verato®

Modern MDM Implementation

An Industry Overview and Verato's Approach

Executive Summary

Master data management (MDM) has reached an inflection point. As organizations accelerate digital transformation, adopt cloud platforms, and pursue data-driven strategies rooted in analytics and artificial intelligence, the limitations of traditional MDM approaches have become increasingly clear. Rigid, centralized systems that require years to implement and millions of dollars to maintain no longer align with the pace, complexity, or risk tolerance of modern enterprises.

At the center of this shift is identity. Before organizations can power AI, accelerate digital engagement, or drive operational efficiency, they must solve the foundational enterprise challenge of Knowing Who Is Who™ across systems of record, engagement, and insight.

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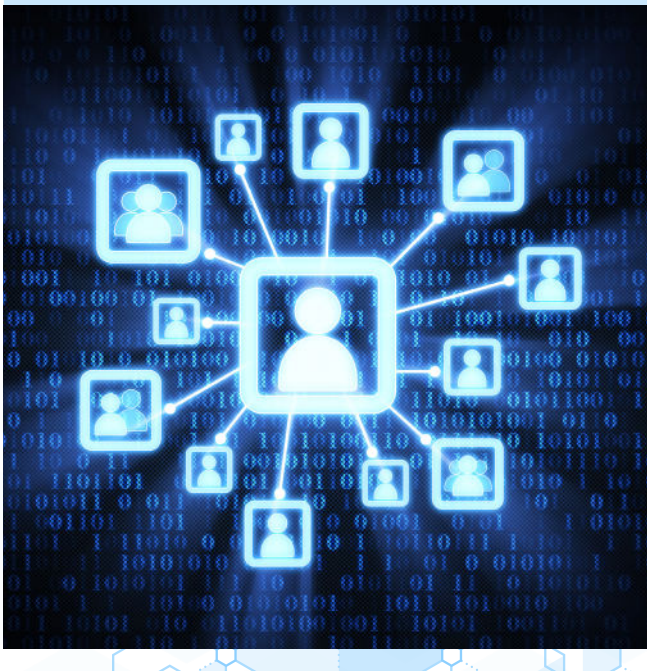
Today's reality is far more nuanced. Organizations operate across hybrid ecosystems that include clinical systems, customer engagement platforms, data warehouses, AI models, partner networks, and third-party data sources. Identity data flows continuously across these environments, often in real time, and the business consequences of getting identity wrong are significant. Duplicate records, fragmented views of people and organizations, and inconsistent governance directly undermine growth, trust, compliance, and experience.



Inaccurate identity data weakens every strategic initiative, from powering exceptional experiences and patient outcomes, to fueling business growth, to accelerating AI readiness and operational efficiency.

One thing is clear: There is no single "right" way to implement MDM. Instead, organizations fall along a spectrum defined by governance maturity, operational needs, and business priorities. Some need fast, low-disruption improvements to data quality. Others require strict control and operational mastery. Many need both at the same time.

This white paper examines the four MDM implementation styles—Registry, Consolidation, Coexistence, and Centralized— and explains how modern, cloud-native platforms like Verato MDM Cloud™ uniquely support all four styles, including multiple styles concurrently.

Introduction

The evolving role of master data management

At its core, master data management exists to answer a deceptively simple question: who is who, and what is what, across systems of record, engagement, and insight. MDM establishes a trusted foundation for core entities such as patients, consumers, providers, members, and households. When identity is accurate, complete, and trusted, organizations can power exceptional experiences, improve outcomes, drive revenue growth, and build AI strategies on truth rather than noise.

Historically, MDM initiatives were driven by back-office needs such as reporting, regulatory compliance, or enterprise resource planning. Implementations were often centralized, heavily governed, and designed for relatively static data environments. Change was slow, but acceptable.

That context no longer exists. Modern organizations rely on real-time data to personalize experiences, automate decisions, and power AI-driven initiatives. Identity data is no longer confined to a handful of systems. It spans EHRs, CRMs, marketing platforms, data lakes, cloud applications, joint ventures, and external data providers. In this environment, identity is not just a data management concern; it is a strategic capability.

Limitations of legacy MDM systems

Many organizations continue to struggle with legacy MDM platforms that were not designed for this level of complexity or speed. These systems often require extensive customization, rigid data models, and long implementation cycles. Governance processes are heavy, integrations are brittle, and scaling to new use cases introduces significant risk.

As a result, organizations experience persistent challenges:

- **Duplicate and fragmented identity records across systems**
- **Manual stewardship queues that grow faster than teams can manage**
- **Delayed analytics and unreliable AI outputs due to poor data quality**
- **Increased compliance, privacy, and security risk**
- **Difficulty supporting mergers, acquisitions, and ecosystem growth**

In contrast, modern referential matching approaches leverage continuously updated reference data to deliver independently verified 98% accuracy, up to 24% higher than legacy alternatives, while automating up to 75% of potential match resolution tasks.

Rather than serving as an enabler, legacy MDM frequently becomes a bottleneck.

Why accuracy, flexibility, and risk reduction matter

Inaccurate identity data has cascading effects. Analytics teams lose confidence in their insights. AI models amplify errors. Digital experiences feel disconnected or impersonal. Marketing attribution weakens. Provider onboarding slows. Claims are denied. Revenue is delayed. Operational teams waste time reconciling records instead of delivering value. In regulated industries, the consequences can include financial penalties, patient safety issues, or reputational damage.

To address these challenges, organizations need MDM solutions that deliver high accuracy without forcing premature centralization, that scale incrementally, and that reduce operational and implementation risk. This is where implementation style matters.

This is where **Verato MDM Cloud™** differentiates—combining unmatched identity accuracy with flexible implementation models aligned to all four styles.

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Understanding the four MDM implementation styles

The four primary MDM implementation styles are based on two fundamental questions: which system serves as the system of record, and whether mastered data is synchronized back to source systems. Each style reflects different tradeoffs between control, flexibility, and effort.

The implementation styles are not mutually exclusive but instead should be considered along a spectrum. Organizations may adopt one style initially and evolve over time or operate multiple styles simultaneously for different domains or use cases.

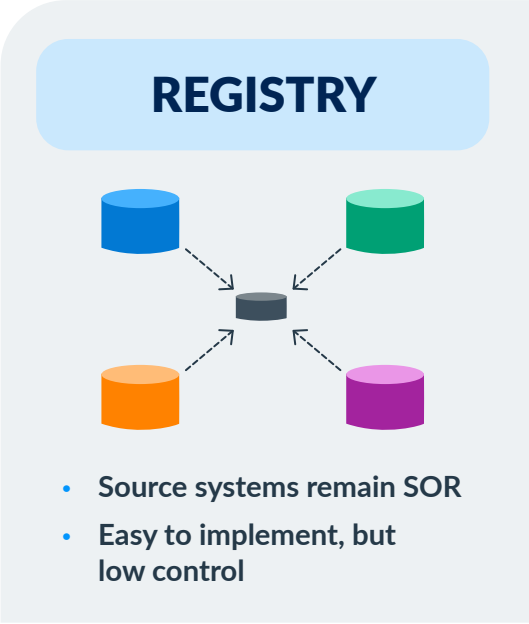
Registry

The Registry style is the lightest-weight MDM implementation. Source systems remain the system of record, and the MDM platform maintains a reference index that links and resolves identities across those systems. The MDM does not overwrite source data. Instead, it provides a trusted cross-system view that can be used for analytics, reporting, and downstream consumption.

Governance in a Registry model is typically loose, and integrations are often batch-based. This minimizes disruption and accelerates time to value.

Registry is well suited for organizations that:

- **Need fast improvement in identity resolution**
- **Want to minimize impact on existing systems**
- **Are early in their governance maturity**
- **Primarily support analytics and visibility use cases**



Registry in practice

A large healthcare provider in New York State faced significant duplicate patient records across disparate clinical and consumer-facing systems. Rather than replacing existing infrastructure, the health system adopted a Registry-style approach by integrating Verato Auto-Steward® into its enterprise MPI. This allowed the organization to automatically resolve potential duplicates without disrupting established workflows or technologies. The result was an 87% reduction in duplicate queues and a stronger foundation for analytics, outreach, and digital engagement.

Consolidation

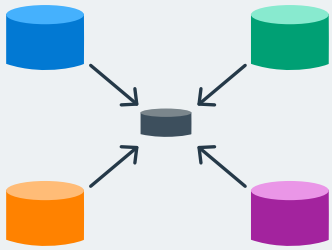
In a Consolidation implementation, the MDM platform creates a golden record by reconciling and enriching data from multiple source systems. Unlike Registry, the mastered record is preserved and used as a trusted analytical asset. However, updates are not pushed back to source systems, allowing operational processes to remain unchanged.

This style is commonly used to support business intelligence, data warehousing, customer analytics, and marketing segmentation.

Consolidation is well suited for organizations that:

- **Require a single, trusted analytical view of identity**
- **Want to avoid operational disruption**
- **Are investing in advanced analytics or AI**
- **Need enriched data for segmentation and attribution**

CONSOLIDATION



- **MDM is SOR for consolidated data, but no sync back to source**
- **Non-intrusive to implement, ideal for BI/DW**

Consolidation in practice

A large health system in the Southwestern U.S. implemented a Consolidation-style MDM to unify patient and consumer identities across dozens of clinical and non-clinical systems. By linking data from Epic, Salesforce, and other platforms, the organization created a comprehensive Consumer 360 view. Verato Referential Matching® and enrichment capabilities enabled this health system to identify over 10 million unique identities, save $1.4 million annually, automate 70% of Epic match tasks, and dramatically improve marketing performance, increasing email click-through rates from 2% to 26%.

With Consolidation-style MDM, one health system identified 10M+ unique identities, saved $1.4M annually, and increased email engagement from 2% to 26%.

Coexistence

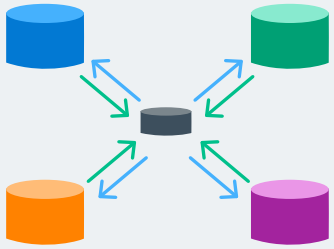
The Coexistence style introduces stronger governance and operational integration. In this model, the MDM platform serves as the system of record while allowing data to flow bi-directionally between MDM and source systems. This enables centralized control where needed while preserving flexibility and access to source data.

Coexistence implementations often rely on real-time integration and support both operational and analytical use cases.

This style is appropriate for organizations that:

- **Support digital experiences across multiple systems**
- **Require consistent identity data for operations and analytics**
- **Must balance regulatory requirements with flexibility**
- **Are transitioning from legacy to modern architectures**

COEXISTENCE



- **MDM is SOR, but flexible data entry**
- **More nuanced implementation, but sync back to source improves overall control and data quality**

Coexistence in practice

A leading nonprofit health system migrated from multiple legacy MPI systems to a modern identity platform using a Coexistence approach. The implementation created a unified, automated view of patient identity across affiliated entities and joint ventures. By connecting data between EHRs and other systems, the organization reduced risk, improved experiences, and strengthened its foundation for enterprise-wide identity consistency. The organization identified more than 80,000 unmatched identities, avoided approximately $1.2 million in potential medical issues, and reduced manual reconciliation costs by over $1 million annually.

With a Coexistence approach to MDM, one health system identified 80,000+ unmatched identities, avoided $1.2M in potential medical issues, and reduced manual reconciliation costs by over $1M annually.

Centralized

In a Centralized implementation, the MDM platform becomes the single authoritative system of record. All identity updates are authored centrally and propagated to downstream systems in real time. Governance is strict, integration complexity is high, and implementation effort is significant.

Centralized MDM is best suited for organizations with mature governance practices and a strong operational focus.

Centralized in practice

A large Catholic health system sought a single source of truth for patient, provider, member, and consumer identity across clinical, CRM, and joint-venture systems. Using Verato's platform, it centralized identity management with bidirectional workflows that eliminated manual verification and improved coordination across referrals, billing, outreach, and care delivery. The organization reports fewer transcription errors, reduced administrative friction, and improved patient experiences across approximately 18,000 cases per year, along with measurable gains in quality and care-gap closure. per year, along with measurable gains in quality and care-gap closure.

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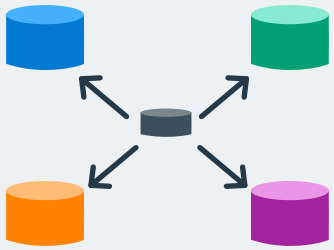

- **MDM is SOR, but flexible data entry**
- **More nuanced implementation, but sync back to source improves overall control and data quality**

With a Centralized approach, one health system eliminated manual verification and improved patient experiences across 18,000 cases annually while reducing errors and administrative friction.

Comparing MDM styles in practice

Style Comparison and Evaluation

MDM Style	System of Record (SOR)	Governance Level	Integration Model	Primary Focus	Implementation Effort	Best for
Registery	Source systems remain SOR	Loose	Batch	Analytics and visibility	Low	Quick wins, minimal disruption
Consolidation	MDM stores golden records, no sync back	Moderate	Batch	Business intelligence and data warehousing	Moderate	Unified analytics, marketing segmentation
Coexistence	MDM and source systems both maintain data	Strong	Bi-directional sync	Operational excellence and analytics	High	Organizations bridging legacy and modern systems
Centralized	MDM is sole SOR	Strict	Real-time	Operations and compliance	Very High	Enterprises with advanced governance maturity

Each MDM implementation style reflects a different balance of governance, integration effort, and business value. Registry and Consolidation emphasize speed, analytics, and minimal disruption. Coexistence and Centralized approaches deliver greater control and operational consistency, but require stronger governance and higher investment.

Importantly, these styles are not static. Many organizations begin with Registry or Consolidation to establish accuracy and confidence, then evolve toward Coexistence or Centralized models as governance matures and operational needs expand. Others operate multiple styles concurrently across domains, geographies, or business units.

Verato's capabilities across the MDM spectrum

Verato MDM Cloud™ is purpose-built to deliver identity intelligence across the full spectrum of all four MDM implementation styles. As the identity intelligence company, Verato® solves Knowing Who Is Who™ with unmatched accuracy and flexibility.

Unlike legacy platforms that force rigid architectures, Verato enables Registry, Consolidation, Coexistence, and Centralized models—individually or concurrently.

This flexibility allows organizations to meet immediate needs while building toward long-term maturity without re-platforming.

Key capabilities include:

Referential matching: Verato's patented approach to referential matching delivers higher accuracy by leveraging a continuously updated reference database rather than relying solely on deterministic or probabilistic rules. This approach scales across varying data quality levels and reduces false matches and missed links.

Built-in enrichment: Native enrichment for consumer and provider data enhances golden records without requiring separate third-party data pipelines. This accelerates time to value and reduces operational complexity.

Identity governance and verification: Verato embeds governance and identity verification directly into the platform, supporting compliance, trust, and risk reduction across use cases.

Cloud-native, real-time architecture: Designed for modern ecosystems, Verato integrates easily across cloud and on-premises environments, supports real-time data flows, and scales elastically as volumes and use cases grow.

Conclusion

Every organization fits somewhere on the MDM spectrum, and that position evolves as business priorities, governance maturity, and data complexity change. The future of MDM is not about choosing a single, rigid model. It is about flexibility, accuracy, and trust.

Ready to align your MDM strategy with your organization's needs?

Schedule a strategy session with Verato.

Verato®, the identity intelligence company, solves the problem that drives everything else—Knowing Who Is Who™. Proven in healthcare. Trusted everywhere.

Verato MDM Cloud™ delivers unprecedented identity intelligence by combining industry-leading identity accuracy with enterprise-wide data mastering to unify, enrich, and manage identities across systems of insight, engagement, and record —unlocking more accurate, actionable data insights.

With complete, accurate, and trusted identity intelligence, Verato improves business results by powering exceptional consumer experiences and patient outcomes, fueling business growth, accelerating AI readiness, boosting productivity, and reducing costs across every business process that consumes identity. For more information, visit verato.com.