



Build vs. Buy: Why Verato hMDM is the smarter choice for healthcare technology companies

In today's rapidly evolving healthcare landscape, accurate and scalable Master Data Management (MDM) is the foundation for operational success and patient-centered outcomes. However, health technology companies often face a critical decision: should they build their own MDM solution or purchase a proven platform like Verato hMDM?

Verato hMDM is the industry's first purpose-built healthcare MDM platform, trusted by over 100 leading health systems and fast-growing health technology innovators in the United States. This guide provides an in-depth comparison of the risks and benefits of each approach, featuring the real-world story of a company that transitioned from building to buying.

The Appeal of Building: Perceived control vs. hidden complexities

Building a custom MDM solution may seem attractive initially—it promises customization, control, and the chance to leverage internal technical resources. But this approach is fraught with challenges:

- Unforeseen costs:** Developing and maintaining a solution requires significant investment in infrastructure, personnel, and ongoing updates.
- Expertise requirements:** MDM is a specialized domain, and healthcare identity matching brings unique complexities.
- Time-to-market delays:** Building can take years, delaying the impact on operations and patient care.
- Scaling challenges:** Custom solutions often struggle to handle the scale and accuracy demands of modern healthcare data.

	Building an MDM	VS	Buying Verato hMDM
People	<ul style="list-style-type: none"> Requires hiring data scientists, developers, and patient matching algorithm experts to minimize inaccurate matching and the associated safety risks 		<p>Free up your team to focus on mission-critical development</p> <p>We have invested millions of dollars and 250,000 person-hours of data science and engineering into building the best MDM on the market. Subscribe and leverage our investments for yourself.</p>
Time	<ul style="list-style-type: none"> Takes years Distracts your developers from spending time building the features that they were hired to build 		<p>Deploy the Verato hMDM in just weeks with modern RESTful APIs</p> <p>Our RESTful API web-services allow for quick and simple integration in weeks. No need to stand up hardware, tune algorithms, or go through extensive system training. Just plug in.</p>
Money	<ul style="list-style-type: none"> Must invest in buying, maintaining, and securing hardware – or invest in cloud-based hosting Algorithm tuning, manual record matching, operation, and personnel costs grow as you do 		<p>Verato has the lowest TCO in the industry, with the highest overall value</p> <p>With our SaaS solution, there is no software to install, hardware to deploy, upgrade costs, maintenance fees, implementation costs, or algorithm tuning. All of which significantly lowers IT footprint and operational costs.</p>

Verato hMDM allows you to focus on your core business and leave identity to the experts

Verato hMDM is designed specifically for healthcare's unique challenges, offering unmatched accuracy and scalability without the need for extensive internal resources. Key benefits include:



Accuracy you can trust: Verato's patented referential matching technology achieves the highest matching accuracy in the industry, as independently verified by the Regenstrief Institute.



Time and resource savings: Avoid the complexities of designing, building, and maintaining a solution. With Verato, you can focus on innovation and growth.



Proven scalability: Trusted by leading health systems, Verato hMDM scales effortlessly to meet your data demands.



Purpose-built for healthcare: Unlike generic MDM solutions, Verato is tailored to healthcare's specific needs, including patient and provider matching.

Customer spotlight: from building to buying

One of our customers, a health technology company working on behalf of 770 insurers nationwide to optimize the cost of care through intelligent claims management, initially built their own provider data management solution. The process was grueling: misaligned expertise, spiraling costs, and ongoing maintenance struggles consumed valuable time and resources.

When they sought to implement patient matching, they realized they couldn't endure the pain of building again. That's when they turned to Verato hMDM.

With Verato's referential matching, they achieved unmatched accuracy, streamlined their operations, and redirected their focus to their core mission—developing innovative health technology solutions. This experience echoes what we often see: customers who initially choose to build eventually come back to Verato, realizing the value of a trusted, purpose-built platform.



The Build vs. Buy checklist

Building in-house

- High upfront and ongoing costs
- Requires niche expertise
- Long time-to-market
- Risk of suboptimal accuracy
- Resource-intensive maintenance
- Regulatory adherence
- Future proofing and technical debt
- Interoperability concerns

Buying Verato hMDM

- Lower total cost of ownership
- Proven accuracy with referential matching
- Fast deployment and time-to-value
- Scalable for future growth
- Supported by healthcare data experts

Misconception	Truth
“An hMDM won’t be hard to build.”	Requires more than standing up hardware and developing a simple string match algorithm. It is incredibly difficult, requiring years of expertise and highly-specialized resources. And you can’t get it wrong — an inaccurate MPI slashes your platform’s end value and puts patient safety at risk.
“My solution is unique and requires a unique patient-matching solution.”	Despite the uniqueness of your end solution, patient matching is a ubiquitous challenge facing all healthcare tech vendors. Verato was built to provide core matching services that can plug into any process or service.
“All commercially available MDM solutions are heavy, expensive, and difficult to implement and maintain.”	You’re right: conventional MPIs were built before today’s technologies like Referential Matching, cloud computing, big data, and machine learning existed. But Verato wasn’t. It is nimble, low-cost, and easy.
“If I buy Verato, I’ll limit my control to customize as needed.”	Verato has a flexible data model, meaning you won’t sacrifice any control when you buy Verato hMDM. Verato works with you to tailor what you need for your specific business.

Don’t reinvent the wheel – reinvent healthcare

Verato hMDM empowers health technology companies to leapfrog the complexities of building an MDM solution, providing unmatched accuracy, scalability, and speed to market. By choosing Verato, you save time, conserve resources, and ensure your focus remains where it matters most—transforming healthcare.

Take the first step toward better data and better outcomes. Contact us at info@verato.com to learn how Verato hMDM can revolutionize your data management strategy or book a demo to see for yourself at

<https://verato.com/book-a-live-demo/>.

