Cognizant

Cognizant BPaaS

What C-Suite Executives Need To Know About Healthcare Business Process-as-a-Service (BPaaS)

Is your organization thinking strategically about Business Process-as-a-Service (BPaaS)? If not, you should be.

C-suite executives in today's payer organizations are facing pressure to do more with less like never before. The need to improve financial performance, control costs, improve member health outcomes, and enhance the quality of care – all at the same time – is crucial to not just success, but survival in the current market.

Payers are struggling with declining margins and stagnant revenue growth combined with market consolidation. With the pressure mounting and competition intensifying, many executives are turning to a BPaaS delivery model as a competitive differentiator. Shifting to BPaaS for plan administration is helping payers to improve cost, quality, and patient experience outcomes, and reduce total cost of ownership to be faster, more agile, and more scalable, with greater focus on growth.

Rethinking/Retooling Your Strategy

As payers continue to shift to value-based contracting, the need to decrease the complexity of plan administration and focus on revenue-generating and outcomes-based activities rises exponentially. Payers need to focus on their core plan offerings and market penetration, ensuring that they have the right strategies in place to serve their members effectively and efficiently, and maximize revenue streams. The focus on Medical Loss Ratio (MLR), Star Ratings, HEDIS Scores and the like can be the difference between just squeaking by and thriving in today's outcomes-driven market.

Cognizant's BPaaS solution allows payers to divert attention from back- and middle-office functions/processes to focus on realizing strategic goals. Payers can focus attention on the

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The Case for BPaaS

"BPaaS for Healthcare Payers accelerated from an emerging to adolescent solution for Healthcare Payers in 2018 with the proliferation of the 'healthcare payer in a box,' cloud-based operations model driven by next-generation core administrative processing solutions."

— Gartner Hype Cycle, July 2018

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levers of change and plan evolution, while Cognizant provides a strong administrative foundation buoyed by experienced **People**, proven **Processes** and industry-leading **Technology**, all at an economical Per Member Per Month cost that provides the flexibility and scalability needed during high-volume and growth periods.

Cognizant's BPaaS Technology Ecosystem

According to a study by The Everest Group[1], most payers (both leaders in the industry and followers) depict a scattered and disparate platform landscape. The lack of an integrated platform technology leads to fragmented data which can affect member outcomes and the member experience.

Cognizant's BPaaS solution resolves this issue with a continuously updated technology platform complete with multiple integration points, offered in an economical, consumption-based model that controls costs and reduces capital expense, resulting in a decrease in the Total Cost of Ownership.

[1] Everest Group, Healthcare BPaaS: Payer Assessment, January 2019

Payer Issues
High SG & A and MLR
High Capital Expenditure
Aggressive Expansion Plans
Scalability Constraints
Complex IT, Legacy Environment
Inefficient Operations

Cognizant BPaaS Solution
Reduces TCO – 25-50% ALR Reduction
Zero to Minimal CAPEX
Product Launch to Market in Less Than 6 Months
Digital at Scale /Cross-scale Operations
Robust, Highly Integrated Technology Ecosystem
Performance Commitment from Day 1

Our end-to-end solution is a turnkey approach that leverages more than 20 years of intellectual capital in payer operations gained from administering multiple plans and lines of business across the nation combined with the industry's top core platform. The core technology included in our BPaaS solution is able to integrate and aggregate data from numerous applications and vendors to add middle-office and front-office components to the back-office core. This flexible core platform provides:

▌ A 360° view of the member
▌ Cost savings from elimination of system maintenance and upgrades
▌ Transparency into all plan activity

Enabling the Journey to Digital

The need to focus on consumerism and customer-centric activities is only half of the story. Because many health insurance leaders are hyper-focused on meeting current goals or solving issues with a point solution approach, they are lagging behind in the journey to "digital." The need to transform healthcare operations is palpable. The quick pace of industry changes combined with the inherent complexity of healthcare and the uncertain political landscape precipitates the need to transform health plan operations to digital, or in other words, adopt technologies and applications that enable automation, integration, and data-driven decisions. By adopting enabling technologies, payers can realize substantial cost savings and set the stage for the future advancement in processes, productivity and ultimately, care delivery — all enabling payer organizations

to evolve their business models and create a foundation for future success.

How Cognizant BPaaS Enables Digital Transformation
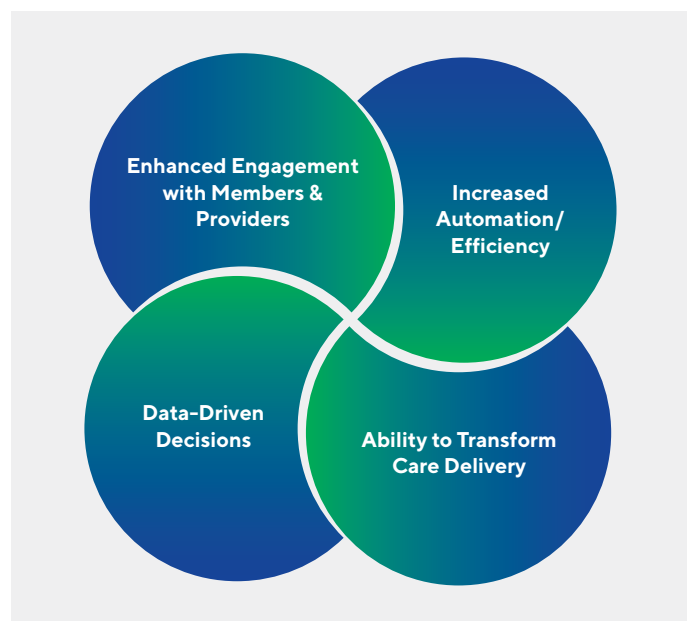
Take the Next Step

To learn more about Cognizant's payer solutions and our BPaaS model, visit www.cognizant.com.

About Cognizant

Cognizant's Healthcare Business Unit works with healthcare organizations to provide collaborative, innovative solutions that address the industry's most pressing IT and business challenges —from rethinking new business models, to optimizing operations and enabling technology innovation. A global leader in healthcare, our industry-specific services and solutions support leading payers, providers and pharmacy benefit managers worldwide. For more information, visit www.cognizant.com/healthcare.

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