

5 Ways Health IT Startups Can Stay Ahead of the Competition

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Entrepreneurs in the health IT field are very aware that they have entered an industry full of competition and challenges, but many of them don't understand how to overcome these challenges. Here are a few tips.

Entrepreneurs and founders who have chosen to launch businesses with roots in the health IT industry know fully well that they have committed to a professional life full of breakneck changes and warp-speed innovation. For many heads of health IT startups, that's part of the appeal – but it calls for an extra level of due diligence among leaders in the field, who need to take extra care to not only keep up, but keep their businesses a few steps ahead of competitors.

As the director of client engagement of Blue Health Intelligence, an independent licensee of the Blue Cross Blue Shield Association, and a former business intelligence leader of Rush University Medical Center, I have seen health IT startups repeatedly make mistakes that tend to keep fledgling companies in this industry from jumping to the front of the pack. Along the way, I've also seen patterns that have, over time, revealed themselves as best practices. I'd like to share a few of the latter with you.

1. Pop the data silo bubble you're living in.

For a long time now, it's been a good idea to work to pull down the walls that separate the distinct parts of your organization from one another and make sure they're talking across those lines, especially when it comes to sharing data and analysis across the company.

It's no longer just a good idea to break down these silos – it's now absolutely necessary. There's value to be unlocked when leaders of an organization work to build bridges between different departments and pull together a full picture of what the data relevant to your company is showing you. This means engaging and deploying cross-functional teams.

2. Diversify your data portfolio.

I'm seeing far too many health IT organizations, even new startups, rest on their haunches and fail to look beyond traditional sources of healthcare data, namely medical claims and electronic

medical records. While those are still useful sources and will no doubt continue to be so, health IT startup founders can't rest in their search for new sources of health-related data.

One example of the data sources that can't be ignored is [wearable technology](#) and at-home connected medical devices, like smartwatches, fitness trackers, glucose and weight monitors, and other mobile health (mHealth) technologies. Such technology collects health data outside of the confines of a hospital or doctor's office, which allows for a fuller picture of a population's health. Consider that if you are poor and uninsured, you are unlikely to visit a doctor or have much claims history unless you visit the ER. Wearables and other mHealth technologies such as personal health records may round out a data picture. Organizations should look to collaborate with companies that specialize with these types of consumer-driven healthcare data, or look for opportunities to purchase data to supplement and enhance their own data sources.

There are also organizations that offer population health data that startups can utilize for free, such as the [Robert Wood Johnson Foundation](#), which publishes dynamic health data, [and the Johns Hopkins Center for Population Health Information Technology](#), which provides access to public health data and content.

Another example is the large potential use for [blockchain technology in health IT](#), as it is increasingly helpful in allowing organizations to access, verify and trust huge amounts of data in one place, helping them gain a fuller awareness of what's going on. Health IT startups should take it upon themselves to leverage this architecture and catalyze greater integration of data across organizations and industries.

3. Hone your company's identity, and resist temptation to water it down.

I see it again and again: So many startups feel the need to bite off more than a brand-new company can chew and bog themselves down in the process. If you focus on too many products and capabilities, you compromise your ability to sharpen an efficient, effective and unique offering. For example, Groupon became successful on a very specific business premise: offering discounts. Now it offers a wide variety of services and products, and its identity has become muddled in the process. The mistake? It lost sight of its core competency.

I get that sometimes you need to evolve to stay relevant, but be calculated and strategic. Play to your strengths, not the strengths of others. If you're a startup founder, especially in health IT, when someone asks, "What are you (or your company) good at?" do not be afraid to offer a specific and finite answer rather than suggest you're good at everything.

4. Just ask!

Funding and networking will never stop being important parts of your business's success. Make sure that you and your company's other leaders regularly attend conferences, trade shows, and other events where you can get your company's name out there to attract funding and customers.

Once you show up at all the right events, your job isn't over – you need to speak up, again and again. Be proactive and even aggressive rather than passive in setting up meetings with funders, reaching out to form exciting collaborations, piloting initiatives with a nonprofit.

Take advantage of the startup community you are part of. Healthcare incubators and accelerators are building tremendous companies throughout the nation. Get involved in this community and create partnerships. Taking the initiative and getting involved will open up many opportunities.

5. Stay tuned.

Of course, what is great advice today will be missing some crucial elements by next year. This industry is changing rapidly, and brand-new areas are emerging that we couldn't have imagined a decade ago. While you can't master or immediately integrate each new thing into your business model, you should work to maintain a passing awareness of what's happening.

Make sure your customers see you at the front of this industry race. Show your value, especially in areas where you can solve problems that are difficult for traditional brick-and-mortar medical institutions to touch.

A fast-moving industry forces its leaders to work harder, but it also presents them with unique opportunities. If you're confident in your startup's identity, it's easier to find places to take advantage of these opportunities and ask for help as soon as necessary. Don't wait: Situate yourself to do what your company needs you to do in this warp-speed industry that is health IT.

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