

# EHR Vendors Turn to Gen AI to Ease the Load and Stay in the Game

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**G**enerative AI is breathing new life into Electronic Health Records (EHR) management, transforming them from cumbersome systems into dynamic, intelligent platforms. By automating tasks such as clinical documentation and patient communication, Gen AI is tackling the administrative overload that plagues healthcare providers. While industry leaders such as Epic and Oracle race to integrate these innovations, challenges around reliability and privacy remain. The promise is a seamless, efficient EHR experience, but only if the technology can rise to the task.

## Gen AI use cases start with admin work, not clinical judgment

Gen AI boom in the EHR industry began in early 2022. As per a report by Silicon Valley Bank, investors directed over US\$6.6 billion towards developing administrative and clinical AI use cases in 2024. Global AI-enhanced EHR market reached US\$5.3 billion in 2023, with a forecast of 28.8% CAGR during 2024-2031 to reach US\$37.50 billion by 2031.

With a high pace of growth, we can expect **EHR solutions to center on Gen AI capabilities within the next 5-6 years**. However, Gen AI technology in EHR is still in its early stages of development and needs further work to mature and ensure reliability. As a result, **companies are streamlining their spending by identifying and prioritizing use cases that address the most pressing challenges in EHR systems**, primarily reducing labor-intensive tasks.

“ Gen AI has matured from adolescence to young adulthood, but it still has a lot to learn to become reliable.” – Suhas Uliyar, Senior Vice President of Product Management at Oracle Health for Healthcare IT Today, 2024

Medical professionals are not seeking AI to replace their clinical expertise but rather to **reduce the growing administrative demands** that detract them from patient care. Recognizing this need, EHR companies are focusing on developing AI-driven solutions to **automate repetitive tasks** such as documentation, scheduling, and patient communication. By addressing these pain points, the industry aims to enhance efficiency and allow healthcare professionals to concentrate on their primary role.

“ Doctors are not looking for AI to act as a doctor, to step in their place, but they want help with administrative burdens.” – Leigh Burchell, chair of the EHR Association for Healthcare Dive, 2025

### Epic and Oracle are building many of the same Gen AI tools

Leading players in EHR solutions, such as **Epic Systems** and **Oracle Health** (formerly Cerner), are competing head-on for their space in the market. In 2023, both companies introduced Gen AI solutions to their offering.

Epic Systems and Oracle Health dominate the EHR market with 38% and 22% share in the acute care EHR market, respectively, and 44% and 25% share in the ambulatory EHR market, respectively, in 2024. Considering the Gen AI features and use cases they are developing, these two companies are at the forefront and **take comparable approaches to developing Gen AI solutions**.

For instance, **Epic integrated ambient listening software in collaboration with a startup called Abridge** in 2024 to transcribe patient visits in real time. **Partnering with Microsoft, the company has integrated the latter's digital assistant, Dax Copilot**, which captures patient-clinician conversations and creates clinical documentation in real time. The company is also developing clinical assistants that can summarize information, interact with patients, and schedule follow-ups.

Similarly, **Oracle developed a clinical agent** and integrated it with its EHR solution. The agent can record and transcribe patient visits and draft notes for the clinician's approval. The solution leverages ambient voice technology and a multi-modal interface, allowing physicians to interact with the EHR system seamlessly. This integration effectively eliminates the need for manual clicks, thereby streamlining data input, whether by keyboard or voice.

**Epic is currently advancing its AI capabilities with 125 use cases** either in development or live. Meanwhile, **Oracle is set to release a next-generation EHR platform** in 2025, featuring many Gen AI functionalities such as conversational search, voice-activated navigation, multimodal search capabilities, and automatic summarization of patient charts. Additionally, the platform integrates a clinical AI agent, which automates documentation, coding, and order management. The platform also incorporates Oracle Health Command Center, which provides real-time insights into patient throughput and staff allocation.

As of March 2025, **Epic led significantly over Oracle in Gen AI adoption**, with approximately 2,000 hospitals using its Gen AI features compared to Oracle's clinical agent, which is deployed in only about 30 hospitals.

This gap stems from Epic's higher implementation and larger existing user base of pre-Gen AI solutions, and its head start in developing and integrating Gen AI in its EHR products.

Additionally, Epic adopted a more focused strategy in navigating the market. As a result, **Epic's market presence is growing quickly, while Oracle's progress is slower due to its broader, more complex approach.**

## **Epic is winning now while Oracle is betting on the longer game**

Epic's market share has been increasing while Oracle's has been decreasing (Epic's share in the market rose to 39% while Oracle's fell to 23% in 2023, compared to 2022).

**Epic has followed a hospital-focused strategy** that has helped it gain rapid traction and widespread adoption among healthcare providers.

In contrast, **Oracle is pursuing a long-term strategy of targeting payers, governments, and hospitals** to build a connected healthcare ecosystem. Leveraging Gen AI and advanced analytics, it aims to offer solutions that **optimize reimbursement processes and implement large-scale EHR solutions** for population health management and public health reporting. This approach,

however, means slower market share growth, as it requires systems capable of handling diverse data sources and complying with local regulations.

Epic appears committed to a hospital-focused approach and makes the Gen AI capabilities more effective. The company is leveraging its data lake, **Cosmos**, which consists of data from more than 1,415 hospitals, 33,000 clinics, and 11.4 billion patient encounters, to **provide more targeted and reliable insights into treatments and outcomes**. Epic is also integrating **OpenAI's GPT-4 technology for inbox management**, which helps respond to patient queries with minimal human interference.

Even though Epic is creating more Gen AI use cases, **Oracle's strength lies in strong cloud computing capabilities** and its ability to provide interoperable, integrated, Gen AI-driven solutions for diverse healthcare stakeholders and their ecosystems. This will keep **Oracle competitive in the long term**, despite Epic's lead in Gen AI development.

At the same time, while Oracle's approach holds promise for the future, it involves more complexity and coordination, which has slowed Oracle's current progress in the acute care market compared to Epic's swift and targeted advancements.

## Epic and Oracle assistants work better because they sit inside the EHR

Apart from Epic and Oracle, smaller companies, such as **Meditech** and **eClinicalWorks**, have also integrated clinical assistants into their EHR systems.

**Meditech has partnered with Suki AI**, Inc., a company that developed a Suki clinical assistant, which performs ambient documentation, dictation, ICD-10/HCC coding, and answers questions. **Meditech also plans to partner with Microsoft** to integrate its latest clinical assistant, Dragon Copilot, in 2025. **eClinicalWorks has also integrated Suki clinical assistant** into its platform.

Although third-party clinical assistants can integrate with various EHR platforms, **Epic and Oracle have developed clinical assistants that are specifically tailored for their own EHR systems**. This bespoke integration ensures **tight and seamless task automation**, leading to a more cohesive user experience in comparison to third-party solutions.

For instance, Epic's close integration with Microsoft Dax Copilot digital assistant **allows physicians to use the documentation template they already use** in Epic. The template format is auto-populated with accurate information from the patient-physician interaction, regardless of the conversation's flow.

“*Dax Copilot allows physicians to use the documentation templates that they already use in Epic, which have a number of sections (...). There is very tight integration between Dax Copilot and Epic, which enables highly accurate clinical documentation that takes advantage of the existing template structure, so it feels very smooth for the physicians.*” – Peter Durlach, Chief Strategy Officer at Microsoft Health and Life Sciences for Healthcare IT Today, 2024

Oracle’s health digital assistant provides **real-time surfacing of critical patient information**, such as medical history and vital reports. This allows physicians to quickly retrieve necessary data during patient visits, eliminating the need for 35-40 manual clicks typically required to access this information.

Real-time information surfacing feature is also a feature in Dax Copilot, and is not available in other digital assistants such as Suki AI and **DeepScribe**. Additionally, **Suki and DeepScribe assistants have several limitations** in comparison to those from Epic and Oracle, including a lack of clinical task automation, real-time task competition, and comprehensive workflow optimization.

## Smaller vendors stick to ambient scribing and basic documentation

As a first step in leveraging Gen AI, small companies are focusing on developing Gen AI capabilities around ambient listening tools and clinical documentation automation.

**Altera** (formerly Allscripts) began working on ambient listening tools in 2025 that can detect multiple voices in the exam room, capture conversations between patients and providers, and summarize them in a note.

In November 2024, **Veradigm** launched an AI-powered ambient scribe platform that actively listens to doctor-patient conversations, records them, and automatically transforms them into organized clinical notes.

While **smaller companies’ focus is narrowed to developing solutions that primarily address basic documentation challenges for physicians**, bigger players such as Epic and Oracle are enhancing these solutions with advanced features such as patient chart auto-summarization and task automation. The fact that **small companies typically target clinics or small health centers that**

**cannot afford complex software solutions** leads them to focus on basic solutions.

## EOS Implic–Action: Native AI will help big EHR vendors widen the gap

For years, the burden of documentation has weighed heavily on clinicians. On average, they spend 2.3 hours documenting for every 8 hours of scheduled clinical time. Gen AI-powered ambient scribing and clinical documentation automation tools address this long-standing pain point by freeing clinicians from a large part of tedious paperwork. These solutions are quickly becoming a standard feature in clinical environments.

**Large health systems prioritize solutions that integrate seamlessly with their enterprise EHR systems** to meet strict regulations and security standards. **In acute care, Epic, Oracle, and Meditech dominate as leaders**, partnering with AI firms such as Microsoft, Suki, Abridge, and iScribe. These collaborations allow for integration of ambient scribing, digital assistants, and documentation automation, streamlining workflows and improving patient care.

Significant **funding fuels these AI companies' success**. For example, Suki raised US\$168 million, including a US\$70 million Series D round in October 2024. Such investments drive the development of advanced Gen AI capabilities, fostering innovation.

As the EHR giants capture the majority of the AI-enhanced EHR market, **small companies will continue to concentrate on the ambulatory care** segment, especially small clinics. This market segment remains fragmented, with numerous smaller players providing AI solutions with limited functionalities. Small clinics are not only sensitive to upfront costs but also to ongoing maintenance and support fees. Therefore, these AI vendors will follow a **product-led growth strategy**, allowing clinicians to use a light version of the solution for free, with the goal of converting them into long-term paying customers over time.

To differentiate themselves, these **smaller AI vendors will continue to tailor their solutions to specific practice types**, such as physical therapy or behavioral health, which larger providers may not be willing or able to cater to effectively. However, these solutions may **face challenges in integrating with existing EHR systems**.

**EHR giants are far ahead and continue to solidify their leadership** in the Gen AI space, continuously building diverse AI capabilities and specialized solutions to

optimize clinical workflows. **Partnerships with other players have a crucial role in this strategy.** For instance, Abridge partnered with Epic to launch a Gen AI ambient documentation workflow for nurses in July 2023. This partnership strengthened Epic's already solid position and showed that the market can be challenging for smaller Gen AI companies to compete against integrated solutions by larger players.

Given the intense competition from big companies, **it is unclear whether smaller or newer players can deliver enough** in terms of product features, usability, or cost advantages to gain significant traction as standalone solutions, as opposed to integrated solutions offered by larger players.



HEALTHCARE, MEDTECH

AI, ENTERPRISE IT, HEALTHCARE, INTEROPERABILITY, MICROSOFT, ORACLE

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