The state of healthcare data management
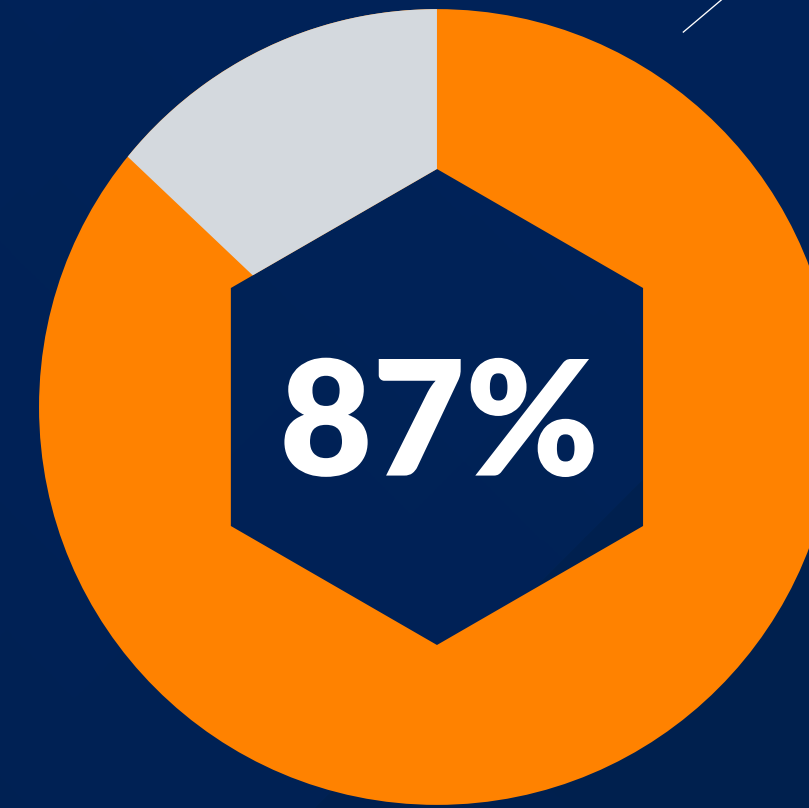
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Healthcare data management is a critical priority

Data management is top of mind for healthcare CIOs, and for obvious reasons. The amount and variety of data that healthcare organizations across the care continuum are creating and storing about patients, members, providers, and employees is growing exponentially—and few organizations are managing that data to their own satisfaction.

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Executives believe identity data is critical to achieving their strategic initiatives

87%

In fact, **87% of healthcare IT executives believe accurate and well-managed identity data is critical to achieving their strategic initiatives**, while only **14% of them report they are satisfied with the level of accuracy** in their current healthcare data management solution.[1]
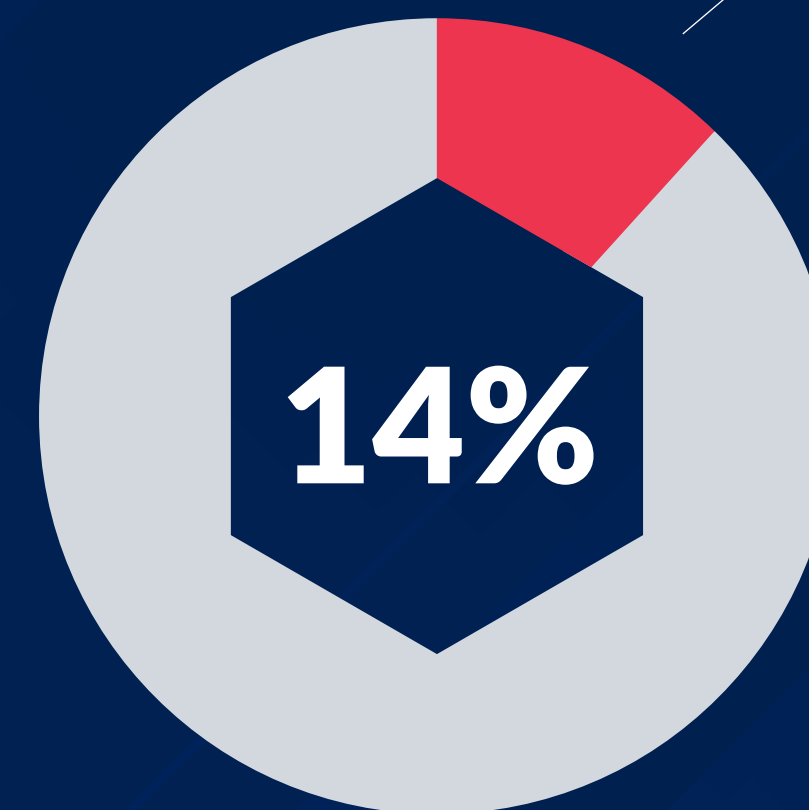
Satisfied with the level of accuracy of their patient identity solutions

14%

[1] https://verato.com/resources/sage-report/

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Just how bad is it?

If you are struggling with fragmented and poorly managed patient and provider data, you are not alone—and now is the perfect time to get your house in order.

Read on for a list of things to consider as you set your healthcare data management goals.

1 As your customer base grows, so does the complexity of identity management.

2 Market consolidation and new digital health technologies are creating downstream challenges for data management.

3 Poor healthcare data management has real consequences for patients and for your bottom line.

4 In an era of critical workforce shortages, you're spending more time than you think on resolving fragmented patient data.

5 Provider data management is a huge challenge for most payer and provider organizations.

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On average

1

As your customer base grows, so does the complexity of identity management

There is more data available about patients, providers, and healthcare consumers than ever before, with a full 30% of the world's data volume produced by the healthcare industry. So, it's no wonder that for any given individual, useful information will be fragmented across disparate, siloed systems. Effectively managing healthcare data requires accurate identity resolution to link records.

This work will continue to grow more complex as organizations consolidate and build larger customer bases. For example, the more customers anorganization serves, the more likely they share important identifiers like name and date of birth.

6%

The most common patient name at an organization is shared by 6% of the patient census.[2]

24%

of patient records are duplicates.[3]

[3] https://www.blackbookmarketresearch.com/blog/improving-the-patient-identification-process-and-interoperability-to-decrease-patient-record-error-rates

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2

Market consolidation and new digital health technologies are creating downstream challenges for data management

There were 400 healthcare M&A deals per quarter in 2022.[4] In more than three-fourths of organizations, M&A or EHR migration has caused issues with patient identity.[2]

Technologies like patient portals and telehealth systems provide the convenience and access that healthcare consumers demand—and have quickly become ubiquitous throughout the industry: **More than 90% of HCOs now have portals**[5] **and 84% of physicians offer virtual visits.**[6]

CIOs must be vigilant to address patient identity and data management issues that arise from both consolidation and digital front door initiatives.

Healthcare organizations agree

71%

Portals allowing patients to self schedule and/or register are contributing to an increase in duplicate record creation or identity issues.[2]

77%

EHR migration or facility acquisition have contributed to patient identity issues or duplication issues.[2]

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Healthcare organizations agree

3

Poor healthcare data management has real consequences for patients and members and for your bottom line

The patient, member, and provider data you manage powers critical workflows and decision making—and there are real consequences if information is incomplete or inaccurate. A shocking 86% of clinicians have witnessed a medical error due to misidentification,[4] and 70% of organizations report that patients receive duplicative or unnecessary testing or services due to difficulties in managing patient identities.[2]

Beyond the safety and risk implications, poor patient data management has serious financial consequences. 72% of organizations experience delays in billing and reimbursement due to inaccurate patient information,[2] **and 35% of denied claims are due to inaccurate or missing patient information.[5]**

70%
Patients undergo or receive duplicative or unnecessary testing or services due to difficulties in managing patient identities.[2]

$1950
Average cost of duplicate or unnecessary care for inpatients.[x]

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4

In an era of critical workforce shortages, you're spending more time than you think on resolving fragmented patient data

Labor is both scarce and expensive. Between 2020 and 2023, healthcare labor costs rose 37%. On average, HCOs have 10 full time employees dedicated to patient identity resolution. (In HCOs with more than 1,000 employees and in payer organizations, the average is 13 FTEs.)

CIOs must optimize workforce resources by automating as much identity resolution and data management as possible–which requires high levels of accuracy, healthcare-specific algorithms, and automatic overlay detection. Manual data stewardship should also be optimized with access to intuitive workflow tools and efficient research including reference data.

10 FTEs

On average, HCOs have 10 employees dedicated to patient identity resolution.[2]

$1.3M

Average annual spend on patient resolution, including labor and technology.[2]

8

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5

Provider data management remains a huge challenge for most HCOs and payer organizations

More than three-fourths of consumers today use digital resources to choose their providers and navigate care, rather than relying on physician referrals. And yet, challenges with managing provider data mean that the data available to consumers is often incorrect. More than 50% of people searching for new providers encounter errors in the information they're provided digitally in places like health-plan provider directories, and those errors cause patients to seek out-of-network care twice as often.[7]

Furthermore, CMS penalties for inaccuracies in MA plans' provider directories are as high as $25K per beneficiary per year for egregious error rates—and recent audits show that as many as 95% of MA plans have significant issues with their provider data.[8]

>50%
People searching for new providers encounter errors.

$25k
Penalties per beneficiary per year for egregious error rates.

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> **When adding a large data set, reflecting consumer information on 4.8 million people, it took just one week to integrate these new records in Verato.**

Vice President of Data Integration and Analytics of a large, integrated Southwest health system

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Schedule a strategy session.

With the industry's first and only hMDM solution—master data management reimagined for the specific needs of healthcare—Verato can support your data management strategy for the coming year. Speak with our experts for an assessment of your data management needs.

Verato, the identity experts for healthcare, enables smarter growth, improved care quality and efficiency, and better population health by solving the problem that drives everything else — knowing who is who. Over 70 of the most respected brands in healthcare rely on Verato for a complete and trusted 360-degree view of the people they serve to accelerate the success of their digital health initiatives and fully understand consumers' preferences, risks, and needs from the beginning and throughout their care journey. Only the Verato HITRUST-certified, next generation cloud identity platform enables interoperability across the complex digital health ecosystem with unprecedented accuracy, ease, and time-to-value. With an enterprise-wide single source of truth for identity, Verato ensures that you get identity right from the start.

For more information, **visit verato.com.**

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Resources

[1] https://verato.com/resources/sage-report/

[2] Patient ID Now, New Perspectives on the Patient ID Problem in Healthcare, 2022

[3] https://www.blackbookmarketresearch.com/blog/improving-the-patient-identification-process-and-interoperability-to-decrease-patient-record-error-rates

[4] Ponemon Institute 2016 National Patient Misidentification Report

[5] https://www.blackbookmarketresearch.com/blog/improving-the-patient-identification-process-and-interoperability-to-decrease-patient-record-error-rates

[6] https://www.advisory.com/topics/strategy-planning-and-growth/2022/09/health-care-in-2022

[7] https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.01501

[8] https://www.healthscape.com/insights/provider-data-management-a-longstanding-problem-amplified-in-2020-and-beyond/

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