





Revenue Cycle Management Reimagined

Nomination: Best Achievement in Operational Excellence to deliver an outstanding Business Expansion and Revenue Growth.

Strategic Objective and Scope

30% of Cognizant's Digital Operations' revenue comes from Healthcare services today, and the offerings are spread across payer and provider health services. Revenue Cycle Management is one of the key service line offerings by Cognizant for physicians, hospitals, channel partners and medical equipment manufacturers. Cognizant offers a range of product, platform and service solutions to help our end customers recover their cost of medical services and products faster and with lesser cost.

Cognizant's overall RCM Capabilities Overview

20 Years in Business	2B+ Annual Transactions	360,000 Care Providers	7M Charges Coded	400+ Partnership with PM/EHR Vendors
150+ RCM clients	\$2B+ Payments Posted	5000+ RCM BPS FTE	\$3B+ AR Handled	\$3M+ Claims Handled
SERVICES	 Business Process Services <ul style="list-style-type: none">Provider Onboarding & CredentialingEligibility, Referral & Pre-AuthorizationCoding & Charge Entry ServicesClaims Scrubbing & transmissionPayment Posting, Recon & RefundsA/R and Denial ServicesPatient Contact Center for Self-pay	 Clearinghouse Services <ul style="list-style-type: none">Patient Access & Registration -270/271Patient Responsibility EstimationClaims Submission – 837Claims Status Request – 276/277ERA – 835Denial Management AnalyticsContract Management Analytics	 RCM Analytics <ul style="list-style-type: none">Measure KPIs and evaluate benchmarksPrice matchingBenefits trackingEnterprise reporting services	 Optimization Consulting <ul style="list-style-type: none">Current state RCM assessmentGaps identification and requirementsQuantification of business benefits and resource needsTechnology solutioning and governanceImplementation plans and roadmap

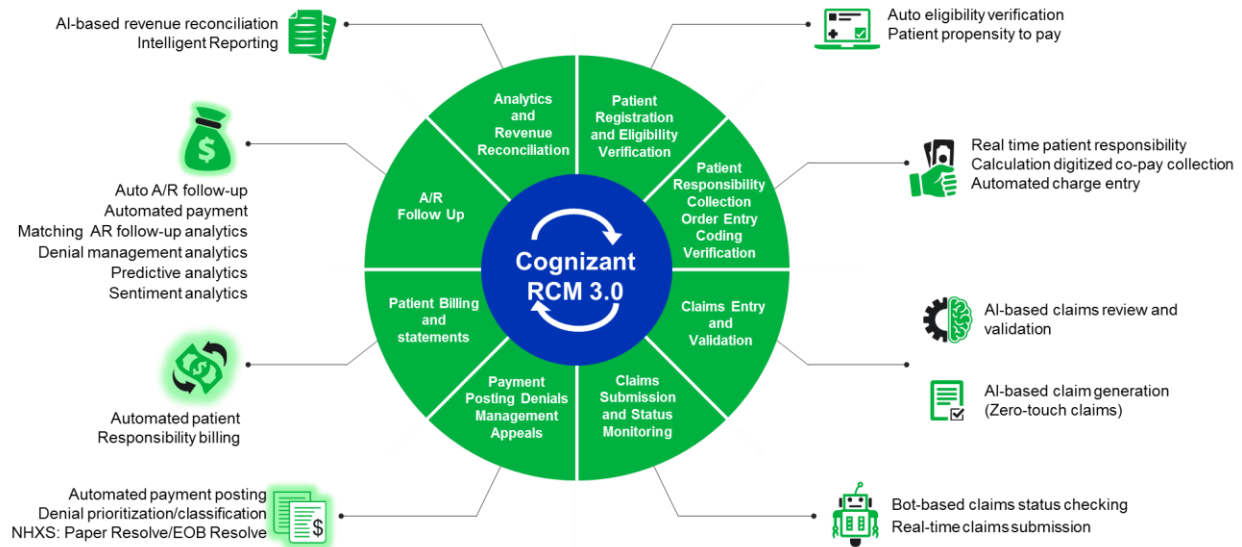
Major shift in industry trends and How has Cognizant responded to changing trends in RCM

- ❖ **Moving towards Business Process as a Service model (BPaaS)** - Acquisition of companies like Trizetto & Bolder to enhance our platform & product based offerings and shift from standalone services to affordable platform and solutions; Adding new capabilities like provider credentialing support and multiple specialties
- ❖ **Readiness to adapt to ever changing payer needs and behavior** – Offering data science driven analytics solutions for denial management, underpayments, patient lifestyle behavior leading to medical incidents; sentiment analysis for better patient servicing; Leveraging credentialing data to understand payer contracting issues and integrate insights with the business processes
- ❖ **Transition from traditional RCM to value based reimbursement model** - Leveraging analytics to guide the contract and service rates based on patient lifestyle and payer behavior; Integrated delivery business model with products and IT for better outcomes; shared service model for cost optimization
- ❖ **Bringing on disruptive changes in the commoditized market of RCM through digital intervention** –Leveraging our IT arm to drive enhancement to client platform, implementation of robotics automation services to develop 100+ automation solutions, process reimagine to reduce voice based activities by using more websites, physician portals etc,

Our unique value proposition - RCM REIMAGINED – RCM 3.0

Technology and payment trends are reshaping the revenue cycle for healthcare providers. Providers that want to improve yield must think about revenue cycle management in a whole new way, which we call RCM 3.0.

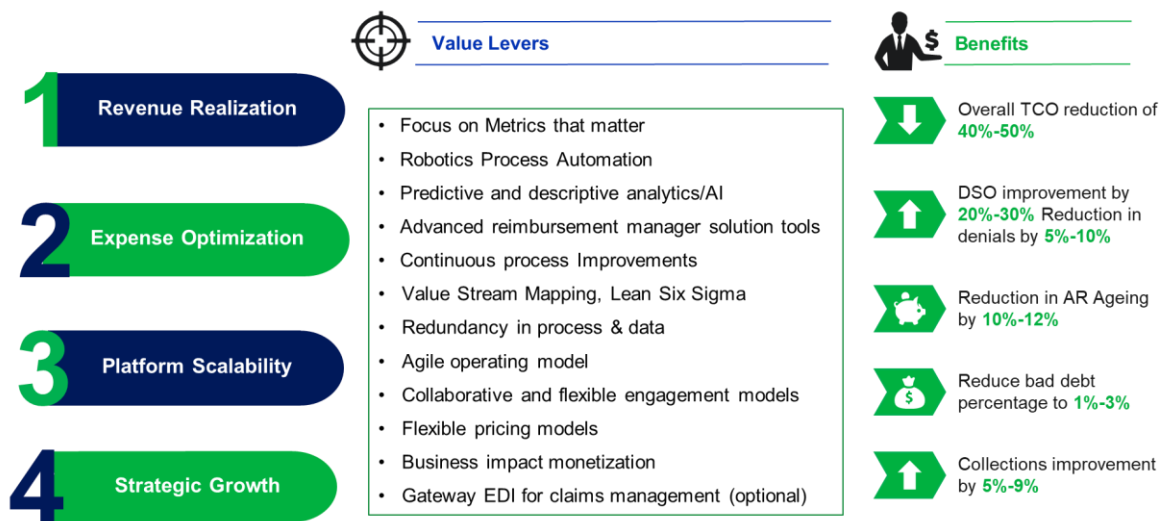
In contrast to traditional RCM, Cognizant's RCM 3.0 envisages ownership of improved performance across all aspects of process and organization, places the patient experience at the center of all collections activities, and leverages analytics and technology predictively. Our RCM 3.0 addresses the industry's need for value based services



PROCESS IMPROVEMENTS IMPLEMENTED IN RCM SERVICE LINE WITH PROVEN RESULTS

The RCM 3.0 framework gives us a robust foundation for business scalability and growth for Cognizant and create significant value for our clients by realizing faster cash along with cost optimization.

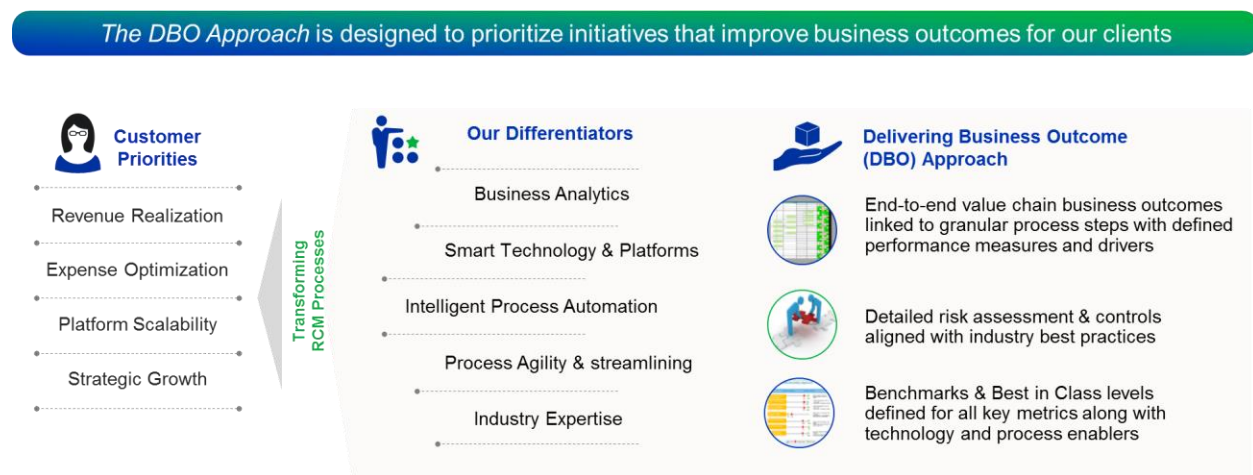
Below is the summary of our value levers implemented and benefits delivered for our clients.



BEST PRACTICE SHARING AND PRIORITIZING INITIATIVES USING DBO APPROACH

While the focus is on exploring new avenues and methods of value creation, our consistent endeavor is to identify best practices across the service line for replicability and reusability of assets across accounts.

Our DBO approach integrates our learnings across clients on all components of value chain.

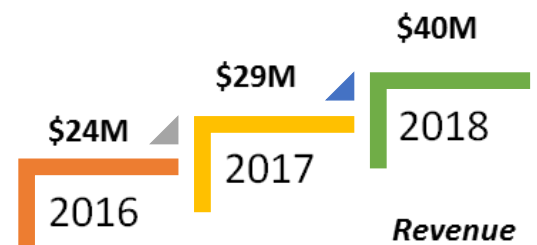


REAL TIME IMPLEMENTATION OF RCM 3.0 TO IMPROVE CLIENTS BUSINESS OUTCOME

Staying current with payer requirements	Monitoring the entire claims process	Under payment/ Denial management	Patient Collections	Recognizing trends
Impact: <ul style="list-style-type: none"> Sluggish cash flow High claim reject rates Administrative expenses 	Impact: <ul style="list-style-type: none"> Lagging accounts receivables High administrative expenses 	Impact: <ul style="list-style-type: none"> Lost revenue High cost of appeals Payer contract compliance 	Impact: <ul style="list-style-type: none"> Reduced revenue realization due to higher deductibles (HDHP plans) High cost of collections 	Impact: <ul style="list-style-type: none"> Slow payment Increased administrative time and expenses
Solution: <p>RCM service providers leverage scale and learning from all its collective set of clients to implement best practices to maximize collections.</p>	Solution: <p>Pay-for-performance. Real-time visibility into key confidence metrics</p>	Solution: <p>Analytics to identify where and why denials occur. Identify underpayments and automate appeals</p>	Solution: <p>Real-time analytics provide patient price transparency and the ability to accurately collect in the front end of the process</p>	Solution: <p>Flag routine denials of claims for a certain procedure or code can greatly improve a provider's short-term and long-term revenue cycle – cash acceleration</p>

BENEFITS

- ❖ Accelerated collections for clients up to \$150+Million
- ❖ Bad Debt reduction up to 3%
- ❖ Collections% improvements in the range of 5% to 9%
- ❖ Total cost of operations reduced by 40% to 50%
- ❖ RCM service line has grown by 67% in last 2 years



Recognitions and Testimonial



Client Testimonial

*An unbelievable finish team....I am blown away by our final number and will be sending the flash later this morning. There isn't a thank you big enough to express the gratitude that I feel to each of you and your teams for all of the focus, effort, and downright hard work that you each put in to not just make our goal, but beat our goal! Rest up and enjoy your day as we say hello to 2018 – **Market Director, leading RCM client***

*Over the course of the year this team has worked tirelessly to focus on ways to meet the implementation demands associated with our strong sales growth as well as focus on improving operational and delivery efficiencies to decrease internal cost and increase overall margin profitability - **Allan Latham, Vice President, Trizetto Provider Solutions***

WAY FORWARD – RCM 3.0

With a projected YoY growth of 20-25%, there will be a quantum shift in how our clients are moving from traditional RCM based on labor arbitrage to an approach based on new-age digital technologies such as sentiment analytics, machine learning driven denial prediction, artificial intelligence for decision making, and Block chain transmitted in an encrypted, Electronic Data Interchange set up. This change will have significant impacts such as 1) Reduction in administrative costs due to a digitized downstream process 2) Fewer doctor visits due to introduction of IoT resulting in value-based healthcare 3) Higher patient satisfaction 4) Shorter time to collect through higher auto adjudications.

Cognizant is at the forefront of this shift with its wide-ranging suite of technological assets and domain expertise.