



## **Perspective: Oracle OpenWorld 2011 — The Building Blocks for Accountable Care**

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PERSPECTIVE #HI232176  
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### **IN THIS PERSPECTIVE**

This IDC Health Insights Perspective highlights Oracle's vision for accountable care, which was presented by Oracle executives and partners at Oracle OpenWorld, held October 2–6, 2011, in San Francisco.

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### **Situation Overview**

Healthcare organizations widely recognize that the days of fee for service reimbursement for procedures performed are numbered. Instead, reimbursement models will be based on improving quality of care and outcomes and managing populations of patients with chronic conditions. This paradigm shift from volume to value will transform how the U.S. healthcare system is organized and care is delivered and will require increasing investments in a wide range of technologies to address these seismic changes.

In the healthcare track of Oracle OpenWorld 2011, Oracle executives and partners presented the capabilities of Oracle's ACO strategy, which is centered on:

- Data acquisition, validation, integration, and warehousing
- Collaborative, longitudinal health and care management
- Patient, provider, and family engagement
- Analytics and workflows to drive operational efficiency

### **Data Acquisition, Validation, Integration, and Warehousing**

Value-based healthcare will require data to be aggregated from multiple data sources of clinical, operational, and financial information dispersed across the enterprise and normalized to create a data warehouse for monitoring the ACO's performance.

## **Oracle Solutions**

Oracle offers a number of database technologies developed specifically for the healthcare sector. These database technologies include:

- The Oracle Healthcare Data Warehouse Foundation, which features a comprehensive healthcare data model providing an integrated view of clinical, financial, operational, and research data across the provider enterprise
- Oracle Healthcare Transaction Base, a clinical repository and an integral component of Oracle's health information exchange solution
- Oracle's SOA Suite and Oracle Health Sciences Integration Engine, which provide integration and interoperability services

## ***Collaborative, Longitudinal Health and Care Management***

The new care delivery and reimbursement models will require that providers have a better understanding of the risk of the patient populations that they serve and provide proactive, preventive care, especially to manage patients' chronic conditions. For example, which patients have diabetes, asthma, or heart disease? Are they compliant with treatment care plans? Are there gaps in care that need to be addressed? Who are the other members of their care team?

## **Oracle Solutions**

Master data management (MDM) will play a critical role in correctly indentifying patients and providers. Through the Sun acquisition, Oracle obtained an enterprise master patient index, which it rebranded Oracle Healthcare Master Person Index. In addition, care management is an emerging capability for Oracle. Healthcare customers are using a combination of the previously listed database technologies, plus Oracle's Siebel CRM and partner applications, to support care management functions such as case management and patient outreach using consumers' preferred communication channels.

## ***Patient, Provider, and Family Engagement***

The new care models require not only physicians to collaborate with care team members and be accountable for the care they provide but patients that must be engaged and play an active role in managing their health. Historically, healthcare providers lacked the tools to enable patients, or consumers, to be active participants and engage with providers beyond simply showing up for appointments. Today, healthcare providers are investing in customer relationship management (CRM) systems commonly used in other industries to

better understand who their customers are as well as what customers buy today and what they will need in the future.

### **Oracle Solutions**

Launched at Oracle OpenWorld 2010, the Oracle Health Management platform combines Oracle Fusion Middleware, Oracle's health information exchange solutions, and security technologies with Oracle's Siebel CRM and healthcare applications developed by Oracle and its independent software vendor (ISV) partners to create an open and integrated platform to help customers meet evolving clinical, business, and technical requirements.

Oracle's Siebel CRM can be used by care managers and health coaches to reach out to patients by sending secure messaging according to their preferences (e.g., email, SMS text messages, or even mailed letters), which are tracked in the system to alert patients and their caregivers of gaps in care, preventive screens that should be scheduled, or other pertinent healthcare issues that need to be addressed.

### ***Analytics and Workflows to Drive Operational Efficiency***

Across all of these functions, analytics will play a crucial role in measuring and monitoring ongoing operational, financial, and clinical performance. Dashboards and scorecards will provide visual insights into how well (or not) the organization is performing and what interventions are actually working. It should also be noted that 48% of U.S. healthcare costs are labor related, thus better human capital management and enterprise resource management will drive operational efficiencies and reduce administrative costs.

### **Oracle Solutions**

The expansive Oracle portfolio includes a wide range of analytics and workflow tools, most notably Oracle Enterprise Healthcare Analytics, which support OLAP, star schemes, and data mining. PeopleSoft for Healthcare enables supply chain and surgery analytics.

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### **Future Outlook**

Oracle's core capabilities in the areas of information management, business intelligence, and analytics, combined with proven CRM tools, will serve Oracle's customers well as they evolve toward more accountable and collaborative care models. While health plan customers have invested in CRM technology to support their call centers and sales efforts, providers typically do not use CRM extensively. Oracle's provider customers will benefit from best practices gleaned from the company's payers and life science customers' experience using analytics and CRM.

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### Related Research

- *IDC MarketScape: U.S. Health Information Exchange Platform Technologies 2011 Vendor Assessment* (forthcoming)
- *Six Enabling Technologies for Accountable Care* (forthcoming)
- *Perspective: 360-Degree View — Health Reform as a Market and Technology Disruptor* (IDC Health Insights #HI229145, June 2011)
- *Technology Selection: The Evolving HIE Model — The Road to Accountable Care* (IDC Health Insights #HI227694, April 2011)
- *Perspective: Oracle Health Management Platform Launched at Oracle OpenWorld 2010* (IDC Health Insights #HI225294, October 2010)

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