Everest Group Healthcare Payer Business Process as a Service (BPaaS) – Solutions PEAK Matrix® Assessment 2024

Focus on **Cognizant**

October 2024

Introduction

The payer BPaaS solutions market is rapidly evolving, driven by healthcare payers' need to enhance efficiency, manage costs, and navigate complex regulations. As the industry shifts toward customer-centric services, BPaaS has emerged as a strategic solution to streamline operations and improve member experiences. As a result, payers are increasingly adopting modular platforms and Line of Business (LoB)-specific solutions to tailor their digital capabilities.

The sector is also experiencing a rise in strategic partnerships between payer organizations and BPaaS solutions providers. These collaborations leverage robust ecosystems that use advanced technologies such as process mining, enabling the development of scalable solutions that address evolving demands. By fostering such partnerships, payers are gaining access to specialized expertise and innovative solutions, better positioning themselves to navigate the dynamic healthcare landscape.

In the report, we present an assessment of 14 payer BPaaS solutions providers featured on the [Healthcare Payer BPaaS – Solutions PEAK Matrix® Assessment for 2024](#). This assessment is based on Everest Group's annual RFI process for the calendar year 2023, interactions with leading payer BPaaS solutions providers, client reference checks, and ongoing analysis of the payer BPaaS solutions market

The full report includes the profiles of the following 14 leading payer BPaaS solutions providers featured on the healthcare payer BPaaS solutions PEAK Matrix:

- **Leaders:** Cognizant, Firstsource, and Wipro
- **Major Contenders:** Conduent, Mphasis, NTT DATA, Optum, RAM Technologies, Sagility, SKYGEN, SS&C Technologies, and UST HealthProof
- **Aspirants:** HealthAxis and Inovaare

Scope of this report

Geography: US

Industry: Healthcare

Services: Payer BPaaS

Healthcare payer BPaaS solutions PEAK Matrix® characteristics

Leaders

Cognizant, Firstsource, and Wipro

- Leaders in payer BPaaS are positioning themselves as pivotal partners for healthcare payers by providing comprehensive support across the entire payer value chain. To broaden and deepen their offerings, these Leaders are actively investing in innovation to meet the growing demand for BPaaS solutions

- To stay at the forefront of the industry, payer BPaaS Leaders are leveraging consulting capabilities, fostering dynamic partnership ecosystems, and offering multiple deployment models. By integrating advanced solutions such as process mining, these leaders anticipate industry needs, enhance efficiency, and deliver substantial cost savings for their clients

Major Contenders

Conduent, Mphasis, NTT DATA, Optum, RAM Technologies, Sagility, SKYGEN, SS&C Technologies, and UST HealthProof

- To bridge the gap with the Leaders, Major Contenders are investing in technologies and expanding their value chain coverage to offer add-on services. The focus is on gaining specific capabilities in the payer BPaaS space, which the major contenders are achieving through partnerships, innovative solutions, or acquisitions

- Major contenders are also focusing on delivering value by enhancing their LoB expertise, digital capabilities, and integration capabilities
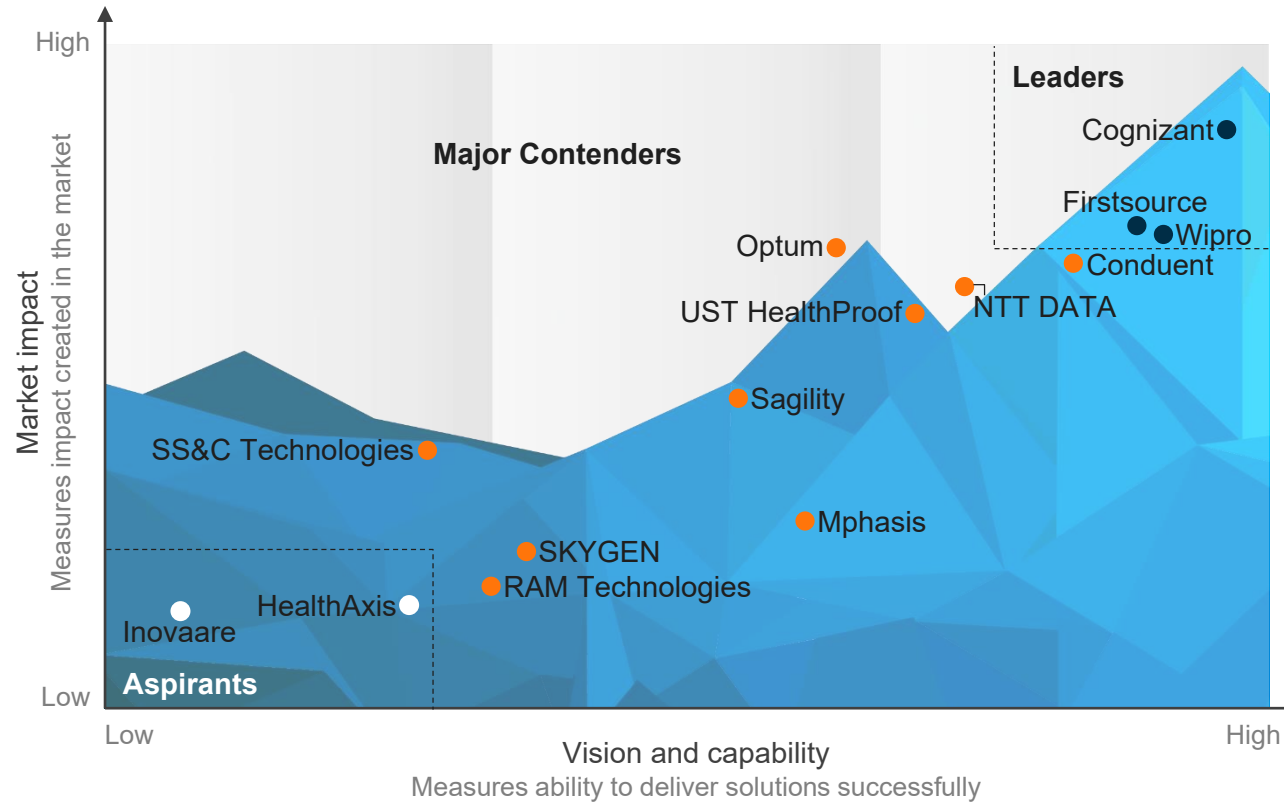
Aspirants

HealthAxis and Inovaare

- Aspirants are entrants in the healthcare payer BPaaS market, currently operating on a smaller scale with limited engagement and commercial models

- Aspirants are concentrating on specific buyer segments and value chain processes, initially offering limited services and technology capabilities, while planning to develop their skills in the BPaaS space

Everest Group PEAK Matrix®

Healthcare Payer Business Process as a Service (BPaaS) – Solutions PEAK Matrix® Assessment 2024 | Cognizant is positioned as a Leader

Everest Group Healthcare Payer Business Process as a Service (BPaaS) – Solutions PEAK Matrix® Assessment 2024[1]

- ● Leaders
- ● Major Contenders
- ○ Aspirants

Y-axis: Market impact — Measures impact created in the market (Low to High)

X-axis: Vision and capability — Measures ability to deliver solutions successfully (Low to High)

Leaders
- Cognizant
- Firstsource
- Wipro

Major Contenders
- Optum
- Conduent
- NTT DATA
- UST HealthProof
- Sagility
- SS&C Technologies
- Mphasis
- SKYGEN
- RAM Technologies

Aspirants
- HealthAxis
- Inovaare

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Overview

Company overview

Cognizant is a professional services company that aims to help clients transform their business, operations, and technology models in the digital age. By adopting an integrated structure, Cognizant combines industry-focused verticals with technology-focused horizontals and Centers of Excellence (CoEs). This approach allows the company to deliver specialized solutions and innovative strategies tailored to various industries, such as healthcare, while also developing advanced technology solutions and accelerators.

Headquarters: Teaneck, New Jersey

Website: www.cognizant.com

Key leaders

- Ravi Kumar, Chief Executive Officer
- Jatin Dalal, Chief Financial Officer
- Surya Gummadi, Executive Vice President and President, Cognizant Americas
- Ganesh Ayyar, Executive Vice President and President, Intuitive Operations and Automation and Industry Solutions
- Sandeep Bhasin, Senior Vice President, Global Delivery, Cognizant Digital Operations
- LaToya James, SBU Business Head, Healthcare
- Melissa Merdan, Head, Healthcare BPaaS

Suite of services offered in BPaaS (as per payer value chain)

- Claims management
- Member engagement
- Network management
- Care management
- Risk and compliance

Healthcare payer BPaaS	2021[1]	2022[1]	2023[1]
Revenue (US$ million)	Not disclosed	Not disclosed	Not disclosed
Number of clients	30	31	35

1 12 months ending December 31 of any particular year, i.e., from January 1, YYYY to December 31, YYYY
Source: Everest Group (2024)

Deployment model for payer BPaaS solution

● Not present　● Present

- ● On-premises
- ● Private cloud
- ● Public cloud
- ● Hybrid cloud

Recent acquisitions and partnerships

- **2024:** partnered with NVIDIA to leverage advanced AI and ML technologies; this collaboration combines Cognizant's consulting and IT services with NVIDIA's GPU hardware and AI software, enabling businesses to accelerate digital transformation
- **2023:** acquired Thirdera, a global pure-play advisory firm, as part of its focus on emerging enterprise workflow products
- **2021:** acquired digital engineering assets from Hunter Technical Resources, a privately held digital engineering and project management agency headquartered in Atlanta, Georgia; the acquisition aims to expand Cognizant's access to the highly specialized expertise its clients require to accelerate their digital transformation journeys

Recent developments

- **2024:** launched Cognizant Neuro® Edge, a new platform in the Cognizant Neuro® suite
- **2024:** developed an advanced AI lab to accelerate AI research and innovation
- **2024:** created Flowsource™, a generative AI-enabled platform for powering modern engineering
- **2024:** signed an agreement with Gentherm for strategic product engineering services and the development of a new delivery center
- **2023:** opened the AI Innovation Hub in London in partnership with Google
- **2023:** introduced Telco Assurance 360: an AI-powered service assurance for the telecommunications industry
- **2023:** launched Cognizant's Gen AI Innovation Assistant

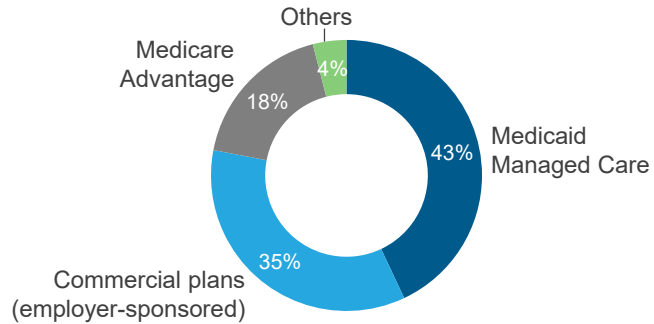# Cognizant profile (page 2 of 7)

Capabilities and key clients

Revenue mix by segment	Revenue mix by plan type	Revenue mix by offering	Revenue mix by plan size[1]
Revenue in US$ million	Revenue in US$ million	Revenue in US$ million	Revenue in US$ million
100% = Not disclosed	100% = Not disclosed	100% = Not disclosed	100% = Not disclosed

Revenue mix by segment — Not disclosed

Revenue mix by plan type:
- Medicaid Managed Care 43%
- Commercial plans (employer-sponsored) 35%
- Medicare Advantage 18%
- Others 4%

Revenue mix by offering:
- Services[2] 100%

Revenue mix by plan size:
- Large 74%
- Small 17%
- Midsize 9%
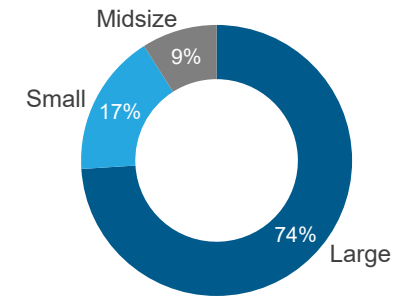
Key engagements

Client name	Processes served	Region	Client since
A BCBS plan in the Northeast serving Medicaid recipients	Enrollment, claims adjudication, provider data maintenance, encounters, and business rule configuration	North America	Not disclosed
A Midwest-based large healthcare provider	Claims administration, eligibility and enrollment, encounter management, premium billing and payment reconciliation, provider maintenance, contact center, appeals intake, and grievance intake	North America	Not disclosed
A Medicaid managed care plan in the Eastern region	Claims administration, eligibility and enrollment, encounter management, premium billing and payment reconciliation, provider maintenance, contact center, appeals intake, and grievance intake	North America	Not disclosed
A Texas-based Medicaid plan offering	Claims administration, eligibility and enrollment, encounter management, premium billing and payment reconciliation, provider maintenance, contact center, appeals intake, and grievance intake	North America	Not disclosed
A large Blues Plan	Eligibility and enrollment, contact center, and grievance intake	North America	Not disclosed

1 Plan size is defined as large (>500,000 lives covered), midsize (100,000-500,000 lives covered), and small (<100,000 lives covered)
2 All TriZetto and third-party products are embedded in a single PMPM. Hence BPaaS is an "as a service" model for Cognizant

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Offerings in BPaaS solution

[N O T   E X H A U S T I V E]

Name of BPaaS platform solution/modules

Product	Description
Facets	The Facets system is central to its BPaaS ecosystem and offers extensive core administrative functionalities. It automates critical business functions such as member enrollment, premium billing, claims processing, and customer service, aiming to reduce administrative costs and enhance healthcare and business outcomes. Facets features integrated workflow and care management capabilities, supporting care programs and streamlining processes. Its modular design allows clients to customize the system with various components to meet their specific needs.
QNXT	The TriZetto® QNXT™ enterprise core administration system is a patented platform designed to reduce administrative costs for payers through advanced automation and a rules-based architecture. It enhances accuracy and auto-adjudication rates, providing real-time, user-configurable information to improve healthcare decision-making. The open platform supports rapid adaptation to market changes and offers a broad functionality for various business lines, including commercial, government programs, and specialty lines. Integrated modules within QNXT handle diverse tasks such as claims processing, capitation management, and customer service, allowing clients to customize processing environments with specific business rules.

Process coverage

Processes offered under BPaaS   Processes not offered under BPaaS

Product development	Member engagement	Network management	Care management	Claims management	Risk and compliance
• Plan development	• Enrollment and eligibility	• Provider management	• Case and disease management	• Claims intake	• Risk adjustment
• Channel management	• Handling of endorsements and renewals	• Provider credentialing	• Utilization management	• Benefits administration	• Risk adjustment coding
	• Risk identification and assessment	• Contract management and network strategy	• Population data management and analytics	• Claims adjudication	• Risk Adjustment Data Validation (RADV)
	• Records management and HIX support	• Provider outreach	• Nurse triage	• Claims disbursement	• HEDIS and Star rating support
	• Billing and collections		• Remote patient monitoring	• Claims litigation; recovery/subrogation	• Internal/External reporting
				• Payment integrity	• Compliance management support

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Other technology solutions/tools offered in BPaaS

Application	Type of solution (analytics/automation and others)	Processes served	Description
Liveinsights	Analytics	Claims management, enrollment management, and call center management	It includes dashboards for claims Turnaround Time (TAT), claims interest, pend claims, enrollment stages, billing, and call center statistics to provide insights into operations on a real-time basis to Cognizant leaders as well its client's executive management.
Speech analytics	Analytics	Call center management	It allows the deployment of speech analytics to identify calls where customers are dissatisfied based on key phrases. It helps in the identification of call drivers with high hold and non-talk time, reducing the Average Handle Time (AHT) and enhancing customer satisfaction.
Process mining	Analytics	Not disclosed	It offers deep process analysis of all possible process variations and optimizes the most frequent path using Celonis or UiPath ProcessGold.
AI and Robotic Process Automation (RPA) for Workflows	Automation	Claims management, enrollment management, and call center management	It enables RPA to increase the auto-adjudication rate and first pass rate.
Enhanced self-service on Interactive Voice Response (IVR)	Automation	Call center management	It is a build self-service for major call types such as pre-authorization calls, claims calls, benefits, material requests, and Primary Care Providers (PCP) changes.
Standardization of business processes	Automation	Claims management, enrollment management, and call center management	It helps to create and put in place standard operating procedures, process flows, and the standardization of templates to reduce variations in data capture and information processing. It also helps in the creation of knowledge using tools such as RoboHelp.
Digital self-service opportunities for brokers/producers on portals	Automation	Call center management	It enhances portal adoption for self-service, tracks and reports user usage of the portal, continuously enhances portal features, and creates portal awareness of phone calls (agents and on IVR).

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Other technology solutions/tools offered in BPaaS

Application	Type of solution (analytics/automation and others)	Processes served	Description
Post call surveys	Automation	Call center management	It allows post call survey to track customer satisfaction after every call – on Interactive Voice Response (IVR).
Task Capture	Automation	Claims management,enrollment management, and call center management	Task Capture is implemented across claims and provider towers to help in the auto-creation of the Standard Operating Procedures (SOPs) and process flows. This tool helps to easily document and gather data on the business processes.
Gen AI-enabled claims adjudication engine	Automation	Claims management	This is a platform-agnostic framework that enables gen AI to capture the tacit knowledge related to claims processing. This framework utilizes Large Language Models (LLMs) to analyze submitted claims data by transforming unstructured information into structured formats. It applies business logic to provide recommendations and decisions for human review, ultimately facilitating the resolution of claims through integration with RPA via Application Programming Interfaces (APIs)
Agent Assist	Automation	Call center management	It uses smart chatbots to assist the agents in obtaining accurate information using gen AI and populate the agent screen, summarize the call notes, and trigger automated responses. It also enables intelligent call summarization, integration with the knowledge base, and appropriate responses to the callers.
Prohance	Automation	Claims management	This is a workforce management tool deployed to monitor associate utilization and effectively manage the workforce.
MS Dynamics	Automation	Call center management	It enables Call Center Customer Relationship Management (CRM).
Eliza (Cotiviti)	Automation	Call center management	This is a gen AI-based member interaction voice system typically used for new member welcome calls, member health risk assessment calls, etc.

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Other technology solutions/tools offered in BPaaS

Application	Type of solution (analytics/automation and others)	Processes served	Description
Bot Convertor and Optimization	Automation	Claims management, enrollment management, and call center management	Cognizant's Bot Conversion tool comes with pre-configured rules for auto remediation allowing bots to log into the development environment, and open and auto remediate the source code.
Intelligent Document Processing (IDP)	Automation	Claims management, enrollment management, and call center management	It is a cloud-hosted fabric that aids in the processing of structured and unstructured document content by leveraging a tool ecosystem sourced from a wide range of technology partners and proprietary solutions with an aim of offering pre-built document libraries and best-fit solutions.
Automation Workbench (AWB)	Automation	Claims management, enrollment management, and call center management	Cognizant's Automation Workbench is a one-stop automation delivery platform that provides acceleration and ensures quality across the automation delivery life cycle.
Intelligent Data Capture Solution (iDCS)	Automation	Claims management, enrollment management, and call center management	This is an Optical Character Recognition (OCR)-based document processing solution to capture business-relevant data from input documents and deliver it. Input documents could be either scanned images or textual files with content laid out in structured or unstructured formats.
Digital Operations Fabric (DOF)	Automation	Claims management, enrollment management, and call center management	DOF is an integrated operations management suite that connects all individual systems for tracking quality, learning, and performance to provide a 360-degree view. It also includes intuitive dashboards and several reports that can be generated through the tool.
IPA Command Center	Automation	Claims management, enrollment management, and call center management	It helps with the visual representation of data provided by digital workers to gather useful insights and provides APIs to pull data from digital workers or bots on a regular basis. It can be deployed for just RPA clients as well as those integrating solutions.

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Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

Market impact				Vision and capability					
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Technology capability	Services capability	Innovation and investments	Engagement and commercial model	Overall
●	●	◔	●	●	●	●	●	◔	●

Strengths

- Cognizant leverages its deep healthcare expertise and extensive experience with its TriZetto platform, featuring solutions such as the FACETS and QNXT modules, to deliver contextualized functionalities across various LoBs
- The organization offers a multi-LoB experience, with pre-integrated BPaaS solutions for government, commercial, individual, small, and large group health plans to enhance efficiency
- Cognizant has invested in advanced technology platforms such as LiveInsights dashboards, cloud-enablement, automated deployment, and process mining, offering flexible service delivery models
- The clients have appreciated Cognizant's domain expertise, pool of comprehensive solutions, and training and support services

Limitations

- Industry changes and evolving compliance such as CMS updates are not automatically integrated into Cognizant's platform, which can lead to poor client experience
- Cognizant has been cited as a premium player by the clients due to high development costs. This may impact its success for small and midsize clients seeking cost-effective options

Appendix

PEAK Matrix® framework

FAQs

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision and capability

Everest Group PEAK Matrix
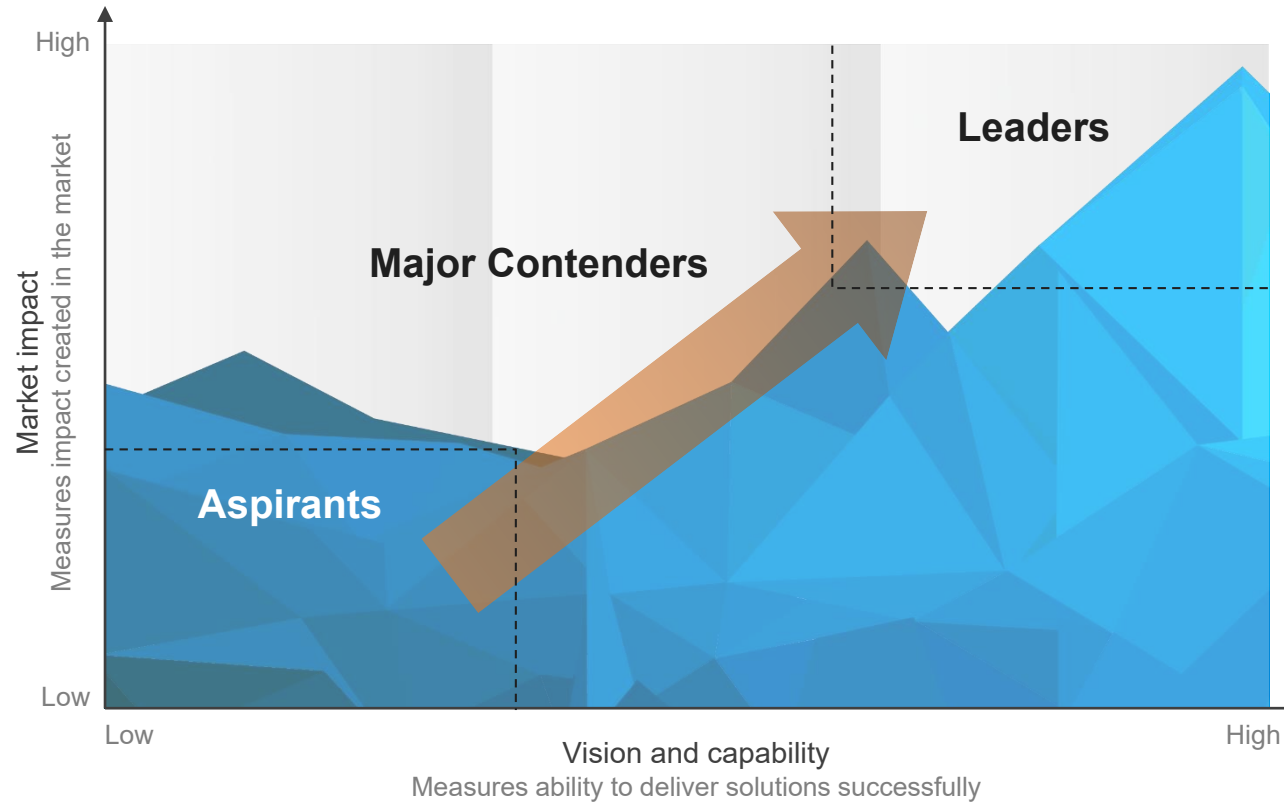
Solutions PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

Size and growth of deployments across the solution portfolio

Portfolio mix

Solution footprint across geographies, industries, and buyer size segments

Value delivered

Value delivered to the client based on customer feedback and other measures

Market impact (y-axis)

Vision and capability (x-axis)

Leaders

Major Contenders

Aspirants
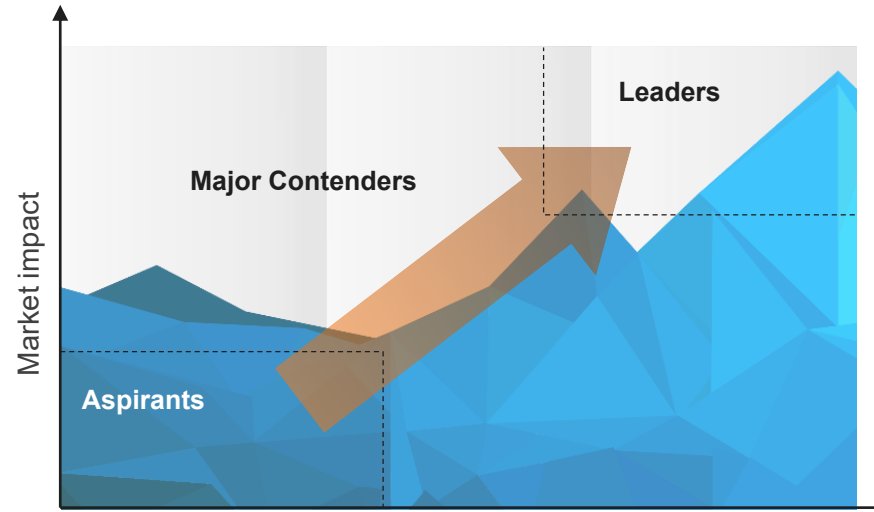
Measures ability to deliver solutions successfully. This is captured through five subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Technology capability

Technical sophistication and breadth/depth across the technology suite

Services capability

Effectiveness and breadth/depth of services portfolios across the services suite

Innovation and investments

Innovation and investment in the solution suite

Engagement and commercial model

Progressiveness, effectiveness, and flexibility of engagement and commercial models

FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

A: 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.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries

- In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies

- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR

- Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

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