



Healthcare Payer BPS in the U.S.

Market Analysis
Abstract

March 2019
research.nelson-hall.com





Who Is This Report For?

NelsonHall's "Next Generation Healthcare Payer BPS" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the healthcare payer services market
- Vendor marketing, sales and business managers developing strategies to target service opportunities within the healthcare payer services market
- Financial analysts and investors specializing in the healthcare payer services sector.



Key Findings & Highlights

NelsonHall analyzes the U.S. healthcare payer business process service (BPS) market for buyers and vendors of business process services. The report details the commercial and public payer sectors in terms of size, scope, trends, and customer requirements; BPS vendor competitor market shares, offerings, delivery, and success factors. Commercial and public market sectors are broken out in further detail:

Highlights about the U.S. commercial market BPS sector:

- Market size in 2018: \$4.9bn. CAGR 2018-2022: 5.5%
- The largest and most important BPS vendors in the sector, with detail by payer function: claims admin services; payment integrity/FWA; customer service
- Payer functions where BPS services will grow more quickly are customer experience and care management
- BPS vendor offerings in consumerization, digital transformation (including RPA) and business process as a service offerings (BPaaS).

Highlights about the U.S. public market BPS sector:

Key findings for the buyers and vendors of U.S. public market BPS:

- Market size in 2018: \$5.9bn. CAGR 2018-2022: 3.6%
- The largest and most important BPS vendors in the sector, with detail by payer function.
- Competitors from adjacent IT and BPS service sectors may compete more aggressively for contracts that are broken up or modularized.
- "Piggy-backing" where states/territories use BPS vendors as intermediaries to manage their MMIS systems on the backs of larger states' systems.
- Automation and the slow introduction of RPA, with BPS vendors serving as the main vectors for introduction to the sector

Scope of the Report

The report analyzes the U.S. market for outsourced healthcare payer services and addresses the following questions:

- What is the current and future market for outsourced healthcare payer services, including both commercial payers and public sector payers?
- What is the size and growth of the U.S. outsourced healthcare payer services market?
- Within outsourced healthcare payer services, which service segments are emerging strongly?
- What are the market segments for outsourced healthcare payer services and their characteristics? What are the issues, drivers and benefits for each segment? What are vendor capabilities by segment?
- What are vendor challenges and critical success factors by market segment?
- How are vendor offerings and delivery capabilities changing to meet emerging market needs?
- How are vendors positioned within each outsourced healthcare payer services market segment?

Report Overview:

NelsonHall's market analysis "Next Generation Healthcare Payer BPS" details the current state of the market and analyzes the ramifications of the most significant trends for both the buyers and vendors of BPS.

Ramifications of trends in the commercial payer market:

- Unsustainable economic and demographic trends make it likely that the U.S. health insurance market (and associated BPS vendors) will be significantly disrupted during the medium to long term.
- Commercial payers are now more receptive to outsourcing provider services; care management; and quality/compliance.
- Payers will value highly BPS vendor adaptability in face of market disruption.
- Commercial payers and their BPS vendors are experimenting with digital transformation in BPS settings, but thus far seem disinterested in large scale BPaaS offerings.

Ramifications of trends in the public payer market:

- Secular and technology trends resemble those in the commercial health insurance market, but they tend to drive change at slower rates.
- Public agency efforts to restructure contracts and competition will not affect dominance of DXC or Conduent substantially. BPS vendors will spearhead automation, but progress will be moderate.

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Report Length

The report consists of 52 slides in 8 chapters

Vendors Researched

This report includes revenues information for: Accenture, Change Healthcare, Cognizant, Concentrix, Conduent, DXC, Excelsior, EXL, Genpact, HGS, Infosys, NTT DATA, Wipro. Also on MAXIMUS, National Government Services, Noridian, Novitas, Molina Medicaid Solutions (acquired by DXC, Oct 2018), Palmetto GBA, SS&C Technologies

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