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The WITCH Report: 2018 Mid-Year Review

A review of the financial and market performance of select global technology consulting firms in healthcare

Introduction

This report is a detailed review of the financial and market performance of major global technology consulting firms in their healthcare business segments. The first section contains financial and operational performance highlights for Wipro, Infosys, TCS, Cognizant Technology Solutions, and HCL (collectively referred to as the WITCH Group). In the second section, the report covers market and financial summaries for select global technology firms. All companies covered in the report are public companies.

The focus of the report is on the information technology consulting business for these firms in the healthcare segment. Aspects covered are financial performance, M&As, customer wins, strategic partnerships, new product initiatives, and leadership announcements. A listing of select transactions, company-wise, is included at the end of the report.

The report is based entirely on publicly available information on the companies covered. For consistency, timelines are referred to in calendar quarters, though the fiscal year periods are different for a few of the companies covered here. All numbers are reported in USD currency.

H1 in review: Uptick in M&A, lower growth rates, steady margins, leadership exits

Our mid-year review of 11 publicly held global technology consulting firms indicates weak organic growth for most in the healthcare segment relative to their respective overall company growth rates, with Wipro being the most challenged in the group. The drag on overall growth and margins arising from the ill-timed HPS acquisition continues to be a problem for the firm. We have included a timeline of events pertaining to the HPS acquisition in the report. The recent departure of Wipro's head of the healthcare business follows a series of quarters of low growth, and it remains to be seen what the next few quarters look like.

Among the WITCH Group companies, Cognizant remains the largest player in healthcare by revenues. However, HCL has shown the highest growth rates, outperforming the peer group as well as the overall company growth rate significantly. HCL has shown steady growth in healthcare overall in the past few quarters. HCL's Mode 1, Mode 2, and Mode 3 strategy has seen the company shift in the direction of an IP-led business.

M&A activity continues to be robust with both tactical acquisitions and industry consolidation playing out. Cognizant's acquisition of Bolder Healthcare, a revenue cycle management firm, is the latest in a series of healthcare-focused acquisitions for the company. We have included a timeline and analysis of Cognizant's healthcare acquisitions in the report. Other notable transactions include HCL's acquisition of C3i Solutions from Merck, Atos' $3.4 billion acquisition of Syntel, DXC's acquisition of Molina Medicaid Solutions, and Capgemini's acquisition of LiquidHub.

Wipro, Infosys, and Atos have seen leadership departures with new heads yet to be named at the time of writing.

Among the other large global firms, DXC seems to have gained significant traction in healthcare, based on reported transactions. IBM's Watson Health business appears to be the most challenged, based on media reports.

The overall environment for the healthcare technology market demand seems to be holding up, based on the performance of the companies covered in this report. As the market for traditional services such as infrastructure management and outsourced applications support falls into decline, healthcare consulting firms are focusing on emerging opportunities in cloud, AI, automation, and digital with varying degrees of progress over the past few quarters. We have included detailed financial analysis in this report for all the major firms, and I encourage you to go through the report in detail.

We hope you find this report useful and informative. We would love to hear from you. Write to us with your feedback at info@damoconsulting.net.

Paddy Padmanabhan, CEO, Damo Consulting Inc.
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Septmber 18, 2018

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Glossary of terms used in this report

- OM: Operating margin

- QoQ: quarter on quarter

- YoY: year on year

- HLS: Healthcare and Life Sciences

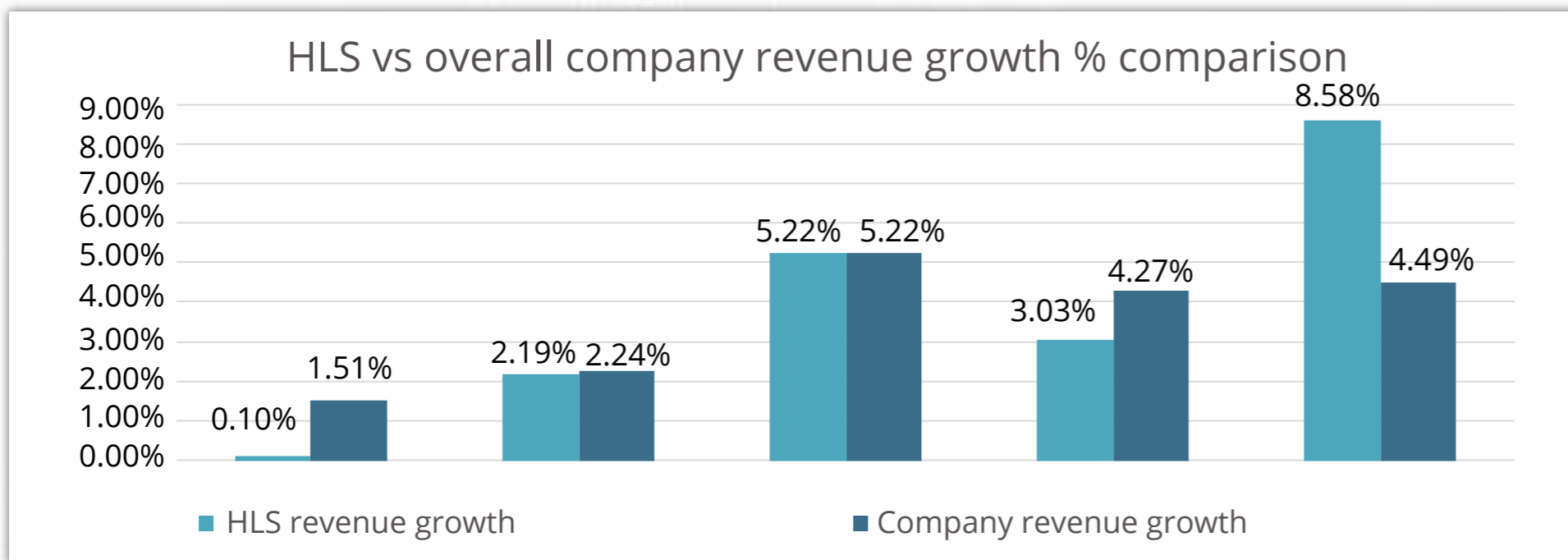- CTS: Cognizant Technology Solutions

- TCS: Tata Consultancy Services

Financials and market performance: The WITCH companies

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The WITCH group: Healthcare financials

Results for six months ending June 30, 2018	Company revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % of total	HLS operating margin (Avg 2018)	HLS revenue growth (YoY)	Company revenue growth (YoY)
Wipro	4088	558	13.64%	10.59%	0.10%	1.51%
Infosys	5606	373	6.65%	27.96%*	2.19%	2.24%
TCS	10023	727	7.26%	N.A	5.22%	5.22%
CTS	7918	2277	28.75%	30.52%	3.03%	4.27%
HCL	4092	497	12.14%	N.A	8.58%	4.49%

* Operating margin is combined for HLS and Insurance business.

HLS vs overall company revenue growth % comparison

- HLS revenue growth
- Company revenue growth

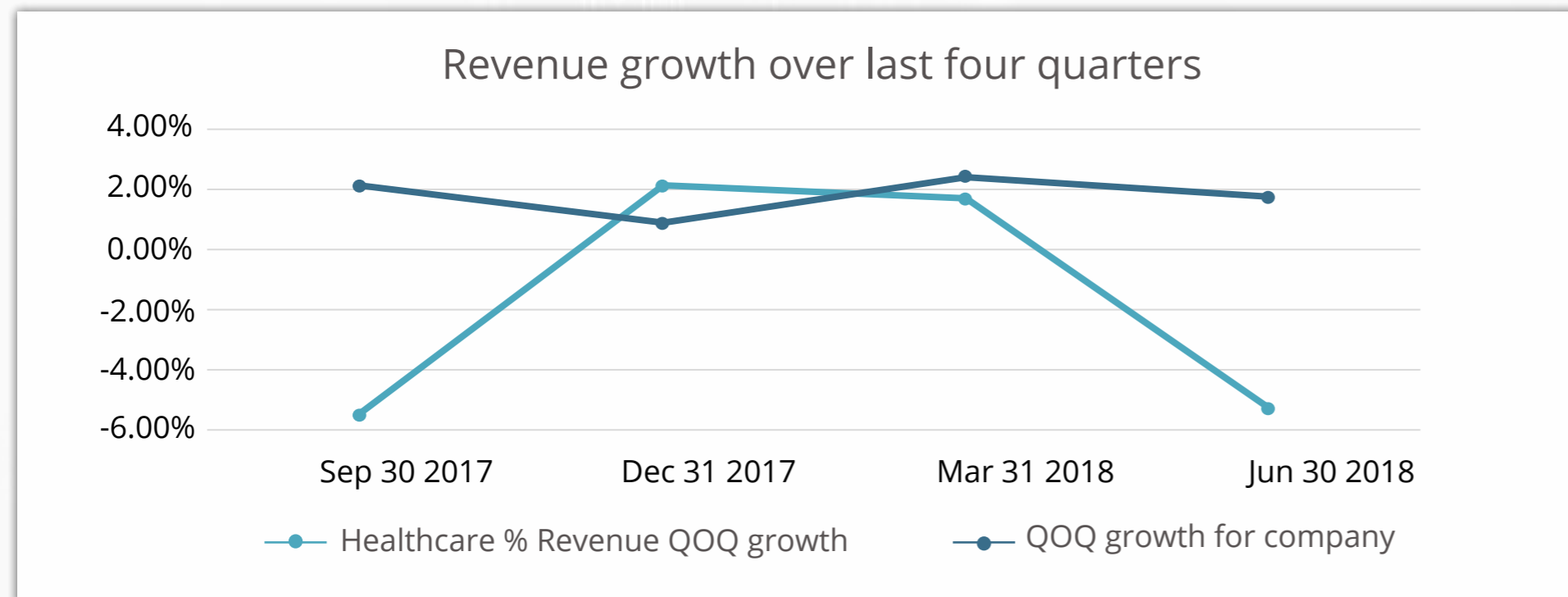For two quarters ending June 30, 2018

Performance highlights

- HCL has shown the highest revenue growth in their HLS business; HLS growth is nearly 2X company revenue growth.

- CTS continues to have the highest revenue in the HLS business, as well as the highest operating margins (OMs), however HLS revenue growth is lower than overall company growth.

- Wipro's revenues have remained stagnant or declined in the past three quarters in the HLS business. The business has been significantly impacted by the Health Plan Services (HPS) acquisition in 2016. (See our accompanying analysis of the HPS acquisition).

- TCS has not provided much commentary on the HLS business; HLS revenue as a % of total revenues is among the lowest in the group.

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Wipro: Q1 and Q2 2018 financial performance and highlights

HLS revenue and margins continue to pull down the overall results of the company

Operating margins – company and HLS

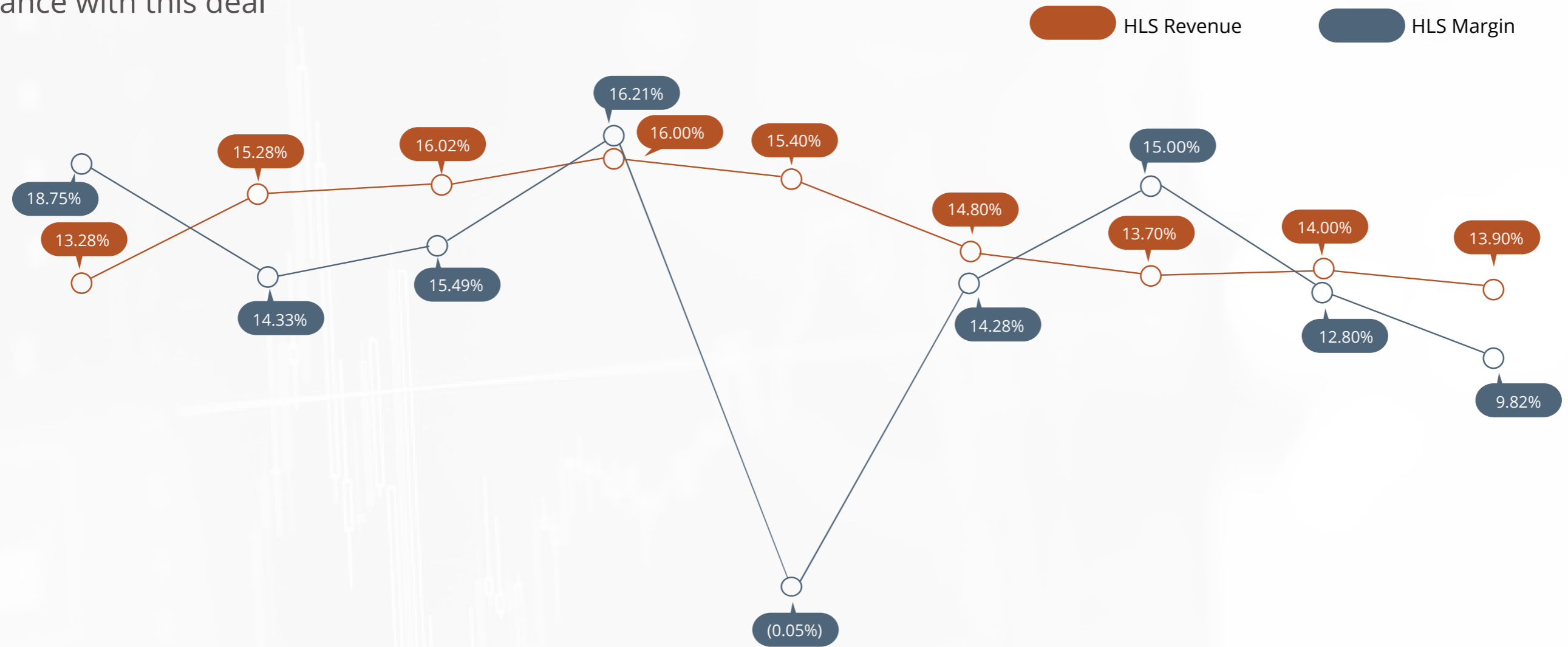| Results for quarter ending	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare % revenue QoQ growth	QoQ growth for company
Sep 30,2017	2014	276	13.70%	15.00%	(5.48%)	2.13%
Dec 31,2017	2013	282	14.00%	12.80%	2.14%	0.90%
Mar 31,2018	2062	286	13.90%	9.82%	1.70%	2.43%
Jun 30,2018	2026	271	13.40%	11.37%	(5.28%)	1.75%

Revenue growth over last four quarters

For four quarters ending June 30, 2018

- Wipro's HLS business has been the most challenged among the entire group.

- Wipro's poor performance is primarily due to the dramatic slowdown in the HPS business that has been adversely impacted by its reliance on the Obama-era individual exchange markets. HPS has seen some clients exit the individual exchange market altogether, making it challenging to recover from the revenue decline. The HPS platform is being retooled as a BPaaS platform, however it is yet to show any positive impact.

- The company recognized insolvencies of two customers and the impairment loss in one of their acquisitions (likely HPS).

- The company is not sure about the future of HLS business and hence there is a lot of uncertainty in this business segment.

Wipro's acquisition of HPS: Bad timing, adverse policy changes

Acquired HPS in Feb 2016 for $460 million and expected to be a leader in administrative services in the U.S. healthcare insurance with this deal

HLS Revenue   **HLS Margin**

Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Acquired HPS in $460 million, expected to be a leader in administrative services in the U.S. healthcare insurance	Margin drop due to compensation increase	Slight increase in HLS margin compared to previous quarter	HLS margin reduced by more than 545 bps compared to same period last year	Part of it is due to loss recognition on HPS acquisition (approximately 6% of goodwill was written off this quarter).	HLS margin improved from negative in the previous quarter	Re-estimated earnings and indicated a potential loss of $125 million in annual revenue from this business	Company stated that the impact of HPS has bottomed out and revenue has recovered in this quarter	Major impact from the bankruptcies of two clients and additional impact from HPS business

Note: HLS Revenue: % of Wipro's total revenue of the respective quarter; HLS Margin: % of Wipro's HLS revenue of the respective quarter

Wipro: Q1 and Q2 healthcare business highlights (1/2)

Aug 2018 - Jeffrey Heenan-Jalil, SVP and global head of healthcare and life sciences division, resigns from his current position in Wipro. He had joined Wipro in 2007 and headed several divisions (such as analytics service line, telecom vendor business and healthcare division-Europe) since then. Wipro appoints Mohd Ehteshamul Haque, SVP and vertical head for healthcare & services as the interim head of healthcare unit. Previously Mohd Ehteshamul Haque held the position of VP, Enterprise Application Services.

Jul 2018 - Partners with Alight Solutions in a $1.5 billion transaction to restructure the human resource (HR) services industry. This partnership will enable Alight to accelerate investment in consumer-facing technologies and services across its health, wealth and cloud businesses by leveraging our industry-leading strengths in automation, machine learning and data analytics. Alight Solutions is a provider of benefits administration and cloud-based HR and financial solutions to 1,400 clients serving 19 million employees and their 18 million family members.

Jun 2018 - Launches an end-to-end solution to address the issue of fraud, waste, and abuse in healthcare insurance claims in the U.S., in partnership with Opera Solutions' artificial intelligence (AI) and machine learning (ML) capabilities. Opera Solutions is a provider of advanced analytics software solutions. Wipro has invested a total of $53 million in Opera Solutions i.e., ~20% minority stake.

May 2018 - Wipro Ventures invests in Avaamo, a deep-learning company, along with other investors in a $14.2 million series A round led by Intel Capital with additional investment from Ericsson Ventures, Mahindra Partners, and WI Harper. This investment will be utilized in expanding Avaamo's sales and marketing of conversational AI solutions in the growing global market. Avaamo supports healthcare companies in discovery and scheduling, care management, coverage and claims, and compliance and connectivity.

Mar 2018 - Opens new Texas Technology Center in Plano, Texas. This center will focus on developing niche capabilities in new and emerging technologies for Wipro's clients and will be the company's US cybersecurity center, as well a hub for advanced analytics.

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Wipro: Q1 and Q2 healthcare business highlights (2/2)

Mar 2018 - Partners with Adobe to develop digital marketing campaigns and solutions and will integrate Adobe XD CC into the company's Digital Experience Platform for their clients worldwide.

Mar 2018 - Enters into an agreement to divest the company's hosted data center services business unit to Ensono in a transaction valued at $405 million. According to this agreement, Wipro will transfer eight data centers, and over 900 employees of its hosted data center services business to Ensono. Wipro had originally acquired the hosted datacenter business along with other two businesses; Medicare and Medicaid services, by acquiring Infocrossing Inc (for $600 million) in 2007. Along with the sale of the data centers, Wipro has integrated its Medicare & Medicaid services and the enterprise resource planning (ERP) implementation services business of the erstwhile Infocrossing business with other divisions of the company.

Infosys: Q1 and Q2 2018 financial performance and highlights

Healthcare business remains stagnant with drop in operating margin

Operating margins – company and HLS

Results for quarter ending	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare % revenue QoQ growth	QoQ growth for company
Sep 30,2017	2728	186	6.82%	26.33% *	6.29%	2.90%
Dec 31,2017	2755	179	6.50%	29.08% *	(3.76%)	1.00%
Mar 31,2018	2775	186	6.70%	27.93% *	3.91%	0.73%
Jun 30,2018	2831	187	6.60%	27.96% *	0.54%	2.02%

*Operating margin is combined for HLS and insurance business.

- The revenue from HLS has remained stagnant for the last 12 quarters (between $175-186 MM). The revenue growth in the previous few quarters has been erratic.

- The operating margin (reported separately for the first time in two years) for HLS during the quarter ending June 30, 2018 shows a drop of 350 bps (YoY).

- The company management has not provided any commentary (performance/outlook) on the HLS business.

Revenue growth over last four quarters
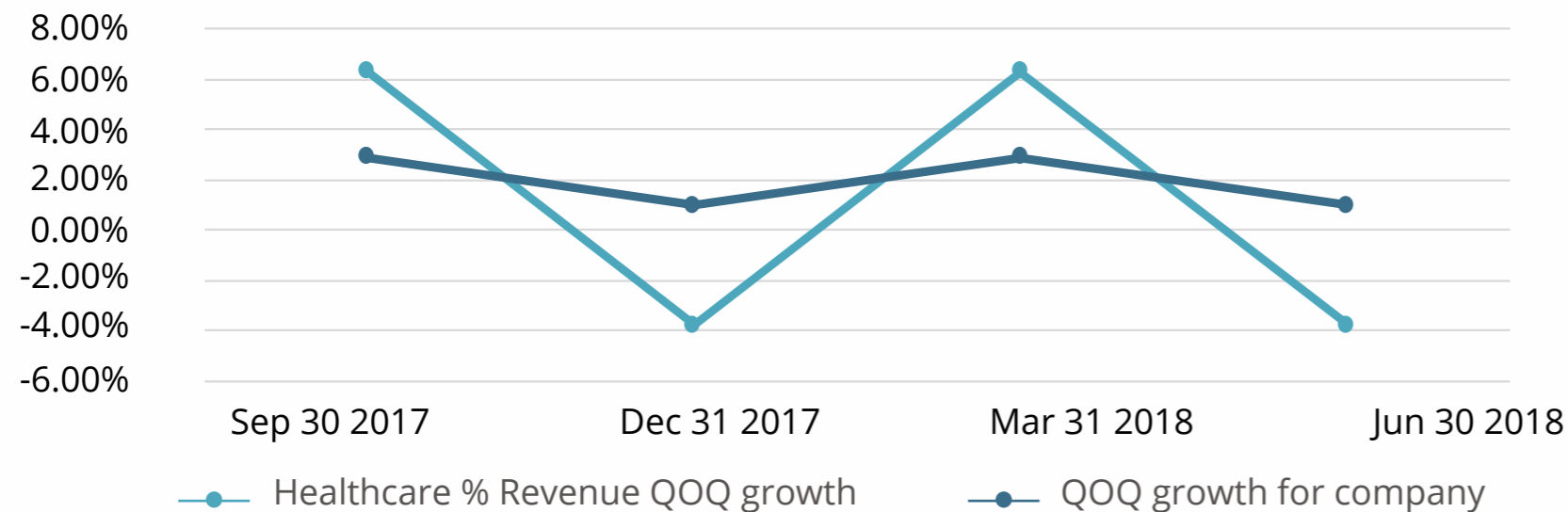
For four quarters ending June 30, 2018

Infosys: Q1 and Q2 healthcare business highlights

Jul 2018 - Sangita Singh, head of healthcare and life sciences business, resigns from Infosys (after serving almost two years) and joins IBM Global Business Services (GBS) as general manager, cloud consulting services.

Jul 2018 - Ties up with Siemens PLM Software to develop applications and services for MindSphere, the open cloud-based Internet of Things (IoT) operating system from Siemens. This partnership will benefit customers by monetizing new data-driven services and the initial focus will be on customers in industries such as healthcare and pharmaceutical.

Mar 2018 - Infosys to open Technology and Innovation Hub in Hartford, Connecticut and hire 1,000 American workers in the state by 2022 to have a special focus on insurance, healthcare, and manufacturing.

Mar 2018 - Opens Indianapolis Technology and Innovation hub to train, upskill and reskill employees in the technologies required to help businesses accelerate digital transformations and also to develop cross-functional solutions for pressing business challenges for its clients.

Jan 2018 - Partners with ValGenesis (a paperless validation company), to bring stronger compliance and quality management for its customers in the healthcare and life sciences sectors. Infosys to integrate ValGenesis' Validation Lifecycle Management System (VLMS) within its suite of services for the pharmaceutical and biotech industry.

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Tata Consultancy Services: Q1 and Q2 2018 financial performance and highlights

Largest among peer group in total revenues; relatively small healthcare business

Operating margins – company and HLS

Results for quarter ending	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare % revenue QoQ growth	QoQ growth for company
Sep 30,2017	4739	341	7.20%	N.A	4.68%	3.22%
Dec 31,2017	4787	349	7.30%	N.A	2.35%	1.01%
Mar 31,2018	4972	357	7.20%	N.A	2.44%	3.86%
Jun 30,2018	5051	368	7.30%	N.A	2.99%	1.59%

Revenue growth over last four quarters

Legend: Healthcare % Revenue QOQ growth — QOQ growth for company

For four quarters ending June 30, 2018

- HLS revenues as a percentage of total revenues is among the lowest for the group; however, HLS growth has outpaced the company revenue growth in three out of the last four quarters.

- The company has seen some traction (five wins over the past six months) for their life sciences product Advanced Drug Development platform (ADD). ADD is cloud-based clinical service platform and helps in integrated data management, drug development insights solution, and connected clinical trials.

- In Q2, the digital engagements company contributed 25% of the overall revenue of the company. In digital, TCS's key focus is automation.
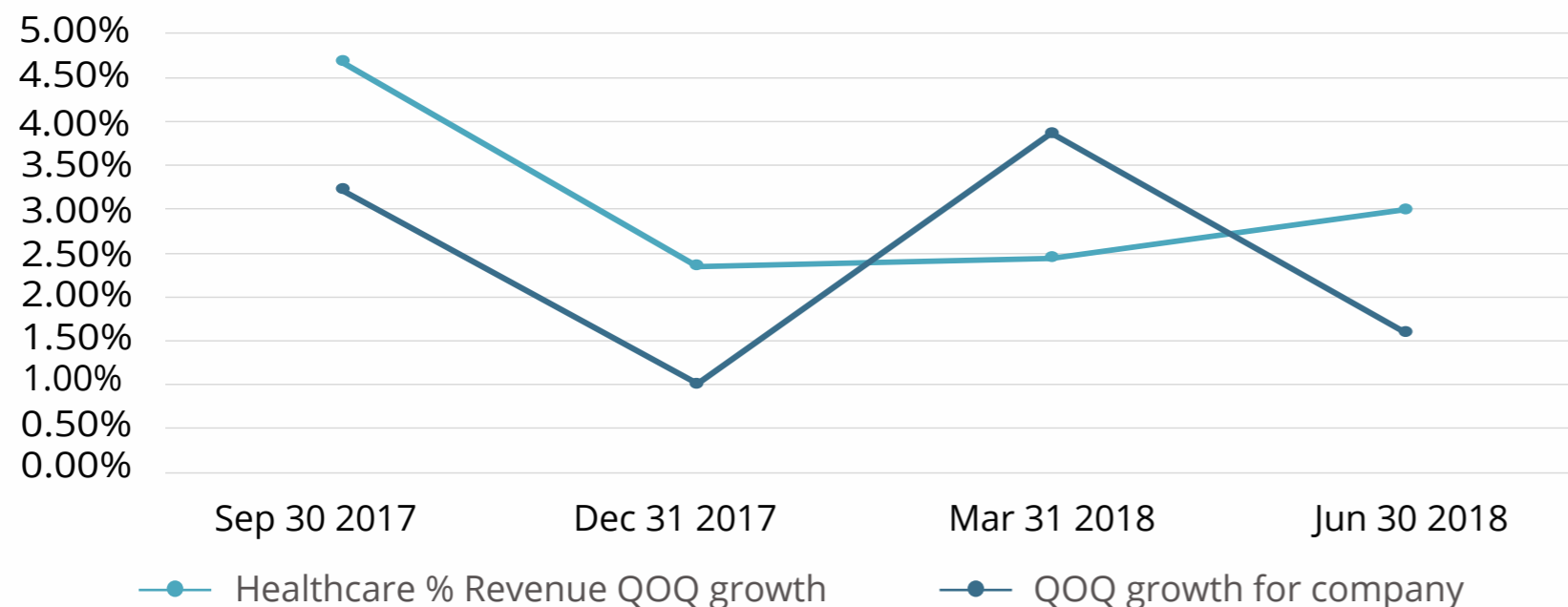
Tata Consultancy Services: Q1 and Q2 healthcare business highlights

Jun 2018 - Launches Connected Intelligence Platform (CIP) analytics software to support all industries. CIP is based on the big data analytics foundation in TCS' Customer Intelligence & Insights software and TCS' Intelligent Urban Exchange smart cities software.

Jan 2018 - Partners with Mesosphere (the creators of DC/OS or datacenter operating system) to help customers utilize data services and cloud platforms more efficiently. Mesosphere supports healthcare industry and others, such as automotive and financial services. DC/OS is platform for building, deploying, and elastically scaling modern applications and big data. Few healthcare clients of Mesosphere's DC/OS are Athena Health, and Wellframe (digital health company).

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Cognizant: Q1 and Q2 2018 financial performance and highlights

Continues to be the leader in HLS in terms of revenue, growth under pressure

Operating margins – company and HLS

Results for quarter ending	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare % revenue QoQ growth	QoQ growth for company
Sep 30,2017	3766	1085	28.81%	31.98%	3.33%	2.62%
Dec 31,2017	3828	1125	28.81%	30.31%	3.69%	1.65%
Mar 31,2018	3912	1121	28.65%	30.15%	(0.36%)	2.19%
Jun 30,2018	4006	1156	28.86%	30.88%	3.12%	2.40%

Revenue growth over last four quarters

— Healthcare % Revenue QOQ growth   — QOQ growth for company
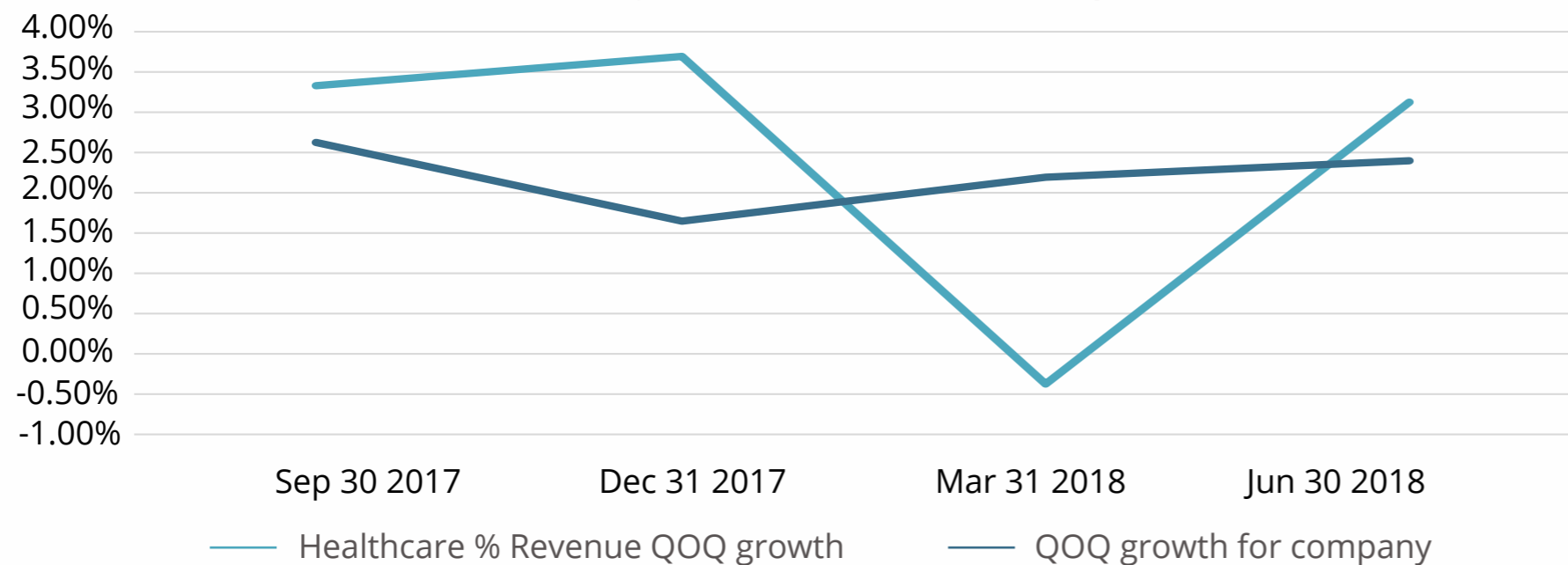
For four quarters ending June 30, 2018

- Acquires Bolder Healthcare Solutions, a provider of revenue cycle management (RCM) solutions, for an unspecified sum in March 2018. Impact of the acquisition on the share of HLS to total revenue may be seen in the coming quarters. The company sees synergies from this acquisition along with other acquisitions (TriZetto, TMG Health, and Top Tier Consulting) across the payer and provider value chain.

- There was a slight dip in HLS revenue during March 2018 quarter, however, CTS traditionally has had a weak March quarter since 2016. The HLS margin has improved in the last June quarter by 73bps.

- With company configuring solutions out of the existing product platform, it sees business from small and medium payers too which should keep the revenue robust for the near future.

- The company sees soft demand for its life sciences and its health care services for the remaining part of the year.

- The company is looking for more M&A in HLS space which will continue to solidify their lead in this segment (see our analysis of Cognizant's M&A activity).

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Cognizant: Q1 and Q2 healthcare business highlights

Mar 2018 - Acquires Bolder Healthcare Solutions, a provider of RCM solutions to hospitals, physician practices, and other specialist healthcare organizations in the U.S. Transactions are set to happen in the second quarter of 2018. Bolder Healthcare Solutions was founded in 2012, and has 2,400 specialists serving 1,400+ clients locations in the U.S. Bolder Healthcare made a number of acquisitions along the way: Business Dynamics Ltd. (RCM provider), Healthcare Receivable Professionals, Inc., Prospective Payment Specialists, Inc.

Feb 2018 - Appoints Francisco D'Souza as the Vice Chairman of Cognizant Board of Directors in addition to his current role as Chief Executive Officer.

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Cognizant: M&A in the U.S. healthcare (since 2014)

Oct 2014 — Acquired **Cadient Group Inc.**, a full-service digital marketing agency that serves companies across pharmaceutical, biotechnology, consumer health, and medical device industries

Nov 2014 — Acquired **TriZetto Corporation** for $2.7 billion in cash to offer world-class healthcare IT solutions. At present, Cognizant claims that the TriZetto suit of products (such as core administration, care management, and provider network management.) support more than 60% of the managed Medicaid lives in 42 states in the U.S.

Apr 2016 — Exclusive strategic partnership and acquisition of an ownership interest of **49% in ReD Associates** (a strategic consulting firm specializing in the use of human sciences to help business leaders better understand customer behavior). For healthcare clients, ReD Associates helps them in the area of innovation, patient services and commercial effectiveness

Jul 2016 — Acquired **Idea Couture**, a global firm offering a broad range of digital innovation, strategy, design technology services. As a part of Cognizant's digital business, the company promotes Idea Couture for designing patient-centric health services and technologies

Jun 2017 — Acquired Health Care Service Corporation's (HCSC) subsidiary **TMG Health** as part of the expansion of its strategic relationship with HCSC. TMG Health entered into a new, expanded multi-year service agreement to continue providing information technology, business process and other services to HCSC's various operating units and subsidiaries

Apr 2018 — Acquires **Bolder Healthcare Solutions** (a provider of RCM solutions to hospitals, physician practices, and other specialist healthcare organizations in the U.S.) to boost revenue cycle management services for providers

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HCL: Q1 and Q2 2018 financial performance and highlights

Healthcare performance remains strong; ongoing switch to IP-based business

Operating margins – company and HLS

Results for quarter ending	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare % revenue QoQ growth	QoQ growth for company
Sep 30,2017	1928	226	11.72%	N.A	1.47%	2.34%
Dec 31,2017	1988	233	11.72%	N.A	3.09%	3.11%
Mar 31,2018	2037	235	11.50%	N.A	0.85%	2.46%
Jun 30,2018	2055	263	11.72%	N.A	12.28%	0.88%

Revenue growth over last four quarters

Legend: Healthcare % Revenue QOQ growth — QOQ growth for company

For four quarters ending June 30, 2018

- HCL's healthcare business saw an uptick in QoQ growth during last quarter, outperforming overall company growth. HCL's performance in healthcare has been stronger than its peer group over the past several quarters.

- With the acquisition of C3i in April 2018, the company has added next generation capabilities at a low cost. The company expects to gain significant entry to pharma companies in the years to come. C3i solutions provides multi-channel customer engagement services for the life sciences and consumer packaged goods (CPG) industries.

- The company claims that Digital revenue is greater than 25% of revenue and aims to reach 40% in the next couple of years.

- The company's switch to IP-based business (Mode 3) has resulted in higher EBIT margins (25.2%) which allows it to subsidize its Mode 2 (cloud, digital with a margin of 14.8%) while pursuing volumes.

HCL's Mode1, Mode 2, Mode 3 strategy: Mode 1 refers to consolidating and gaining market share in core services such as infrastructure management, which have traditionally been HCL's strengths. Mode 2 refer to immediate high growth opportunities in early stages of maturity such as cloud, digital and analytics. Mode 3 refers to next generation opportunities, mainly IP-based partnerships in which HCL has been making significant investments.

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HCL: Q1 and Q2 healthcare business highlights

Jun 2018 - Signs end-to-end IT infrastructure services deal with Falck, an international leader in the ambulance and healthcare markets. HCL will help Falck's in business transformation by consolidating, simplifying and standardizing the company's IT infrastructure operations through a centralized global service delivery model. Flack has 37,000+ employees and operates in 35 countries.

Apr 2018 - Acquires C3i Solutions from Merck & Co., Inc. (in NJ, U.S.) for $60 million cash. C3i solutions provides multi-channel customer engagement services for the life sciences and CPG industries. C3i has 3,800+ employees and serves one million life science professionals each year and supports 1.3 million end users across 175 countries.

Mar 2018 -   Opens a technology development center (Lab 21) in Redmond, Washington, to showcase deep collaboration, investments, and advocacy on Microsoft AI platform /Cortana Analytics in the Azure Cloud. This center to focus on development and deployment of high-impact business solutions based on the Microsoft AI platform for enterprise customers in the areas as business intelligence, big data, and advanced analytics.

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Financials and market performance: Select global consulting firms

Accenture

Jun 2018 - Witnesses an increase of 16% in the net revenue at company level in the quarter ended on May 31, 2018, over the same period last year. In this quarter, the overall net revenue from health and public services saw an increase of ~10% compared to the same period last year, owing to the growth in public service business across all geographic regions.

Jun 2018 - Helps Northside Hospital in transforming supply chain and procurement operations to reduce utilities and telecommunications costs.

Mar 2018 - Accenture and Global Center for Health Innovation form a working group to explore data-driven solutions that better integrate the continuum of addiction services (first responders, ER, and inpatient, outpatient, behavioral health) to improve treatment and move toward prevention. Global Center for Health Innovation provides a platform for global healthcare leaders –health systems, investors, and innovators – collaborate to develop solutions to solve high-priority healthcare issues.

Feb 2018 - Wins six-year $138 million contract to help The Commonwealth of Virginia's Department of Medical Assistance Services (DMAS) to implement and operate core systems for Medicaid claims processing and operations. Virginia is going to be the first state to develop and implement a new Medicaid system complying with the latest Centers for Medicare and Medicaid Services (CMS) standards for modularity to enhance system flexibility and responsiveness.

Jan 2018 - Partners with Loopback Analytics to support health systems aiming to participate in new value-based care models, such as the new Bundled Payments for Care Improvement (BPCI) Advanced program. Loopback Analytics is population health analytics company, serves healthcare entities such as hospitals, health systems, payers, and solutions service providers.

Jan 2018 - Wins Modernization Contract (of $62 million) from Veterans Benefits Administration (VBA) to upgrade and enhance its information technology infrastructure as part of the VBA's commitment to improve the delivery of services it provides to Veterans.

Atos

Aug 2018 - Public and Health business in the first half of 2018 saw an increase of 3.1% compared to the same period last year owing to the good performance in Infrastructure and Data Management (IDM) and Business & Platform Solutions (B&PS) divisions in North America and Germany. North American clients that contributed significantly to Atos' healthcare business in H1 2018 include Texas Department of Information Resources, Allscripts, and McLaren Health Care Corporation. Atos faced some "specific management issues" (no further details) in the IDM division in North America. (Darin LeGrange, head of Atos' North America healthcare business left the company earlier this year.)

Jul 2018 - Atos acquires Syntel (an IT services company with 23,000 employees) for a cash consideration of $3.4 billion to expand end-to-end services to customers in North America. Syntel is a global provider of integrated information technology and knowledge process services in area of product engineering, IT operations, Testing etc. for the clients from industries such as healthcare, Life Science, Banking, Insurance, Retail etc. This acquisition will increase Atos's global revenue by ~$1 billion.

Mar 2018 - Extends partnership with Siemens AG to continue jointly innovate and investment program to enhance Siemens and Atos' digital strategy and develop joint capabilities in data analytics, AI, advanced IoT & connectivity services, and digital service technologies to help the digital transformation of their customers through an end-to-end IoT suite.

Feb 2018 - Appoints Michel Alain Proch as Group Chief Digital Officer to lead the group internal digital transformation strategy. Michel Alain Proch also serves as SEVP and CEO of North America. The group announces many other leadership changes as well across different divisions and regions.

Jan 2018 - Signs a contract to deliver large-scale IT outsourcing services to Henkel, a global leader operating worldwide in adhesive technologies, beauty care, and laundry and home care.

Capgemini

Jul 2018 - Witnesses 8% growth at company level in the first half - H1 2018 revenue with strong demand in North America and Europe specifically in Digital and Cloud Portfolio front.

Jun 2018 -Signs an agreement to acquire Leidos Cyber, the commercial cybersecurity arm of the FORTUNE 500 company Leidos to strengthen its capabilities in North America.

Jun 2018 - Appoints Carole Ferrand as Capgemini's new Group Chief Financial Officer (CFO). She succeeds Aiman Ezzat, who earlier this year transitioned to the role of Chief Operating Officer alongside Thierry Delaporte. Appoints Patrick Nicolet as Chief Technology Officer (CTO) for the group.

Feb 2018 - Selected by Terumo BCT, a U.S.-based global leader in blood component, therapeutic apheresis, and cellular technologies, to set up two global innovation and development (I&D) centers in India. As per the agreement, Capgemini to help Terumo in the areas of research and development, product engineering, and usability engineering.

Feb 2018 - Acquires Liquid Hub, a digital customer engagement firm that specializes in developing and delivering compelling customer experiences. In the pharmaceutical front, its Specialty Pharma Insights Platform aligns interactions across channels to provide a more seamless experience for patients, healthcare providers, and other channel partners.

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DXC Technology (1/2)

Aug 2018 - Witnesses a growth of ~0.88% at company level in the revenue for the quarter ending June 30, 2018 over the same period last year. Global Business Services (which includes industry software solutions for healthcare & life sciences and others) saw a decrease of 2.4% in this quarter compared to the same period last year, due to completion of several traditional application contracts.

Jun 2018 - DXC to acquire Molina Medicaid Solutions - MMS (a Medicaid management information systems business) from Molina Healthcare Inc. The net purchase price for the equity interests of MMS is estimated to be approximately $220 million, and the transaction is expected to close in the third quarter of this year. MMS helps state Medicaid agencies in the administration of the states' Medicaid programs, including business processing, information technology development, and administrative services. MMS contributed 1% of the overall company's revenue in 2017. Molina Healthcare had acquired MMS from Unisys Corporation in 2010.

Jun 2018 - Completes the separation of its U.S. Public Sector (USPS) business and combines with Vencore Holding Corp. and KeyPoint Government Solutions to form Perspecta Inc. (an independent public company). Perspecta helps healthcare organizations in improving patient care, advance public health, lowering costs, speeding innovation through services such as cloud, analytics, applied research etc. DXC has received $984 million cash from Perspecta related to this separation.

Apr 2018 - Acquires Sable37 (a Microsoft Dynamics 365 reseller and independent software vendor of cloud-based industry solutions for Dynamics 365) and eBECS (a Microsoft Gold Partner for business solutions and managed services) to advance its position as Microsoft's Dynamics 365 Global Independent Systems Integrator partner.

Mar 2018 - Enters into an agreement with Intermountain Healthcare Partners to help Intermountain Healthcare in speeding adoption of technology implementation and enhancing healthcare for patients. This agreement is part of Intermountain's restructuring process. A total of 98 IT employees from Intermountain shifted to DXC as their employer, effective June 3, 2018. The affected IT employees work in the area of computer support (phone technicians who assist other employees), internet access, and system administration. IT employees working in the areas of cybersecurity, onsite support, Telehealth, and the Intermountain data center are unaffected.

DXC Technology (2/2)

Mar 2018 - Mary Louise Krakauer joins DXC board of directors. In the past, she has served many senior leadership positions at leading technology companies such as executive vice president (EVP) and Chief Information Officer (CIO) at Dell, CIO and EVP at EMC.

Mar 2018 - Launches DXC Application Service Automation to help organizations manage their applications up to 40 percent more efficiently than with traditional methods.

Feb 2018 - Launches a digital platform called DXC Open Health Connect to help healthcare providers in providing a better quality of care and patient outcomes by enabling interoperability.

Jan 2018 - Launches Agile Process Automation (APA), a new digital platform that combines cloud and RPA with embedded AI to enhance a company's business processes.

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IBM (1/2)

Aug 2018 - Witnesses a growth of ~4% at company level in the quarter ending June 30, 2018, over the same period last year. In this quarter, the cognitive solutions, GBS, and technology services and cloud platforms saw increase of 0.5%, 2.3% and 2.5% respectively compared to the same period last year.

Jul 2018 - IBM expands service agreement with Anthem (a leading health insurance company), to work together in Anthem's digital transformation and in delivering an enhanced digital experience for Anthem's ~40 million consumers. As per this expanded agreement, IBM to provide enterprise services for mainframe and data center server and storage infrastructure management. As a part of the engagement, IBM will also help Anthem in building AI capabilities. Since 2015, both the companies have implemented over 130 bots, automated over 70% of the monthly high-volume repetitive tasks.

Jul 2018 - Appoints former EVP and head of HLS business of Infosys, Sangita Singh, as general manager of cloud consulting services of IBM's GBS division.

Jun 2018 - Partners with Aramark to speed up digital transformation in the healthcare technology support and maintenance process. Aramark supports more than 1,000 hospitals and senior living facilities through its food, facility, and clinical technology services.

Jun 2018 - IBM Watson Health and Medtronic announce commercial availability of the Sugar. IQ (a smart diabetes assistant) designed to simplify and improve daily diabetes management.

IBM (2/2)

Jun 2018 - IBM Cloud Managed Services syncs with IBM Cloud Private for Next-Gen Application Development. The IBM Cloud Private is based on client-specific needs across industries and segments including healthcare, banking, public safety, energy, utilities, and retail.

Mar 2018 - Launches Cloud Private for Data (a new data science and ML platform for data-driven decision making), and announces Elite Team, a no-charge consultancy that advises clients on machine learning adoption and assists in their AI roadmaps.

Jan 2018 - Extends relationship with Salesforce to collectively bring IBM Cloud and Watson services with Salesforce Quip and Salesforce Service Cloud Einstein to help companies to connect with their customers and collaborate more effectively with deeper insights.

Jan 2018 - MediStreams chooses IBM Cloud for healthcare provider billing solutions. MediStreams (founded in 2009) develops healthcare RCM solutions for hospitals and provider partners in the U.S.

Troubles in IBM's Watson Health Division: More than a dozen IBM partners and clients have halted or shrunk Watson's oncology-related projects, according to a report in The Wall Street Journal. According to the report, Watson cancer applications have had limited impact on patients, adding that there is no published research that shows Watson improving patient outcomes. Separately, STAT News published a series of articles about the troubles in IBM's Watson Health division, quoting internal documents that cited "multiple examples of unsafe and incorrect treatment recommendations." In June, executives of IBM's Watson Health division reportedly informed employees of a scaling back of parts of the business that focuses on helping hospitals manage their pay-for-performance contracts.

NTT DATA (1/2)

Jul 2018 - Witnesses an increase of 7.4% at company level in quarterly revenue ending June 30, 2018, over the same period last year. In the same quarter, net sales from public and social infrastructure (includes central government and related agencies, local government and healthcare) increased by 23% compared to the same period last year.

Aug 2018 - Receives renewal contract from Cedars-Sinai Health System for outsourcing services such as service desk, end-user device services, user access administration, and data center operations. Cedars-Sinai Health System is California based nonprofit academic medical center.

Jun 2018 - Promotes Bob Pryor as new CEO (of NTT DATA Services) effective July 1, 2018, to replace John McCain, who has served as CEO since 2010.

May 2018 - Appoints Yo Honma as Representative Director, President and Chief Executive Officer of NTT DATA Corporation. Previously, Yo Honma served the company as Representative Director and Senior EVP for Japan and Asia region. The company also announces several leadership changes across different divisions and regions.

May 2018 - NTT DATA Services and Progress Sitefinity join hands (provider of application development and deployment technologies) to provide personalized digital solutions to global enterprises. Progress provides health cloud solutions to payers, providers, pharma, and medical devices organizations. Progress supports over 1,700 independent software vendors and 100,000 enterprise customers.

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NTT DATA (2/2)

Mar 2018 - Partners with DataFirst, Inc. to deliver clinical AI to healthcare organizations in improving quality and decreasing the cost of patient care. Data First is a software development firm that provides end-to-end, scalable migration and interoperability solutions for the healthcare IT.

Mar 2018 - Launches joint solution with Pieces Technologies (AI solution provider for hospitals and health systems) to reduce readmissions. The joint solution uses the power of the Pieces Decision Sciences (DS) software with NTT DATA's clinical transformation services to help providers reduce readmissions and avoid unnecessary hospitalizations.

Jun 2018 - Partners with Independent Health to provide a wide range of IT services designed to drive innovation and reduce cost. Independent Health offers commercial, Medicare and Medicaid plans to approximately 400,000 members in Western New York. NTT DATA Services will provide 24/7 service desk support, desktop engineering, messaging, mobility, telecom, and network asset management services.

Feb 2018 - Collaborates with Oracle Insurance designed to improve operational efficiencies for government payers and health plans. The new payment and benefits solution will manage all aspects of health insurance membership, claims payment and benefits operations.

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Annexure: Select transactions

Customer wins, partnerships, M&A (1/3)

Company name	Client	Nature of transaction	Announced
Atos	Syntel	Acquisition to expand and strengthen digital transformation capabilities to customers in North America.	Jul-18
Atos	Siemens AG	Partnership to develop joint capabilities in data analytics, AI, advanced IoT and connectivity services, and digital service technologies to help the digital transformation of their customers through an end-to-end IoT suite.	Mar-18
Atos	AVIVA	Customer win to deliver cross enterprise critical data services over a six and-a-half year period.	Mar-18
Atos	Henkel	Partnership to deliver large-scale IT outsourcing services.	Jan-18
Accenture	Northside Hospital	Provides guidance in transforming supply chain and procurement operations.	Jun-18
Accenture	Global Center for Health Innovation	Forms working group to explore data-driven solutions that better integrates the continuum of addiction services.	Mar-18
Accenture	The Commonwealth of Virginia's DMAS	Customer win to implement and operate core systems for Medicaid claims processing and operations.	Feb-18
Accenture	Loopback Analytics	Partnership to support health systems aiming to participate in new value-based care models.	Jan-18
Capgemini	Leidos Cyber	Acquisition to strengthen cyber security capabilities in North America.	Jun-18
Capgemini	Terumo BCT	Customer win to help in the areas of research and development, product engineering, and usability engineering.	Feb-18
Capgemini	LiquidHub	Acquisition strengthen digital capabilities to provide seamless experience for patients, healthcare providers and other channel partners.	Feb-18

Customer wins, partnerships, M&A (2/3)

Company name	Client	Nature of transaction	Announced
Cognizant	Bolder Healthcare Solutions	Acquisition to provide RCM solutions to specialist health organizations in the U.S.	Mar-18
DXC Technology	Molina Healthcare Inc.	Acquisition of MMS, the Medicaid management information systems business.	Jun-18
DXC Technology	Sable37 and eBECS	Acquisition to advance its position as Microsoft's Dynamics 365 Global Independent Systems Integrator partner.	Apr-18
DXC Technology	Intermountain Healthcare Partners	Agreement to support in speeding adoption of technology implementation and enhancing healthcare for patients.	Mar-18
HCL	Actian Corporation	Joint acquisition (with Sumeru Equity Partners) to provide hybrid data management, cloud integration, and analytics solutions to multiple industries including healthcare.	Apr-18
HCL	Falck	Customer win to provide end-to-end infrastructure services in the ambulance and healthcare markets.	Jun-18
IBM	Anthem	Extension of service agreement to drive digital transformation delivering digital experience.	Jul-18
IBM	Aramark	Partnership to speed up digital transformation in the healthcare technology.	Jun-18
IBM	Salesforce	Partnership to help companies to connect and collaborate more effectively with customers.	Jan-18
IBM	MediStreams	Client win to provide cloud for healthcare provider billing solutions.	Jan-18
Infosys	ValGenesis	Partnership to bring stronger compliance and quality management for healthcare and life sciences sector customers.	Jan-18

Customer wins, partnerships, M&A (3/3)

Company name	Client	Nature of transaction	Announced
NTT Data	Progress	Partnership to provide digital solutions including health cloud solutions to payers, pharma and medical device organizations.	May-18
NTT Data	DataFirst Inc.	Partnership to deliver clinical AI to healthcare organizations.	Mar-18
NTT Data	Pieces Technologies	Partnership to help hospitals and health systems to reduce readmissions.	Mar-18
NTT Data	Independent Health	Partnership to provide wide range of IT services to drive innovation and reduced cost.	Feb-18
NTT Data	Oracle Insurance	Collaboration to improve operational efficiencies for government payers and health plans.	Feb-18
TCS	Mesosphere	Partnership to help customers in efficient usage of data services and cloud platforms to support industries such as healthcare, automotive and financial services.	Jan-18
Wipro	Alight Solutions	Partnership to help Alight Solutions to reshape the HR service industry in the area of consumer-facing technologies and services across health, wealth and cloud businesses.	Jul-18
Wipro	Opera Solutions	Partnership to address the issue of fraud, waste, and abuse in healthcare insurance claims.	Jun-18
Wipro	Avaamo	Investment to support healthcare companies in discovery & scheduling and care management.	May-18
Wipro	Adobe	Partnership to develop digital marketing campaigns and to integrate Adobe XD CC into their Digital Experience Platform.	Mar-18
Wipro	Ensono	Divestment of hosted data center services business unit to Ensono in a transaction valued at $405 million. Wipro will transfer eight data centers, and over 900 employees of its hosted data center services business to Ensono.	Mar-18

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The WITCH Doctors

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Arpita is responsible for managing brand transformation initiatives for Damo and its clients. She specializes in thought leadership led brand transformation, and manages Damo's global content operations.

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About Damo Consulting

Damo Consulting is a growth strategy and digital transformation advisory firm that works with healthcare enterprises and global technology companies. We help develop and implement digital transformation strategies and enable market growth strategies. We specialize in thought leadership led brand transformation and actionable healthcare market intelligence.

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