Microsoft taps into 17 health systems with its Truveta deal

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The news: Healthcare data analytics startup **Truveta selected Microsoft Azure** as its exclusive cloud partner

 Truveta <u>launched</u> in February of this year and is backed by 17 US health systems, including Northwell Health, CommonSpirit Health, Providence Health, and Trinity Health. Its Platform sifts through the collective health systems' deidentified patient data using AI and machine learning to help providers deliver efficient, high-quality, personalized care.

This partnership comes a few months after Truveta's <u>\$95 million Series A funding round</u> which it said it would use towards building out its platform's infrastructure and cloud computing costs.

Why this is a strategic deal for both Truveta and Microsoft: For its part, Truveta can leverage Microsoft's Azure cloud platform to tighten up its cybersecurity measures and stay on top of evolving regulatory changes.

Meanwhile, Microsoft can tap Truveta's network of health system partners to gain a stronger foothold in healthcare.

 Although Microsoft already works with healthcare partners like Mayo Clinic, Epic, Cerner, and Change Healthcare, its partnership with Truveta would give it access to major health systems from across the US.

Teaming up with a company with lots of backing from more traditional healthcare entities could help Microsoft build up credibility in healthcare.

- Microsoft's peers have encountered many <u>twists and turns</u> in their attempts to go from Big Tech firms to health tech firms.
- **Google** recently disbanded its healthcare division (Google Health) in August.

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- **IBM's Watson Health** came under fire for producing erroneous treatment recommendations and struggled to retain major hospital clients in 2018.
- And **Facebook's** digital health attempts (like its preventative health tool) never really took off.

What's next? Truveta is a young yet powerful startup—which means it's in pole position to be acquired by a bigger company, maybe even a tech giant like Microsoft.

Big Tech companies have been trying to ride the tailwinds of the pandemic-era digital health boom, but many have faced challenges along the way—namely, mistrust among consumers, cybersecurity breaches, and regulatory hurdles.

 Acquiring a startup like Truveta—that's backed by the nation's largest health systems—could be a major win: <u>64%</u> of US adults trust the US healthcare system at large—meanwhile, <u>56%</u> of consumers said they don't trust tech companies with their health information.



 Moreover, Truveta has access to 15% of all health data in the US via its health system partnerships—combined with Microsoft's cloud platform and AI-powered analytics, it could help providers make even faster and accurate clinical decisions.

US Adults' Trust in Their Health Care Providers, by Age and Provider Type, Jan 2021

% of respondents in each group

	18-29	30-44	45-59	60+	Total
Nurses	80%	84%	87%	88%	85%
Doctors	77%	83%	84%	90%	84%
Hospitals	63%	68%	73%	81%	72%
The healthcare system as a whole	54%	57%	62%	77%	64%
Government health agencies	51%	59%	57%	56%	56%
Pharmaceutical companies	29%	31%	31%	42%	34%
Health insurance companies	22%	28%	31%	47%	33%
Note: n=2,069; trust/somewhat trust Source: NORC at the University of Chicag	o AmeriSpe	ak, "Survey	of Trust in	the U.S. I	lealth

Care System," May 25, 2021

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