PHOTO: MATT M. JOHNSON

Akhtar Chaudhri, founder and CEO of Virtelligence, came out of a career with Accenture to focus his consulting skills on the health care sector.

Virtelligence Inc.

When discussing the launch in 1998 of his health care IT consulting company Virtelligence, Akhtar Chaudhri confesses he was targeting a market few others were interested in. There were more lucrative opportunities for IT consulting elsewhere.

"I didn't jump on a bandwagon," he admitted. "I had a passion for it. We knew this was an area that needed a lot of attention irrespective of business growth."

Until the introduction of electronic medical records (or EMR) a decade ago, patient information was still piled into manila folders, Chaudhri pointed out. As a result, it was difficult for records to follow a patient moving from one clinic or practitioner to another, resulting in redundant forms, inefficiencies, increased medical errors and higher costs, he said.

Federal stimulus dollars accelerated EMR adoption, but the health care industry still has not exploited technology to the extent retail, financial services and manufacturing have. "Automation is not where it should be," he said.

That's changing rapidly with passage of the U.S. Affordable Care Act, Chaudhri said. With the

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Name of entity: Virtelligence Inc.
Business: Health care information technology consulting firm
Based: 6216 Baker Road, Eden Prairie
Founded: 1998
CEO and founder: Akhtar Chaudhri
Employees: One-third of the firm's 130 U.S. employees work in Minnesota.
Economic impact: In the past three years, Vitelligence has seen top line growth average between 40 and 50 percent per year with 2012 revenue reaching $27 million. Virtelligence is targeting revenue of $50 million to $60 million by 2015.
Website: http://www.virtelligence.com

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move from fee-for-service to outcome-based medicine, IT automation will be a key tool tracking patient care. As a result, health care IT is now "hot," attracting competition large and small.

Chaudhri is not worried. As a niche practice, Virtelligence focuses on large hospitals (500 or more beds), and the client roster lists many of the largest and most prestigious U.S. hospitals including Mayo Clinic, the Cleveland Clinic and Stanford University Medical Center. Minnesota-based clients include UnitedHealth Group, Medica and Allina.

Virtelligence's growth ($27 million in revenue last year) landed it on Inc.'s 500 Fastest Growing Companies list for 2012.

Just as Chaudhri's original focus on a seem-ingly less attractive market seemed unorthodox, so too is Virtelligence's approach to client engagements unusual for an IT consultant. "It's not like we're trying to figure out how to milk the system to create recurring revenue," he said. "We are laser-focused on identifying a problem, solving the problem and moving on."

The "solve it and move on" approach does not concern Chaudhri, who sees plenty of growth potential with the number of large hospital systems nationwide just beginning IT automation.

"The reality is when you do a good job and create a good brand, the work comes."

—*Brad Allen*