Xerox Healthcare Services Analyst Day

Hosted by PARC, A Xerox Company

March 7, 2013
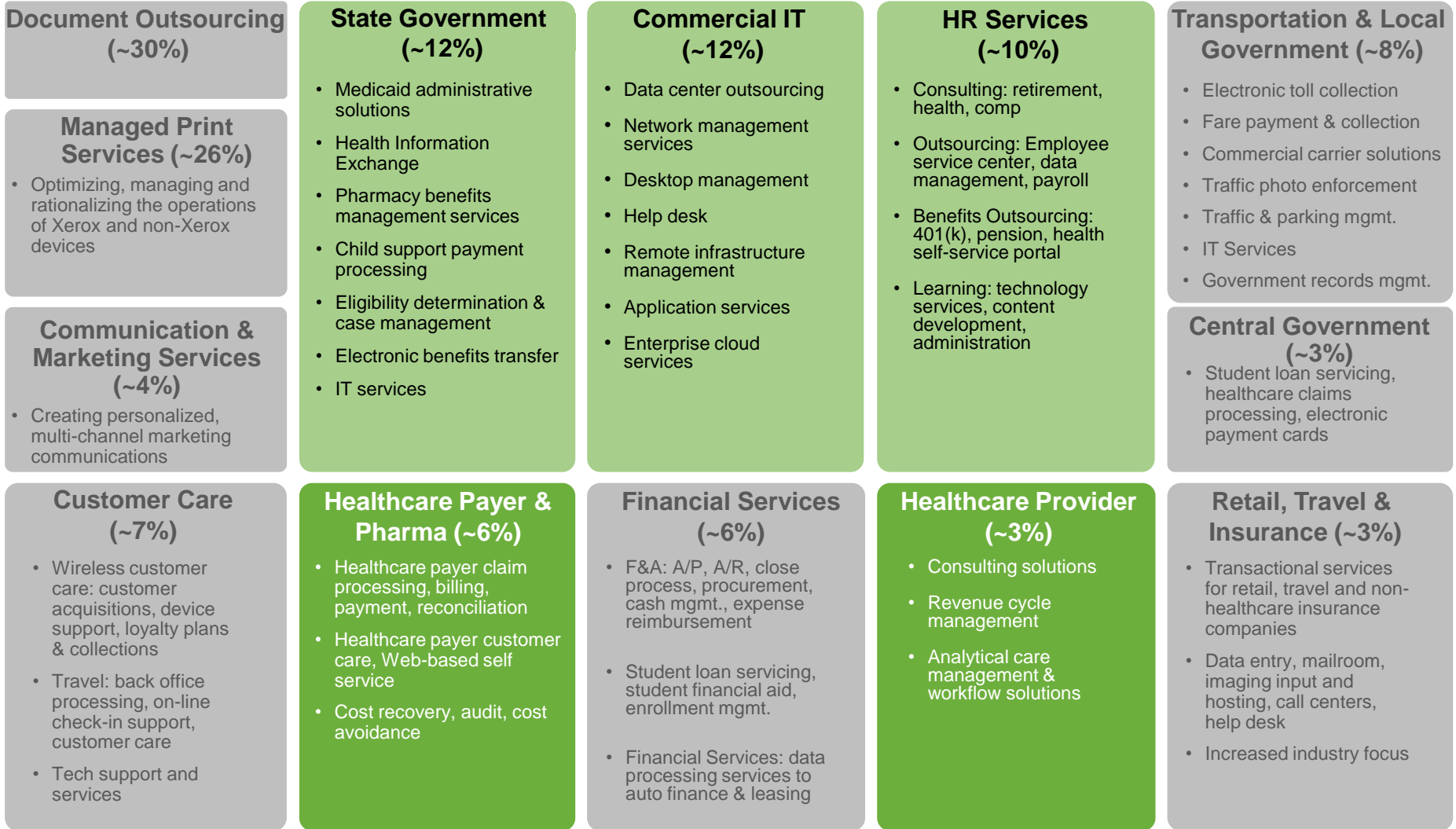
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Forward-Looking Statements

This presentation contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The words "anticipate," "believe," "estimate," "expect," "intend," "will," "should" and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management's current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. These factors include but are not limited to: changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the United States and in the foreign countries in which we do business; changes in foreign currency exchange rates; actions of competitors; our ability to obtain adequate pricing for our products and services and to maintain and improve cost efficiency of operations, including savings from restructuring actions; the risk that unexpected costs will be incurred; our ability to expand equipment placements; the risk that subcontractors, software vendors and utility and network providers will not perform in a timely, quality manner; the risk that individually identifiable information of customers, clients and employees could be inadvertently disclosed or disclosed as a result of a breach of our security; our ability to recover capital investments; development of new products and services; our ability to protect our intellectual property rights; interest rates, cost of borrowing and access to credit markets; the risk that multi-year contracts with governmental entities could be terminated prior to the end of the contract term; reliance on third parties for manufacturing of products and provision of services; our ability to drive the expanded use of color in printing and copying; the outcome of litigation and regulatory proceedings to which we may be a party; and other factors that are set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other sections of our 2012 Annual Report on Form 10-K filed with the Securities and Exchange Commission. The Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

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Today's Discussion

- Showcase Xerox's leadership position in healthcare services

- Review growth opportunities aligned with trends in industry and regulatory reforms

- Highlight differentiating innovation that simplifies complexity of healthcare administration

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Large Healthcare Exposure
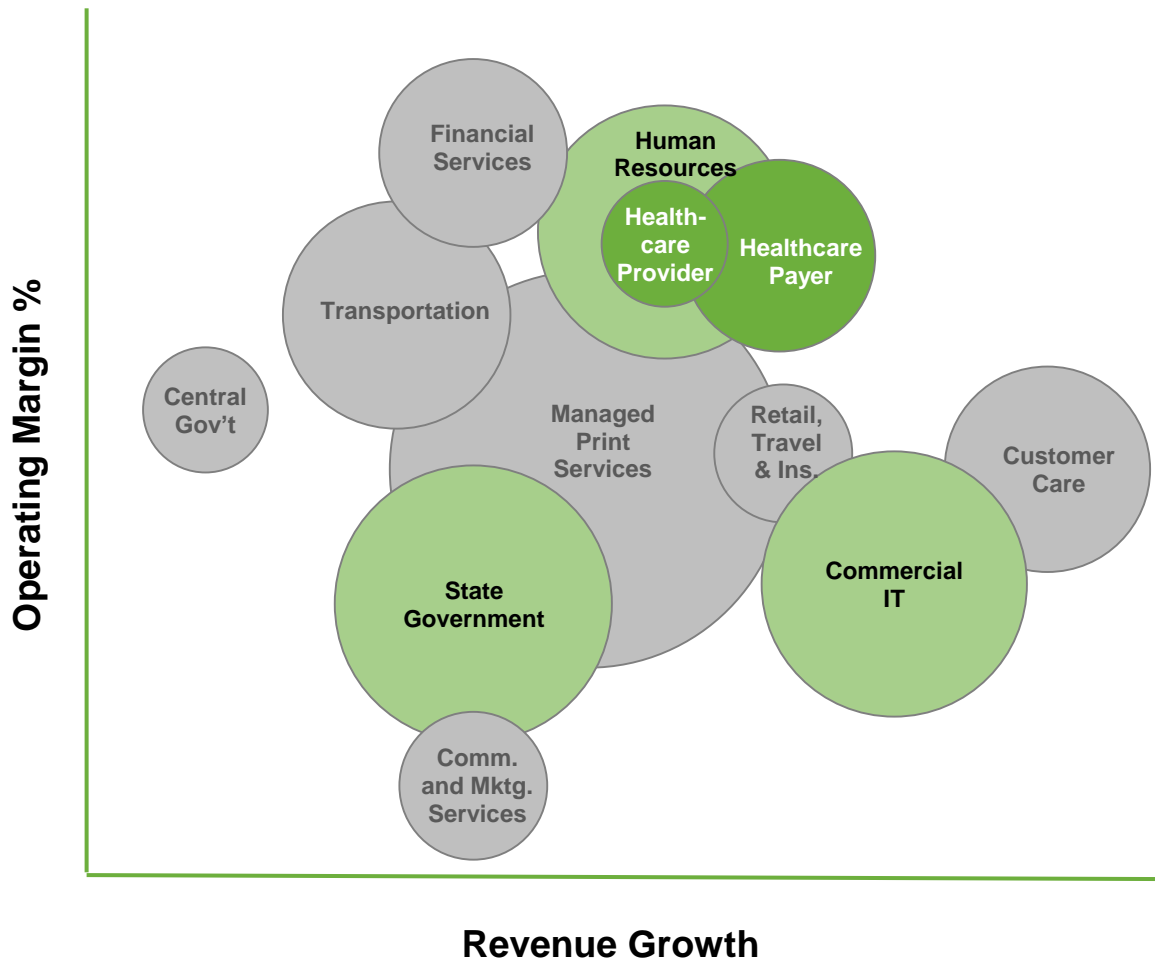
(Percentages represent percent of total Services revenue)

Document Outsourcing (~30%)

Managed Print Services (~26%)

- Optimizing, managing and rationalizing the operations of Xerox and non-Xerox devices

Communication & Marketing Services (~4%)

- Creating personalized, multi-channel marketing communications

State Government (~12%)

- Medicaid administrative solutions
- Health Information Exchange
- Pharmacy benefits management services
- Child support payment processing
- Eligibility determination & case management
- Electronic benefits transfer
- IT services

Commercial IT (~12%)

- Data center outsourcing
- Network management services
- Desktop management
- Help desk
- Remote infrastructure management
- Application services
- Enterprise cloud services

HR Services (~10%)

- Consulting: retirement, health, comp
- Outsourcing: Employee service center, data management, payroll
- Benefits Outsourcing: 401(k), pension, health self-service portal
- Learning: technology services, content development, administration

Transportation & Local Government (~8%)

- Electronic toll collection
- Fare payment & collection
- Commercial carrier solutions
- Traffic photo enforcement
- Traffic & parking mgmt.
- IT Services
- Government records mgmt.

Central Government (~3%)

- Student loan servicing, healthcare claims processing, electronic payment cards

Customer Care (~7%)

- Wireless customer care: customer acquisitions, device support, loyalty plans & collections
- Travel: back office processing, on-line check-in support, customer care
- Tech support and services

Healthcare Payer & Pharma (~6%)

- Healthcare payer claim processing, billing, payment, reconciliation
- Healthcare payer customer care, Web-based self service
- Cost recovery, audit, cost avoidance

Financial Services (~6%)

- F&A: A/P, A/R, close process, procurement, cash mgmt., expense reimbursement
- Student loan servicing, student financial aid, enrollment mgmt.
- Financial Services: data processing services to auto finance & leasing

Healthcare Provider (~3%)

- Consulting solutions
- Revenue cycle management
- Analytical care management & workflow solutions

Retail, Travel & Insurance (~3%)

- Transactional services for retail, travel and non-healthcare insurance companies
- Data entry, mailroom, imaging input and hosting, call centers, help desk
- Increased industry focus

LEGEND: | 100% Healthcare | Partial Healthcare | Non-Healthcare

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Healthcare - Attractive Growth and Profitability

Operating Margin % (vertical axis)

Revenue Growth (horizontal axis)

Bubbles: Financial Services, Human Resources, Health-care Provider, Healthcare Payer, Transportation, Central Gov't, Managed Print Services, Retail, Travel & Ins., Customer Care, State Government, Commercial IT, Comm. and Mktg. Services

Healthcare growth and profitability above Services average

Investing in innovation, differentiation and growth areas

LEGEND: 100% Healthcare   Partial Healthcare   Non-Healthcare

Note: The graphic above is a relative representation of the Services lines of business in 2013

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Xerox Touches All Aspects of Healthcare

Healthcare Services Analyst Day Agenda

Welcome and Overview	Jim Lesko
• Xerox in Healthcare	Connie Harvey
• Our Government Healthcare business	Mary Scanlon
• Our Payer business	Mike Morrison
• Our Provider business	Charles Fred
Break	
Lunch – PARC & Healthcare Innovation overview	Steve Hoover / RG Conlee
• Innovation demos	
Wrap-up	

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Xerox in Healthcare

March 7, 2013

Xerox Healthcare Services: Fuels Xerox Growth

- $2B+ business -> among largest players in U.S. Healthcare

- Double-digit revenue growth; mid-teens operating margins

- Significant market penetration across key segments

- Capturing business in emerging areas with new capabilities

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Xerox Healthcare - Did You Know?

1700+
Hospitals served

900+
Million healthcare claims processed per year

22+
Thousand employees dedicated to healthcare

36
Million people served by government health services

100
Percent of the top ten BCBS organizations are clients

$2B+
Of Xerox services revenues

20
Of the top 20 US Managed Healthcare plans are clients

2/3
Of U.S. insured patients are touched by our services

37
U.S. states supported by government health solutions

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Growing Healthcare Costs Drive Opportunity

National healthcare expenditures (2009–2019)

Source: Centers for Medicare & Medicaid Services, Office of the Actuary
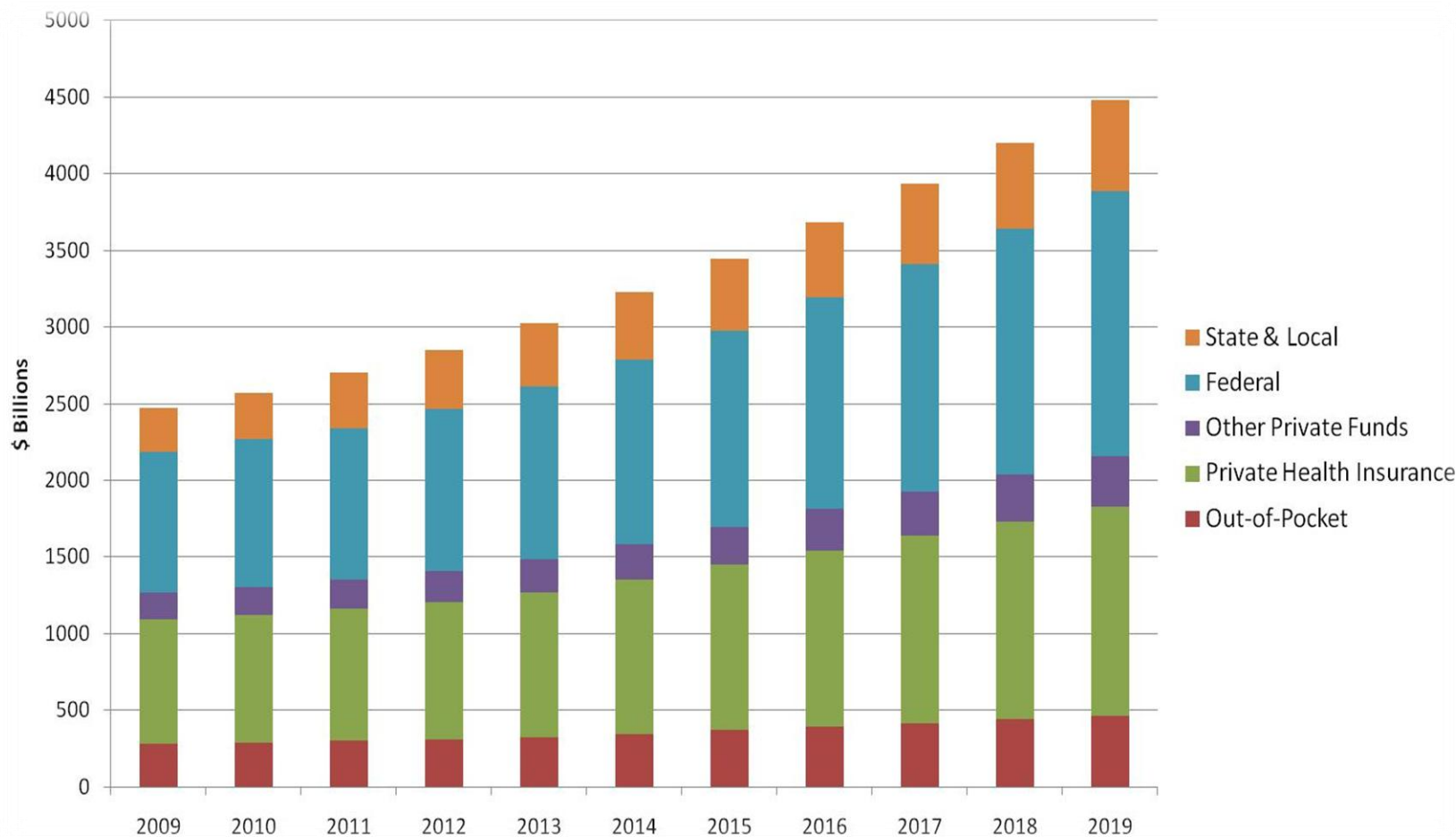
Healthcare Reform – A Changing Landscape

Increasing Access

- **15+ million new consumers** will access Medicaid and Medicaid-like programs

- Insurance exchanges will provide **new platform to purchase coverage**

- Increased funding will flow to **community-based clinics and safety-net providers**

Containing Costs

- **Integrated delivery systems** will offer similar services as health insurance companies

- Payers will be under increased **pressure to be administratively efficient**

- **Fraud and abuse** systems and services will identify issues and opportunities

Improving Quality

- Electronic Health Records **(EHR),** connected by Health Information Exchanges **(HIE),** will **leverage clinical data to improve health outcomes**

- New sophisticated **predictive analytics** will proactively identify members at risk

- **Personalized care programs** will drive increased digitization of medicine

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Attractive Healthcare Services Addressable Market

Govt H/C
$2.9B Market

Provider
$22B Market

Payer
$15B Market

CAGR '12 – '15

CAGR '12 – '16

CAGR '12 – '16

New Markets[1] $665M Market	25% Growth	
Extended/Adjacent Markets[2] $900M Market	10-25% Growth	
Base MMIS[3] $1.3B Market	5% Growth	

Provider Healthcare Services $22B Market

13% Growth

Payer Healthcare Services $15B Market

9% Growth
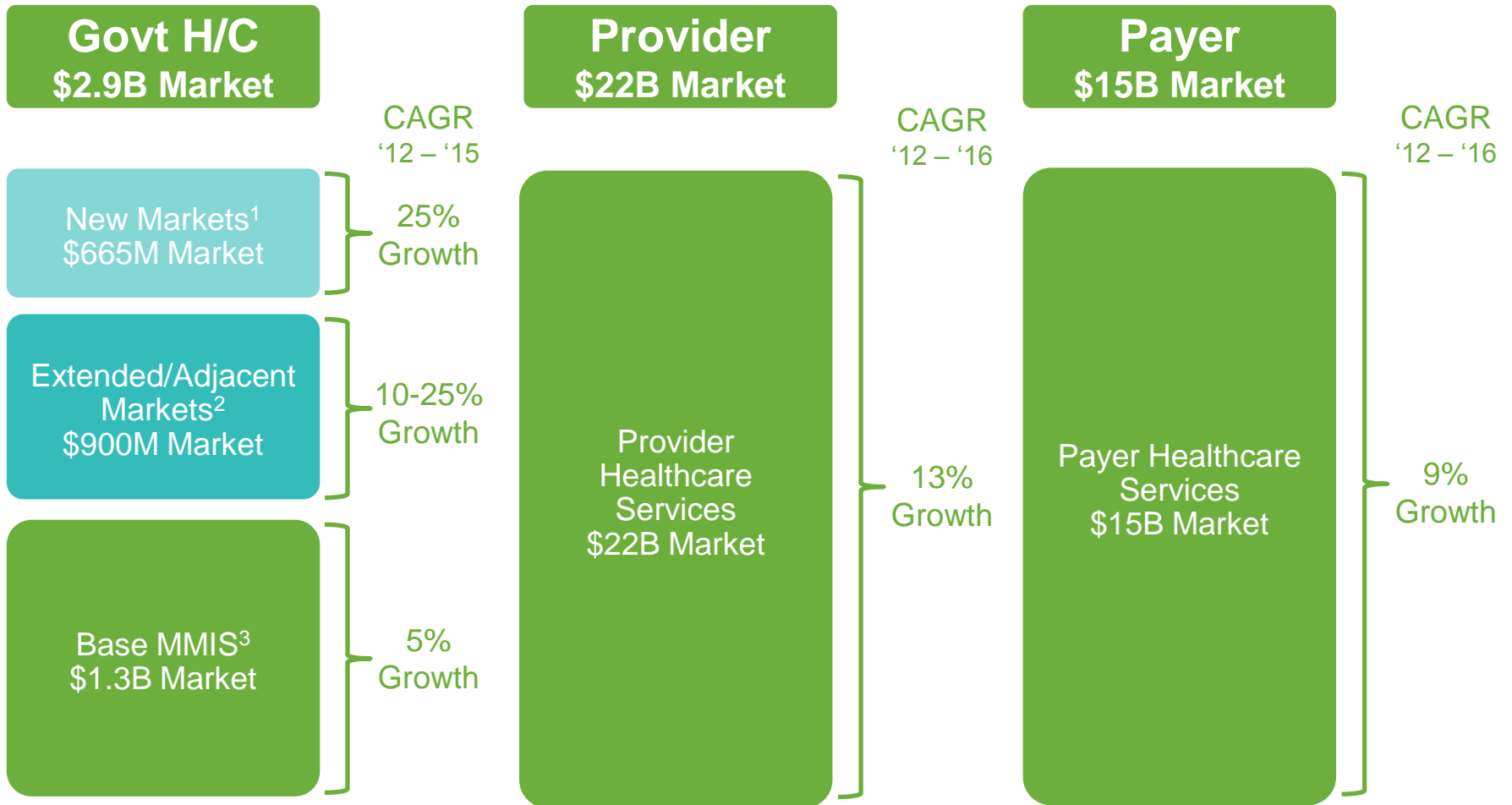
[1]New Markets – Long Term Care, Fraud, Waste, Abuse (FWA) and Managed Medicaid
[2]Extended/Adjacent Markets – Health Info. Exchange/PBM and Eligibility/HBE
[3]Base MMIS – Takeover Legacy MMIS, Run GHS MMIS Platform and Stand-alone MMIS Platform Sale

Source: Internal market size analysis

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Xerox Healthcare Meets the Market Needs

Driver	Market Need	Xerox Solution Sets
Government program expansion	Access, Platform Distribution, Savings	• Healthcare BPO Platform • HIX Solution • MMIS and Provider IT Platforms
Demonstrate value • Evidenced-based healthcare outcomes • Identify fraud, eliminate waste and errors	Savings/Value	• Healthcare Analytics & Cost Containment Solutions • Midas-Live and Midas Plus
Efficient delivery of care	Distribution/Access; individualized and multi-channel communications	• Healthcare BPO Platform • Provider Cost Containment Consulting • Communications Solutions
Technology adoption and integration	Information, Integration and Interoperability	• Provider Platform • Consulting • Optimization Solutions (EMR Extenders)
Actionable, relevant data to monitor health care services	Quality & Compliance Analytics	• MidasPlus • Data Analytics
Personalized medicine and speed-to-market solutions	Innovation and new technology platforms	• Xerox Innovation Group • Real time clinical alerts

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$2B+ Healthcare Revenue – How it Breaks Down

Provider (incl ITO & Consulting) – 24%
- ITO platforms, including Pharma
- Consulting Solutions for EMR and Financial Systems, including Buck
- HealthCare Analytics for Care and Quality Learning Management Solutions

Payer - 36%
- Business Process Outsourcing
- Business Communications Services
- Call Center and Cost Recovery Solutions

Government Health – 40%
- Medicaid Administration
- Health Insurance Exchanges
- Pharmacy Benefit Management
- Health Information Exchanges

Pie chart values: 24%, 36%, 40%

Revenue by Services Type

Stacked bar chart:
- Consulting & Optimization — 8%
- Analytics — 10%
- Communication Services — 23%
- ITO & MMIS Platform — 23%
- BPO Platform — 36%

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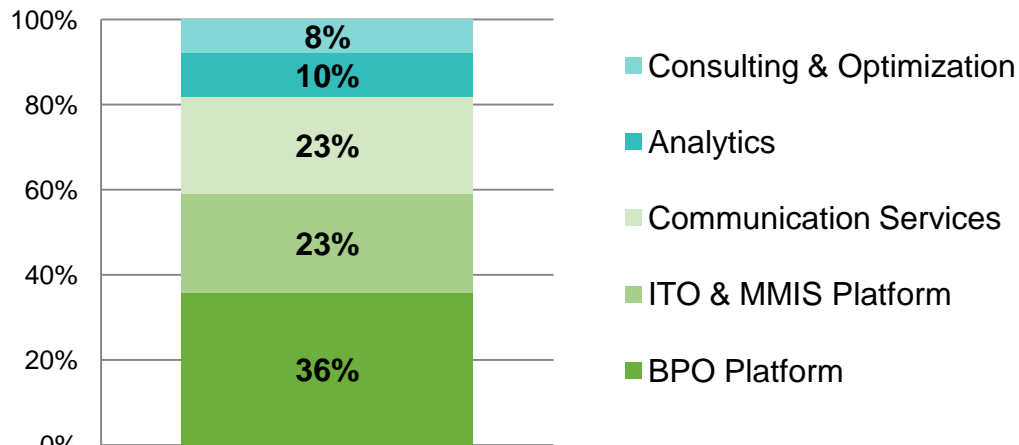
Healthcare Offerings and Solutions

Providers

- Management and Technology Consulting
- EMR & HIE Integration
- Analytics & Data Management
- Care and Quality Management Software and Comparative Data
- Infrastructure and Platform Services
- Enterprise Print Services
- Adoption and End User Training

Payers

- Transaction processing
- Customer Care
- Communication & Marketing Services
- Cost Avoidance and Recovery
- Care Management
- Health Insurance Exchange

Pharma / Life Sciences

- Analytics
- Customer Care
- Document Supply Chain Management
- Finance and Accounting
- Enterprise Print Services
- Enterprise Marketing Services
- Human Resources
- Transaction BPO

Government

- State HIEs
- Eligibility/Health Insurance Fraud and Abuse
- Health Analytics & Reporting
- Health Information
- Medicaid Fiscal Agent and MMIS
- Pharmacy Benefits Management

Employers

- Actuarial Services
- Benefit Consulting
- Communications
- Document Supply Chain Management
- Enterprise Print Services
- Enterprise Marketing Services
- Finance and Accounting
- Human Resources
- Plan Administration

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Xerox Health Services Operations

United States

- Alabama
- Alaska
- California
- Colorado
- Connecticut
- DC
- Florida
- Georgia
- Hawaii
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Missouri
- Montana
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- North Carolina
- North Dakota
- Ohio
- Oregon
- Pennsylvania
- Rhode Island
- South Carolina
- Tennessee
- Texas
- Utah
- Virginia
- Washington
- West Virginia
- Wisconsin
- Wyoming

International

- Dominican Republic
- Germany
- Ghana
- Guatemala
- India
- Ireland
- Jamaica
- Philippines
- Puerto Rico
- Mexico
- United Kingdom

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HealthCare Innovation Focus

Health Insurance
Exchanges

Communication and
Engagement Services

HealthCare Analytics

EMR Extenders and
Mobility Management

Fraud/Waste
and Abuse

Optimization/Adoption
and Learning Systems

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Key Takeaways

- $2B+ business -> with above average growth and returns

- Well positioned to benefit from market trends – government, payers and providers

- Offerings built on differentiated platforms and broad BPO delivery capabilities

- Investing in innovation and focused acquisitions to further enhance market position

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Our Government Healthcare Business

March 7, 2013

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Medicaid Spending is Substantial and Growing

Projected Medicaid Spend (in billions)

Year	Value
2011	$275
2012	$253
2013	$267
2014	$305
2015	$341
2016	$382
2017	$416
2018	$446
2019	$479
2020	$514
2021	$549
2022	$592
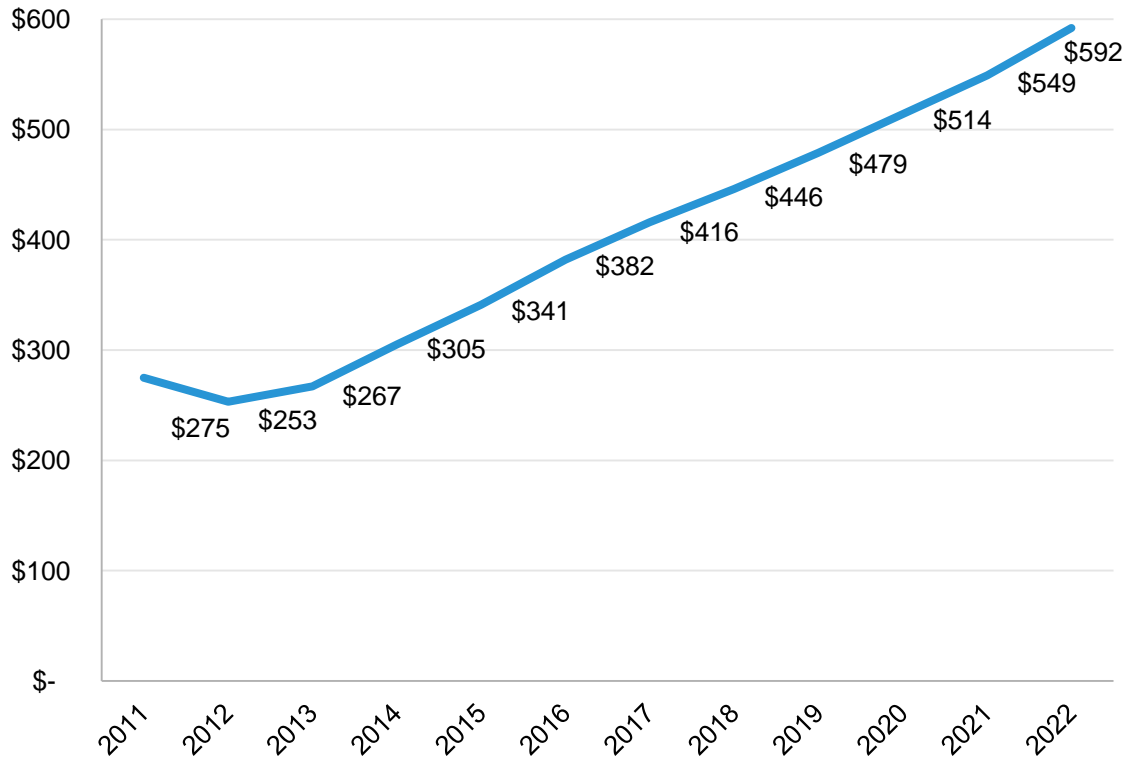
Twin pillars of Medicaid growth:

- **increased eligibility**

- **aging population**

Congressional Budget Office – *An Update to the Budget and Economic Outlook: Fiscal Years 2012 to 2022* (August 2012).

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Xerox Government Healthcare - Did You Know?

Largest Medicaid administrator by claims volume with **over 40 years** of government health program experience

Providing healthcare services to **37 states** and **36 million people**

Managing **13 billion** dollars in **drug expenditures** each year

Processing **563 million health program claims** annually

Distributing **54 billion** dollars in **provider payments** annually

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Government Healthcare - State Customers

MMIS and Fiscal Agent Services
Enrollment Broker and Eligibility
Other Healthcare Services
Pharmacy Benefits Management

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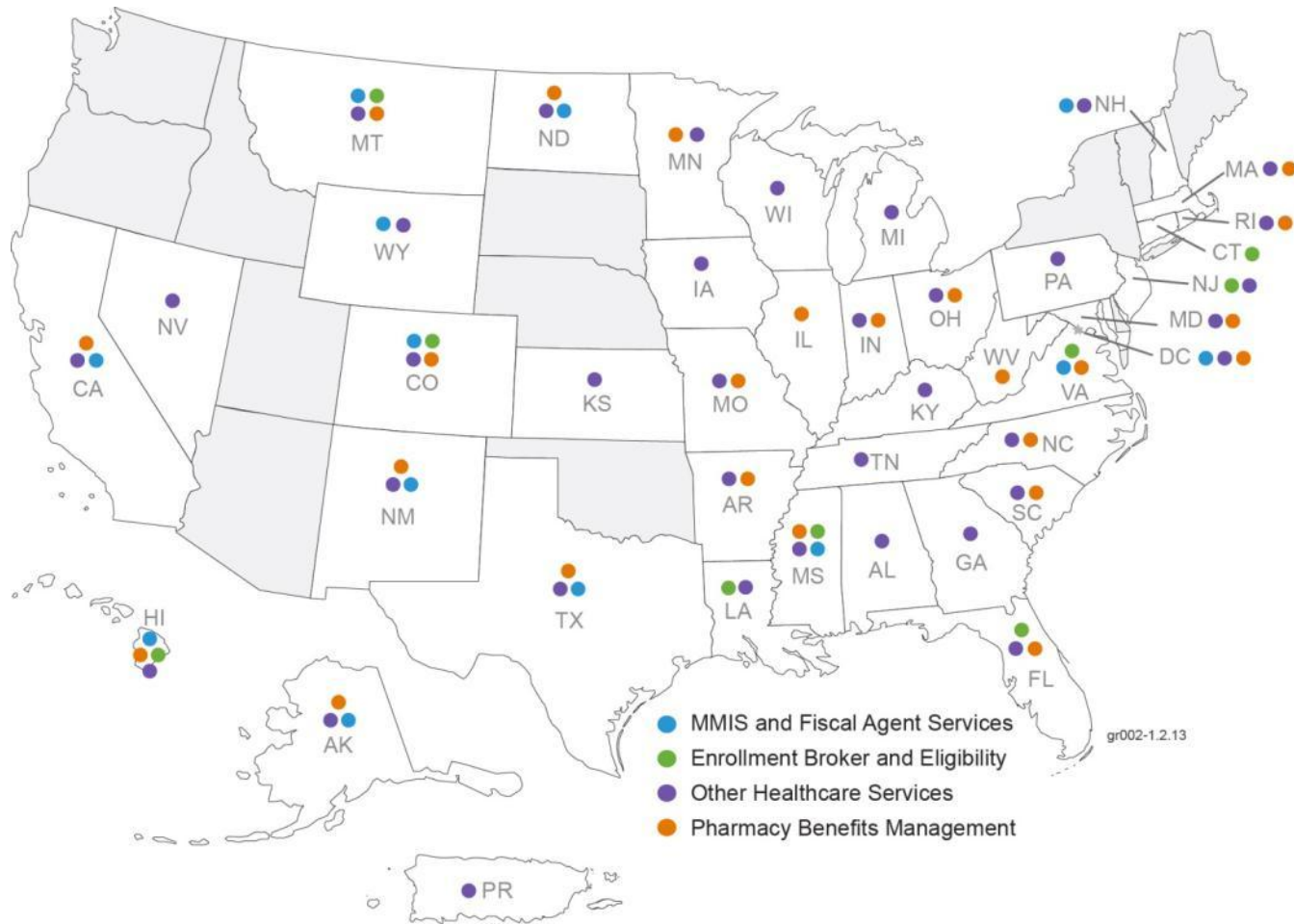
Largest Medicaid Administration Vendor

MMIS	Healthcare Eligibility & Exchange Services	Pharmacy Benefits Management	Informed Health	Long-Term Care and HCBS
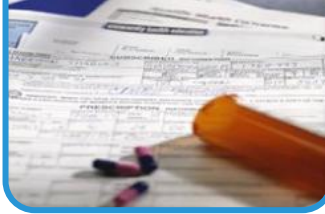
- **Market position – #1**

- **Competitors:**
  HP, Molina, CNSI

- **Market Position – #2**

- **Competitors:**
  Maximus, Deloitte, MariChris

- **Market position – #1**

- **Competitors:**
  Magellan, Catamaran, Goold , OptumRX

- **Market position – Top 20**

- **Competitors:**
  APS Healthcare, Qualis Health, OptumInsight, Medicity, CareNet, Alere Health, Healthways, inVentir Health, Orion Health, dbMotion, Axolotl, Relay Health, CorVel, Certifiy

- **Market position – emerging**

- **Competitors:**
  LifePlans, Univita, Public Consulting Group, MunichRe, Univita, PCG, CareCentrix, Liberty Healthcare, Maximus, Molina, Acumen, DM Ascends, APS

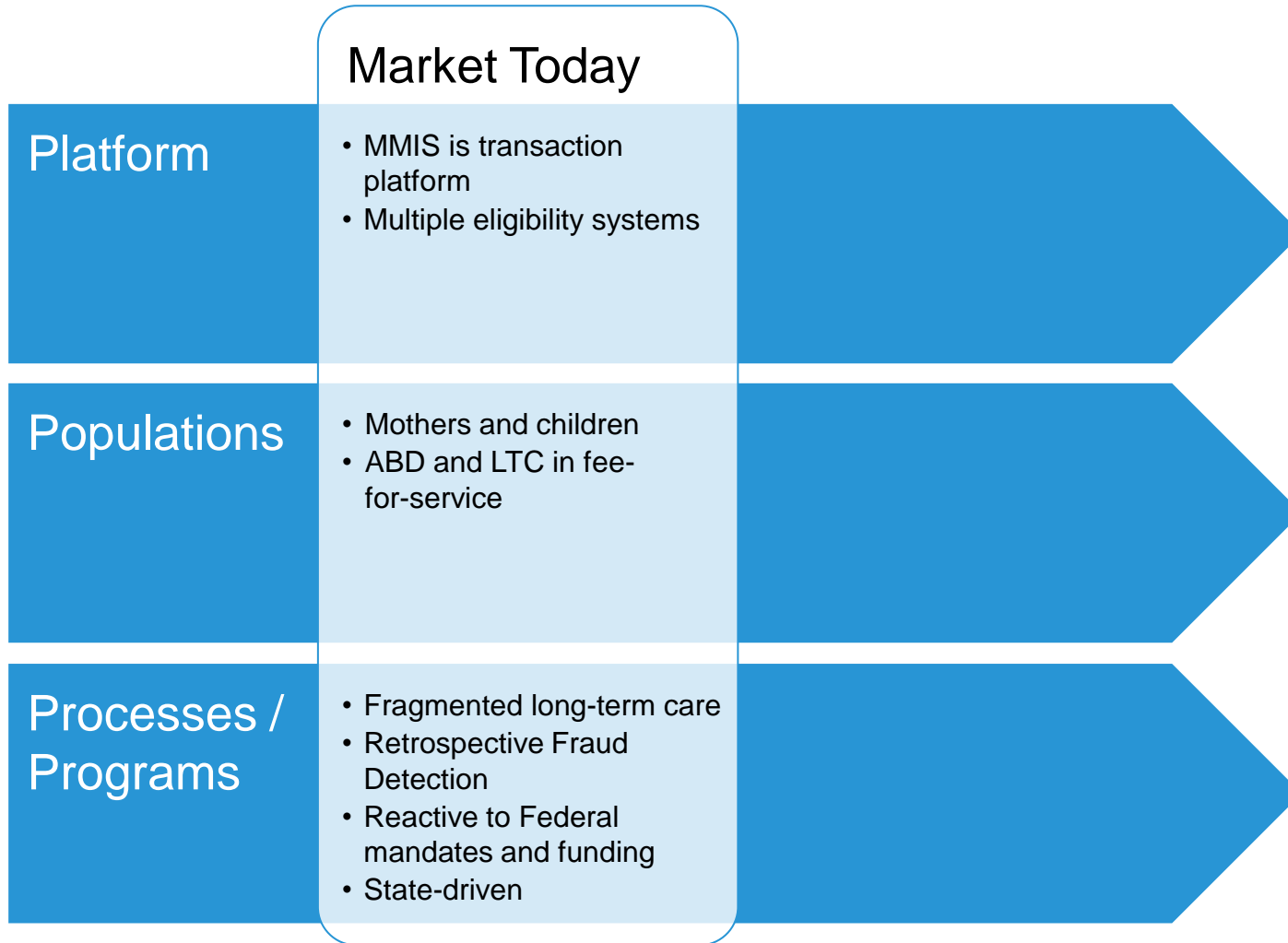| Connecting End-to-End Ecosystem	Evidence Based Medicine	Cost of Care Focus	Health Reform Market Solutions	Best in Industry Solutions	Market Depth and Breadth	Innovative Culture

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The Market and Where We See it Headed

	Market Today	
Platform	• MMIS is transaction platform • Multiple eligibility systems	
Populations	• Mothers and children • ABD and LTC in fee-for-service	
Processes / Programs	• Fragmented long-term care • Retrospective Fraud Detection • Reactive to Federal mandates and funding • State-driven	

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Long Term Competitive Advantage Medicaid Platform

Highlights

- MMIS is a $1.3B market
- Key platform to capture significant organic growth
- Made a unique, ground up investment in a modern, SOA MMIS, Health Enterprise
  - NH go live is 4/1
- 4 more states in process

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Health Enterprise MMIS Platform Supports Our Vision

Vision / Strategies

Provide solutions that address administrative cost pressures

Provide scale and technology to public health programs

Predictive analytics

A connected health information ecosystem

Innovation

Healthcare Solution Set
Enhancing to Support Vision

- Managed care, long-term care,
- Provider credentialing (Rule 6028), program integrity
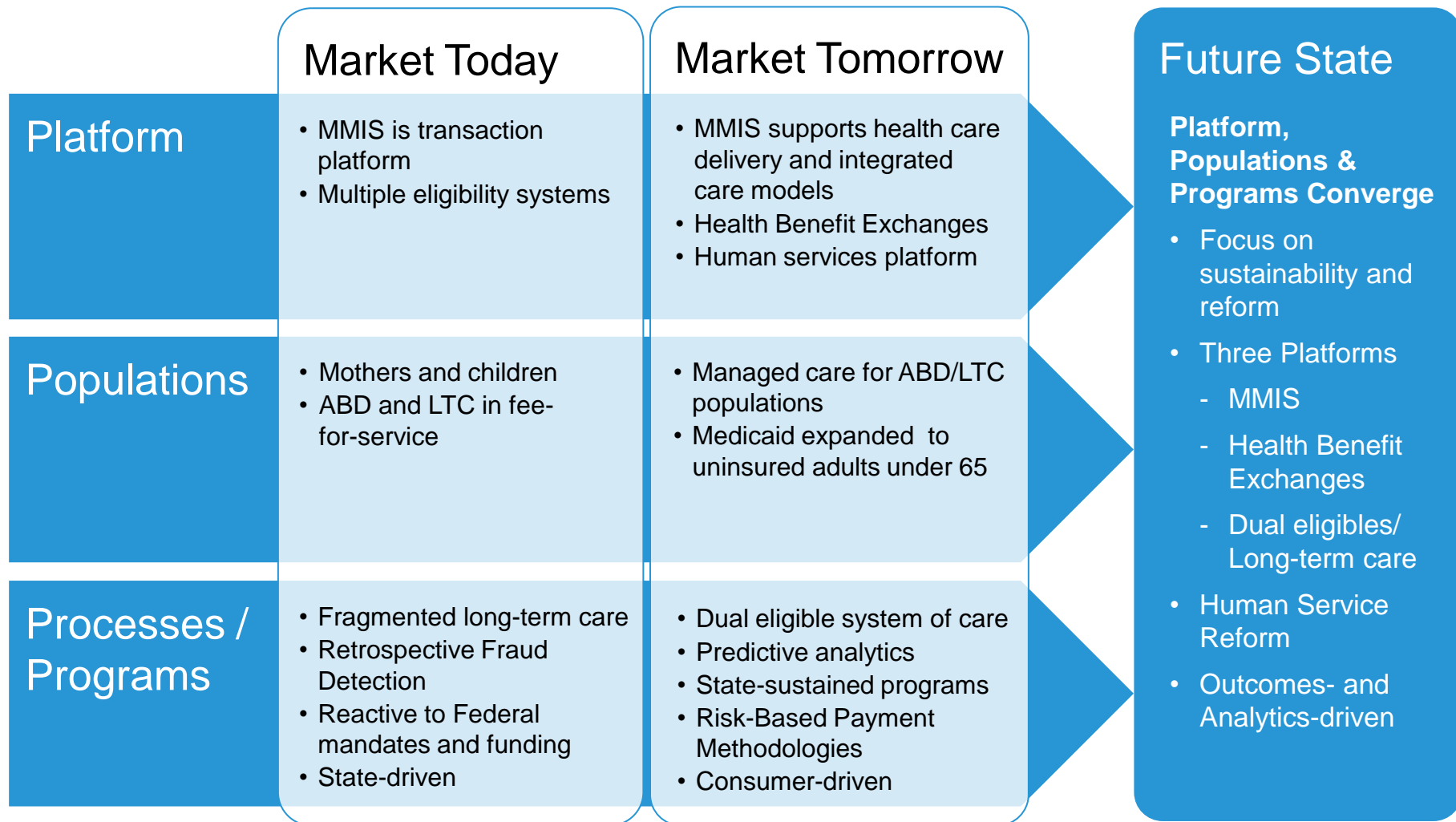- Lean business processes aligned with MITA 3.0

- Social media to support our business,
- Xerox Healthcare Cloud
- Mobile platform support

- Predictive fraud waste and abuse engine
- Partner with vendors for other Solutions
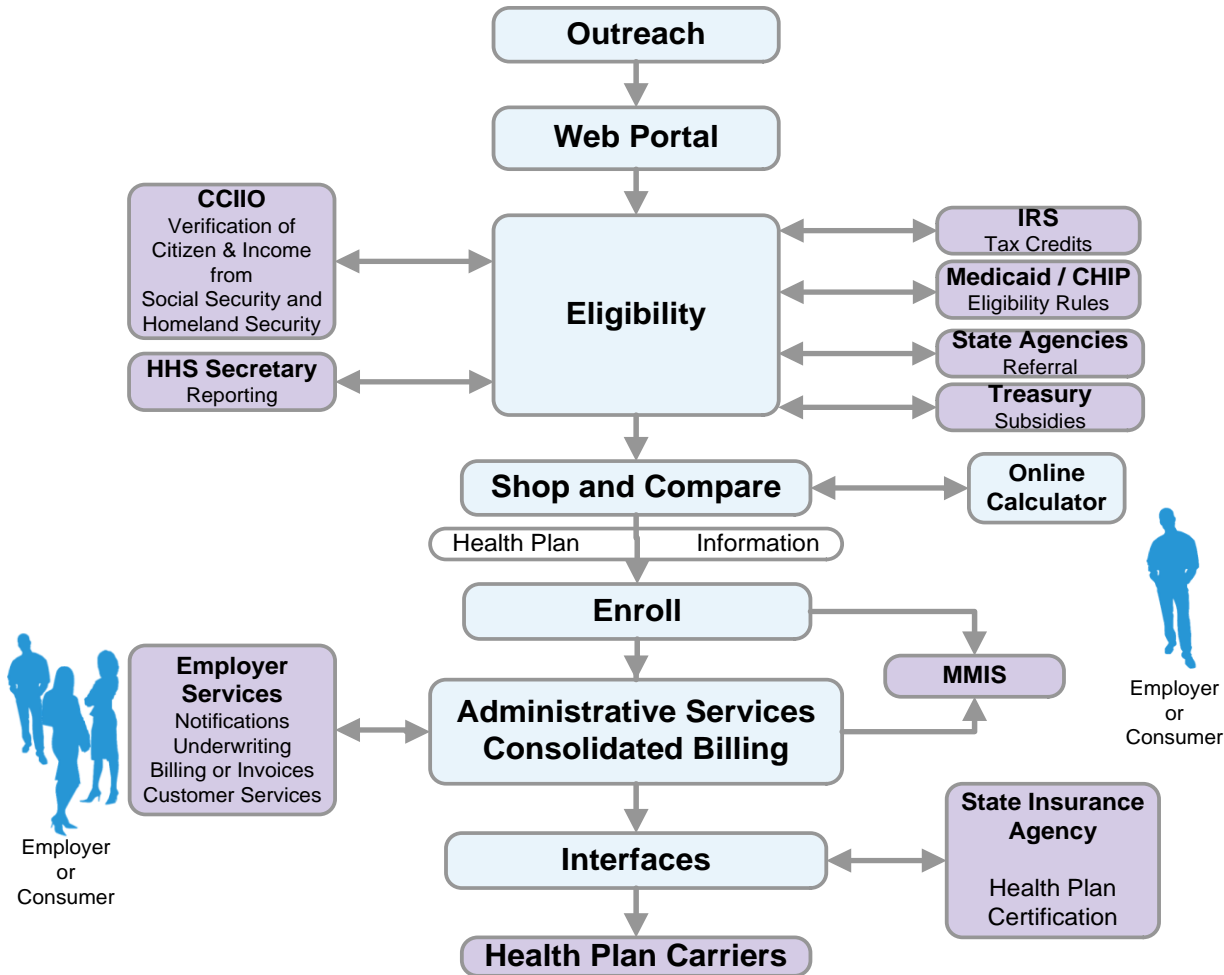- Clinical predictive analytics

- Integrated portal for MMIS, PBM, HIE, HIX
- DirectSecure for connectivity between doctors, patients and providers
- Longitudinal view of patient

- FactSpotter – linguistic engine
- Patents – Intelligent Workload Manager, Portal Modularizing Toolkit

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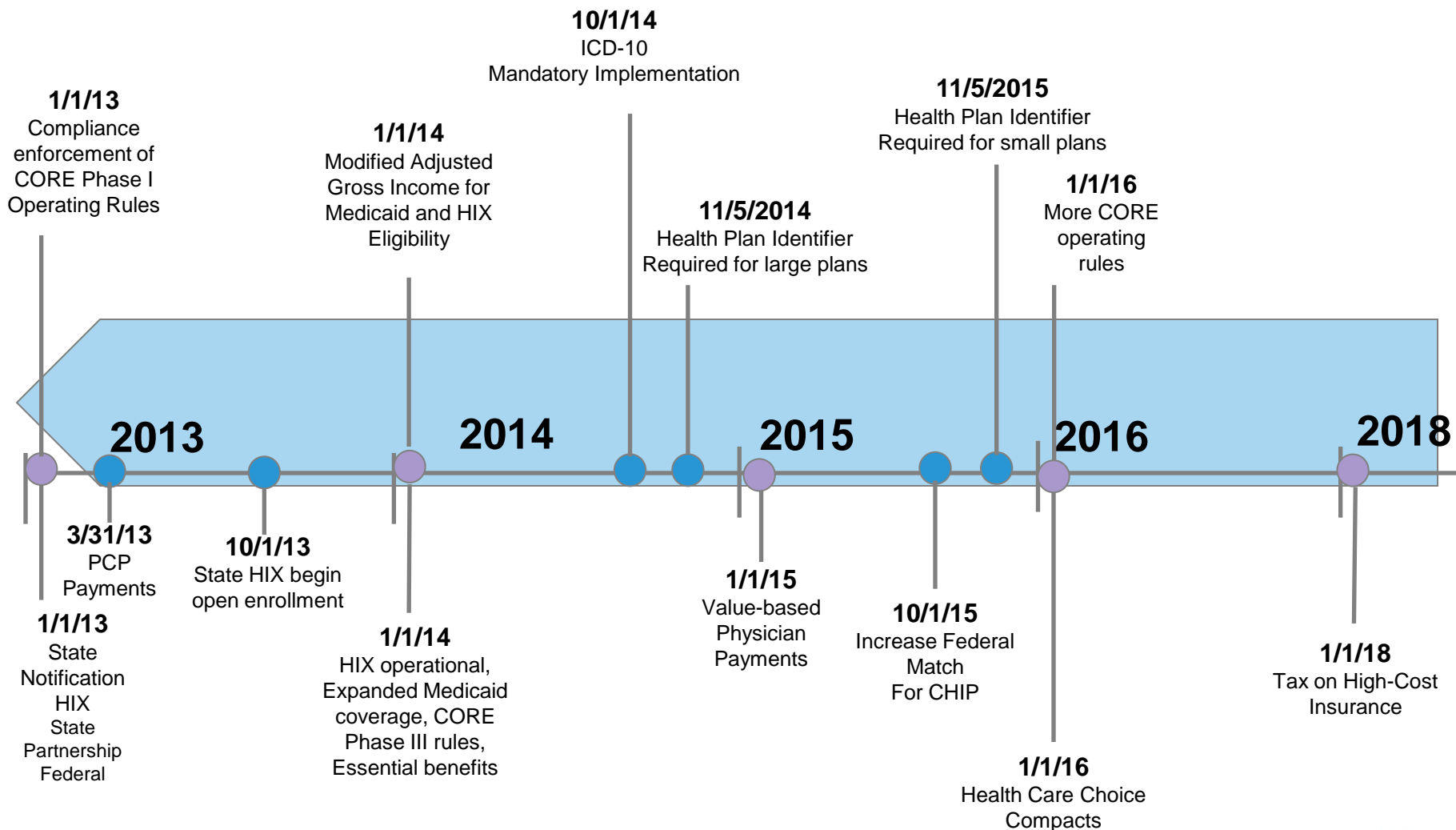# Our Point of View - Medicaid is a Catalyst for Improved Health

	Market Today	Market Tomorrow	Future State

Platform	• MMIS is transaction platform
	• Multiple eligibility systems
		• MMIS supports health care delivery and integrated care models
		• Health Benefit Exchanges
		• Human services platform
			Platform, Populations & Programs Converge
			
			• Focus on sustainability and reform
			
			• Three Platforms
			  - MMIS
			  - Health Benefit Exchanges
			  - Dual eligibles/ Long-term care
			• Human Service Reform
			
			• Outcomes- and Analytics-driven

Populations	• Mothers and children • ABD and LTC in fee-for-service	• Managed care for ABD/LTC populations • Medicaid expanded to uninsured adults under 65	
Processes / Programs	• Fragmented long-term care • Retrospective Fraud Detection • Reactive to Federal mandates and funding • State-driven	• Dual eligible system of care • Predictive analytics • State-sustained programs • Risk-Based Payment Methodologies • Consumer-driven	

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Long Term Competitive Advantage
Health Benefits Exchange Platform

Highlights

- Wins in 4 states

- Reform will create online insurance marketplace by 1/2014

- Addressable market is $1.2B

- Software-as-a-Service model

- Partnership with CHOICE Administrators

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PPACA Key Dates

10/1/14
ICD-10
Mandatory Implementation

11/5/2015
Health Plan Identifier
Required for small plans

1/1/13
Compliance
enforcement of
CORE Phase I
Operating Rules

1/1/14
Modified Adjusted
Gross Income for
Medicaid and HIX
Eligibility

1/1/16
More CORE
operating
rules

11/5/2014
Health Plan Identifier
Required for large plans

2013

2014

2015

2016

2018

3/31/13
PCP
Payments

10/1/13
State HIX begin
open enrollment

1/1/15
Value-based
Physician
Payments

1/1/13
State
Notification
HIX
State
Partnership
Federal

1/1/14
HIX operational,
Expanded Medicaid
coverage, CORE
Phase III rules,
Essential benefits

10/1/15
Increase Federal
Match
For CHIP

1/1/18
Tax on High-Cost
Insurance

1/1/16
Health Care Choice
Compacts

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Long-term View: Transformation and Sustainability

Dual Eligible Transformation

- Medicaid Expansion
- Eligibility Captures
- Federal Mandates

Long Term Care

- Bundled Payment and Value-Based Purchasing
- Greater Fraud, Waste & Abuse Measures
- Service Planning, Assessment & Outcome Reporting

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Long-term View: Transformation and Sustainability

Medicaid is the primary payer for long-term care services

- Other Public, 2%
- Private Insurance, 7%
- Other Private, 5%
- Medicaid, 43%
- Out-of-Pocket, 19%
- Medicare Post-Acute, 24%
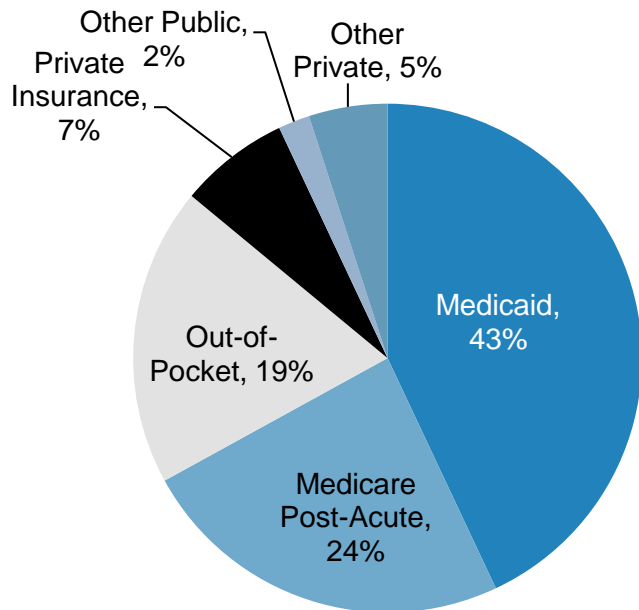
Growth in Medicaid Long-Term Care Services Expenditures

In Billions

Year	Total	Home and Community Based Care	Individual Care
1995	$54	13%	87%
2000	$75	20%	80%
2002	$92	30%	70%
2004	$100	32%	68%
2006	$109	37%	63%
2008	$115	41%	59%
2009	$122	42%	58%
2010	$123	45%	55%

■ Home and Community Based Care   ■ Individual Care

Source: Centers for Medicare & Medicaid Services

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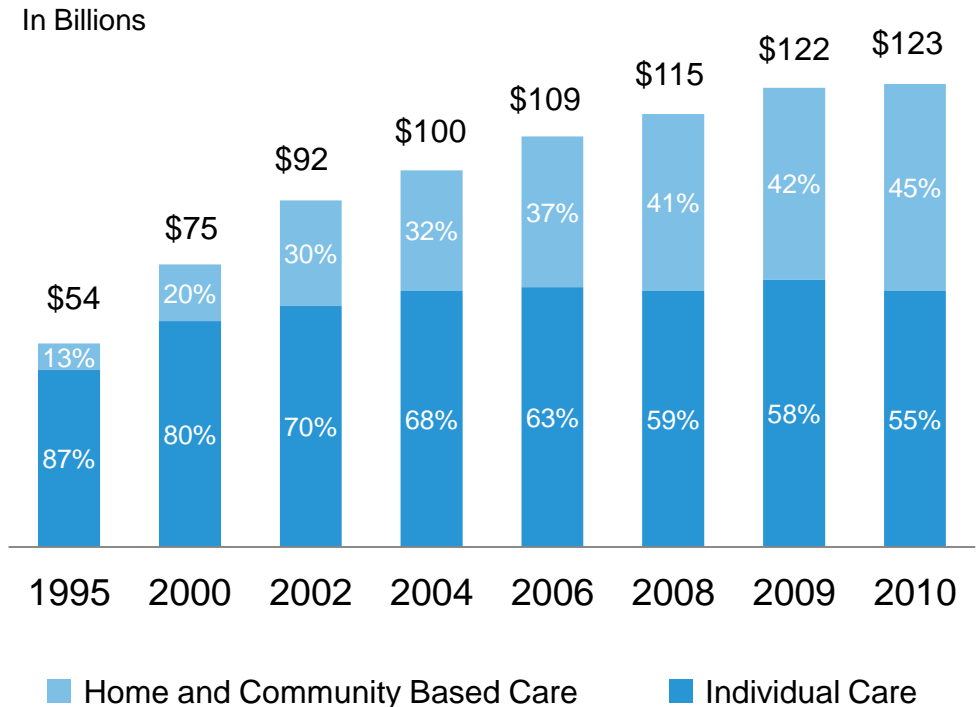
Shift in LTC is Opportunity: Fragmented Services to Managed Delivery

9.1 Million current dual eligibles

70% Of Medicaid spend for duals is for LTC services

11% Of dual spend is in managed care

26 State applications for dual eligible demonstration projects

60% Of total dual spend is on sickest 10 percent

39% Of total Medicaid spend is on duals

Dual Eligibles - % of Programs

Population: Medicaid 15%, Medicare 18%
% of Spend: Medicaid 39%, Medicare 31%
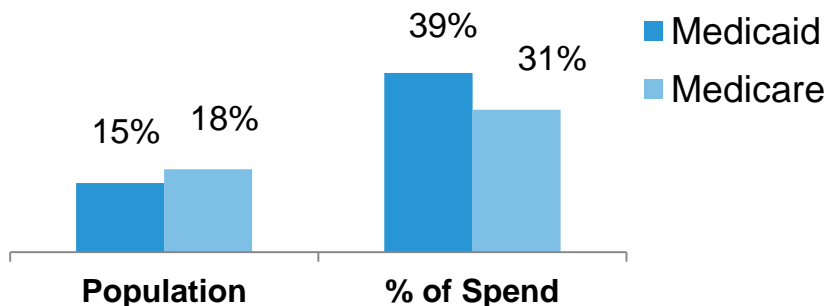
■ Medicaid
■ Medicare

Dual Eligibles represent $321B in annual spend:

- $200B in Medicare
- $121B in Medicaid

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High Tech. High Touch. High Return
Transforming Human Services in Indiana

Indiana Family and Social Services Administration (FSSA)

Achieving results in all areas – savings, efficiencies, accuracy, and citizen service improvements

The Challenge

- Reduce error rates

- Reduce fraud and abuse

- Improve efficiency and eliminate case backlogs

- Overcome poor program performance and federal fines

- Become more customer focused and improve service to program participants

The Solution

A comprehensive service center that blends high tech with high touch to improve efficiency and control for state administrators and better serve recipients via web, phone, mail, kiosk, or face-to-face.

- Business process services and eligibility support

- Innovations to improve caseworker workflow

- Centralized front-end document processing

The Results

- Since 2010, FSSA saved $129M

- Application volume nearly doubled but staff did not; backlog reduced by two-thirds

- Handled 2.2M calls and processed over 1M applications in 2012

- Timeliness of eligibility decisions on all public assistance programs has increased significantly; SNAP error rates decreased 50%

- FSSA awarded a $1.6M federal bonus for most improved

- Successful public/private partnership

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Our Differentiators and Innovations

Health Enterprise Platform – MITA 3.0

- Service-Oriented Architecture
- Ground-up investment specific to requirements of Medicaid
- Provides platform to manage other healthcare programs

Innovative end-to-end Solutions

- Pharmacy
- Eligibility Services
- Utilization/Population Health Management
- URAC Accreditation

Eligibility and Insurance Marketplaces

- First to market
- SaaS model
- Custom BPO service for Medicaid expansion
- Significant pipeline: 10-15 states
- Wins in 4 states

Human Services Programs

- Modular call center capabilities
- Large-scale, program-specific eligibility expertise
- Advanced customer care technologies

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Key Takeaways

- Strong growth with improving margins driven by our market innovation, extensive footprint and comprehensive solutions

- Market leadership as #1 MMIS and #1 PBM in Medicaid space

- Well-positioned for Health Care Reform opportunities

- Unique MMIS platform will drive innovation and serve as platform extension into new markets

- Population health solutions will address complex needs of Medicaid recipients

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Our Payer Business

March 7, 2013

Xerox Healthcare Payer - Did You Know?

Over 100 Payer organizations supported

20 of the top 20 US commercial health plans are clients – including **all top 12** BCBS organizations

~2.1 billion annual payer-related communications / interactions

8 million daily transactions processed

$750 million in claims recovered annually

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Health Plan Market Trends

Trends driven by the Affordable Care Act

- Payers shifting from B2B to B2C business model

- HIXs will drive unprecedented growth opportunity

- New entities creating market competition

- Increased cost pressure

- New models of care

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Addressable Healthcare Payer BPO Market*

$925B payer revenue

$785B (85% cost of care)

$140B (15% administrative services & profit)

$56B profit (~6% of total revenue)

$84B administrative expenses (~9%of total revenue)

$59B keep in-house (~70% of admin expenses)

$25B potential outsourcing revenue (~30% of admin. expenses)

$10B for ITO, HRO, F&A, etc. (~40%)

$15B for Payer BPO (~60%)

*Based on internal market analysis

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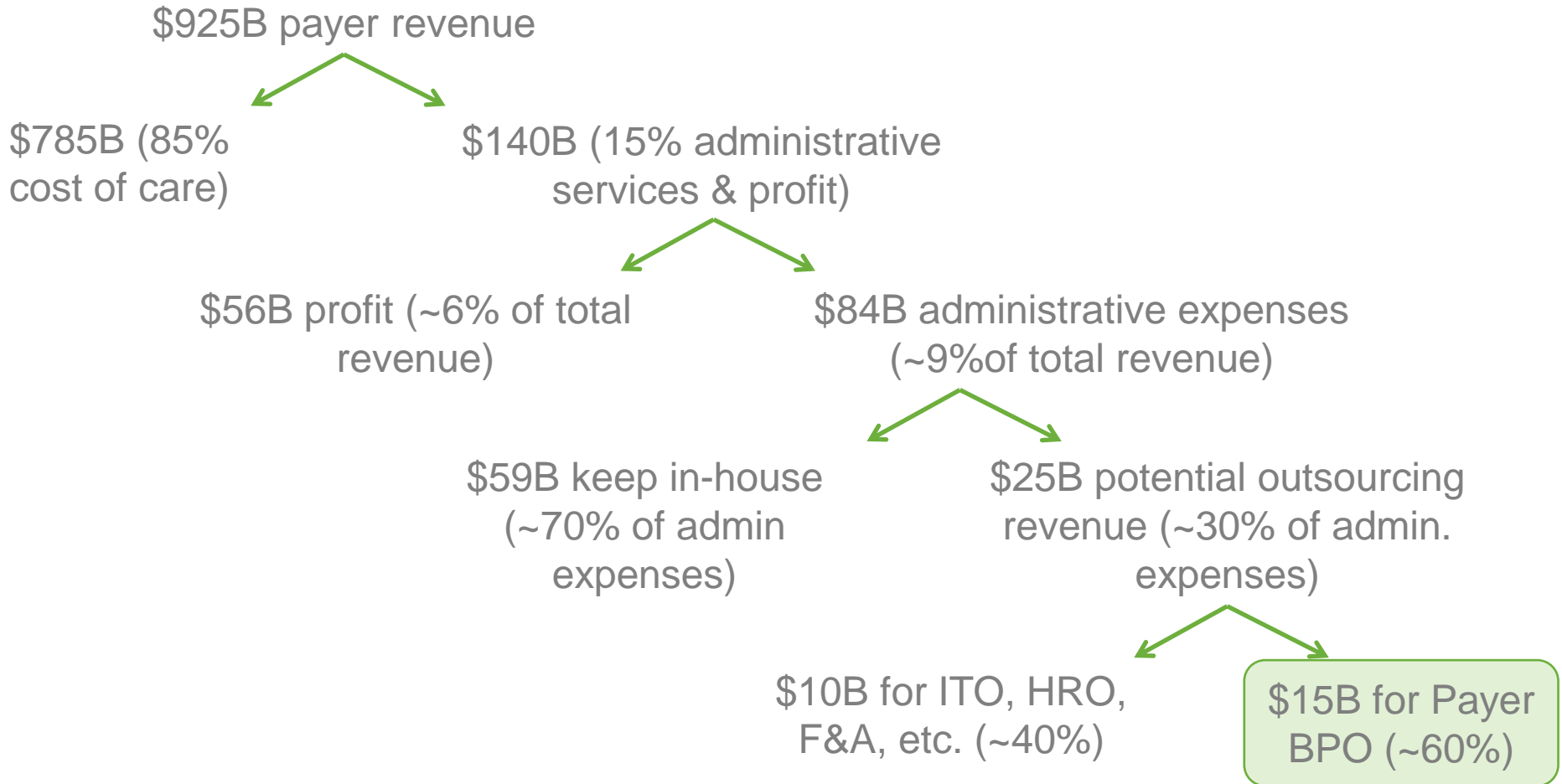
Our Value to Commercial Health Plans

$ Improve profitability and efficiency, helping payers meet the Medical Loss Ratio mandate

Services that help payers take advantage of healthcare reform's newest opportunities

Innovations that create operational efficiencies and improve outcomes

Scalable solutions that allow for rapid membership growth

Increased member satisfaction

We deliver solutions that give payers the freedom to focus on their real business.

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Payer Services

Services provided are technology platform independent

Complexity of Interaction – Difficulty of Work or Control Concern Increases

Transactional
Analytical
Strategic

Strategic Planning and Analysis
Product Development
Financial Reporting
Budgeting and Forecasting
Actuarial
Provider/Network Management
Sales & Marketing
Decision Support
Quality/Performance Measurement
Underwriting
Case Management
Disease / Population Management
Fraud / Abuse / Cost Containment
Recovery Services
Utilization Management
Managed Print Services
Healthcare Communication Services
Payment and Reconciliation
Premium Billing
Provider/Member Customer Service
Claims Adjudication
Member Eligibility / Enrollment / Maintenance
Data Cleansing / Pre-Processing
EDI Clearinghouse
Outbound Fulfillment / Print / Mail
Data Classification / Capture / OCR
Document Imaging / Management
Mailroom

Value Added Increases

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Payer Solutions - Primary Services

Transaction Processing

End-to-end administrative services

- Front-end
- Image and data capture
- Post processing
- Payment services
- Document and transaction content management
- Claims processing
- Membership and billing

Customer Care

Inbound/outbound solutions for members and providers

- Benefits explanation / verification
- Status inquiries
- Sales and lead generation
- Reminders, follow-ups and welcome calls
- Outcome-based interactive voice response (IVR) model
- Seasonality and scalability

Communication & Marketing Services

Improve the way payers communicate with members and providers

- Multi-channel delivery
- Personalized statements
- SBC compliance
- Consulting services help plans switch from B2B to B2C
- Digital asset mgmt.
- Translation services

Recovery Services

Data driven pre- and post-cost containment and avoidance

- Subrogation
- Coordination of benefits
- Hospital credit balance audits
- End-stage renal analysis and audits
- HIT / DME / Pharmacy benefit mgmt. analysis and audits

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Payer Solutions – Healthcare Reform Related

Payer Health Insurance Exchanges (HIX)

Comprehensive HIX offering:
- End-to-end, technology driven
- Enables health plans to grow membership and exceed new and existing member's expectations

Go-To-Exchange* strategy:
- Meets individual requirements of multiple state exchanges
- Provides scalability to take products to all forms of exchanges
- Tools to acquire new customers, manage members, improve customer retention

Third Party Administrator Services (TPA)

Services for health plans and Co-ops
- End-to-end, BPO delivery model

Primary Services:
- Full BPO administration
- Administrative platform
- Customer communications
- Care management – UM / DM

Secondary Services:
- Recovery services
- Financial management
- Credentialing and contracting
- Other (plan design, EDI, long-term care, underwriting)

*as part of our partnership with HealthPlan Services

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Payer Solutions – Differentiators

Transactional	Customer Care	Communication & Marketing Services	Cost Recovery & Avoidance
Strategic business unit (SBU)			
Achievement based compensation (ABC)			
Outcome-based deal structures			
Asset acquisition			
Lean six sigma & continuous improvement processes			
Crowdsourcing		eDelivery	Data analytics
Global delivery		Print & postage optimization	Data mining
Master control program (MCP)	Gamification		ReportLink
XTCM	Multi-channel support		CaseLink
AutoBot	IVR	Interactive PDFs (iPDF)	CBAS
Automated document repository	CallSimplicity	Preference management	AudiTrack
OnePass	Speech analytics	Social media	
OCR	At-home agents / Vpod	Summary of benefits & coverage	
LiveKey	Evolv hiring & retention mngmt	Cross-payer consolidation	
		Marketing consulting	

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Competitive Landscape

Service Offering	Provider
Mailroom / Transactional	Data Dimension
	Firstsource
	SourceHOV
	IBM
	HP
	Accenture
Claims Processing	Genpact
	Cognizant
	Infosys
Customer Care	Sitel
	Convergys
	West Corp.
	APAC
	Teleperformance
	TeleTech
	IBM
	HP
	Accenture
Cost Avoidance and Recovery	Ingenix
	HMS
	Rawlings
	HRS / Trover
Communication and Marketing Services	DST Systems
	RR Donnelly
	Emdeon Inc.
	Pitney Bowes

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Our Innovation

Multi-Channel Communication

The right message, for the right reason, at the right time, through the right channel

CallSimplicity

Intuitive interface simplifies standard processes agents perform

Crowdsourcing

Using our vast global workforce to perform transactional inputs, creating more opportunity for employees and achieving operational efficiencies

Other Innovation Solutions

• LiveKey

• Predictive Member Behavior / Communication

• Vpod

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Key Takeaways

- Expect continued double-digit growth in revenue and profit

- Execution has been and will continue to be the foundation of our growth and success

- With our broad and flexible business model, we are well positioned to capitalize on the opportunities that healthcare reform is providing

- We service all of the top 20 US commercial health plans

- We provide flexibility as health plan clients shift from B2B to B2C

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Our Provider Business

March 7, 2013

Xerox Provider Services – Did You Know?

Serving over **1700 hospitals** with **over 25 years of** healthcare provider support

Committed

70 percent improvement in the adoption of new technology

Innovative

100% of clients indicate they would buy our services across all EHR platforms *

Trusted

The largest and **highest rated* Care Management and Quality Outcomes software solution**

Focused

Gartner Magic Quadrant Leader - multiple categories

Best in KLAS**

Recognized

* As assessed by KLAS
**ITO Partial Category - tied with another vendor

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Our Point of View – Waves of Change Affecting Our Clients, Informing Our Services

	Trend	Future
Financial	• **Risk shifting** to providers • Reimbursement on **quality and patient satisfaction** • **Managing direct cost of care** more important than ever	• **Bundled payments paid per patient** annually, based on efficient outcome delivery • **Connected care** across settings, within and across delivery systems
Clinical	• **Physician-driven protocols** based on experience/knowledge supported by retrospective quality and outcome analytics • **Value-driven protocols** based on efficacy and costs emerging	• **Personalized, evidence-based medicine** supported by real time, predictive analytics • **Team-based medicine**, coordinated care across settings.
Patients/ Consumers	• **Economic burden shifting to patients**, demand for transparency • Reimbursement based on patient satisfaction scores • **Choice, convenience and quality** driving patient behavior	• **Retail, workplace and telemedicine** emerge as important care settings • **Patients take accountability** for health • Use of Patient Health Records

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Xerox Provider Capabilities and Value

Platform & Reduce Costs	Optimize & Engage	Navigate &Integrate	Inform & Act
Solution			
Technology platforms and infrastructure to lower total cost of ownership	Expertise & technology for workflow optimization and Training	Tools, technology & expertise to integrate data across multiple IT systems	Data analytics to provide information and insight to caregivers
Value			
✓ Solving BIG problems and reducing costs ✓ Full & partial IT Outsourcing ✓ Large-scale Clinical Help Desk ✓ Cloud-based infrastructure	✓ Role-based optimization of workflow ✓ Simulation-powered Adoption and Training Services ✓ Bridging clinical strategies (Meaningful Use, ICD10)	✓ Bridging clinical strategies with the deployment of IT ✓ Comprehensive strategic advisory & consulting ✓ HIE expertise	✓ Care and Quality Solutions ✓ Clinical Decision Support ✓ Compliance and Safety solutions ✓ Reimbursement Analytics
Competitors			
Dell *Accenture* *CSC* *IBM* *Cerner* *Siemens*	*Deloitte* *Dearborn Advisors* *Dell*	*Dell* *Accenture* *CSC* *Deloitte* *MaxIT* *EMR Vendors*	*Premier* *Press Ganey* *Truven* *Advisory Board* *Quantros* *EMR Vendors*

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Platform & Reduce Cost

- Design and deliver stable, redundant and secure IT solutions that minimize operational disruption

- Create and consolidate platforms for interoperability and cost effectiveness

- Enable operational excellence on consumption-based business and technology platforms

Infrastructure Services
EUC and Clinical Desk
Cloud
Security

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Optimize & Engage

- The Breakaway Method, a researched-based methodology to dramatically increase adoption of IT applications

- Optimization & improvement of workflow across IT platforms

- Use of our clinical data to Lead transformation initiatives & address new care models

- Real-time simulation training for all clinical roles

- Optimization and adoption metrics

EMR Extenders
Simulation Training
Optimization & Adoption metrics

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Optimize & Engage

End-user Adoption Dashboard

Navigate & Integrate

- Expertise to bridge core HIT solutions and processes with clinical strategies
- Provide scalable solutions to deliver care across multiple sites and entities
- Deploy tools and technologies that integrate financial and clinical data
- Enable dramatic improvements in clinical documentation

Strategy and Advisory Services
EMR System Integration
Financial System Integration
Interface Development (HL7)
ICD-10

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Inform & Act

- Through data analytics deliver information that enables strategic decision making around risk and outcomes

- Reduce uninsured patient costs and risks, avoidable days, length of stay and increase revenue

- Provide real-time clinical surveillance to measurably improve care

CMS – Integration and Reporting
Care Management
Clinical Analytics & Benchmarking
Core Measures
Patient Safety & Compliance

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Inform & Act

Midas+

Population Management
- Population risk factor
- Clinical and infection surveillance
- Case management

Provider Management
- Peer review
- Provider profiling
- Credentialing
- Reappointment
- Provider benchmarking

Organizational Performance
- Regulatory reporting
- Quality management
- Financial management
- Benchmarking and compare
- Patient relations and HCAHPS
- Patient and safety risk
- Compliance

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Our Differentiators and Innovations

Breadth of portfolio

- Consulting

- Managed services

- Training and adoption

- Analytics

- Enterprise content management

Strong platforms and technology

- Xerox MidasLive and MidasPlus

- PromisePoint®

- EHR hosting and integration

- Cloud computing

Dedicated healthcare provider innovation group

- Real Time Clinical Alerts – Advancing our MidasLive Clinical Surveillance Algorithms

- Digital Assistant – Real time Bedside Care Coordination with Mobile Alerts and Task Management

- Advanced Atrial Fibrillation Imaging and Automated Categorization

- Interoperability Platform and Rules Engine

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Key Takeaways

- Consistent double digit growth with high margins driven by portfolio of IP, consulting and IT

- The EHR domain knowledge and tools to assist the hospital market in extracting value with their HIT investment

- A trusted provider of ITO services which helps provide the capital and savings to help fund the transformation

- One of the leading healthcare analytic platforms; poised to assist the market in clinical & financial analytics. Helping drive transition to paying for quality over quantity.

- Pursuing selective acquisitions that complement and enhance capabilities; continuing investments in strong innovation pipeline

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