AVASANT

OPTUM

Healthcare Payors Digital Services 2022–2023 RadarView
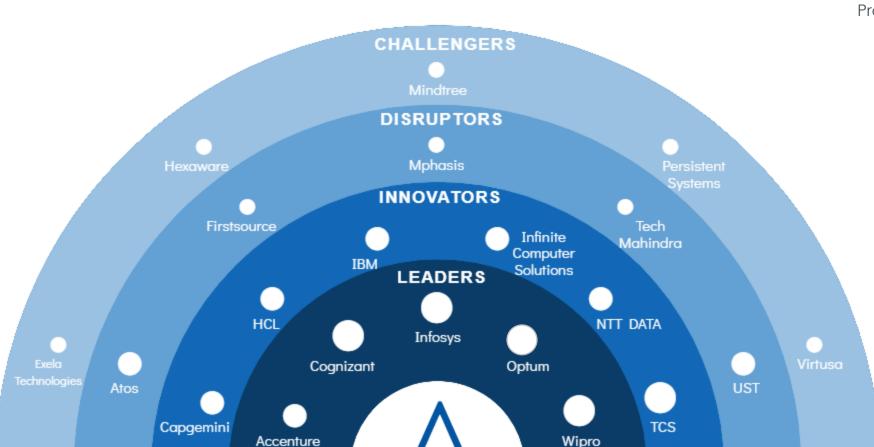
Service Provider Profile

January 2022

RADARVIEW™

Avasant has recognized 21 top-tier service providers supporting healthcare payors in digital transformation

Optum: RadarView profile

AVASANT RADARVIEW™ LEADER
Healthcare Payor Digital Services 2022-2023

Practice maturity ★★★★★

Investments and innovation ★★★★★

Partner ecosystem ★★★★

Uses innovation-led approach and domain-centric expertise to help payors digitally transform their operations. Specializes in AI and analytical offerings.

Practice overview

- Practice size: 50,000+ health IT professionals
- Active clients: NA
- Delivery highlights: 15 global delivery centers

| USD 136B annual revenue | >20% annual revenue growth |

Industry-specific solutions/offerings

Rally	A digital consumer experience platform that provides members a personalized experience using AI
Clinical analytics	An analytical solution for population grouping and provider comparisons
Member engagement	An automation-based analytical tool for improving member experience
Risk management	An analytical solution for evaluating trends and managing risks

Sample clients

- A Blues plan in the Southeast
- A Southeastern state Medicaid
- A Northeastern health plan
- A national health payor
- A Southeastern health plan

Partnerships/alliances

aws — Launched Disposable Cloud Environments, an open-source solution, to deliver a sandbox environment that minimizes cost and addresses the unique needs of software delivery in a heavily regulated industry

MicroStrategy — Partnered for ensuring adherence to strict health care compliance and security requirements for third-party public cloud service providers

synaptic Health Alliance — Leveraged Synaptic's blockchain-based offerings to analyze demographic data

Value chain coverage

Claims management

Medical management

Member management

Provider management

Darker color indicates higher industry concentration: ○●●●

AVASANT

Optum: RadarView profile

Case Studies

Client	Capability	Summary	Business Impact
A Northeast health plan	• Analytics • Automation	• The client was challenged by trend in out-of-pocket network substance abuse disorder (SUD) utilization and costs as the opioid crisis hit New England. • Optum implemented claims reimbursement and alternative payment strategies and leveraged analytics for sending targeted marketing materials to member.	• Reduced client spend for opioid use disorder (OUD) by 15% • Reduced residential admissions by 41%
A Blues plan in the Southeast	• Analytics • Automation	• The client wanted to maintain savings while improving recovery and reducing administrative costs. • Optum deployed an automation-based solution to detect and deny suspicious claims. It also leveraged analytics to derive insights based on the unique plan's need.	• Increased savings by USD 42M • Achieved accuracy rate by 98%
A Southeastern state Medicaid	• Analytics	• The client wanted to identify, remediate, and prevent improper payments. • Optum used predictive scoring models, rules-based analytics, and referrals from the Commonwealth Fund and its other contractors to detect potential overpayments.	• Recovered USD 51M since the inception
A national health plan	• Artificial intelligence • Analytics	• The client wanted to achieve savings by steering members to in-network services and driving virtual visit adoption. • Optum deployed its Rally solution to focus on provider search, cost transparency, care plan transparency, and program integration.	• Redirected 41% of members to lower cost in-network services • Increased cost savings

Optum: RadarView profile

Analyst Insights

Practice maturity ★★★★★

- Optum is delivering over 20% of revenue growth per annum in the healthcare space owing to its strong expertise – including a highly trained workforce and digital transformation capabilities offered as service-based model. For example, it has created OptumConnect cloud, which provides a healthcare-safe public cloud ecosystems enabling a jump start to clients' digital initiatives.
- It has developed a strong portfolio of AI-based and analytics offerings customized per client requirements including developing better care management models while focusing on reducing financial pressure. It has developed risk management solutions for reducing gaps in care, member management solutions for targeted marketing, and clinical analytics for population health management.
- Having strong expertise across the value chain, Optum has assisted healthcare payors in managing finances during M&A, improving star ratings, reducing claims processing costs, validating claims, and acquiring new customers. Specifically, for a large national plan, it helped reduce costs by 41% by steering members to in-network services.

Investments and innovation ★★★★★

- To increase its penetration in the payor space, Optum has made strategic acquisitions. It acquired naviHealth in 2020 for value-based care coordination for patients, Equian in 2019 to expand insurance-related offerings, and Vivify Health in 2019 for remote care management.
- It invests over USD 5B annually in developing digital case studies and training its workforce. Optum has set up 4 CoEs for fostering innovation in the healthcare space.
- Through Optum Ventures, it has invested in start-ups such as Apervita for its cloud-based analytics platform and Buoy for developing an AI digital health assistant.

Partner ecosystem ★★★★

- To implement digital projects in a highly regulated environment, Optum has partnered with leading technology companies such as AWS for deploying cloud environments that address cost containment issues and Microstrategy for ensuring adherence to strict health care compliance and security requirements for third-party, public cloud service providers.
- It has also partnered with healthcare specialized companies to form the Synaptic Health Alliance to use blockchain-based offerings for improving data quality and reducing costs associated with changes to health care provider demographic data.
- Optum continues to grow relationships and create the industry connections required to implement new technology solutions and drive market change.

AVASANT

AVASANT

Los Angeles
(Headquarters)

Dallas

Toronto

Washington DC

New York

Port of Spain

Madrid

London

Johannesburg

Kampala

Dubai

Mumbai

Delhi

Bangalore

Hong Kong

Tokyo

Empowering Beyond