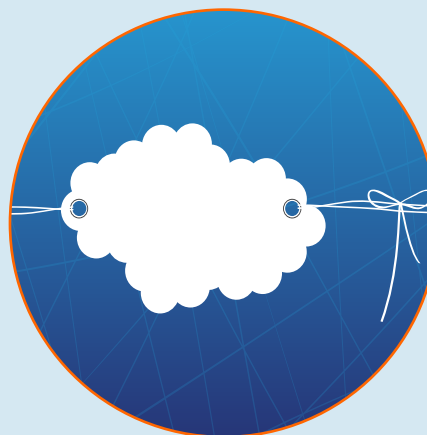


Industry Point of View from Gray Matter Analytics

by Balu Nair, CTO

The healthcare industry is going through a major, disruptive shift. The metrics for service providers has evolved from cost and number of services to quality, outcomes and efficiency of service. Moreover, an individual service provider's scores and their comparison against peers are easily accessible as they are published, helping consumers choose the right providers. In a recent [Forbes](#) article, the Centers for Medicare & Medicaid Services (CMS) is continuing to work toward transformative change, with the goal of generating more accountability, greater transparency, and better value for both patients and taxpayers. Providers are now acutely feeling the financial, operational and reputational impacts of this significant shift.

Healthcare organizations can gain timely insights through analytics. Today, most of the insights available to a provider organization are through traditional reporting using tools like spreadsheets, business intelligence queries and reports from electronic medical records (EMR) and other operational systems. Some organizations have built a limited degree of enterprise data integration for analysis and reporting through expensive data warehousing technologies. All these capabilities are providing "after the fact" or retrospective insights, which is not timely or provides limited, if any, opportunities for taking proactive actions. Moreover,



there are other valuable sources of data, including those collected from smart and portable medical devices, and socio-economic sources that are not currently being integrated.

Analytics can help health systems predict avoidable readmissions, adverse events, patient risk, utilization, etc. For example, an analytics solution for readmissions can integrate data from medical records, claims, social sources and portable medical devices to predict the probability of patient readmission at the time of admission, during their stay, at discharge and during post discharge periods. With the availability of the right socio-economic data, analytics can even predict readmissions before a patient admission. These predictive insights can aid the health system in planning care, discharge actions and post-discharge care coordination. On an aggregate level, the health system can predict measures and financial impact that affect healthcare delivery and operational efficiencies. According to [Health Data Management](#), these insights will lead to corrective actions, which will improve quality and performance well before penalties are applied by CMS and other payers.



Gray Matter Business Update

Both Advisory Services and CoreTechs® teams have continued to participate in active discussions with leading provider and payer organizations. Here are a few significant highlights:



Gray Matter Analytics secured proof of concept engagements from two new health systems to deploy the CoreTechs® platform and Hospital Readmissions Reduction and Value-Based Purchasing solutions.

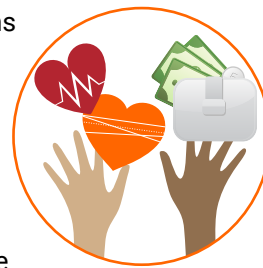


We are finalizing the areas of focus for our CoreTechs® payer solutions. Gray Matter's CoreTechs® payer solutions will initially focus on helping organizations:

- Identify and manage potential high cost/complexity cases
- Utilize call-center data to determine next best action and enhance member and provider engagement
- Perform medical policy benchmarking using natural language processing (NLP)



Gray Matter continues to attract top talent. The newest members of the powerhouse team are: **Elizabeth Baumeister, Engineer**; **Shannon Fuller, Director of Governance, Advisory Services**; **Tim Reagan, Vice President, Provider Services**; and **Adam Shuboy, Data Scientist**



Connect with Gray Matter

We've been in the news lately and invite you to read the transcript of this interview with Sheila Talton: [**Wharton Business Radio In Health Care, Connecting the Data Sends Quality Up and Costs Down**](#). We invite you to read more articles on our [website](#).

- Sheila Talton will be speaking at the following events:
 - Becker's Healthcare 4th Health IT + Revenue Cycle Conference in Chicago – September 19-21
 - DeviceTalks Boston – October 8-10
- Follow Sheila [@GrayMatterCEO](#) and read her [blog](#).

The CIO | Value Proposition of the CoreTechs® Platform

The CIO role in healthcare is evolving from a legacy techno leader to that of a business leader who enables the enterprise through technology. With a focus to improve patient outcomes and reduce cost, innovation with an evolving technology landscape has propelled the CIO into the business leader role. The technology is not a differentiator; it's the application of the technology to the healthcare business model to tackle challenges and enable opportunities that makes a significant difference.

Analytics is a great example of this metamorphosis. Healthcare organizations are investing in analytics capabilities driven not only by regulatory requirements, but also by goal to monetize their data to improve business operations and clinical decision-making. For CIOs, establishing an analytics infrastructure can be challenging and expensive. Here's why:

1. Healthcare analytics is relatively in its infancy and still maturing. Traditional healthcare technology vendors have yet to provide a proven roadmap for enterprise analytics capabilities with a demonstrable ROI.

2. Interoperability is still a challenge, leaving healthcare organizations with multiple disconnected data sets coupled with the lack of ability to consume data from outside their healthcare ecosystem.



3. The existing organizational culture of leveraging technology and methodologies outside of healthcare limits innovation and adoption of new capabilities. How many times have you heard, "What other healthcare systems have you done this with before?"

Gray Matter's CoreTechs® analytics platform enables CIOs the opportunity to create a pathway for digitizing the enterprise. How? By creating an analytics infrastructure that is cost effective, scalable and nimble versus a custom solution or traditional healthcare technology vendor point solutions. Leveraging cloud technology that minimizes the cost footprint while providing a secure, resilient environment allows the organization to scale on demand analytics capabilities without making a sunk cost investment. Gray Matter's CoreTechs® platform and expertise position CIOs and their partners at the C-suite as business leaders who are ready to meet the new challenges of the evolving healthcare industry.

