



# **Makings of a Successful Sourcing Relationship – Deal Trends in the Healthcare Payer BPS Market**

Healthcare and Life Sciences BPS

Market Report – March 2019: Complimentary Abstract / Table of Contents

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- 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

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## Background of the research

Healthcare payers have always been sluggish in making sweeping technology changes and this year is no different. However, the digital solutions have provided payers the perfect combination of investments and the associated ROIs. This report discusses some of the digital adoption trends by payers and their leverage of third-party service providers in doing so.

In addition to leveraging digital assets, payers are also looking for support in areas beyond the traditionally-outsourced claims-associated processes. From creating meaningful member touchpoints to driving higher quality of care, several initiatives have been taken up by all classes of healthcare payers in the US. This report provides initial adoption trends around some of these services as well as matches payer types to areas of interests.

**In this research study, we look at the healthcare payer BPS market from the point of view of adoption trends as well as prevalent solution characteristics**

# Overview and abbreviated summary of key messages

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

## State of the market

- Payers' investments on digital capabilities, MLR, and member engagement drove the healthcare payer BPS market to ~US\$12 billion in 2018
- Payers' demand is shifting from purely cost reduction to more strategic and value-creation initiatives

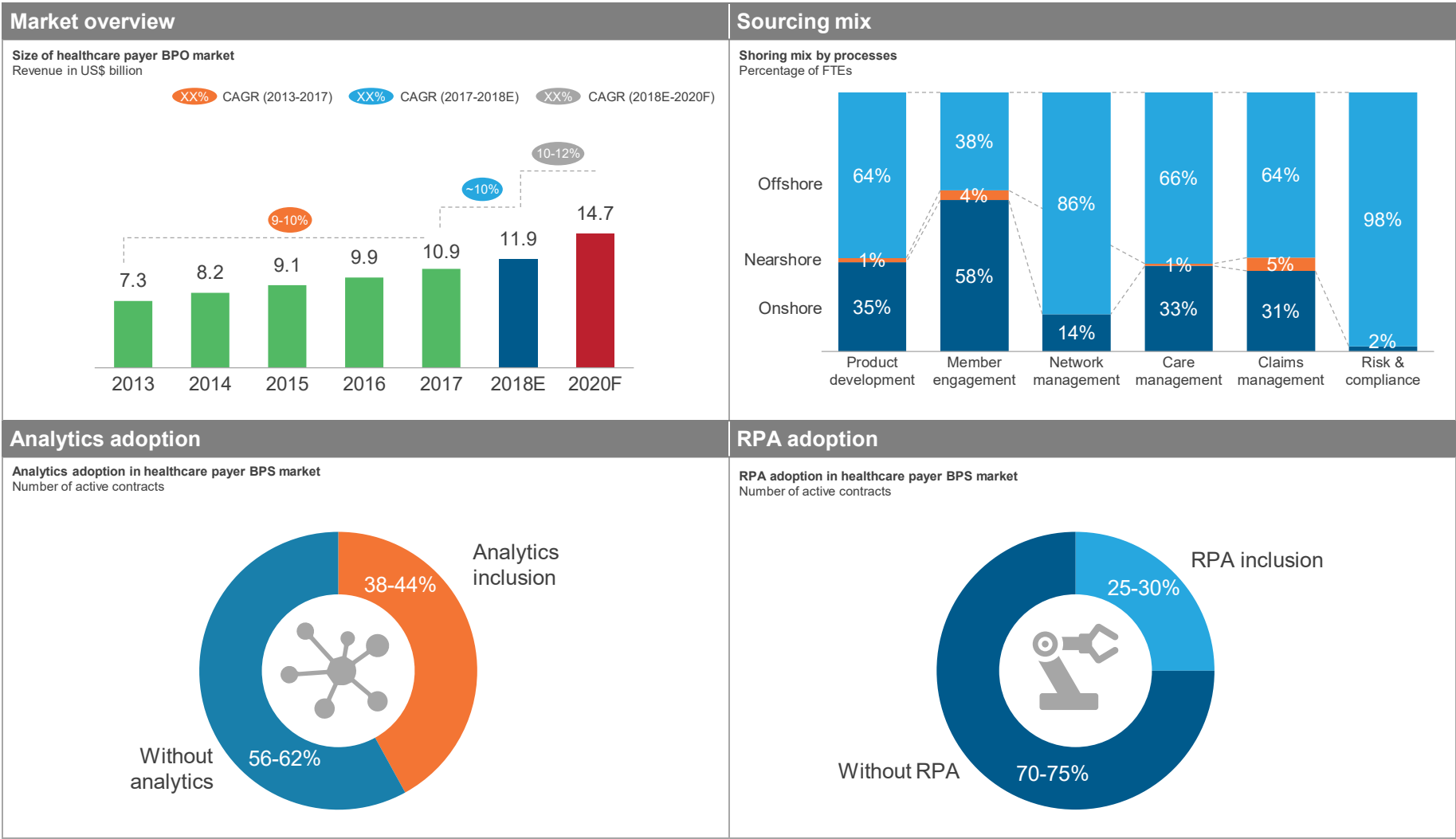
## Healthcare payer BPS solution characteristics

- Many service providers are trying to leverage outcome-based pricing arrangements to get deals involving new technological offering
- More than half of the new BPS contracts signed in 2018 had analytics in the scope of work
- RPA adoption increased rapidly in 2018; however, the scale of implementation is very low

## Service provider landscape in the healthcare payer BPS market

- Accenture, Cognizant, Conduent, DXC Technology, and Optum continue to lead the market in terms of revenue
- While M&As helped Cognizant and EXL to register high revenue and client growth, Accenture, Optum, and HGS strengthened their revenue base organically
- Claims management, followed by member engagement, continues to be the largest and most competitive space

# This study offers three distinct chapters providing a deep dive into key aspects of Healthcare Payer BPS market; below are four charts to illustrate the depth of the report



# Research calendar – Healthcare and Life Sciences (HLS) BPS

Published
  Planned
  Current release

## Flagship HLS BPS 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
Healthcare Provider BPO Market – Deal Trends Report 2018 .....	June 2018
Healthcare Payer BPO Market – Deal Trends Report 2018 .....	June 2018
Healthcare Analytics Services PEAK Matrix™ with Service Provider Landscape – 2019 .....	December 2018
Healthcare Automation Services PEAK Matrix™ Assessment with Service Provider Landscape - 2019 .....	February 2019
Healthcare Report Card 2018 – A Guidebook of Key Trends and Service Provider Performance .....	March 2019
<b>Makings of a Successful Sourcing Relationship – Deal Trends in the Healthcare Payer BPS Market .....</b>	<b>March 2019</b>
Life Sciences Report Card 2018 .....	Q2 2019

## Thematic HLS BPS reports

Innovation in Pharmacovigilance (PV): How to Spend Smarter Not Higher? .....	June 2017
Rising Cost of Healthcare in the United States: Can Analytics Help? .....	August 2017
Pharma Sales & Marketing: Old Strategies Into New Methods   Focus on Transmutation Rather Than Transformation .....	June 2018
RCM: New Heaven for Investor Money .....	Q2 2019
Key Growth Areas in RCM .....	Q2 2019

Note: For a list of all HLS BPS Outsourcing reports published by us, please refer to our [website page](#)

# Additional HLS BPS research references

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

1. **Healthcare Analytics Services PEAK Matrix™ Assessment with Service Provider Landscape – 2019** ([EGR-2018-20-R-2898](#)); 2019. The labor arbitrage model is steadily reaching a point where enterprises have to look toward other avenues to continue to benefit from outsourcing. Digital technologies, such as analytics, are a potential solution for buyers to improve process efficiency while lowering cost (in the long term). The healthcare analytics services market is showing a double-digit growth rate, with demand coming not only from traditional administrative segments but also from new areas such as care management and member engagement. As a result, the supplier landscape is filled with a multitude of players offering these services under different models. The report will explore some of the leading players in this market.
2. **Healthcare Business Process Automation Solutions PEAK Matrix™ Assessment 2019** ([EGR-2019-20-R-3057](#)); 2019. 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

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