enhance productivity by leveraging mobile, cloud, and voice-enabled platforms
XX	A healthcare gateway built on the cloud, which leverages IoT and feeds into big data and analytics to provide a comprehensive platform to deliver remote monitoring, diagnostics, and treatment solutions

Recent activities (representative list)

Development	Details
Acquisition	In October 2017, XX, XXX's strategic design arm, acquired XX, to enhance its digital innovation capabilities
Partnership	• Partnered with XX to curate data with pre-defined protocols for clinical trials and projects • Partnered with XX to leverage its e-commerce platform in the healthcare provider space for the non-acute care segment

Everest Group® RESEARCH
Copyright © 2018, Everest Global, Inc.
EGR-2018-X-R-XXXX
78

Research calendar – Healthcare & Life Sciences IT Services

Published | Planned | Current release

Flagship Healthcare & Life Sciences IT Services reports	Release date
Healthcare Provider IT Services – Service Provider Landscape with Services PEAK Matrix™ Assessment 2017	November 2017
Life Sciences Annual Report 2018: Pharma's "DevOps" Factor for Digital Transformation	March 2018
Healthcare Payer Annual Report 2018: Payers Look at Digital to Reinvent in a Turbulent Healthcare Market	March 2018
Life Sciences Digital in North America – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	June 2018
Life Sciences Digital in Europe – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	August 2018
Dr. Robot Will See You Now: Unpacking the State of Artificial Intelligence in Healthcare – 2019	October 2018
Healthcare Payer Digital Services – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	December 2018
Healthcare Provider Digital Services – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	**December 2018**

Thematic Healthcare & Life Sciences IT Services reports	
Exploring the Middle East Healthcare Opportunity	August 2017
The Curious Case of Infosys and Vishal Sikka	August 2017
Healthcare IT Security Services – Market Trends	September 2017
The Rise of Medicare Advantage	October 2017
Life Sciences Report Card 2017 – Enterprise Initiatives and Service Provider Performance	March 2018
Healthcare Report Card 2017 – Enterprise Initiatives and Service Provider Performance	March 2018
Regulatory Stress: Life Sciences Market Under the GDPR Regime	March 2018

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

Additional HLS IT services research references

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

1. **Dr. Robot Will See You Now: Unpacking the State of Artificial Intelligence in Healthcare – 2019** (EGR-2018-20-R-2831); October 2018. While AI is a relatively new area in the healthcare space and its adoption is in the nascent stage, digitalization of healthcare is accelerating enterprises' interest in AI. With CEOs and CIOs acknowledging the transformative power of AI, enterprises are rapidly building appropriate AI strategies. In this market report, we analyze the AI investments for 27 leading U.S.-based healthcare enterprises by mapping them on Everest Group's AI effectiveness assessment model, which is a composite index of a range of distinct metrics related to each enterprise's capability maturity and the outcomes

2. **Healthcare Payer Annual Report 2018: Payers Look at Digital to Reinvent in a Turbulent Healthcare Market** (EGR-2018-20-R-2584); March 2018. The healthcare payer market is changing because of certain secular themes, such as increasing consumerism and rise of digital. At the same time, the broader HLS market is undergoing tectonic shifts with varied implications for the payers' future. In this report, we have defined the key payer characteristics that will experience significant change in the future, with a focus on members, providers, internal systems, and the government

3. **Healthcare Report Card 2017 – Enterprise Initiatives and Service Provider Performance** (EGR-2018-20-R-2557); March 2018. In this report, we talk about the key themes that dominated the healthcare market in 2017. It lists the top 15 healthcare service providers based on five healthcare PEAK Matrix™ BP and IT services evaluations done in 2017 and gives a brief description of the 2018 market outlook.

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

Jimit Arora, Partner:	jimit.arora@everestgrp.com
Abhishek Singh, Vice President:	abhishek.singh@everestgrp.com
Nitish Mittal, Practice Director:	nitish.mittal@everestgrp.com
Mayank Thakur, Senior Analyst:	mayank.thakur@everestgrp.com
Kanika Gupta, Analyst:	kanika.gupta@everestgrp.com
Pranav Kumar, Analyst:	pranav.kumar@everestgrp.com
IT Services Team:	ITSResearch@everestgrp.com

Website: www.everestgrp.com | Phone: +1-214-451-3000 | Email: info@everestgrp.com

Everest Group®

From **insight** to ***action***.

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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

Bangalore
india@everestgrp.com
+91 806-781-9999

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

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

New York
info@everestgrp.com
+1-646-805-4000

Toronto
canada@everestgrp.com
+1-416-388-6765

Stay connected

Website
www.everestgrp.com

Social Media
@EverestGroup
@Everest Group

Blog
Sherpas In Blue Shirts
www.sherpasinblueshirts.com