

FROST & SULLIVAN

CLARIFY HEALTH

2022
CUSTOMER
VALUE
LEADER

NORTH AMERICAN
POPULATION HEALTH
MANAGEMENT INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Clarify Health excels in many of the criteria in the population health management space.

AWARD CRITERIA	
<i>Business Impact</i>	<i>Customer Impact</i>
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

Population Health Management as a Global Response

As the healthcare industry evolves to address new and old challenges, including the pandemic spread, an aging population, chronic disease increasing prevalence, and rising healthcare costs, population health management (PHM) becomes a critical part of the global solution. PHM attempts to improve existing patients' health conditions, help healthcare professionals, better health services design, prevent

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**- Koustav Chatterjee,
Industry Principal**

diseases, and predict future health issues. Most PHM tools combine functions that allow them to collect patient data from various sources, including medical claims and electronic health records (EHR), and the ability to analyze it.¹

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¹ Population Health Management: Goals, Market Overview And Software Solutions
<https://www.forbes.com/sites/forbestechcouncil/2021/10/11/population-health-management-goals-market-overview-and-software-solutions/?sh=1639cc497780>. Accessed December 2021

business outcomes will drive growth. ACOs and payers are top contributing segments and are likely to continue to influence the market throughout the forecast period (2021 to 2026), capturing 86% of the total market revenue by 2022.²

Unified, End-to-end PHM Solution for Value-Based Care

Founded in 2015 and headquartered in San Francisco, California, Clarify Health (Clarify) provides groundbreaking technology and analytics platform to supply precise insights into patient care journeys. Clarify brings actionable insights, enabling physicians, health systems, payers, and life sciences organizations to deliver better care and improve outcomes.

“Frost & Sullivan appreciates how Clarify’s unified end-to-end PHM solution truly powers value-based care (VBC). The company’s offering provides robust and precise analytics that bear a single source of truth, connecting the dots between clinical outcomes and financial performance. They deliver case-mix adjusted provider performance benchmarks and transparent and granular insights.”

**- Julieta Simone,
Best Practice Research Analyst**

The company deliberately brings together deep-seated healthcare experience, big data software engineering skills, and cutting-edge technology to revolutionize healthcare. It leveraged existing relationships with hundreds of health systems, hospitals, and payers to purposefully build a comprehensive analytics platform to optimize care for all.³

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This complete PHM solution incorporates:

- Clarify Care: a cloud-based analytics software that draws upon datasets covering more than 300 million lives to precisely benchmark provider performance. It instantly identifies the most clinically-relevant ways to improve the quality and efficiency of patient care delivery.
- Clarify Populations: predictive analytics software that identifies patient risk and matches individuals to programs best suited to meet their needs.
- Clarify Contracts: a cloud software product that facilitates health plans to design VBC contracts, manage financial performance, and digitize settlements.⁴

The PHM solution is built on the Clarify Atlas Platform, the data and machine learning backbone from which all its products draw upon. This enables a single source of truth across software products. The platform maps over 300 million patient journeys to deliver more than 18 billion AI-powered predictions, putting on-demand business intelligence within anyone’s reach.

² US Population Health Management Growth Opportunities, Forecast to 2026 (Frost & Sullivan, November 2021)

³ <https://clarifyhealth.com/about-us/about-clarify/> Accessed December 2021

⁴ Greater value through personalized care <https://clarifyhealth.com/customers/health-plans/> Accessed December 2021

Notably, Clarify's key PHM competitive differentiators are time-to-value and precision.

Differentiators include:

- **Patient-level social determinants of health (SDoH) insights** that go beyond traditional demographics. SDoH also include transportation access, housing stability, education level, health literacy, and propensity to exercise, presenting a fair picture of outcomes and enabling customers to address health disparities.
- **Longitudinal patient journeys** with the broadest and deepest healthcare datasets comprised of over 300 million unique patient lives with government and commercial medical and Rx claims, electronic health records, labs, genomics, and SDoH data.
- **Advanced groupers** that exceed industry standards by assessing episode or patient risk, generating provider and patient profiles, and constructing longitudinal patient care journeys. The solution offers a library of more than 200 groupings and allows users to configure groupings in the software.
- **Actionable insights** allow customers to pinpoint improvement opportunities at the precise patient cohort-level and discrete clinical behaviors, enabling strategic implementation plans.
- **The patented platform automation** approach to cleaning, organizing, and enriching data allows Clarify to deliver 18 billion AI-powered predictions to identify the highest-priority actions to improve outcomes.
- **Unparalleled return on investment (ROI) track record** through best-in-class implementation methodology and customer success functions.

Customer Experience as a Priority

Clarify showcases industry-leading implementation to achieve customer success. In 2021, it implemented 45 solutions, counting on a precise and tactical system to achieve the best possible performance. Deployment typically takes from around 4 to 12 weeks. Users can access the system within a few weeks of kickoff and typically complete training within 3 to 4 weeks after gaining access.

The process comprises four steps following the kickoff. Customers align on a Project Charter, ask key business questions, define success, and set up configuration parameters. New users can train via Clarify Academy, a four-step training curriculum. These workshops are customizable by role and responsibility and allow users to generate and manipulate insights from the PHM platform. In addition, a weekly project status report delivers highlights on crucial accomplishments, next steps, and risks and issues. Each customer is assigned a customer success manager who works with them directly following implementation. The success manager ensures that the software delivers maximum value and safeguards customer success.

Clarify supports hundreds of customers in achieving a more than a 400% increase in adoption across diverse software as a service (SaaS) offerings. The company documented and tracked more than \$2 billion in ROI for its customers across segments.⁵

⁵ <https://www.businesswire.com/news/home/20210729005084/en/Clarify-Health%E2%80%99s-2021-Net-Promoter-Score-NPS-Beats-Industry-Average-by-Over-40> Accessed December 2021

Clarify prioritizes high customer satisfaction. In 2021, the company's net promoter score (NPS) and customer satisfaction survey (CSAT) significantly outperformed industry benchmarks. Its NPS and CSAT scores are 45% higher than healthcare (27, 3.76) and SaaS (30, 3.95) NPS and overall CSAT benchmarks, respectively.⁶ The positive feedback included customer service, quality of insights, and collaboration. Furthermore, the overall satisfaction scored a 4.4 on a 5-point scale in 2021 for product/deliverable satisfaction. This positive product feedback included intuitiveness, credibility, platform flexibility, and depth and quality of data.

"With Clarify, we're not only being transparent with our provider partners and helping them to see the big picture of how they're performing, but we can pinpoint specific intervention opportunities regardless of where the care encounter happened. I think that's exciting."

-Director of Value-Based Partner Transformation Horizon Healthcare Services⁷

"Combining the delivery of precision insights with the most responsive customer success team has been a winning formula for us."

-VP, Network Strategy and Business Development at Hackensack Meridian Health⁸

Moreover, Clarify added a premium support offering in 2021 that supplies prioritization, personalization, and preparation to help customers realize meaningful value. The service includes, working with Clarify Analysts and Clinical Informaticists to identify opportunities in the Clarify Atlas Platform and conduct analyses and white glove support for in-depth product trainings and quarterly business reviews. Impressively, the company had 17 PHM go-lives in 2021 with an expectation of 33 in 2022.

Client Centricity

Clarify has multiple examples of rapidly growing accounts and signing large enterprise deals from day 1.

Scenario: Horizon Healthcare Services, the only licensed Blue Cross and Blue Shield Association plan in New Jersey, is building provider partnerships across the state, spanning from large integrated health systems to individual physician practices. Their value-based care programs cover 1.6M members and their main goals are to generate shared savings while also providing the best service possible. However, in order to enable their providers to improve care delivery and succeed in value-based programs, they need to ensure that their clinicians have on-demand insights into how they are performing.

The solution: Utilizing Clarify Care, a cloud analytics software that identifies unwarranted clinical variation across the continuum of care with the industry's most precise provider performance benchmarks, Horizon identified \$285 million in savings. The software exposes the discrete clinical behaviors that can be addressed, providing actionable guidance for specific intervention opportunities and outcome improvements. After using Clarify Care to closely assess the distribution of the \$285M in addressable spend, Horizon keyed in on four areas where they could better support their provider partners: (1) unwarranted emergency department and hospital utilization in primary care, (2) low quality specialist referrals, (3) greater than expected acute care length of stay, and (4) high rates of high-

⁶ Clarify's Population Health Management Overview

⁷ <https://bit.ly/3ad41M9> Accessed December 2021

⁸ <https://www.businesswire.com/news/home/20210729005084/en/Clarify-Health%E2%80%99s-2021-Net-Promoter-Score-NPS-Beats-Industry-Average-by-Over-40> Accessed December 2021

cost post-acute care (e.g., skilled nursing facilities). By engaging providers with comprehensive and fair performance insights, Horizon expects that provider partners will see tangible improvement opportunities in the insights shared with them and clinical transformation teams will have more productive executive-level dialogues with provider partners.

Acquisition and Retention Strategies

In terms of acquisition strategy, Clarify has more than doubled its revenue, nicely growing its sales, enablement, and marketing teams in 2021. The company uses a direct sales model to communicate its value proposition and ROI track record to buyers. It also segments its sales team by enterprise and midmarket accounts to prioritize new customers in the midmarket and pursue a geographical expansion strategy in enterprise accounts.

Conclusion

Frost & Sullivan believes that Clarify Health (Clarify) has deep population, market, and performance insights, shaping its population health management (PHM) solutions and services to fulfill their dynamic needs. Making customer value a central business strategy requires close collaboration with clients to define meaningful metrics and measure progress regularly. Frost & Sullivan's own research concludes that Clarify properly delivers advanced PHM tools, deep-seated experience, and actionable insights to bring its clients unparalleled results.

With its strong overall performance, Clarify Health earns the 2022 Frost & Sullivan Customer Value Leadership Award in the population health management market.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

