

STRATA DECISION TECHNOLOGY COMPLETES ACQUISITION OF EPSi

COMBINED ORGANIZATION SERVES 400+ HEALTH SYSTEMS, 2,000+ HOSPITALS

**CUSTOMER BASE OF THE NEW STRATA ACCOUNTS FOR APPROXIMATELY 50% OF
THE HOSPITAL AND HEALTH SYSTEM SPEND IN U.S. HEALTHCARE**

CHICAGO, October 15, 2020 — Strata Decision Technology (Strata) today announced that it has finalized the acquisition of the EPSi business from Allscripts (NASDAQ: MDRX), creating the gold standard in healthcare for financial analytics, planning and performance solutions. With a combined network of over 400 health systems and 2,000 hospitals and the highest customer satisfaction ratings in the industry for over a decade, the new Strata brings a unique set of software and service solutions to help healthcare providers better analyze, plan and perform in support of caring for their community and reducing the cost of care.

Spending on U.S. healthcare is expected to pass \$4 trillion¹ in 2020 with approximately 50% of that spend, or \$2 trillion, coming through healthcare providers.² Hospitals are under significant pressure, with average operating margins of 2% and over 30% operating at a loss. The coronavirus pandemic has driven significant increases in the cost of care coupled with major declines in patient and procedure volume, creating the biggest financial crisis in the history of U.S. healthcare.

The new Strata is uniquely positioned to help healthcare providers manage through the crisis and bend the cost curve, with a combined customer base representing approximately 50% of the \$2 trillion provider spend in the U.S. healthcare system.

“The new Strata is the first company with the solutions and scale to help to solve the biggest problem in healthcare – the cost of it,” said Dan Michelson, Chief Executive Officer of Strata. “Hospitals and healthcare delivery systems have never been under more pressure and they are looking for a trusted partner to help. Bringing Strata and EPSi together creates one company with a customer base of over 400 healthcare delivery systems accounting for approximately 50% of provider spend in U.S. healthcare. There is now a clear market standard that CFO's and their organizations can depend on to help them better analyze, plan and perform financially in support of their clinical mission. Every executive team at every health system is looking to understand and reduce the cost of care right now. We're here to help.”

Strata and EPSi have been the recognized leaders in healthcare cost accounting for over a decade, with solutions rated No. 1 in KLAS for Business Decision Support 14 times. Advanced capabilities of the offerings include real-time and time-driven costing, providing the ability for healthcare providers to extract time-based data from existing

systems in an automated fashion in order to better understand the actual cost of labor and supplies while leveraging real-time analytics and predictive variance alerts.

100% Commitment to EPSi

Strata is 100% committed to both the EPSi product and customer base. There are no plans to sunset the product, and investment in the product will continue. Customers may choose to transition to the other, more advanced technology and cloud solutions that Strata offers, but will not be forced into that transition. Additionally, EPSi customers will continue to work with their same team for implementation, support and optimization, and the Company will focus on continuing to find ways to enhance customer experience over time.

EPSi users will also have the opportunity to explore the other software and service solutions that Strata offers. Through the years, over 40 organizations have made the transition from EPSi to the cloud solutions from Strata. Today over 25 organizations use solutions from both EPSi and Strata together in the same healthcare delivery system. Strata will be working to accelerate innovation to help healthcare providers solve even more mission critical problems for their organizations.

A Complete Platform of Software and Service Solutions

Strata provides a complete platform of software and service solutions to help healthcare providers better analyze, plan and perform including:

- *Analytics:* decision support, advanced cost accounting, real-time costing, time-driven costing, benchmarking and comparative analytics, product line analysis, contract modeling and management, risk-based and capitated contracts, strategic pricing, data visualization, data science collaboration
- *Planning:* operating budgeting, dynamic planning, rolling forecasting, long range financial planning, strategic product budgeting, capital planning, capital tracking, equipment replacement
- *Performance:* productivity, management reporting, clinical variation, initiative tracking, performance management, cost reduction, margin improvement

Additionally, with a significant number of academic medical centers, children's hospitals and cancer centers now using solutions from Strata, the Company is in a unique position to support research in several areas including the cost of care through its StrataSphere™ data science collaborative.

Michelson continued, "We're not a product, we're a solution. And we're not a short-term vendor, we're a long-term partner, which is exactly what is needed as the problems in healthcare are stunningly complex. To solve them, you need to dive deep and then go deeper. It requires a complete commitment and focus on healthcare with a long-term track record that shows you can and will deliver. Since their founding, both Strata and EPSi have been exclusively focused on healthcare. For over 20 years, this is all we have done, and it will remain that way. Strata is and will be 100% dedicated to healthcare in

everything we do, every single day. We're here for the long-term and we're here to make a difference."

To learn more about the new Strata, visit us at www.stratadecision.com/thenewstrata.

About Strata Decision Technology

Strata Decision Technology provides an innovative set of software and service solutions to help healthcare providers better analyze, plan and perform in support of caring for their community and reducing the cost of care. Our customer base includes over 2,000 hospitals and over 400 healthcare delivery systems. Founded in 1996, our mission is to *Help Heal Healthcare™*. For more information, please go to www.stratadecision.com.

About Allscripts

Allscripts (NASDAQ: MDRX) is a leader in healthcare information technology solutions that advance clinical, financial and operational results. Our innovative solutions connect people, places and data across an Open, Connected Community of Health™. Connectivity empowers caregivers and consumers to make better decisions, delivering better care for healthier populations. To learn more, visit www.allscripts.com, [Twitter](#), [YouTube](#) and [It Takes A Community: The Allscripts Blog](#).

Sources:

¹ Office of the Actuary in the Centers for Medicare & Medicaid Services - National Health Expenditures Projections 2019-2028 - Forecast Summary - <https://www.cms.gov/files/document/nhe-projections-2019-2028-forecast-summary.pdf>

² Office of the Actuary in the Centers for Medicare & Medicaid Services - Nation's health dollar: where it came from, where it went (PDF) - <https://www.cms.gov/files/document/nations-health-dollar-where-it-came-where-it-went.pdf>