

## Initiate Acquisition Frequently Asked Questions

### Purpose

The purpose of this document is to address particular questions and provide additional insight about IBM's acquisition of Initiate. To view the full press release, go to: <http://www.ibm.com/press>.

### Q. **What are you announcing today?**

On March 1, 2010, IBM announced that the acquisition of Initiate Systems, Inc. has closed, and that Initiate is now an IBM Company. Initiate is an established market leader in data integrity solutions for information sharing among Healthcare and Government organizations.

### Q. **Who is Initiate? What do they do?**

Founded in 1995, Initiate's solutions enable clients to work more intelligently and efficiently, with a trusted view of data, including patient, provider and member information for healthcare systems, and a composite view of individuals to help government agencies provide more timely and effective citizen services.

The company has an established install base of over 200 clients, and provides a trusted, proven platform for sharing and aggregating information that:

- Delivers patient and provider solutions for integrating and delivering a trusted view of information for Health Care Information Exchange (HIE) and Enterprise Master Patient Index (EMPI) requirements
- Brings deep healthcare industry knowledge and experience in deploying healthcare information sharing solutions that support HL7 and HIPAA requirements
- Offers Initiate Exchange, a SaaS based intelligent information sharing platform, that enables health systems to rapidly connect disparate physician practices promoting the adoption of electronic medical records
- Provides information integration solutions for government departments and agencies that need trusted information to improve services and boost efficiency.

### Q. **Why did IBM acquire Initiate?**

Healthcare organizations and governments around the world today are embarking on new initiatives to improve the health and safety of citizens, while businesses across a broad range of industries seek ways to establish more intimate relationships with their customers and reduce operational costs.

- In healthcare, this means finding ways to simultaneously improve patient care and operational performance.
- Government clients are investing to provide more timely and effective citizen services, and to identify and integrate information across systems to boost efficiency.

A common requirement for these and other similar initiatives is proper management and delivery of trusted information when and where it is needed. The acquisition of Initiate complements IBM Information Management software, expanding capabilities for establishing and delivering trusted information, and enables IBM to help clients deliver smarter solutions for the planet.

### Q. **How will Initiate customers benefit?**

Initiate customers will immediately benefit from the combined technologies and skills of both companies, giving them an open standards-based infrastructure for sharing trusted information, with the expertise and global resources to help optimize their business transformations. They will also benefit from the increased investment, global reach, industry expertise and support available

from IBM. IBM remains committed to open standards and intends to continue to support and enhance the Initiate products across heterogeneous information systems.

**Q. How will the acquisition affect Initiate Business Partners?**

IBM is very interested in continuing relationships with the skilled Business Partners that have made the Initiate technology successful. As IBM works hard to deliver portfolio enhancements based on Initiate technology, Initiate Business Partners are encouraged to get started now. To find out more about establishing a deeper relationship with IBM, visit [ibm.com/partnerworld/swvaluenet](http://ibm.com/partnerworld/swvaluenet).

**Q. How will the Initiate team fit organizationally within IBM?**

Initiate is now part of the Information Management business, lead by Arvind Krishna, General Manager, IBM Information Management, within IBM Software.

**Q. How does this affect IBM's Smarter Planet and New Intelligence vision?**

The world today is experiencing a revolution, creating an explosion of information. Organizations that are taking advantage of this new wealth of information are able to make more intelligent decisions and rise to the top.

Healthcare systems need to be instrumented, interconnected and intelligent...

- **Instrumented** Capturing data in EMRs and from devices and sensors enables higher quality, safer care and increases operational visibility into staff and medical equipment use and condition
- **Interconnected** Connecting patients, clinicians, support groups and insurers removes information barriers so they can collaborate to make evidence-based decisions.
- **Intelligent** Using information in a predictive and preventive way can proactively keep people healthy, optimize clinical and business operations and differentiate services.

Smarter government means collaborating across departments and agencies to access and manage resources more effectively, to become truly citizen-centric and boost efficiency levels.

IBM is helping clients achieve Smarter Healthcare and Smarter Government by using information to transform systems, gaining insight from the information explosion and seizing the opportunity to collect and share information pervasively across the entire value chain.

With the Initiate acquisition, IBM will expand capabilities for establishing and delivering trusted information to stakeholders and systems, helping healthcare and government clients to share information, improve operational performance, reduce risk, enable growth and deliver better patient care and improve public service.

**DISCLAIMER**

Clients are responsible for ensuring their own compliance with various laws and regulations. It is the client's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulations that may affect the client's business and any actions the client may need to take to comply with such laws and regulations. IBM does not provide legal, accounting or auditing advice or represent or warrant that its services or products will ensure that the client is in compliance with any law or regulation.