



Prepared for:

hfmaTM

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Clearsense Overview

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Accelerated Time to Value | Tangible ROI

Accelerate Cost Takeout by 4x to 10x

Compared to legacy archive vendors, Clearsense accelerates cost takeout by shortening archive cycle time and enabling concurrent archival of dozens of simultaneous applications.

Increase Value from Legacy Data

Clearsense **revitalizes healthcare data**, simplifying user access, improving both clinical and financial results, and supporting innovation initiatives such as AI.

Data Enablement | Enterprise Scale

Healthcare Data Lakehouse | Secure



500+

Supported Hospitals

300+

Total EHR Application Integrations

700+

Total Application Integrations

Industry Headwinds

The Case for Data Optimization

\$1 Trillion

Medicaid & ACA spend reduction from OBBBA¹

59%

of health Systems stated their **#1 IT initiative** in 2026 & 2027 will be **cost reduction**²

\$25 Million

In revenue replacement for every \$1M in OpEx cost reduction*

*at 4% Operating Margin

20% to 30%

Average Health System Application Portfolio Bloat³

67%

of health systems experienced a successful ransomware attack in 2023⁴

References:

¹[What are the Implications of the 2025 Budget Reconciliation Bill for Hospitals? Levinson, Neuman, Godwin, June 12, 2025](#)

²[Gartner 2026 CIO Agenda for Healthcare Providers: Technology Priorities and IT Strategy Shifts](#)

³[Prioritize Business Domains for Application Rationalization, Stefan Van Der Zijden, Gartner, November 29, 2023](#)

⁴[Two-Thirds of Healthcare Organizations Hit by Ransomware – A Four-Year High, Sophos Survey, September 26, 2024](#)

The Hospital World: Thousands of Systems*

Alea
Allscripts
Amazing Charts
Ansos
• API Time and Attendance
Ascend
Athena
BedTracking
Caduceus
Cardio
Cattails
Centricity
Cerner
Claims Administrator
Content On-Demand
CoPath
CPSI
Dentrix
Document Management
eCW
EDIMS
ELLKAY
Embla
eMD
Evolv
Fastrack
GE Centricity
Greenway
Harmony

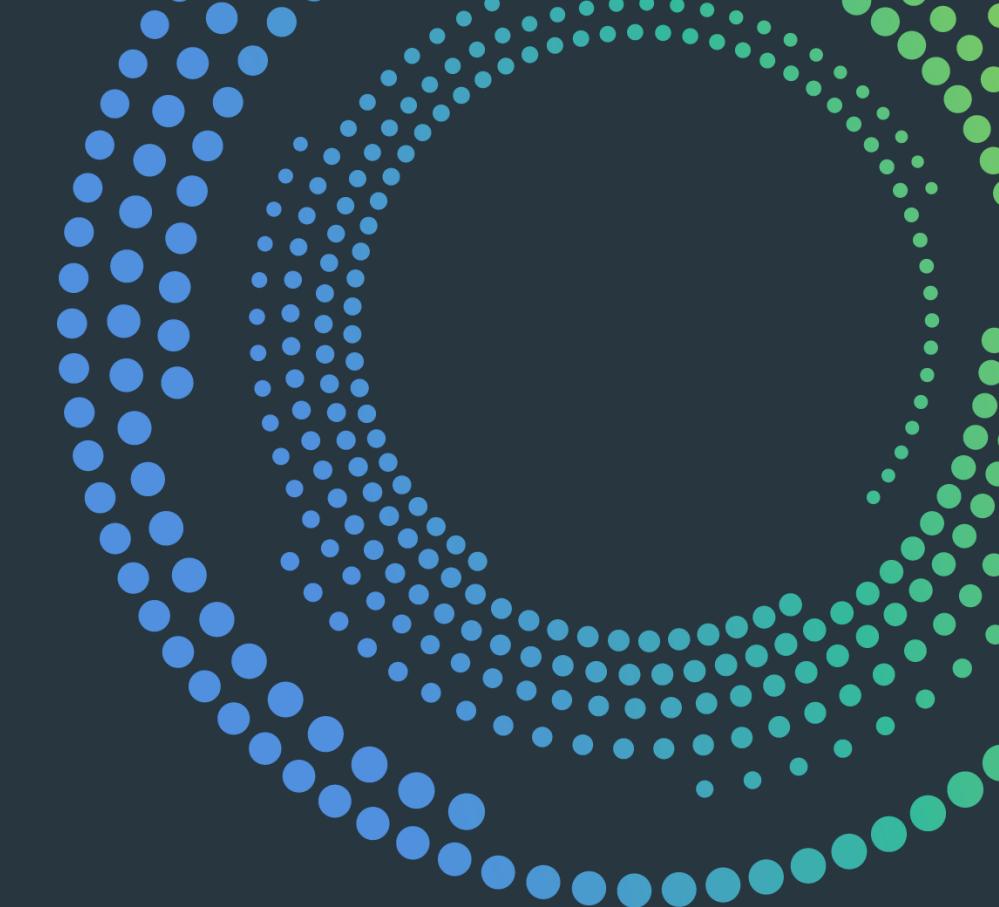
Health Business System
Healthcare Enterprise Management System
Healthland Classic
HIPAATrax
Home Care
Horizon IP
Horizon Meds Manager
HQPAF
i-heal
IDXRad
Imaging-RPACS
InfoArchive
Informatica
Intellidose
IntelliSpace
Intergy
Invision
Kronos
LabDAQ
Lawson
McKesson
MedAptus
Medent
Medhost
MedicareRT
Medilinks
MediQuant
Meditech
medQM

MedSeries 4
MedSurg
MHC Document Express
Mindseye
Misys
Mosaiq
N/A
NeoData
Netsmart
NextGen
OB Tracevue
OLAH
Omnicell
Oncology Navigator
OneContent
OR
Orchestrate
ORSOS
PaceArt
Pandora
Paragon
Parallon Workforce Management
Pathlore
PathNet
Pathways
PatientTracking Portal
PeopleSoft
PFM
Pharmacy/MAK
Picis

PMM
PreAdmitTracking
PrimeSuite
PulseCheck
Q-Centrix eCDM Regulatory Reporting
Technology (RRT)
QS1
ReDoc
RX30
Safety Zone
SIS
Soarian
SoftDent
SoftLab
SRSoft
Standing Stone Scheduling
Star
Stevens Point Dental Clinic
Sunquest
Sunquest Lab
Syngo Radiology Management
Systoc
Timetrac
TransChart
TransportTracking
VacSeen
Wellsoft
WorkForce
WoundExpert
XLTEK

And MANY MORE...

Healthcare M&A Investment Thesis



Healthcare M&A Investment Thesis: Modernized Archiving

Compound Cost Savings by Making Data Optimization a Headline Value Lever

The Reality: Post-close value leakage from legacy apps (EHR, ERP, etc.), TSA overhang, and cyber exposure

Addressing the reality head-on:

Investment Thesis

- Use modernized, active archiving to unlock compound OpEx takeout and accelerate TSA exit across clinical and operations domains

Finance Mechanism

- CapEx→OpEx substitution; pull forward savings; avoid renewal cycles

Operating Model

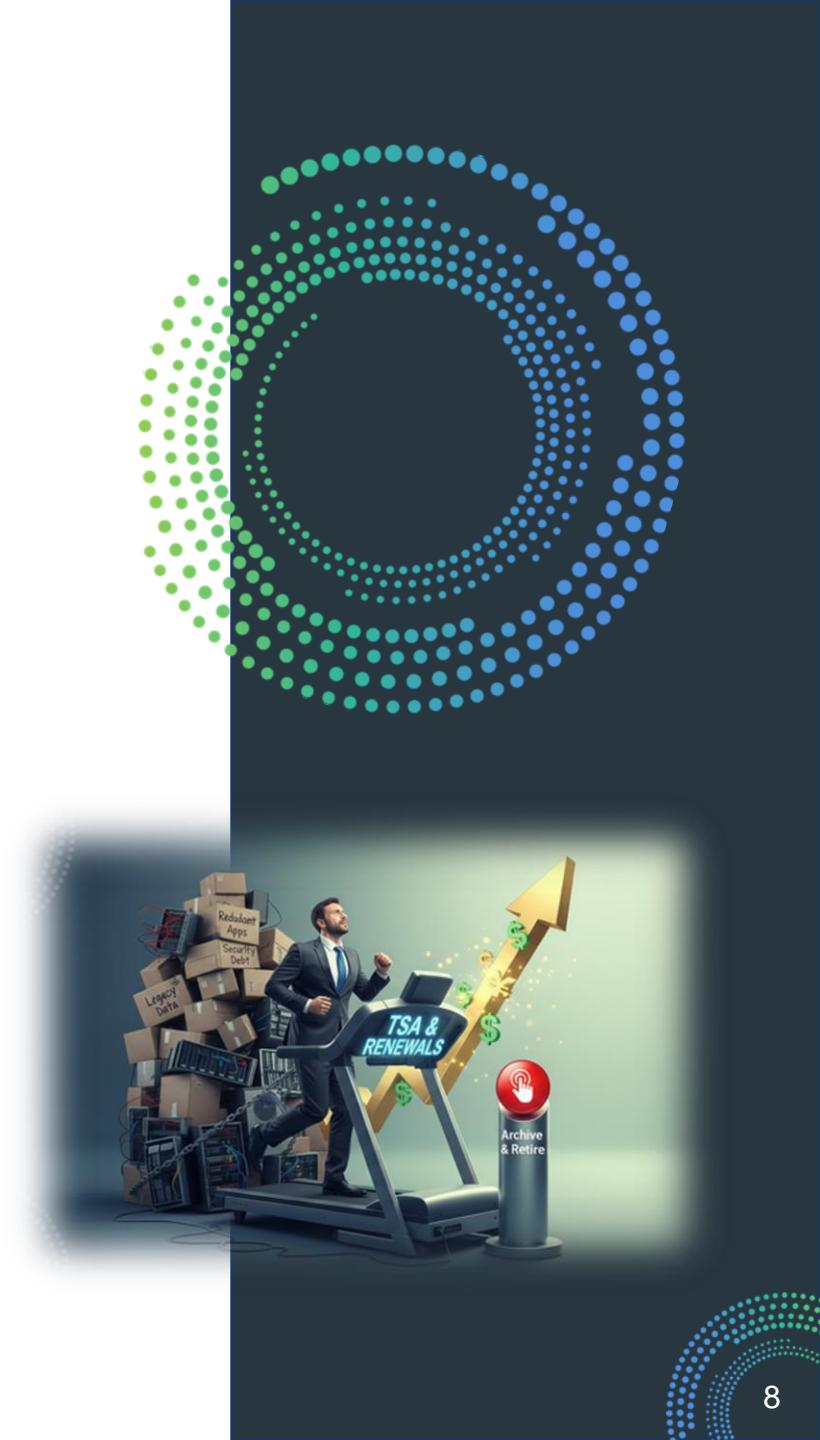
- Decommissioning assembly line = Governance + APM roadmap + Active Archiving embedded in Clinical/Ops workflows

Enterprise Strategy

- Integrated plan for clinical workflows (care delivery, HIM, imaging, rev cycle) and operations workflows (finance, supply chain, HR/payroll)

Expected Outcomes

- Tens of millions in cumulative takeout; faster cash; lower risk; audit-ready documentation



The Hidden Financial Drag

The Data Dependency that Keeps Redundant Systems Alive

Licenses & Contracts

- Duplicate modules and “evergreen” clauses continue billing.
- Auto-renewals with 3–5% escalators reset multi-year obligations.
- Minimums and true-up clauses keep charges even as usage declines.

Infrastructure & Tooling

- Hosting, storage, backup, DR maintained for systems used only for history.
- Security tools added to harden end-of-life platforms.
- Separate monitoring/log retention/DR per legacy app multiplies base cost.

People & Process

- Parallel support teams maintain patches and access control.
- Clinical and HIM teams “hunt” across portals to retrieve history.
- Shadow reconciliations and help-desk volume rise due to toggling.

Speed as a Financial Multiplier

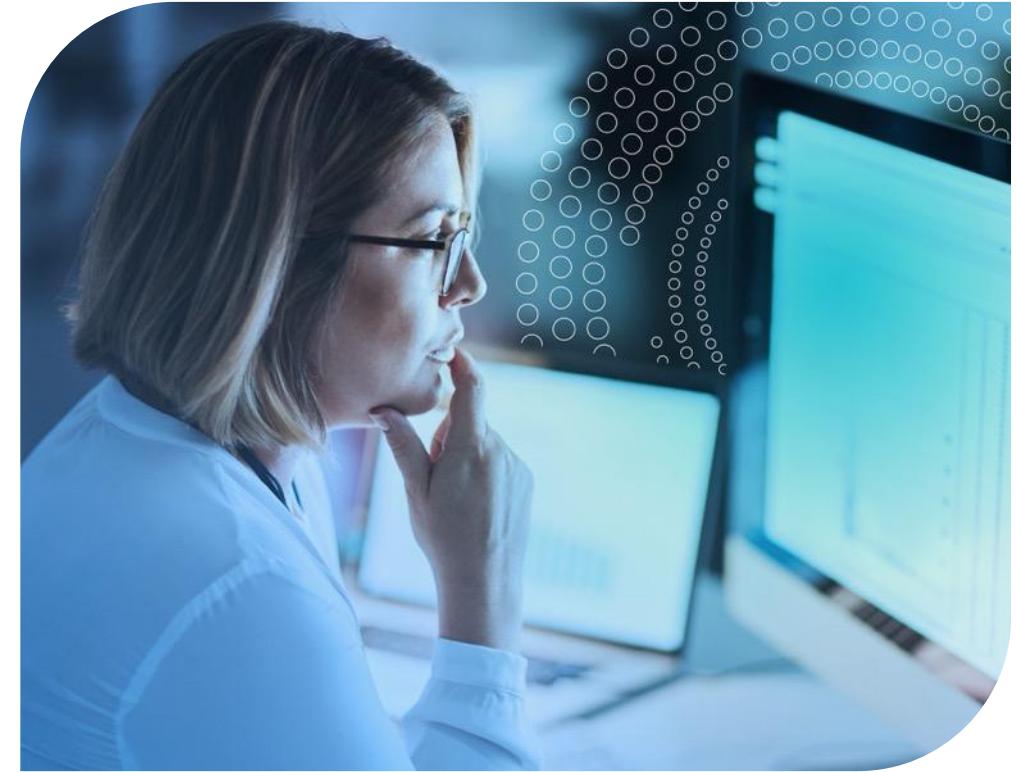
Accelerated Decommissioning Compounds Value Beyond Linear Savings

Four Ways Speed Pays

- 1) Pulls savings forward → Increase NPV
- 2) Avoids entire renewal cycles
- 3) Shortens TSA period → immediate cash relief
- 4) Shrinks cyber/compliance exposure window

Metrics to Manage

- Months-to-archive-and-retire, apps retired/month, renewal-avoidance captured, TSA run-off



\$25 Million

In revenue replacement for every
\$1M in OpEx cost reduction*

Case Study: App Decommission Time Compression

By compressing decommissioning of 45 apps from **5 years to 1 year**,
a health system saved an additional \$10.2M in cost takeout

Client: \$2.5B Non-profit Health System with 19 hospitals

Challenge

- Due to hospital acquisition, system added **45 redundant apps** to portfolio.
- Client bandwidth limitations drove a **5-year archive / decommission** plan, negatively impacting **cost reduction** at the desired pace.

Solution

- Leveraging 'Assembly Line' Approach + **1Clearsense Platform**, client is archiving **45 applications within 1 year**, instead of 5 years.

Impact (Cost savings shown below are net of Clearsense fees.)

- In addition to **\$6.3M in OpEx reduction** from app decommission, **compressing the project from 5 to 1 year saves an additional \$10.2M** in permanent OpEx cost takeout.

Total net cost reduction from program: \$16.5M

Cost Savings from Decommission Time Compression



At 4.6% operating margin, each **\$1M in cost takeout = \$21.7M in revenue replacement**.

Client is replacing the equivalent of **\$359M in first year of program**.

CapEx → OpEx Substitution

Capitalize the Archive, Retire the App, Erase the Run-Rate

A one-time archive investment (CapEx) enables legacy shutdowns that **permanently remove OpEx** and make **EBITDA more predictable**.

- Active archive provides read-only, **in-workflow access** in EHR/ERP, so source apps and interfaces can be **retired**.
- Capitalize qualifying build/migration; start depreciation at archive go-live; **recognize benefits only at gated retirements**.
- Pull savings **forward, avoid renewals, shrink TSA**, and reduce cyber surface as systems come off.



TSA Acceleration

Data Availability is the Real Exit Criterion

TSA duration and cash burn **shrink** when historical data is **embedded in EHR and Operational workflow** via active archiving, allowing legacy systems to be **decommissioned earlier**.

- Active archive gives **read-only, in-workflow access** to history for clinicians, HIM, Finance/AP/AR, SCM, and HR/payroll.
- With access satisfied, **legacy apps and interfaces** tied to the TSA can be retired.
- Put **archive availability SLAs** (clinical + ERP) into TSA terms and exit criteria.
- Set **renewal-freeze dates** aligned to the retirement calendar to avoid new lock-ins.
- Fewer Day-2 dependencies; simpler support model; clearer decision rights for shutdown.
- Governance tracks **archive milestones** as cash events.



Practical Test: Can clinicians, HIM, Finance, Ops, easily perform their work inside the new environment with historical data?

Legacy Systems as Cyber (& Balance-Sheet) Risk

Unsupported Platforms Elevate Breach Probability and Cost

Consolidating legacy data into a certified **active archive** and retiring source systems **reduces breach likelihood/cost** and **speeds audits** by shrinking the attack surface and centralizing controls.

Surface Reduction

- Retire end-of-life apps/OS and decommission legacy interfaces/endpoints with known CVEs.
- Unify identity and access; eliminate parallel admin consoles and unmanaged service accounts.

Control & Auditability

- Single access layer with **unified audit logs**, standardized retention/legal hold, and immutable storage options.
- Consistent evidence for HIPAA records requests; faster legal discovery.

Financial Exposure

- Lower probability-weighted loss from breaches; reduce ongoing “legacy hardening” spend.
- Healthcare has the highest breach costs (~\$7.4–\$10M) of any industry and the slowest containment (~279 days)²
- Improved cyber-insurance posture and incident response readiness.

67%

of health systems experienced a successful ransomware attack in 2023¹



Zombie App Definition:

An application that is rarely or no longer used, maintained, or updated, but continues to run within the organization's infrastructure, consuming resources and posing security risks.

Typical ‘Upstream’ Challenges Scaling Application Decommissioning

Although health leaders nearly unanimously agree that rationalization of legacy systems is a top strategic priority, health systems struggle in the following areas:

Standardized Governance

Lack of standardized governance and processes to track KPIs and ROI across departments

Data Extraction Challenges

Limited technical resources and capabilities to extract data for application decommissioning and archival

Unrealized Program Impact

Failure to unlock full cost and ROI benefits from application portfolio tech debt removal

Utilize an app decommission 'assembly line' that drives compounded cost savings

Program Governance

Enables faster throughput by formalizing prioritization, intake, metrics, tracking and operational governance.

Application Rationalization

Optimized application portfolio roadmap that reduces costs and redundancies, ensuring critical data accessibility post decommission.

Operations Framework

Establishment and execution of governance framework, reporting and ROI tracking, for decision-making hierarchy.

Data Acquisition Services

Securely extract, migrate, and preserve critical legacy data to support downstream access and compliance.

Decommissioning

Retire legacy applications through secure vendor shutdowns, infrastructure decommissioning, and data cleansing.

An Assembly Line Approach

Accelerated Application Archival and Decommissioning

- Grow your team's expertise in application rationalization and decommission process management
- Accelerate application decommission and archive to drive faster and greater cost takeout and ROI
- Improve on-time delivery of data and essential milestones leading to on-time archive project completion
- Improve your ability to project and report internally verified cost takeout from application decommissioning

Case Study*: Accelerated Cost Takeout

About Trinity Health

- Not-for-profit health \$20B+ system with 93 hospitals, across 26 states
- 120 care sites, 120,000 staff, 38,000 clinicians
- Had 7,400+ applications at the start of its Clearsense partnership in 2020.

[*https://www.gartner.com/document-reader/document/6659536?ref=pubsite](https://www.gartner.com/document-reader/document/6659536?ref=pubsite)



Challenge

- Epic and ERP rollout demanded \$50M in cost cuts by retiring and archiving 500+ applications.
- From 2017 to 2019, the previous archiving vendor's project-based approach failed to scale, archiving only 6 applications.

Solution

In 2020, the 1Clearsense Platform™ was implemented - accelerating archiving, using a Data Enablement approach to boost data use, clinical efficacy, and patient outcomes.

Impact

- **\$68M+ permanent, annual OpEx cost savings** (2024), with upcoming Cerner decommissioning (2025) to push total savings beyond \$100M+
- Archived data from a range of 740+ apps
- Consistently decommissioning 20-40 concurrent applications
- **Archived the archiver:** Informatica, ELLKAY, MediQuant
- 155,000 logins show high data usage and business value

Beyond Cost Takeout

Turn Archives into Strategic Data Assets

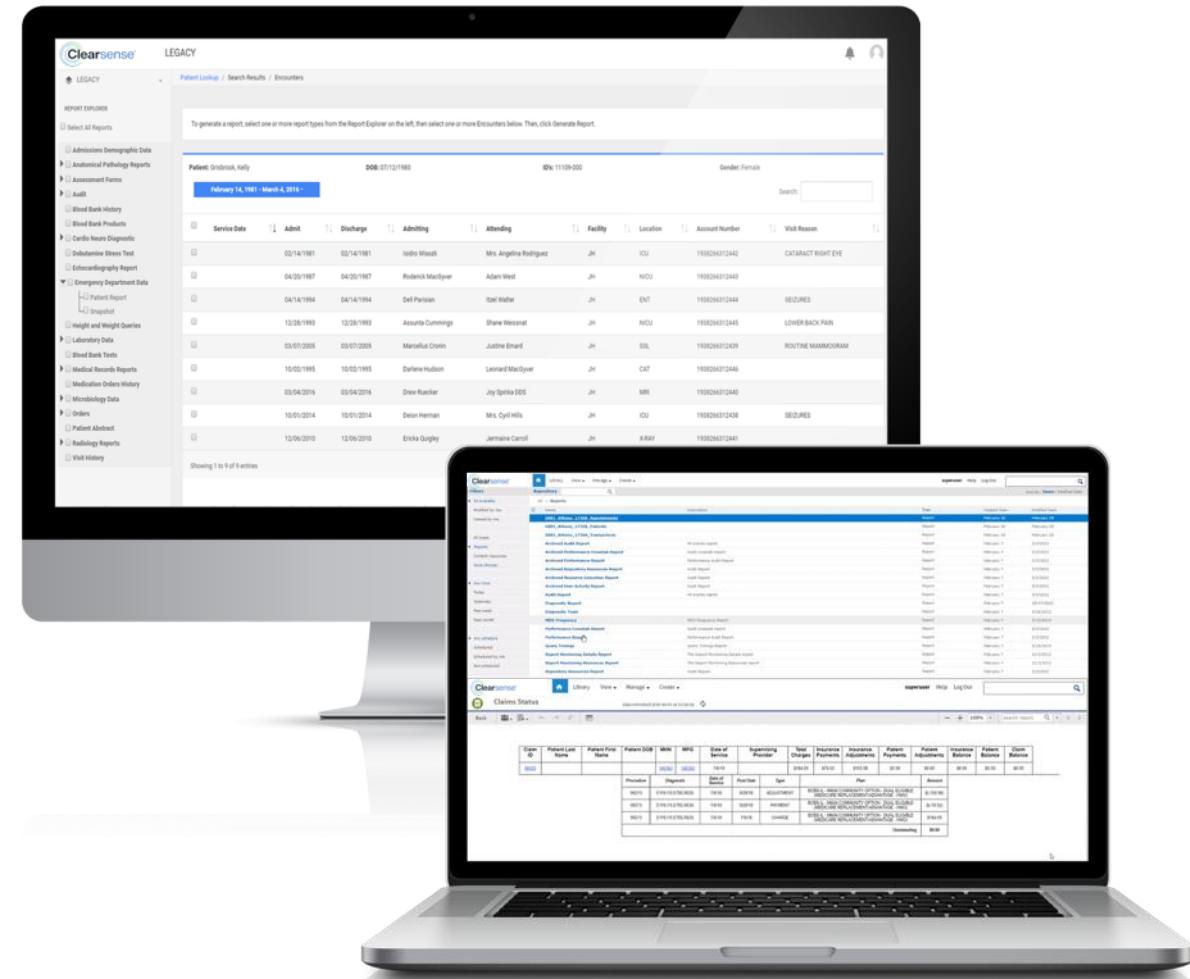
An **active archive embedded in workflows** converts historical data into **in-workflow insight and governed analytics**, creating value beyond cost takeout.

Revitalized Enterprise Data Value

- Unifies patient data into a longitudinal medical record and embeds insights directly into EHR and operational workflows.

Fuel for Innovation

- Rapid savings free capital, while revitalized data powers next-generation initiatives such as AI model validation and clinical trial research expansion.



Make Speed Your Synergy Advantage

Operationalize the Assembly Line to Change the Slope of Value Creation

Platform

- Active archive in certified cloud with in-workflow clinical and business access.
- Full audit trails, standardized retention, legal hold support.

Services & playbooks

- Governance setup; app rationalization; data acquisition/conversion; decommissioning.
- KPI/ROI tracking and monthly throughput management.

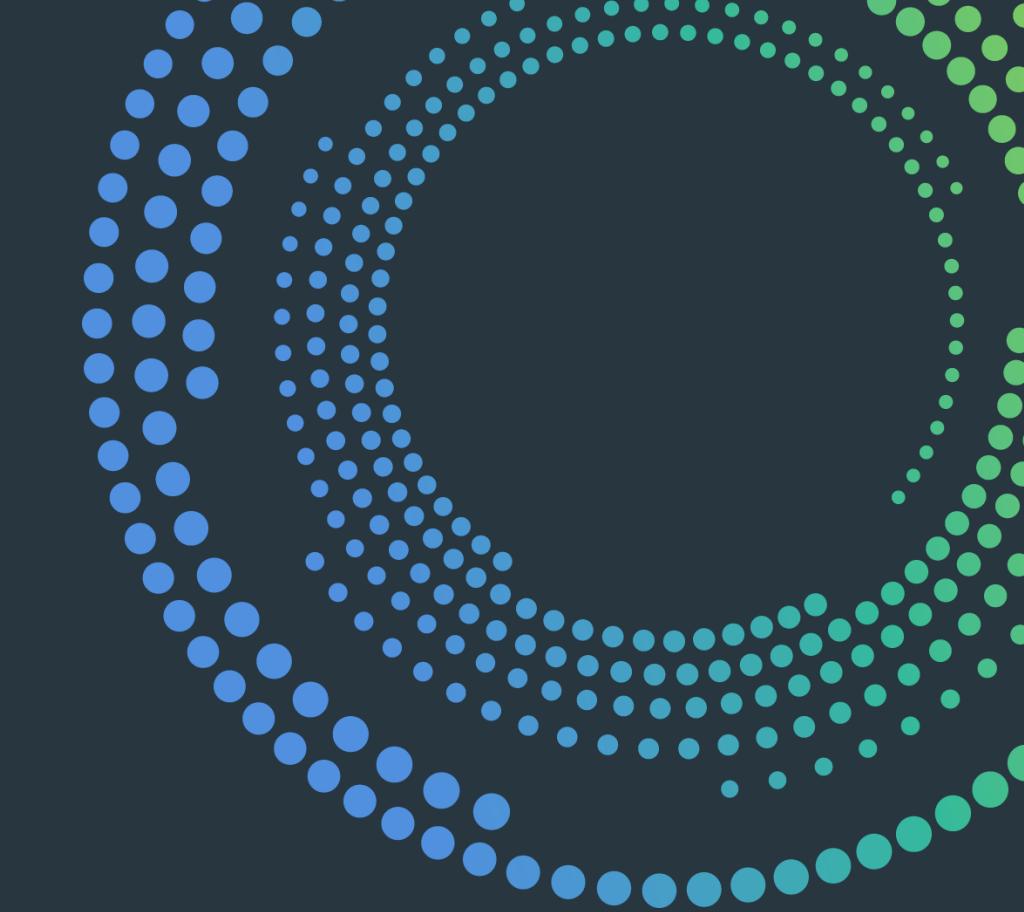
Outcomes

- Months shaved from TSA; higher monthly retirements; validated OpEx removal.
- Repeatable cadence from “inventory” to “shutdown verified.”

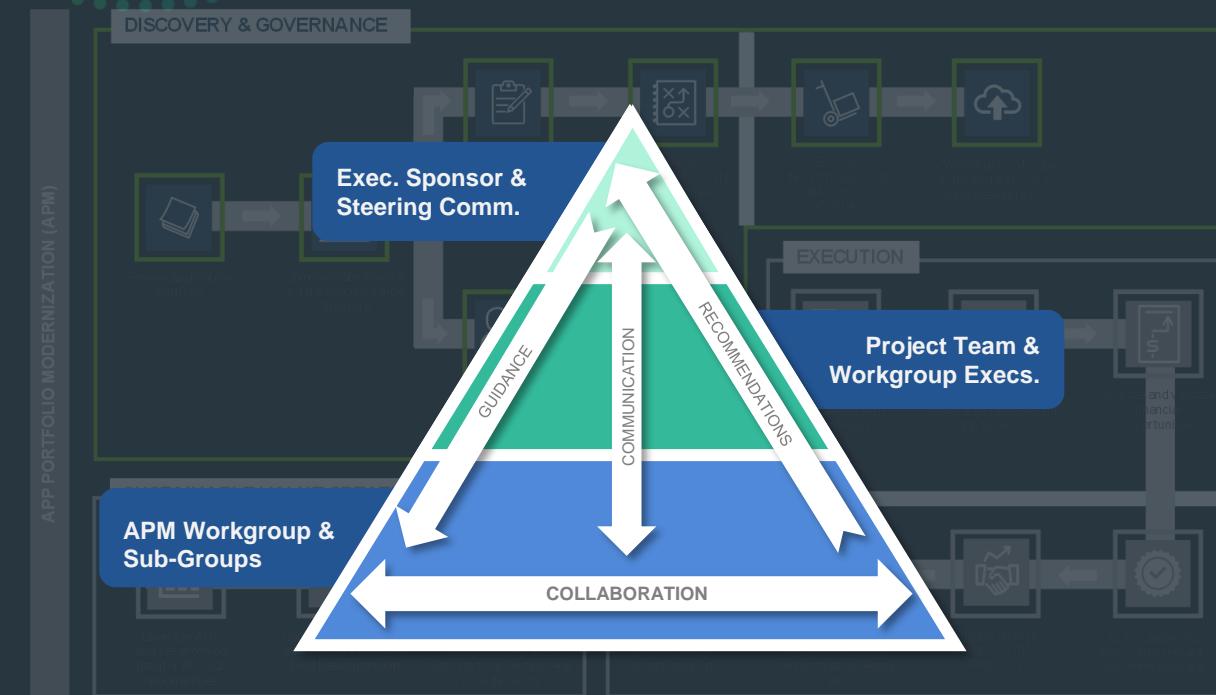
Thank You



Appendix



APM Governance Model & Sample RACI



Deliverable or Task	Exec. Sponsor & SteerCo	Project Leadership	Project Team	OCIO, IT, Vendor Mgmt.	Market Presidents	Fnx Leader / CXO	APM Sub-Group Lead	Third Party Vendor
Planning Activities								
Prioritize target application categories	I	A	R	C				
Prepare supporting materials for Application Teams	A	R	C	I	I			
Identify APM Sub-Groups, Leads, and Participants	I	I		C	A	R		
Schedule orientation and prioritized APM Sub-Group meetings	I	C		C	A	R		
APM Sub-Group Activities								
Conduct APM Orientation for APM Sub-Group Leads	A	R	C	I	I			
Drive APM Sub-Group meetings and take action as prescribed in the supporting materials	C	I	R	A	R			
Follow up with relevant stakeholders to address gaps (e.g., app capabilities)	I	I	R	A	R			C
Provide recommendations/escalations regarding opportunities to the Project Team	I	I		C	A	R		
Finalize Recommendations & Roadmap								
Prioritize opportunities and address gaps with the APM Workgroup	A	R	I	C	R	C		
Review finalized opportunities with Project Leadership	A	R	I	I	R	I		
Develop and finalize the roadmap for SteerCo	A	R	C	I	C	I		
Present roadmap to SteerCo	I	A	R			C		



R Responsible (Assigned to complete the task or deliverable by a due date)

A Accountable (Has final decision-making authority and accountability for completion)

C Consulted (An adviser, stakeholder, or subject matter expert who is consulted before a decision or action)

I Informed (Must be informed after a decision or action)

Why M&A Economics Break Down Post-Close

The Data Dependency that Keeps Redundant Systems Alive

Desired

Rapid system and app consolidation (EHR/ERP), fast TSA exit, linear synergy ramp

Observed

Historical data obligations keep legacy **EHR** and **ERP** running → renewals recur; TSA meters continue; clinicians and back-office teams toggle systems

Where the Dollars Leak

- Timing: synergy ramp slips → lower NPV and delayed cash
- Cap cost: higher interest expense while savings are deferred
- Working capital: vendors kept on retainer; duplicate contracts renewed (e.g., AP automation, materials mgmt)
- Stranded OpEx: licenses, hosting, support, interfaces, KTLO staffing across clinical and operations apps

Operational Blockers (indicators you're stuck)

- No signed decision rights across Finance/Clinical/Legal/IT/Supply Chain/HR
- Ambiguous retention/HIM requirements; unresolved legal holds; **records policies for ERP (contracts)** unclear
- Users forced to log into legacy UIs (clinic notes, imaging, **AP invoices, payroll history**)
- “Temporary” TSA extensions and quiet auto-renewals

What to Put on the Scorecard

- **Apps retired/month; months-to-archive-and-retire** (EHR and ERP tracked separately)
- **TSA burn/month & months remaining** (include ERP hosting/HRIS/payroll dependencies)
- **Renewal avoidance captured** (count and \$)
- **% historical records accessible in EHR/ERP** (by service line and function)

Speed as a Financial Multiplier

Based on [client]'s applications flagged to be decommissioned, there is an estimated \$76.2M of hard OpEx cost takeout opportunity that could be realized/increased by implementing an accelerated cost optimization program.

Inventory Analysis:

- 3,727 applications identified; 582 apps flagged for decommissioning; 309 apps flagged for archival
- **Annual application OpEx estimated cost: \$76.2M**

Annual Application Costs	Lic./Maint.	Infrastructure*	Total
Applications for Decommission (582)	\$ 66,640,876	\$ 10,662,540	\$ 77,303,416
Applications for Decommission Only (274)	\$ 31,302,265	\$ 5,008,362	\$ 36,310,628
Applications for Decommission + Archive (309)	\$ 35,338,610	\$ 5,654,178	\$ 40,992,788

Recommendations: We compared a 6-year time horizon to an **accelerated 3-year program** which can yield gross estimated savings of:

- Additional estimated **cost savings from 3-year program acceleration: \$81.5M to \$125.4M**
- An estimated **total savings from acceleration: 3-year program \$94.3M to \$145.2M**
- **Avoidable IT Security Remediation costs were not included** within the financial conclusions

Acceleration Cost Savings (3 years vs. 6 years)	Low Estimate (65% of App Cost)	Med. Estimate (85% of App Cost)	High Estimate (100% of App Cost)
Cost Savings from Decommission 582 Applications	\$ 50,247,220	\$ 65,707,903	\$ 77,303,416
Additional Cost Savings from Time Compression (3 vs. 6 Years)	\$ 82,661,821	\$ 108,096,227	\$ 127,172,032
TOTAL Cost Savings over Year 3	\$ 97,023,600	\$ 126,877,015	\$ 149,267,076

Note:

Low and Medium estimates represent that further diligence is required to confirm total cost savings.

Modernized Archiving for Maximized Cost Reduction

Clearsense's app decommissioning solution delivers unprecedented velocity in OpEx savings for health systems.

Faster and Larger Cost Takeout

- Independently validated by **Gartner and KLAS**, the 1Clearsense Platform **accelerates app decommissioning** at scale, **4x to 10x faster** than legacy archiving approaches, multiplying cost savings by converting years of missed opportunity into immediate ROI.

Revitalized Data Value

- The 1Clearsense Platform unifies patient data into a longitudinal medical record and embeds insights directly into EHR and operational workflows.

Fuel for Innovation

- Rapid savings free capital, while revitalized data powers next-generation initiatives such as AI model validation and clinical trial research expansion.



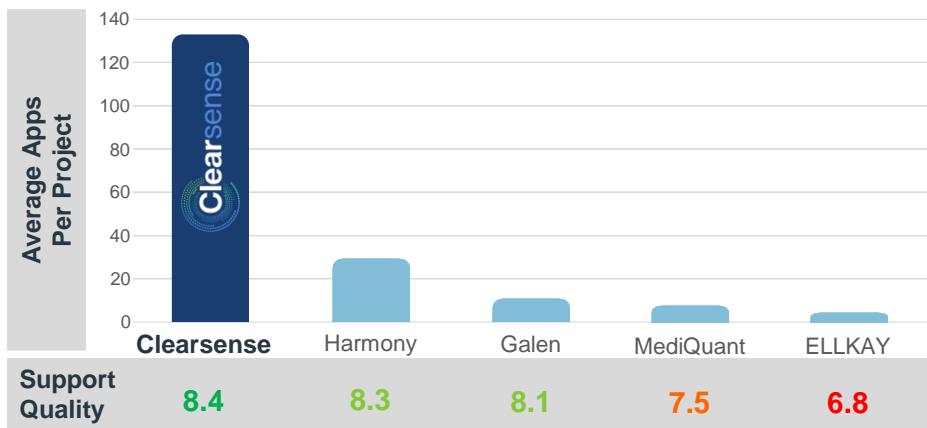
3rd Party Validated

The 1Clearsense Modernized Archiving Platform is Recognized as the Industry Blueprint for App Decommissioning Technology



[Case Study \(2025\): "Clearsense Powering the Largest and Most Impactful Application Rationalization & Active Archiving Initiative in U.S. Healthcare"](#)

Average Apps per Project vs. Support Quality*



“Clearsense delivered the **largest, most complex decommission projects**, with the **highest implementation support quality** of any vendor.”



[Case Study \(2025\): "Trinity Health Drives IT Cost Optimization with Legacy Application Decommissioning"](#)

Challenge

- Epic and ERP rollout required \$50M in cost cuts by archiving 500+ apps, but the legacy vendor's project-based approach failed to scale—retiring only 6 apps over two years.

Solution

- In 2020, Trinity implemented the 1Clearsense Platform™ to rapidly scale archiving while unlocking cost take out and higher data value.

Impact

- **\$68M+ annual OpEx savings** (2024); target of \$100M in 2025
- **740+ applications decommissioned**
- **25+ concurrent apps archived per quarter** for years
- **Archived legacy archivers:** Informatica, Ellkay, MediQuant
- **155,000 logins** confirm high usage and business value

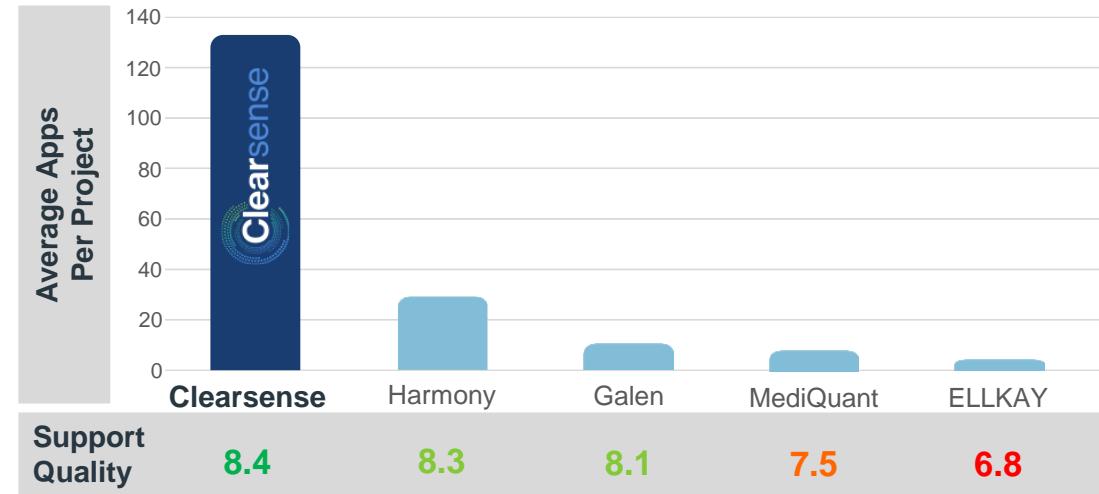
KLAS Ranking

According to KLAS*, “Clearsense delivered the **largest, most complex decommission projects**, with the **highest implementation support quality** of any vendor.”

KLAS Case Study: “Reducing Costs & Increasing Efficiency Through Accelerated Data Archiving”

<https://clearsense.com/insights/intelligence/clearsense-data-platform-as-a-service-case-study>

Average Apps per Project vs. Support Quality*



“We're doing app rationalization and archival at scale...

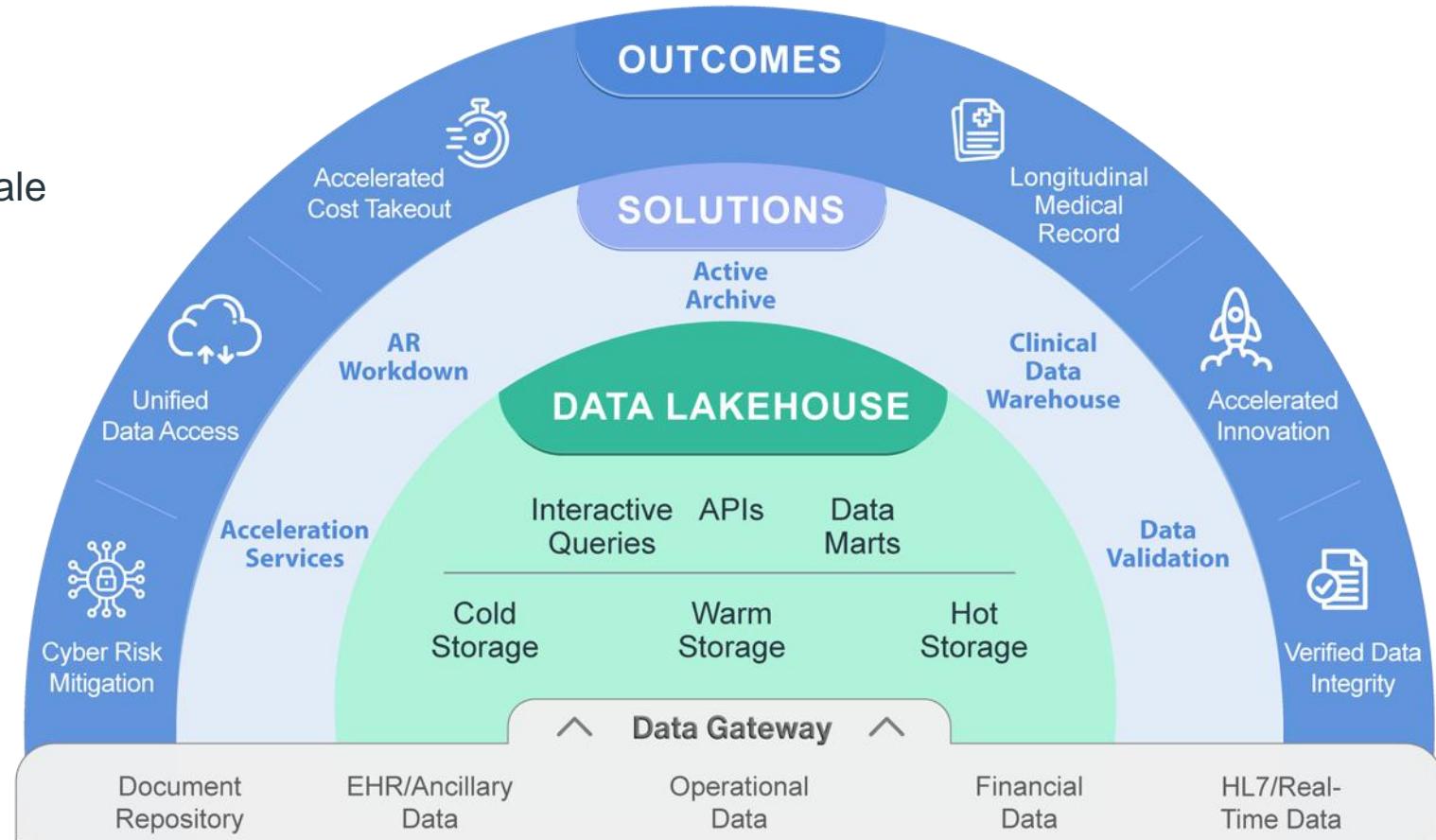
If you're like us and you're doing **20 to 25 applications every three months** and you're going to do that for six years, that's **not** something other vendors can do... **Clearsense's biggest differentiator comes at the scale and the velocity they have at scale.**”

– KLAS Collected Quote, VP / Health System Executive (May 2025)

1Clearsense Platform™

Built for Scale. Proven in Healthcare.

- Rapid concurrent archiving at enterprise scale
- Lower total cost of ownership from system decommissioning
- Reduce cyber risk through standardized governed data frameworks
- User-friendly access to unified, accurate and complete data



Turnkey Application Archival & Decommissioning

Drive accelerated cost takeout and increased value from data

Acceleration Services™

Modular framework for accelerating application decommissioning

Program Governance

Enables faster throughput by formalizing prioritization, intake, metrics, tracking and operational governance.

Application Rationalization

Optimized application portfolio roadmap that reduces costs and redundancies, ensuring critical data accessibility post decommission.

Operations Framework

Establishment and execution of governance framework, reporting and ROI tracking, for decision-making hierarchy.

Data Acquisition Services

Securely extract, migrate, and preserve critical legacy data to support downstream access and compliance.

Decommissioning

Retire legacy applications through secure vendor shutdowns, infrastructure decommissioning, and data cleansing.

1Clearsense Platform™

Industry-leading healthcare data lakehouse

SaaS Data Enablement Platform

Enables archiving at enterprise scale to accelerate cost takeout while unlocking the full potential of data

Clinical Data Archiving

Unified historical patient data seamlessly accessed at the point of care from within EHR workflows

Operational & Financial Archiving

Simplified access to finance, HR, and operational data, to support audits, reporting, and daily workflows

Customer Testimonials

66

The Clearsense partnership represents our commitment to leveraging **innovative solutions that drive efficiency** and unlocks the true potential of healthcare data.



When I think about what we're doing, it has everything to do with patient care, and it has everything to do with **the accessibility of that data** as these analytical engines grow in power.



Intermountain Health



Cleveland Clinic



Trinity Health

We have archived and or decommissioned over 780 applications in the last four years. That has had a return on investment of a **cost savings of approximately \$78M** for our organization. Clearsense has strategies that help us get **value from the data**.

Delivering Rapid Time-to-Benefit At Scale

Measurable cost takeout | Long-term strategic value



\$68M

Ongoing annual OpEx cost takeout

750+

Applications archived

(out of 7,400 total apps)

Archived: Informatica, Ellkay & MediQuant

20 to 40 concurrent workstreams

4 Months

First archive set in production

84

Apps in scope, 1st year

Archived: MediQuant

17+ concurrent workstreams



Intermountain
Health

Top, Strategic Vendor

1 of 4 strategic vendors Identified as essential for corporate initiatives

Epic, Workday, ServiceNow, Clearsense

126

Applications archived

10+ concurrent workstreams



Cleveland Clinic