Information Technology

Master data management (MDM) takes center stage
Nicholas Basta | August 26, 2014

MDM practices are moving far beyond compliance concerns

There’s no question that the Physicians Sunshine Act—that part of Obamacare that mandates the reporting of payments and contributions of “transfers of value” to healthcare providers (HCPs) by the life sciences industry—has had a major impact on the business of providing HCP identifications, locations and affiliations. These “master data files” have been a steady business for years for the American Medical Assn. (which sells its data to a group of database licenses) and a host of private companies. The Sunshine Act mandates public disclosure of industry payments, aggregated by HCP over the course of a year; at pretime, the first national, industry-wide disclosure was to occur around Sept. 30—but if AMA and others have their way, could be delayed to March 2015 (see box).

Being able to report accurate “agg spend” data depends on reliable identifications of individual HCPs, and that has set in motion an aggressive drive by pharma companies to get their internal lists cleansed and verified. But along the way—hastened by a rapid evolution in master data management (MDM) software—pharma IT departments are looking at master data as the foundation to organize many aspects of HCP interactions—sales calls, website subscriptions, prescribing patterns, and even non-health-related data like credit reports, personal travel and the like to create a comprehensive view of the prescriber, his or her professional affiliations and preferences for (and reactions to) multichannel media outreach. MDM is fast becoming a core functionality of customer relationship management (CRM) as well as overall marketing strategies.

A good example of this is the actions by Veeva (Pleasanton, CA), a leading CRM vendor, to add the Veeva Network, incorporating an MDM vendor acquisition, AdvantageMS, to its slate of offerings last year. More recently, IMS Health made a $320-million bid (to be voted by the Cegedim board in November) to acquire Cegedim Relationship Management (Bedminster, NJ), which includes the OneKey master database, an MDM platform, Nucleus360, and a CRM platform, Mobile Intelligence. “OneKey would join our complementary information assets available through IMS One and deliver insights on nearly 14 million healthcare providers across the globe,” says Seyed

AMA and 110 other medical associations seek Sunshine Act delay

Postponement of public data for six months is justified by slow rollout of CMS rules, they say

The pharma industry, among other life sciences firms, has been busy for most of this year preparing its reports to CMS on payments made to prescribers and some of their hospital affiliations. But over on the physicians’ side, near-panic seems to be
Mortazavi, president, IMS Health US.

Historically, MDM software was a type of business intelligence application, meant to connect customer interactions across multiple business areas as a way to provide insights to customer behavior. Vendors like Informatica and Information Builders joined offerings from IBM, SAP, Oracle and others to provide the platform into which pharma companies could load customer data. One of the newest contenders in this field, Reltio (Palo Alto, CA)—chosen this year by Gartner Group as one of its acclaimed “cool companies”—has built a cloud-based MDM system as part of a “data as a service” offering. In the past year, Reltio has partnered with several traditional HCP data providers: MedPro Systems (Mt. Arlington, NJ), Health Market Science (King of Prussia, PA) and Enclarity, a LexisNexis Company (Minneapolis, MN) to deliver HCP data to life sciences companies and vendors in the healthcare arena.

Cegedim Relationship Management had already developed its own MDM platform, called Nucleus360, to provide comparable, cloud-based MDM data. “We’ve been very successful with Nucleus360 in the past year,” comments Drew Bustos, a company spokesman. “In addition to multiple multinational companies who have acquired the technology in the US, we’ve signed up 14 other business units in the past year in Europe and Asia-Pacific.”

Obtaining reliable HCP data is now a global activity, for regulatory as well as commercial reasons—more about that later.

Latency goes away

LexisNexis, which acquired Enclarity last year, has a substantial business in providing HCP data for medical claims for insurers, and this business is under the gun these days as CMS tries to get a better handle on improper claims payments to HCPs under Medicare, Medicaid and related programs, says Warren Gouk, SVP for healthcare at the company. Notices of, for example, license restrictions on HCPs can take upwards of six months to pass from a state authority into MDM databases, and out to pharma companies; in that time frame, a host of billing issues could have been generated. LexisNexis uses claims, legal and financial data (from other business lines in its Risk Solutions business unit) to propagate these data in a matter of days, he claims. “Zero latency is the goal.”

Accurate status data of HCPs not only affects Medicare claims, but also compliance issues such as the distribution of samples under the Pharmaceutical Drug Marketing Act (PDMA) and DEA rules about controlled substances. Both of these, in turn, involve data that feeds into agg spend reporting requirements.

Gouk says that his company differentiates itself with the comprehensiveness of its reporting, providing information on up to 125 fields for each HCP, and its ability to draw on consumer-oriented data such as financial services used by HCPs to provide a richer profile. Another feature of its service is that profiles are rated with a “confidence score,” meaning that there is information about how reliable the data are.

MedPro Systems, which has been in the HCP data business for 25 years, touts a 300-field profile of providers, and has been busy lately extending its data services into new areas, notably the license information that is coming into place under the Drug Quality and Security Act (DQSA), which will require—for the first time—an authorization of wholesalers and logistics providers to be distributing the drug products that they handle. Besides its alliance with Reltio, MedPro has also partnered with Concur Technologies, a travel-and-expense reporting system popular among pharma companies, and Databases (Reston, VA), another T&E vendor. In both cases, these alliances make agg spend reporting by sales reps smoother. In addition, it works with Porzio Pharmaceutical Services, a regulatory compliance company, for an agg-spend offering specifically.

Ray Ungemach, VP at MedPro, says that the Sunshine Act has forced pharma companies to take a step back and reconsider the entire MDM process, looking at it not just for compiling the spending

setting in as the Sept. 30 date for public release of the spending data approaches. A letter* has been sent to Marilyn Tavenner, CMS Administrator, seeking a six-month publication delay as required by the Open Payments System established under the Physician Payments Sunshine Act (which was passed as part of the Affordable Care Act). At pretime, there had been no CMS response.

“Fundamentally, we have no issue with efforts to increase transparency in the interactions between physicians and industry,” says the American Medical Assn. “However, we have a number of serious concerns regarding how the Open Payments System has been implemented.” AMA cites the delay in CMS issuing registration instructions for physicians into the system (so that they can review the data about them); a cumbersome registration process; procedural rulings for how educational activities and medical publications are covered; and industry’s ability (as determined by CMS) to have final say on data disputes.

AMA was joined by 61 other physician professional groups, and the medical associations of 48 states and the District of Columbia (for whatever reason, Alaska and Wisconsin didn’t sign on).

Information about the Open Payments System is front and center on AMA’s website homepage, and the association has developed a “Sunshine Act toolkit” to assist its members. Several media organizations—including ProPublica, an investigative journalism enterprise that started a “Dollars for Docs” information service several years ago, are eagerly waiting to see what the data will reveal.

data but as an asset in marketing. “One of the most important factors currently is affiliation data—which organizations an HCP belongs to, is employed by, or affiliated with,” he notes. Affiliations intersect with the formulary plans of insurers and healthcare networks, which in turn affects the prescribing practices of the HCPs.

MedPro’s longevity in the business has given it a better level of access to certain data—especially from state-level regulatory bodies. The company counts over 800 such sources; and Ungemach says that MedPro not only obtains the licensing and validation data as it becomes available, but also tracks what it has done in the past month or year with the quality of that data, so that it can anticipate what followup is needed (for example, through the use of a call center) when data records are updated. “Some of these processes can be automated, but our belief is that everything can’t be done by an algorithm,” he says.

Technology advances
But algorithms are exactly what’s on the minds of experts at Health Market Science, which provides both comprehensive data on HCP and HCO identities and demographics, as well as technology to perform analytics on that data. The company just announced the awarding of a US Patent (8,731,971) for “data models and algorithms leveraging columnar and graph databases” and to do so while preserving historical versions of the entities in the system. All this feeds into the MDM and analytics system that HMS markets, called Current. The company notes that the technology decreases latency when data are being processed across a range of computers.

Theresa Greco, GM of Life Sciences at HMS, reinforces the reality that MDM is being called on to support more and more functions in pharmacy such as Compliance departments, focused on global agg spend, disclosure initiatives and commercial operations supporting account-based selling initiatives. Like MedPro, the company has also licensed its data services to Concur Technologies for agg-spend reporting; HMS has also been involved in providing the data necessary to demonstrate that clients are in compliance with corporate integrity agreements regarding how they market their products. And while there has been talk of tapping more directly into the electronic health records (EHRs) that are being more widely used in healthcare settings, HMS is finding a desirable market among EHR vendors themselves, who need help in identifying potential new clients, their affiliations, and the types of EHR systems they might be using. The company is expanding its platform to incorporate data from social media feeds—a trend that many MDM providers are trying to get in front of; in order to present richer data on HCP communication and influence patterns. And it is handling “bidirectional” data gathering—cases where clients, in effect, can update records that come back to HMS for verification.

Such bidirectionality opens up the prospect of pharmacy companies performing their own updating of HCP records, then sending them to the MDM provider for verification (the example would be that a pharmacy rep might be the first to know that an HCP has opened a new office). That, in turn, raises the possibility of pharmacy companies themselves pooling their resources to generate needed HCP data, presumably at a lower cost than what individual vendors are charging. LexisNexis’ Gouk says that his company does exactly this for leading insurers, and the idea has been proposed in the past to pharmaceutical manufacturers but not broadly accepted.

That could change, to some degree, through the efforts of Veeva, the CRM vendor. The company announced Veeva Network a year ago, then acquired a US-based MDM company (AdvantageMS) as well as one in China for that market. Veeva proactively maintains this data by continuously aggregating and verifying data from hundreds of authoritative data sources.

Dyax Corp’s journey to MDM-driven multichannel success in the cloud

Life sciences companies of all sizes today are faced with a unique set of commercial challenges. In an environment where the customer could be anyone from a physician to an integrated delivery network (IDN), potentially based anywhere in the world, and accessible via a complex mix of communication channels, accurately identifying and targeting key customer segments is more important than ever. For Dyax Corp. (Burlington, MA), a rapidly growing Massachusetts-based biopharmaceutical, the answer was in the cloud.

At Dyax, keeping up with the constant changes in the medical community had fallen to the sales force. Field representatives managed HCP data in their CRM system, resulting in duplicate accounts, outdated information and extra labor. An in-depth analysis of their data revealed 2,000 duplicate or incomplete healthcare organization (HCO) records, several hundred duplicate HCP records, thousands of missing phone numbers and addresses, and limited use of unique identifiers like NPI numbers. “Many of the profiles lacked even basic enough information to make the profiles valuable,” says Andrew Sheely, director of IT. “Essentially, we lost control of our data.”

The key to making users more productive, according to Sheely, was centralizing data management with a solution that provided the information reps needed at their fingertips. To create the master data foundation required for a successful multichannel strategy, Dyax became an early adopter of Veeva Network, a cloud-based customer master solution. Part of Veeva Commercial Cloud for life sciences, Network combines industry data, services, and a globally accessible customer master application.

Seamless integration and interoperability between Veeva’s commercial solutions in the cloud means Network’s data is available directly in Veeva CRM, where Dyax’s reps can access it. Bringing life sciences companies together to contribute updates to customer information that are verified by data stewards and added to the master data repository, the solution generates a “network effect” that allows data to improve over time. As more and more companies join Network, the data grows in...
sources. For participants in Veeva Network—at their option—Veeva accepts updated information from them, verifies it and then shares it with Network participants. “This is absolutely happening,” says Paul Shawah, VP of product marketing at the firm. He adds that it’s not necessarily a cost-saving approach, but one that can improve the value and accuracy of the databases. “Conventional data sources can take days or weeks for updated information to flow back into the database; in this case, the update can happen in 24 hours and be more accurate,” he says.

Shawah also makes a point that pharma companies are benefiting by outsourcing the “data stewardship” to companies like his—something that many of the leading MDM providers are beginning to do. Clients can share some data, but retain some of it within their own Veeva-operated database that is managed by the company. Like other Veeva products, the databases are cloud-based, and interfaces between Veeva CRM and Veeva Vault (a service for approving and distributing digital content across all channels) are fast and clean. At this year’s Veeva customer event, the company rolled up all these services (including a multichannel resource allocation service called Align) as the “Commercial Cloud for the Life Sciences.”

With its integration of MDM services into CRM, Veeva is following the pattern set by its arch-rival Cegedim Relationship Management, with which it has competed aggressively in the CRM space. For its part, Cegedim Relationship Management hasn’t stood still. Besides developing the MDM platform, Nucleus360, the company has arguably the most comprehensive global master database, OneKey, which brought together its US business (primarily developed through an acquisition, SK&A Information, several years ago) and master data compilations provided by Cegedim SA, its French-based parent.

Jack Schember, senior director, US marketing at Cegedim Relationship Management, notes that for years, Cegedim had touted its extensive call center operations, which provided direct, semiannual updating of HCP records. This has been complemented by purchased or licensed supplemental data; Schember says that 2,000 updates come into the databases daily. OneKey also entails data-stewardship services, and Schember says that the SK&A resources can be tailored to provide specific market research goals for clients.

Additionally, other parts of the Cegedim organization run activities such as copay coupon programs for clients, and those data can provide important insights to prescriber practices. Finally, the Cegedim organization has been rolling out its own online community for physicians, DocNet, which has been up and running in Europe for several years, but was introduced only in the past year in the US. (Where DocNet winds up following the merger with IMS Health remains to be seen.)

“Multinational biopharma companies are confronting regulatory transparency requirements similar to the US’ Sunshine Act around the world, and many companies are now consolidating their various databases to achieve a single view of a customer,” he says. Part of this is to ensure a meaningful level of standardized compliance practices wherever that is an issue, he says, but equally important is the cost of implementation. “There is a big IT department advantage when we can provide global data organized under one data model, and accessed in a standardized manner,” he says. “There are incentives for companies that purchase provider data for multiple countries, but the single-data model is a big implementation advantage.”