eClinicalWorks

An innovative EHR vendor with remarkable market success

SUMMARY

Catalyst

The electronic healthcare records (EHR) market is heavily saturated and intense competition makes it difficult for many vendors to stand out from the crowd, but eClinicalWorks is something of an aberration. Unlike most of its competitors, the vendor has experienced great success, and in a little over a decade has grown annual revenues to nearly $200m. All signs point to continued success for the company in the near and distant future. eClinicalWorks is known for its strong fixation on and significant investments in innovation. Every year, during its annual user conference, the company announces new solutions and/or significant modifications or expansions to existing products. This year's event was no different as the company revealed, to a crowd of several thousand, big plans for its EHR product's next iteration.

Key messages

- eClinicalWorks has experienced significant annual revenue growth in part due to the introduction of innovative products and solutions

- New products focus on enhancing patient engagement, ICD-10 capabilities, and iPad application development

- While innovative products are attractive to enterprises, innovation should not be the sole consideration when selecting a vendor

Ovum view

eClinicalWorks has proven itself to be a formidable market player in the EHR space and its continued and often strategic focus on innovation will certainly play a pivotal role in maintaining and enhancing its market stature.

RECOMMENDATIONS FOR ENTERPRISES

Why put eClinicalWorks on your radar?

Each year eClinicalWorks becomes a stronger market force and introduces new and innovative solutions. Innovation, at its core, is often a good thing as it in many cases creates better responses to the most prominent problems or issues users face. The innovative tools eClinicalWorks has recently introduced hold promise in enhancing provider efficiency and productivity, improving patient care, and enhancing patient engagement. These benefits are key to improving healthcare delivery and clinical impact, and should compel providers to put the company on their radar.

While innovation is certainly important and if properly leveraged can improve quality of care and reduce costs, Ovum suggests that enterprises look beyond innovation alone as the sole consideration when selecting a vendor. Often it is easy for enterprises to gravitate toward the glamour of innovative products, without prioritizing the specific needs of the institution, which for some providers might necessitate the selection of a less innovative vendor. The primary consideration for any enterprise should be to choose an EHR solution that best meets its needs.

HIGHLIGHTS

Background

eClinicalWorks, founded in 1999, is a privately held Westborough, Massachusetts-based company offering electronic health records and practice-management technology. The company's client base consists of over 60,000 physicians and 180,000 providers. Year after year eClinicalWorks experiences eight-figure revenue growth and in 2009 had revenues of about $106m and over $150m in 2010. Company estimates project revenues to be roughly $200m for 2011.

For now, the vendor has restricted its market presence to the US and has customers in all 50 states. eClinicalWorks has just one product for all specialties and practice sizes. The EHR allows for customization of the product to meet specific customer needs, but the company does not develop or market any solutions for specific segments. Customers can select either a client/server or SaaS service delivery model.

Current position

eClinicalWorks' strong revenue growth year after year is in part a testament to its ability to aptly respond to market demands and its understanding of what customers want. Over the course of the next few quarters, eClinicalWorks will introduce a series of updates and new products, several of which Ovum believes will be game-changers and further cement and expand the company's market presence. These include:

- A collection of patient mobile applications (equipped to feed patient-driven healthcare data into provider portals) that will perform a range of tasks from medication tracking to disease management and vital signs monitoring

- Comprehensive revamping of the patient portal

- Patient kiosks that operate much like an airline kiosk and allow patients to electronically "check in" and make payments

- A native iPad application with full and comprehensive functionality

- A robust ICD-10 code search engine

eClinicalWorks has caught on to what many vendors have not: that patients should be a central consideration in EHR product development. Healthcare reform and other policy efforts are encouraging the individual patient to take a much more active role in his/her healthcare. In turn, providers are expecting and demanding that EHR products contain features specifically intended for the patient. EHR products, which are principally designed for providers, can no longer be siloed

off and only interface with the physician or nurse. They must now also engage and re-engage the patient.

Although many EHR vendors offer mobile capabilities, few offer native applications and even fewer offer full functionality on mobile platforms. eClinicalWorks is unique in this product offering and customers will be sure to take note. With the surging popularity of mobile products, especially tablets such as the iPad, Ovum believes the company's introduction of the new iPad app is very apropos. We would, however, warn eClinicalWorks against completely dismissing possible plans for developing additional native apps for other platforms. Such a move could prove disastrous should physicians begin to develop an affinity for other platforms such as Droid.

A growing number of physicians are expressing concerns about whether or not EHR systems will be ready for the mandated 2013 ICD-10 conversion. Many vendors have simply responded that yes, their systems will be ICD-10-ready. eClinicalWorks, however, has taken immediate action and incorporated preliminary ICD-10-based features, the most impressive of which is a robust search engine that displays all ICD-10 codes and corresponding ICD-9 codes. eClinicalWorks is certainly ahead of its competitors in the ICD-10 game.

DATA SHEET

Key facts

Table 1: Data sheet			
Product name	eClinicalWorks	Product classification	Electronic Health Record & Practice Management Software
Version number	9	Release date	2011
Industries covered	Healthcare	Geographies covered	United States and territories
Relevant company sizes	Small to Large	Licensing options	Subscription
URL	www.eclinicalworks.com	Route(s) to market	Direct
Company headquarters	Westborough, MA	Number of Employees	1,750

Source: Ovum **OVUM**

APPENDIX

"On the radar"

"On the radar" is part of Ovum's series of research notes that highlights up-and-coming vendors that bring innovative ideas, products, or business models to their markets. Although "On the radar" vendors are not always ready for prime time, they bear watching for their impact on markets and could be suitable for certain enterprise and public sector IT organizations.

Further reading

Business Trends: Healthcare Technology, Understanding Your Healthcare Technology Customer 2010, Survey, Reference Code: OI00040-003, 2 February 2011

2012 Trends to Watch: Healthcare Technology, Brief, Reference Code: OI00133-031, 24 October 2011

Electronic Health Records in 2010, Brief, Reference Code: OVUM052470, 17 June 2010

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