

## **Technology Must Haves for Accountable Care Organizations**

[Cynthia Burghard](#), Research Director, Accountable Care Organizations

There are as many ACO technology architecture slides and points of view as there are consultants, research analysts and vendors. All a bit different and most include what we call foundational applications that support care delivery and financing as well as emerging Health Information Exchanges (HIE) and other related technologies. While most of these technology architecture approaches are perfectly legitimate they can be overwhelming and ACOs have difficulty focusing on critical technology.

Discussions with clients, among IDC Health Insights' analysts and early research have led us to identify three critical technologies/business applications that will be required for a successful Accountable Care Organization. The three technologies are: 1) HIEs, 2) Analytics and 3) Care Management applications. In the debates and uncertainties surrounding ACOs there appears to be consensus that access to and use of data is the linchpin of ACO success.

Each of these technology markets has unique attributes and various levels of maturity. The HIE market while relatively young has seen reasonable success in the current environment. We have observed that a number of HIE vendors have extended their expertise and technology to include analytics and or care management whether through partnership or ownership. The analytics market for payers and providers includes healthcare specific BI applications as well as offerings from larger enterprise vendors such as IBM, MicroStrategy and others. The maturity in this market varies from long standing deployments of primarily financial BI applications to the emerging market for clinical analytics. Care management has long been the purview of health payers, the market includes mature products and vendors; MEDdecision, Trizetto as well as newer entrants; ZeOmega and CaseNet.

The ideal ACO offering includes the capabilities of these three technologies through partnership or ownership. For example, OptumInsight has pooled resources from within its current offerings to support Sustainable Health Communities. Offering includes its HIE product from Axotl, its analytic assets along with other capabilities including actuarial, risk/care management. Aetna's assets include Medicity, its HIE offering as well as Active Health Management which is among the leading disease management companies in the market with capabilities that extend from risk identification to risk/care management. MEDdecision, a leader in risk/care management technology acquired HxTechnologies an HIE vendor to extend its market reach.

The industry is likely to see additional acquisitions and partnerships to bring together these critical technologies for ACOs. Future research by IDC Health Insights will include a deeper look at these technologies/applications and how they can work effectively together.

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