

Big Tech's Foray into Healthcare

October 2022: Complimentary Abstract / Table of Contents



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

Chunky Satija, Vice President

Priya Sahni, Practice Director

Kumar Dhwanit, Senior Analyst

Big Tech players foraying into the healthcare space

The healthcare industry is seeing an unprecedented digital transformation as we speak. A lot of players from the provider, payer, and public health sectors are designing their digital modernization strategies with a focus on migration from the legacy systems currently in use and adoption of new technologies for increased efficiency, cost overhead, minimization, and to enable remote collaboration (the COVID-19 pandemic acting as a catalyst for the same).

The most dominant and largest tech companies, which we refer to as Big Tech in this report, have been making inroads into the health care industry and the pandemic has only pushed them to grab a larger share of the pie. For the purpose of this report, Amazon, Google, Microsoft, Oracle, and Salesforce have been considered as the Big Tech players.

In this report, we delve into the attempts made by these Big Tech vendors to gain a stronger foothold in the healthcare industry, and their short- and long-term strategies around building their offerings and capabilities for the industry. We focus on:

- Offerings and solutions by the Big Tech vendors for the healthcare industry
- Comparative assessment of the Big Tech vendors in terms of value chain coverage, vision and strategy, client reach, and market activity
- Decoding some of the market activity by the Big Tech vendors in this space and looking at the controversies and challenges faced by these vendors with respect to the healthcare industry

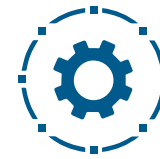
Scope of this report



Geography
Global



Industry
Market activity and investments
of 5 leading technology enterprises
in healthcare



Services
Digital services



Use cases
Only publicly-available information
has been used for the entire analysis
in this report

Overview and abbreviated summary of key messages

This report examines the global healthcare IT services landscape and specifically the foray of the Big Tech vendors namely Amazon, Google, Microsoft, Oracle and Salesforce into the industry. It focuses on the proliferation of these vendors across the healthcare payer/provider landscape and a comparative analysis of their specialized offerings. The report also maps the evolution of their offerings over the years, their recent acquisitions and related controversies in the space.

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

Analysis of Big Tech proliferation in healthcare

- Big Tech players are entering into the healthcare industry with the broader aim of leveraging data to improve outcomes, experience, and access
- Big Tech vendors have limited proliferation in areas like value-based care, revenue cycle management

Comparative assessment of Big Tech in healthcare

- While Microsoft and Salesforce lead the pack in terms of client presence, Amazon has a wider coverage across the healthcare value chain
- Salesforce leads the way when it comes to extent of verticalization of the offerings, while Oracle and Microsoft have a slight edge when it comes to the application ecosystem

Healthcare Industry Cloud

- Hyperscalers are evolving their market strategy with a focus on the entire technology stack
- There are opportunities for Big Tech vendors across different healthcare cloud layers
- Big Tech vendors are now focusing on building an industry cloud offering

Deciphering recent M&A activity and related controversies

- Acquisitions centered around patient health data for training of AI/ML offerings and around highly specialized skillsets to enhance their overall capabilities
- Concerns around rise of emergent medical data (EMD) and lack of transparency around data sharing

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

Comparative assessment of Big Tech vendors' healthcare cloud solutions

Vendor	Extent of verticalization	Partnership	Application ecosystem
aws	<p>AWS offers a wide variety of healthcare solutions across areas such as patient and clinical experience, population health management, disease prediction, etc. These solutions comprise AWS as well as third-party solutions listed on the AWS Marketplace</p>	<p>40+ AWS Healthcare Competency Partners such as Cognizant, CitiusTech, Deloitte, Virtusa</p>	<p>75+ healthcare solutions on AWS Marketplace Solutions</p>
Google Cloud	<p>Offerings such as Healthcare Data Engine, Cloud Healthcare API, and Google Cloud Marketplace have allowed Google to expand its presence in healthcare and increase its client base</p>	<p>70+ partners comprising of players such as Accenture, Deloitte, NTT DATA, Quantiphi, TCS, SoftServe, KPMG, PwC</p>	<p>80+ healthcare applications on Google Cloud Platform</p>
Microsoft	<p>Microsoft has a robust cloud application ecosystem due to its experience in healthcare through a proven collaboration platform (Microsoft 365), its cloud platform (Microsoft Cloud for Healthcare), and Azure Marketplace</p>	<p>Microsoft partner ecosystem for healthcare consists of 10+ players such as Accenture, Cognizant, HCL, Innovacer, KPMG, PwC</p>	<ul style="list-style-type: none"> 650+ healthcare applications on Microsoft AppSource 400+ healthcare applications on Microsoft AppSource on Azure Marketplace

Comparative assessment of Big Tech vendors' healthcare cloud solutions

Vendor	Extent of verticalization	Partnership	Application ecosystem
ORACLE	<p>With its healthcare cloud offering, Oracle's focus is centered around enabling faster deployment of healthcare applications and running healthcare workloads with better performance and lower costs. Strategic acquisition of Cerner will allow Oracle to further strengthen its healthcare expertise and expand its healthcare cloud business.</p>	<p>Cloud partnership with players such as Accenture, Cognizant, Capgemini, HCL, KPMG, Optum, Tech Mahindra, Wipro, etc.</p>	<p>110+ healthcare applications on Oracle Cloud Marketplace</p>
salesforce	<p>Salesforce has a dedicated healthcare offering, Salesforce Health Cloud, that focuses on three key themes – providing complete patient view, smarter patient management, and connected patient engagement.</p>	<ul style="list-style-type: none"> The Salesforce Health Cloud was developed in partnership with healthcare enterprises that include Centura Health, DJO Global, Radboud University Medical Center, UCSF, and Philips The cloud partnership ecosystem also consists of Salesforce's Independent Software Vendors (ISVs) MuleSoft and Optum, and Systems Integrators (SIs) such as Accenture, Deloitte, PwC, and Persistent 	<p>10+ healthcare solutions on Salesforce AppExchange</p>

Healthcare value chain coverage for the Big Tech vendors

Vendor	Coverage across healthcare value chain	Vision and future strategy	Alliances and M&A	Client presence
amazon	High	High	Medium	Low
Google	Medium	Low	Low	Low
Microsoft	High	High	High	High
ORACLE	Medium	Medium	Medium	Medium
salesforce	Medium	High	High	High

Opportunities for Big Tech vendors across different healthcare

Layer	Opportunities
Customization layer	<ul style="list-style-type: none"> Process automation IT/OT data integration Unified dashboards Real time patient monitoring and predictive analytics Next-generation use case implementation (Digital front door, IIoT, digital twin, etc.)
Differentiated application layer	<ul style="list-style-type: none"> Industry value chain focused business applications Omnichannel member / patient engagement Fraud detection and prevention Population health management IoT asset monitoring, predictive maintenance Clinical decision support Network management Payer/provider collaboration Resource/process management Regulatory compliance management Value-based care Supply chain management
Platform layer	<ul style="list-style-type: none"> Industry-contextualized core applications (custom forms and workflows) ERP, EHR, CRM, HCM, solutions with built-in industry standard manufacturing KPIs Unified healthcare data model with pre-defined integration standards Multi-cloud management tools (resource optimization, cloud economics) Collaboration tools Interoperability Digital thread Master data management Low code platforms for cloud-native development APIs to integrate with ERP, EHR, HCM, CRM etc. Built-in AI/ML models Marketplace for technology and solutions Identity and access management Configurability and governance
Infrastructure layer	<ul style="list-style-type: none"> Security and compliance management High performance computing Gateways and network management

Research calendar

Healthcare Information Technology

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Healthcare Provider Enterprise Insights – Q4 2020 & Q1 2021	August 2021
Interoperability in Healthcare	September 2021
Healthcare Payer Enterprise Insights – H1 2021	September 2021
Effective Claims Operations Through Scaled Digital Adoption	November 2021
Cloud for Healthcare – Data Platforms Peak Matrix® Assessment 2022	December 2021
Healthcare Payer Digital Services PEAK Matrix® Assessment 2022	May 2022
Healthcare Payer Digital Services – Service Provider Compendium 2022	August 2022
Value-Based Care – State of the Market report	September 2022
Big Tech’s Foray into Healthcare	October 2022
Healthcare Provider Digital Services PEAK Matrix® Assessment 2022	Q4 2022
RCM Platforms PEAK Matrix® Assessment 2022	Q4 2022
Healthcare Customer Experience Platforms PEAK Matrix® Assessment 2022	Q4 2022

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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

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