



Overcoming the barriers to
healthcare interoper for Payers:

A \$30b imperative



Introduction

Almost 60% of healthcare payers have invested in interoperability yet still struggle to improve data sharing and coordination across disparate systems.¹ It presents a significant barrier that costs the healthcare system over \$30 billion annually.² Without a unified approach to identity, these data disparities lead to inversely proportional inefficiencies, costs, and compromised patient care. **Fortunately, a solution exists.**

The Role of Identity in Interoperability

Interoperability, the ability of different systems, devices, and applications to work together within and across organizational boundaries, is critical for ensuring that data flows seamlessly between systems, enabling providers and payers to deliver coordinated, high-quality care.

Without a single source of truth for identity, organizations will continue to struggle with low data utility and poor return on investment. Identity data management is the missing piece that can unlock successful data and analytics strategies, helping to improve retention and lower costs.

Interoperability delivers a consumer-grade experience to members who have come to value customized digital tools, including directories, to find care and estimate out-of-pocket expenses. Accurate and synchronized data ensures that members receive consistent information across channels, improving their overall experience and increasing trust in their healthcare provider.

Interoperability challenges cost the healthcare system over
\$30B
annually.



Members who trust their providers are 4X more likely to stay with their current payer than distrusters.⁴

Identity Disconnects

Interoperability challenges are complex. They primarily stem from the fragmented nature of siloed, inconsistent data, as detailed below, compounded by regulatory pressure:



Data silos

Healthcare data lives in multiple, unconnected silos, including electronic health records (EHRs), billing platforms, and laboratory information systems. This prevents seamless data exchange and leads to inefficiencies and errors in patient care.



Inconsistent identity resolution

Identity resolution is impossible without accurately linking patient records across different systems. This inconsistency creates duplicate records and data mismatches, ultimately compromising patient safety.



Regulatory pressure

The 21st Century Cures Act mandates improved interoperability, and failure to comply results in financial penalties and a loss of patient and stakeholder trust. The time to act is now.



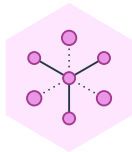
Interoperability Hinges on Identity Data Management

The healthcare industry generates 30% of the world's data volume, with data growing at 47% per year.^{4,5} A successful interoperability strategy hinges on accurately identifying and linking data across various systems—more specifically:



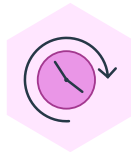
Accurate identity matching

Eliminate duplicates and ensure data is seamlessly and accurately exchanged, resolved, and linked across all systems.



Centralized data management

Providing a single source of truth that can be used across the healthcare organization and ensures that all systems use consistent and accurate data, reduce the risk of errors, and improve overall data quality.



Real-time data integration

Update and synchronize data across systems as changes occur to maintain accurate and up-to-date information in a dynamic healthcare environment.

Interoperability integrates high-quality data sets from a wide range of sources, ensuring all data is linked to the appropriate individual and synchronized to ensure completeness. Duplicate records have significant risks, including inaccurate billing, denied claims, and legal liabilities. Administrative inefficiencies are costly, including the time to manually resolve claims errors.

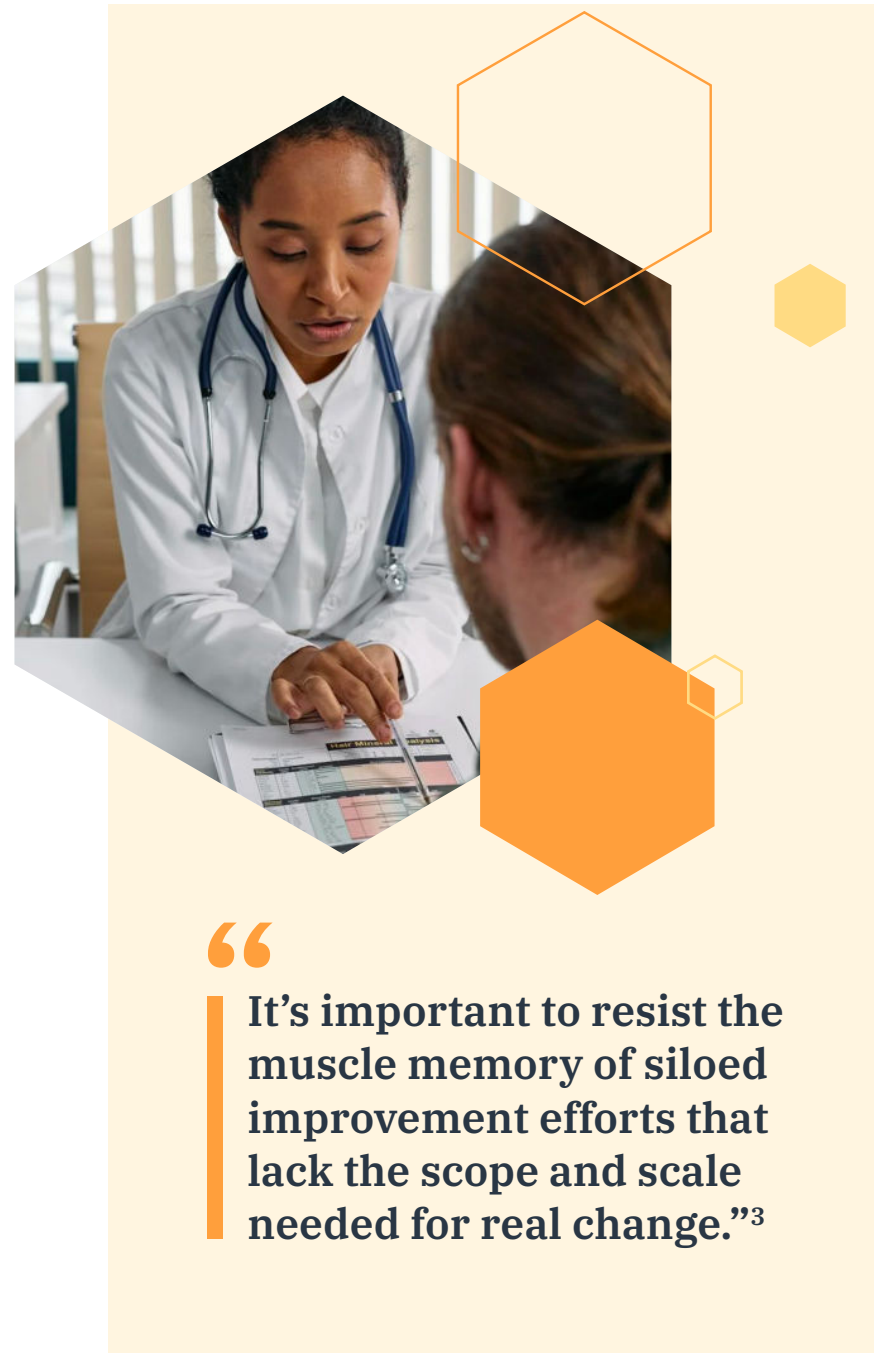
Without understanding who is who across all person and organization data, your interoperability and digital engagement strategy won't work—risking member churn and revenue.



What to Look for in an Interoperability Solution

A strong interoperability solution should:

- ✓ **Seamlessly and securely integrate all sources of identity data**, both clinical and non-clinical, internal and external, allowing organizations to reuse existing technology and lower resource costs.
- ✓ **Accurately resolve and verify identities for people and organizations**, with highly accurate capabilities across all data from sources and varying levels of integrity.
- ✓ **Enrich member and provider data by integrating social determinants of health (SDOH)**, lifestyle, and demographic data for a more complete view of members and providers, capturing better contact information and ensuring the information's validity, utility, and precision.
- ✓ **Support data mastering, management of multiple data domains**, and intuitive data stewardship, offering multiple, configurable, composite views of a person or organization for different business needs.
- ✓ **Provide a cloud-first solution that integrates with all healthcare applications and supports enterprise analytics**, ensuring your data is fully activated throughout your entire organization.



“It’s important to resist the muscle memory of siloed improvement efforts that lack the scope and scale needed for real change.”³

Strategies for Achieving Interoperability with Identity MDM



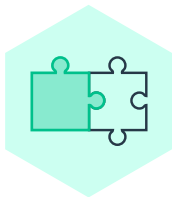
1.

High-confidence identity resolution

Advanced identity resolution techniques, such as referential matching, provide higher accuracy than traditional probabilistic methods. This ensures that identities are consistently and accurately matched across diverse systems, supporting seamless data exchange and improving overall interoperability.

Example:

A large health plan improved matching success rates for HEDIS measures, leading to significant revenue increases through better identity management.



2.

Seamless integration with existing systems

IDM platforms are designed to integrate seamlessly with various healthcare IT systems, including electronic health records (EHRs), laboratory systems, and billing platforms. This integration capability strengthens interoperability without disrupting current operations or workflows.

Example:

An organization working with health plans and hospitals improved care coordination through effective identity management and data integration.



3.

Scalable and flexible solutions

IDM solutions are scalable, allowing healthcare organizations to expand their identity management efforts as needed. The platform's flexibility enables organizations to tailor their strategies to meet specific interoperability challenges, ensuring that identity management evolves with organizational needs.

Example:

A regional health plan used identity management to enhance consent management processes, improving both compliance and patient trust.

Case Studies

Improved quality tracking

Integrating Verato with existing systems enhanced data matching across supplemental and membership data sources for its quality measurement process (HEDIS). The incomplete matching obstructed HEDIS measures for over 25% of its membership.

Verato dramatically improved the matching success rate despite the errors and omissions in the supplemental data.



Longitudinal member record

Working with regional health plans and hospital systems to grow or to launch new Medicare insurance offerings and ACOs, this organization needed to rationalize all person information to develop care plans, close gaps, analyze outcomes, and coordinate care.

This organization receives claims and eligibility info for members of multiple health plans including data on eligibility for different health products. Within a given product, a member may have changing/inconsistent demographics, and across products they may have different member IDs.

Verato enabled them to consolidate disparate records from multiple sources to create a unified view of the member for effective care coordination and management.

98%
of members with newly
matched labs saw
improvement in HEDIS
measures, leading to
\$10M
incremental
incentive revenue.



Conclusion

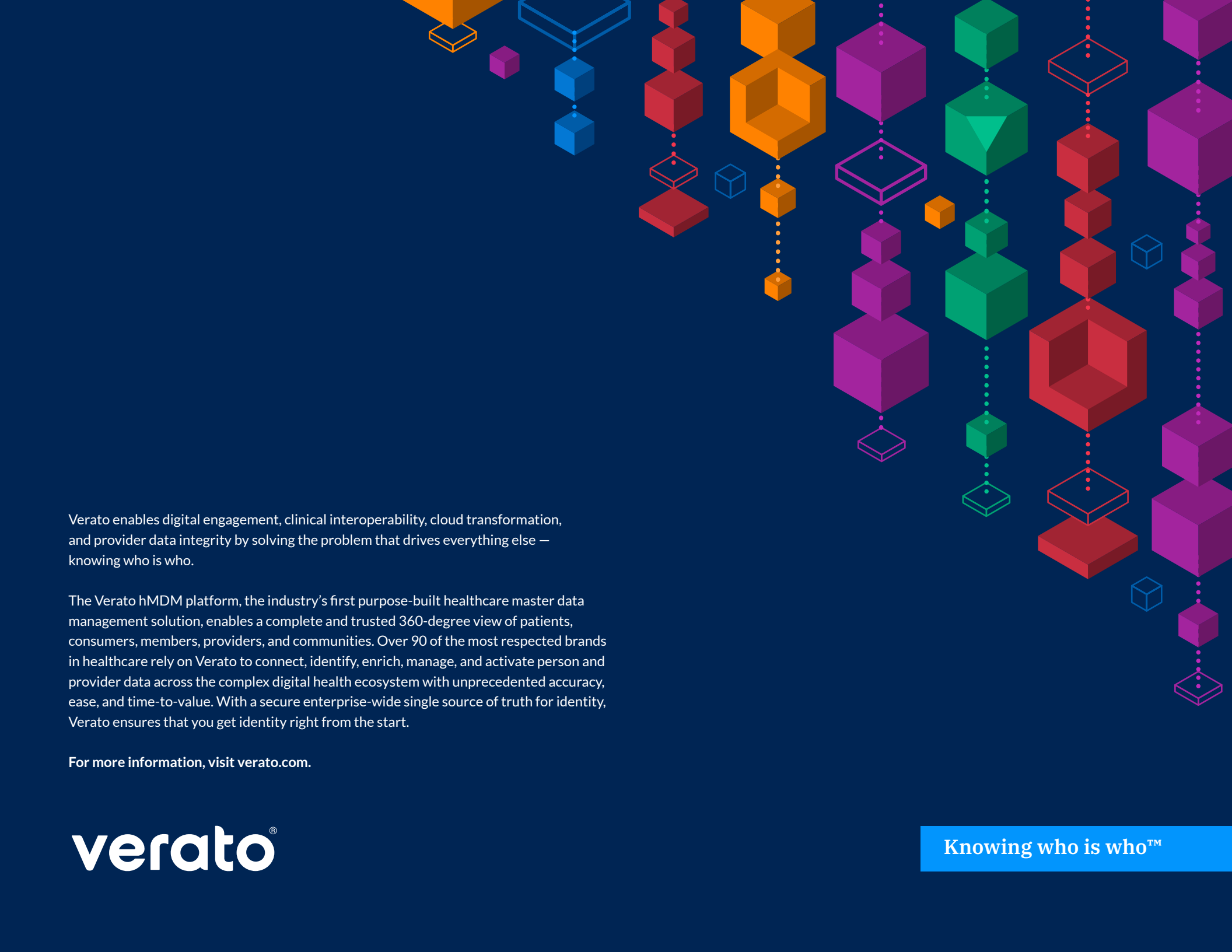
Interoperability is essential for the success of healthcare organizations in today's data-driven environment. Organizations can overcome interoperability challenges, reduce operational costs, and significantly enhance member experiences by investing in a robust identity data management solution. A well-executed identity management strategy ensures that patient, provider, and consumer data is consistently accurate and up to date across all systems, supporting operational efficiency and compliance requirements.

Effective identity management is also crucial in delivering personalized member experiences, building trust, and optimizing care management. By addressing interoperability at its core, healthcare organizations can streamline data exchanges, meet regulatory demands, and improve patient outcomes. Prioritizing accurate identity resolution helps ensure that healthcare data is reliable and ready to support ongoing organizational goals—and the time to prioritize this shift to interoperable solutions that facilitate accuracy is now!

Sources

- ¹ Gartner, Gartner's Payer Interoperability Benchmarking survey 2023
- ² HIMSS, Technology and cost care convergence
- ³ Accenture, The difference between loyalty and leaving
- ⁴ IDC, The Digitization of the world
- ⁵ Healthtech Magazine, Structured vs. unstructured data in healthcare



An abstract graphic on a dark blue background featuring numerous 3D cubes in various colors (orange, red, purple, green, blue) and 2D outlines. These cubes are connected by dotted lines, creating a complex, interconnected network that suggests data flow and digital engagement.

Verato enables digital engagement, clinical interoperability, cloud transformation, and provider data integrity by solving the problem that drives everything else — knowing who is who.

The Verato hMDM platform, the industry's first purpose-built healthcare master data management solution, enables a complete and trusted 360-degree view of patients, consumers, members, providers, and communities. Over 90 of the most respected brands in healthcare rely on Verato to connect, identify, enrich, manage, and activate person and provider data across the complex digital health ecosystem with unprecedented accuracy, ease, and time-to-value. With a secure enterprise-wide single source of truth for identity, Verato ensures that you get identity right from the start.

For more information, visit verato.com.

verato[®]

Knowing who is who[™]