Microsoft intel

Microsoft Azure Stack HCI and Intel for Healthcare

Partner value and opportunity

Table of contents

Healthcare trends and challenges

Healthcare is experiencing unprecedented disruption

The healthcare industry generates **30%** of the world's data, yet only

3%

of it is being utilized.[1]

Demand has never been higher, due to an aging population with

1 in 3

adults having chronic diseases.[2]

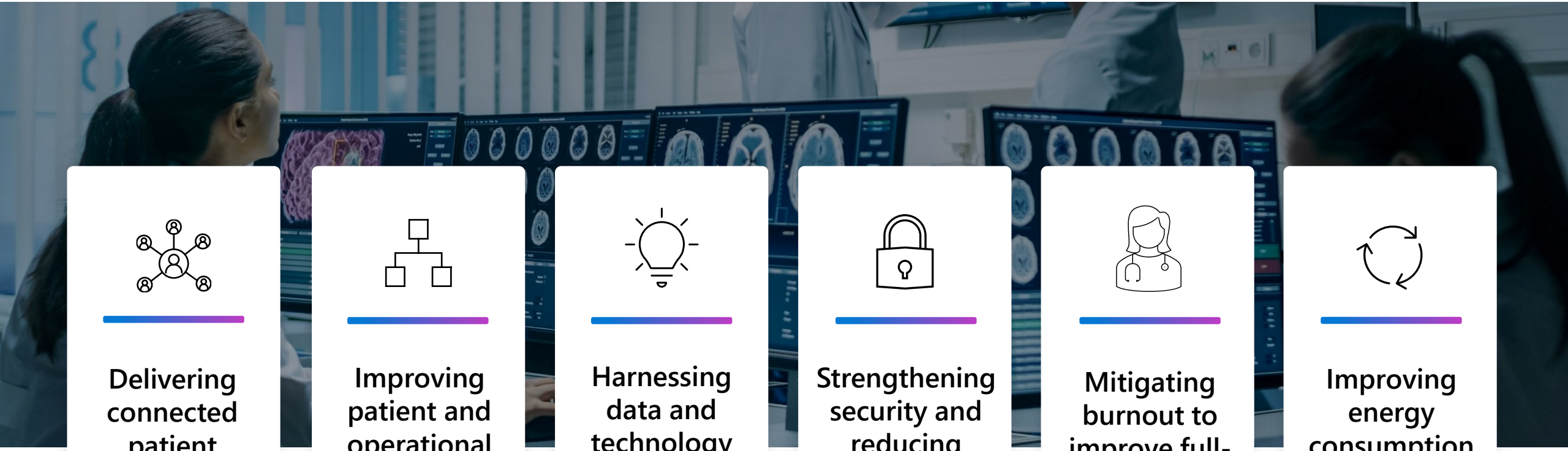
Clinician burnout is driving a global health worker shortage, which is expected to surge by

29%

in the next decade.[3]

The disparity between patient volumes and staffing resources makes it increasingly difficult for clinics and hospitals to adequately monitor and secure their facilities, systems, and data.

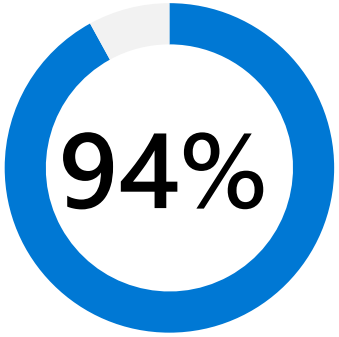
Business objectives driving the need for modernization



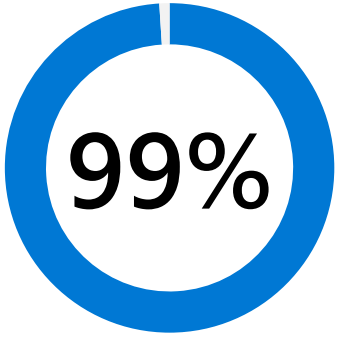
- Delivering connected patient experiences
- Improving patient and operational outcomes
- Harnessing data and technology (AI) to enable innovation
- Strengthening security and reducing compliance risk
- Mitigating burnout to improve full-time staff retention
- Improving energy consumption and costs

Supporting these initiatives requires a modern, digital platform

Providers know the value of technology evolution, but the process is ongoing



of healthcare leaders report needing to modernize their data stack this year, with over 50% reporting they'll need to modernize *significantly*[1]



Nearly every healthcare organization globally intends to be in some stage of digital transformation by 2026-2027[2]

Meanwhile, maintaining aging legacy infrastructures incurs excess costs and effort while resulting in redundancies, inefficiencies, and complexity that inhibit data utilization, inflate technical debt, and create security vulnerabilities.

Healthcare modernization challenges and needs

Data Gravity

On-prem incumbency with heavy data (multiple petabytes) spanning decades makes it extremely difficult to move records and patient data into the cloud and requires a long migration journey.

Data Latency

Powering real-time decision-making for patient care requires **critical data to remain available on-prem** for faster accessibility while **avoiding the potential latency and regulatory concerns** of the cloud.

Cloud Innovation

Healthcare orgs need a **robust hybrid infrastructure** that enables them to keep critical data on-prem while leveraging cloud innovations like **AI and IoT** and enabling models to run locally to meet compliance.

Security & Compliance

Increased digitization magnifies **critical risks around privacy, data integrity, compliance, and cybersecurity** – the more apps are scaled across diverse environments, the broader the attack surface and potential for security risks.

Data privacy, security, and compliance concerns are escalating

Healthcare companies lose an estimated **$6.2 billion per year** due to data breaches[1]

In 2023, healthcare organizations saw the **most ever reported** number of data breaches…

…and the **largest ever total volume** of breached records, exposing more than **133 million** health records[2]

As a result, compliance regulations around data residency, protection, and handling are intensifying

Healthcare orgs need an agile, flexible infrastructure that enables them to…

- Digitize and make use of new technologies like AI and IoT for increased performance, efficiency, predictive maintenance, and innovation
- Improve security and data protection while maintaining compliance with changing regulatory requirements
- Extend cloud capabilities to the edge to transform data into real-time insights and patient care innovations
- Reduce infrastructure complexity, simplify management across environments, and optimize compute power to reduce costs
- Quickly develop and deliver products, apps, and services to provide an improved patient experience

Azure Stack HCI + Intel Technologies for healthcare

Transforming healthcare with Microsoft and Intel

Microsoft's adaptive cloud approach with **Azure Stack HCI**, and **Intel technologies** empowers healthcare organizations to modernize in a secure and compliant way while accommodating their on-premises dependencies.

Distributed hybrid infrastructure (DHI)

Modernize Healthcare with Azure Stack HCI + Intel

Powerful, secure, and flexible hyperconverged infrastructure

Intel® Xeon® Scalable processors

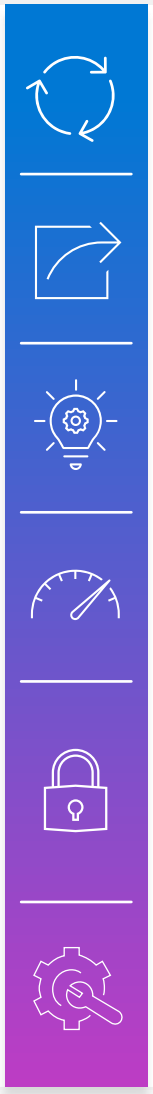
Reduced infrastructure complexity and cost with hybrid flexibility

Extended Security Updates for legacy Windows Server and SQL workloads

Low latency and best-in-class VDI

Cloud innovation and industry-leading security at the edge

Transforming healthcare with Microsoft and Intel



Modernize and consolidate on-premises infrastructure with Azure services and Intel servers

Deliver deliver cloud-native applications and services from the edge, powered by Intel

Transform data into insights and value with Azure AI and analytics, accelerated by Intel

Accelerate application development and deployment with DevOps tools

Secure hybrid cloud environments with Intel Crypto Acceleration, Total Memory Encryption, and Secured-core server

Govern and manage apps and environments seamlessly with Azure Policy

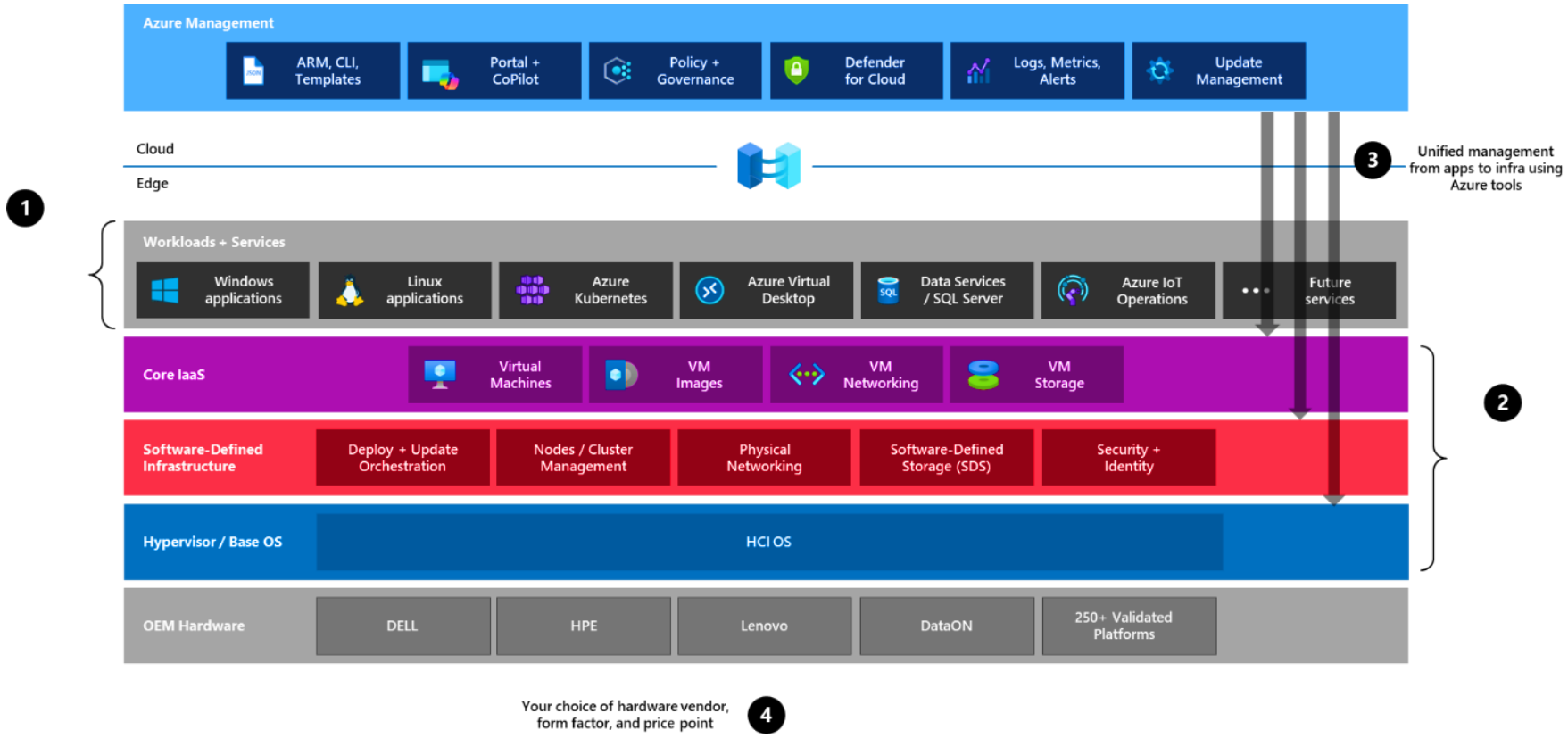
A Gartner leader in distributed hybrid infrastructure (DHI)

Microsoft DHI customers can tap into a robust global ecosystem that encompasses direct sales partners, OEMs and the pervasive presence of Azure Cloud. This dynamic setup yields significant advantages to meet diverse requirements effectively.

Magic Quadrant

Figure 1: Magic Quadrant for Distributed Hybrid Infrastructure

Enabling cloud-to-edge computing with the power of Azure



Tap into the broader Azure ecosystem

Bring cloud capabilities right to the hospital and clinic floor

Streamline VDI with low latency and high performance

Microsoft Azure Stack HCI Powered by Intel Technologies

Technology

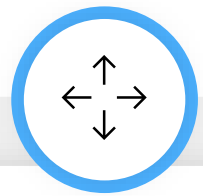
- **Fully integrated, certified solutions**
  - Secured core servers with the latest Intel® Xeon® scalable processors
  - Intel® Virtualization Technology, enhanced with each generation, enables more seamless migration between cloud environments
  - Tested, integrated, and validated reference architectures

Performance

- **Built-in accelerators in the processor**
  - Intel® Advanced Matrix Extensions (AMX) to accelerate AI workloads
  - Intel® Quick Assist Technology (QAT) to accelerate compression and encryption
  - Accelerators free-up CPU cores, increase data throughput, lower latency, and increase server utilization

Efficiency

- **Do more with less**
  - Optimized compute power and energy consumption to reduce costs and support sustainability goals
  - Consistent Azure experience across environments for reduced operating expenses
  - Flexible deployment options enable reuse of existing hardware and skillsets



Agility

- **Consistency across hardware and software**
  - Simplified infrastructure management
  - Greater agility to deploy, run, and manage containerized apps and virtualized workloads from anywhere
  - Highly scalable as resource needs change

Game-changing Security from Intel and Microsoft

- ✓ Secure every layer across hardware, firmware, and OS
- ✓ Protect data at rest, in transit, and in use
- ✓ Encrypt everything

Intel® Supports Secured Core

Secure hardware, firmware and OS capabilities to help protect against threats

Intel® Crypto Acceleration Technology

Reduces the performance impact of pervasive encryption, making it possible for users to broadly encrypt data with minimal performance impact

Intel® Total Memory Encryption and Total Memory Encryption Multi-Key

Encrypts memory holistically across the platform using hardware-generated keys, and encrypts VMs to help protect existing software

Intel® Quick Assist Technology

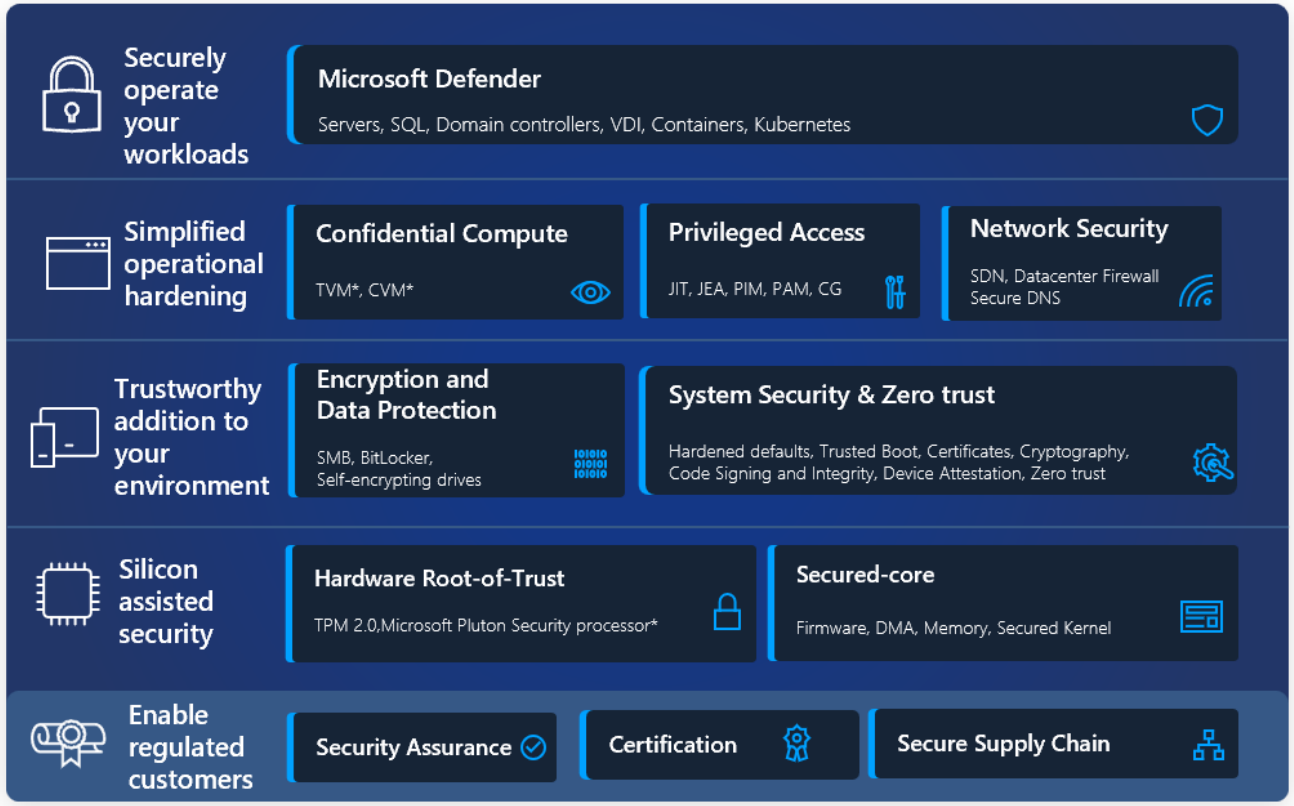
Accelerating Cryptography and Data De/compression – supported in Microsoft SQL 2022 on Azure Stack HCI

Game-changing Security from Intel and Microsoft

A comprehensive, multi-layer approach to security and governance

- Hardened security posture and advanced threat detection to protect workloads, networks, and sensitive patient health data
- End-to-end infrastructure and application monitoring to proactively detect, diagnose, and resolve issues from cloud to edge
- Zero-trust data encryption, policy enforcement, and security controls to ensure compliance with industry regulations

A comprehensive, multi-layer approach to security and governance



Industry leading built-in security

Microsoft's security products are industry leading in several Gartner magic quadrants.

Confidential compute

Supported by Intel® SGX technology and hardware-enhanced capabilities built into Intel® Xeon® processors to limit access to sensitive data actively in use in CPU and memory.

Security built for the Azure datacenter

Azure Stack HCI security derives learnings from our hyperscale cloud and brings it to your datacenter.

Silicon-assisted security

Unique differentiation delivered with our Silicon and OEM partners via Secured-core, providing industry-standard hardware-based root of trust to ensure only trusted components load in the boot path.

Empowering healthcare with leading AI innovation

Microsoft empowers healthcare organizations with cloud-based innovation and AI solutions to build intelligent solutions that can extend to run securely and compliantly at the edge with Azure Stack HCI.

Nuance

Nuance provides leading **conversational AI and cloud-based ambient clinical intelligence tools** built on Azure, currently leveraged by 77 percent of hospitals in the US. Nuance solutions work seamlessly with core healthcare systems, including Electronic Health Records (EHRs), to alleviate the burden of clinical documentation and empower providers to deliver better patient experiences.

Azure AI Health Insights

Azure AI Health Insights provides a **suite of pre-built AI models and services that healthcare organizations** can leverage to improve clinical and operational outcomes, generating inferences that can be leveraged to facilitate vital patient care scenarios.

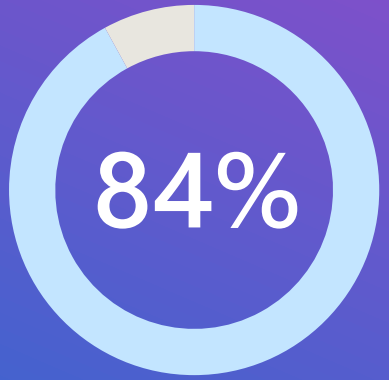
Partner opportunity

The business opportunity for partners

Helping healthcare organizations modernize while addressing their unique infrastructure challenges with Microsoft's adaptive cloud approach and Azure Stack HCI

While modernizing legacy systems is crucial to supporting modern healthcare...

...it requires significant investment, technical expertise, and seamless integration with existing workflows.



of healthcare leaders who intend to modernize this year believe they will need **a "moderate" to "large" amount of external support** to help them do so.[2]

Large healthcare organizations are typically slow to evolve their technology stacks, but know they will have to do so eventually, which provides a considerable opportunity for technology partners looking to tackle parts of that overall value chain.

Deloitte, 2021

Empowering Partners with Microsoft Azure Stack HCI

Market Opportunities

The best option for customers looking for VMware alternatives post acquisition. Bridge to (and from) to enable healthcare workloads and operations while maintaining compliance. Deliver on the demand for Edge capabilities. CSP-enabled.

Business Relevance

Deliver advanced solutions to solve healthcare challenges in the simplest way possible (for the customer). Address modernization and transformation strategies.

Revenue Opportunity

High revenue and margins on Azure Stack solutions. Capture additional revenue with add-on products and services tied to Azure Stack HCI solutions and healthcare use cases. Leverage flexibility to size to any customer requirement.

Partner profitability with Azure Stack HCI

$ Opportunity Value

Infrastructure Hardware

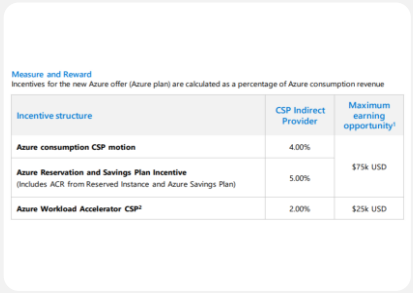
Margin opportunity:*
5% to 20%

- Azure Stack HCI Premier | integrated systems | validated nodes
- Storage solutions
- Networking equipment
- Extended hardware warranty

Programs & Incentives

Rebate earning based on priority

- Azure consumption incentives (link)



Measure and Reward

Incentives for the new Azure offer (Azure plan) are calculated as a percentage of Azure consumption revenue

Incentive structure	CSP Indirect Provider	Maximum earning opportunity[1]
Azure consumption CSP motion	4.00%	$75k USD
Azure Reservation and Savings Plan Incentive (Includes ACR from Reserved Instance and Azure Savings Plan)	5.00%	
Azure Workload Accelerator CSP[2]	2.00%	$25k USD

Licenses

Margin opportunity:*
5% to 15%

- Azure Stack HCI per core per month
- Windows Server Std/ Data center
- SQL Server
- Windows 10/11 desktop (AVD user access right)
- Hyper-V

Professional Services

Margin opportunity:*
25% to 40%

- Infrastructure assessments
- Envisioning and advisory
- Deployment and configuration
- Adoption and enablement

Managed Services

Margin opportunity:*
25% to 60%

- Infrastructure remediation & break/fix
- Performance analytics & reports
- Security monitoring & compliance
- Remote HCI management
- SLA & VIP support services

* estimated margin

Partner Success Story

US-based Microsoft partner helped a large healthcare provider **modernize its legacy storage area network (SAN) to Azure Stack HCI.**

The healthcare organization benefitted from a **simplified infrastructure, streamlined management tools, and increased performance** that exceeded its own internal goals.

The partner delivered the **services and support** to enable a resilient deployment, while **layering in its own monitoring solution to drive supplemental revenue.**

Building an Azure Stack HCI practice for healthcare

Best practices for building a successful Azure Stack HCI practice for healthcare

Gaining internal alignment

Approach hybrid cloud as a unified business motion by eliminating departmental silos and competition across hardware and software teams. Leverage Microsoft's extensive enablement resources to cross-train teams and cultivate internal alignment.

Technical enablement & upskilling

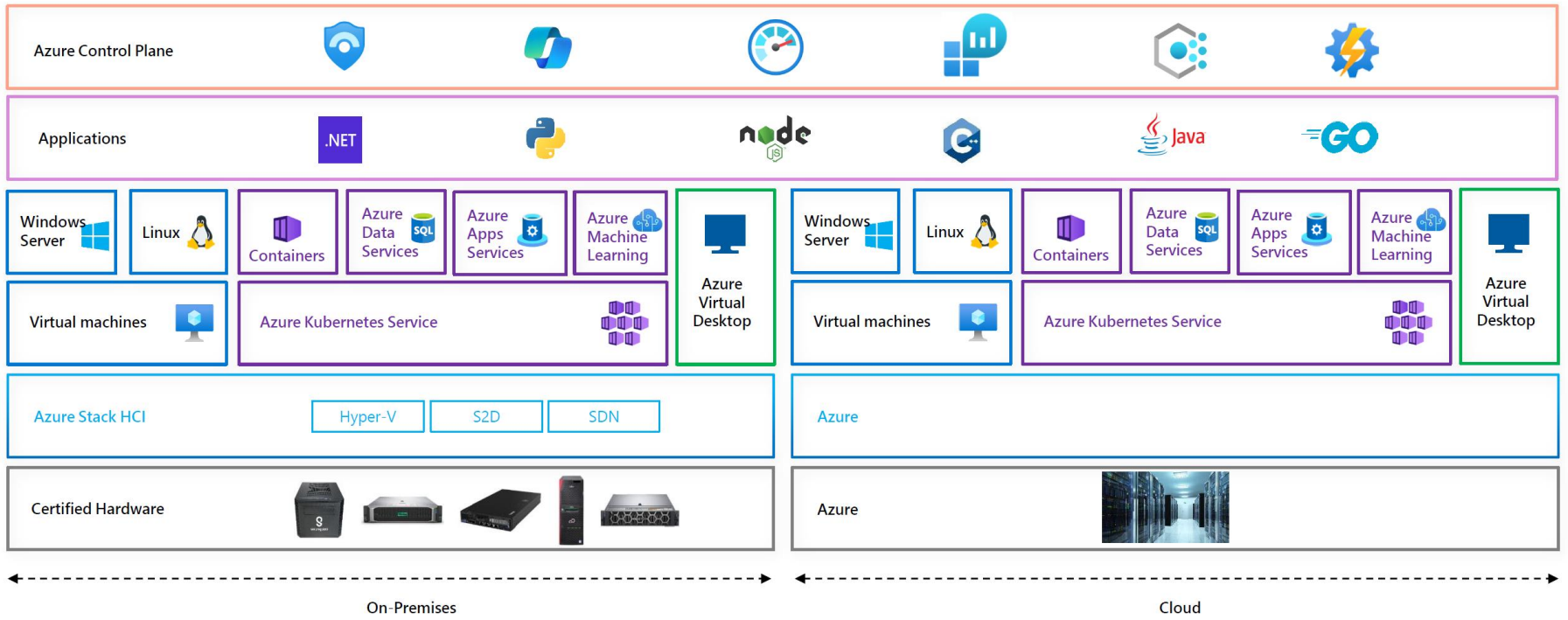
Invest in training and upskilling to build a knowledge base around not just Azure Stack HCI, but the broader Azure ecosystem, services, and integrations, which is the true differentiator. Also invest time in understanding the unique needs and challenges of the healthcare industry to help drive initial conversations and establish strategic relevance with customers.

Determining value-added services

Consider where your business strengths can bring additional value to customers through add-on services or solutions that can drive additional revenue, such as: assessments, transformation planning, ongoing infrastructure management, OEM hardware procurement, license management, etc.

Selling Azure Stack HCI into the healthcare vertical

Positioning Azure Stack HCI



Azure Stack HCI should be positioned as a critical enabler within the larger, end-to-end Azure ecosystem—which is the key differentiator.

Selling Azure Stack HCI into the healthcare vertical

Identifying opportunities

Use case: Infrastructure Modernization

- Customers looking for **VMware alternatives** following the acquisition by Broadcom
- Quick wins that require less initial commitment but potential for **longer-term, progressive transformation**—including Extended Security Updates (ESU) for SQL Server and Windows Server workloads that are at end of life

Use case: Desktop Virtualization

- Healthcare organizations with **demanding workloads that can't be executed in the cloud** and that need to **simplify VDI** for hundreds (or even thousands) of users and devices across their distributed healthcare landscape to save on costs and ensure compliance

Use case: Cost Optimization

- **Private health organizations** that need to **optimize to do more with less** and improve detection and treatment for broader business impact

Use case: Data Security & Compliance

- Healthcare organizations that have **recently experienced a data breach or compliance violation** that are seeking to strengthen security and/or re-establish compliance

Use case: Healthcare AI and IoT

- Healthcare organizations with a **need to run specialized AI or IoT implementations** to assist practicians (e.g., imagery analysis, real-time patient monitoring)

Selling Azure Stack HCI into the healthcare vertical

Engaging customers

When engaging a new healthcare customer, partners should:

1. Gain a deep understanding of their unique business needs and challenges
2. Discover or even help them formulate their immediate and long-term goals
3. Translate priorities into a technical strategy that maps to Azure Stack HCI (and broader Azure) capabilities
4. Tie the technical strategy back to the critical business needs of the health system

Personas:

Business Decision-Makers (BDMs)

Roles: Chief Experience Officer (CXO), Chief Executive Officer (CEO)
What to talk about: Understanding the key business needs and priorities; demonstrating how the strategy with Azure Stack HCI can improve not just the IT infrastructure but deliver on core business outcomes
What they care about: Adhering to industry compliance, eliminating data breaches and risks, streamlining operations and OpEx costs, driving internal productivity, improving patient care and experiences, enabling innovation with new technologies like AI

Technical Decision-Makers (BDMs)

Roles: Chief Technology Officer (CTO), Chief Information Officer (CIO), Director of Infrastructure
What to talk about: technical features, capabilities, and pricing
What they care about: streamlining infrastructure management and efficiency, reducing complexity, strengthening security posture and compliance, improving access to data

Get started with partner enablement resources

Visit the Azure Partner Resource Gallery to download the Azure Stack HCI Partner Resources Guide, which contains valuable links to relevant training, marketing materials, and more—all in one place.

Learn more about the Intel solutions for Azure Stack HCI:

- Intel Deep Dive Training on Azure Stack HCI
- Unify Operations Across Hybrid and Multi-cloud Environments
- Secure Your Microsoft Azure Arc-enabled Environment with Microsoft and Intel
- Accelerate AI Inferencing Workloads and Boost Security on Azure Stack HCI with Intel AMX and Intel TME

Microsoft intel

Thank You