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ATLANTA – The merger of two Atlanta-based technology firms with extensive footprints in the payer sector is designed to provide health plans and insurers with access to more consumer health data.

Ebix, an international supplier of on-demand software and e-commerce services to the insurance industry, announced Monday that it is acquiring A.D.A.M., Inc., for roughly \$66 million in stock. The merger, approved by the boards of directors of both companies, is designed to push A.D.A.M.'s consumer health information and benefits technology solutions to a wider audience of payers.

"We are excited to be merging the two companies to create a leading health information and services exchange player in the United States, at a critical time in the health industry," said Bob Cramer, A.D.A.M.'s chairman of the board. "We believe that the combined operations will help our customers by bringing broader solutions to them, leveraging both companies' commitment to world-class service levels, and because this will reduce the burden of public company costs incurred by A.D.A.M. on a standalone basis."

"We believe the merger will allow for continuing investment in developing leading edge products in A.D.A.M.'s core markets," he said.

The deal gives Ebix an opening to the healthcare information market. The company has more than 30 offices around the world and conducts more than \$100 billion in life, annuity, health and property and casualty insurance premiums on its platform. By combining forces with A.D.A.M., that platform can now push health, wellness and benefits choices to consumers, allowing individual members to make better decisions regarding their health and benefits and healthcare organizations and employers to reduce the costs of healthcare and benefits administration.

"In addition to the strategic benefits of combining two highly complementary Atlanta-based organizations and product families, we believe we can create substantial shareholder value through significant cost structure improvements and access to new growth opportunities," said Robin Raina, Ebix's CEO, president and chairman of the board. "At a particularly challenging time for the health insurance industry, we believe that this combination vaults the combined company into a powerful role with respect to employers, brokers, carriers and health insurance

organizations – together we expect to shape the health insurance industry for years to come.”

“This transaction will provide new cross-selling opportunities on both sides while helping take A.D.A.M. services across the world,” Raina added. “This deal is a strategic step forward to establish Ebix as a health information exchange and is likely to be followed by other strategic steps in coming months and years.”

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