

Health Record Banks Gaining Traction in Regional Projects

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Health record banking, the "power-to-the-people" version of health information exchange, grew last week with the launch of three pilot projects in the state of Washington. With a statewide bank in the formative stages in Oregon and citywide projects under way in Louisville, Kansas City and Ocala, Fla., the idea of community repositories of electronic health records appears to be gaining traction.

Proponents say health record banking is preferable to provider-controlled health information exchanges because it better protects privacy, ensures stakeholder cooperation and is more financially sustainable.

In health record banks, the sponsoring organization -- so far, it's been a government agency -- collects, collates and displays patients' health records on a Web site. Existing records from physicians, hospitals, laboratories, pharmacies and other sources are included and subsequent records are added. Patients -- not health care providers -- control access to their health data.

"Health record banking is a consumer-centric approach to making comprehensive electronic medical records available at any point of care while fully protecting privacy," said **William Yasnoff**, founder of the **Health Record Banking Alliance** and managing partner of NHII Advisors, a consulting firm specializing in National Health Information Infrastructure, an initiative of HHS.

"A central repository is much simpler and cheaper to operate than the financially and technically infeasible 'fetch and show' model that has been widely promoted, but is not operational on a large scale anywhere," Yasnoff said. He added, "In addition, HRBs do not need to connect to each other since the complete records for each patient are in a single HRB. This eliminates an entire class of interoperability."

Washington State Pilots Consolidate Information

Juan Alaniz, manager of the health record banking project for the Washington State Health Care Authority, differentiates between traditional personal health records and the records residing in banks.

"We think of them as tethered personal health records," Alaniz said. "With PHRs, if I want my information I have to go to all the places I've ever been -- doctors' offices, dentists' offices, hospitals, the Army, wherever I've had medical treatment, and get it myself. And there's no assurance that I'll be able to get it and I may have to pay. The intent of the health record bank is to create a central place and central organization that collects and displays all that information. The bank actually collects all the information and arranges for new information to be entered as it develops," Alaniz said.

"It really is like a bank with consumers and providers making deposits and withdrawals," Alaniz said.

The Washington state pilots will explore multiple financial models, including charging fees, seeking employer sponsorships and other options.

In addition to the three state-funded pilots, a fourth health record bank is also under way in Washington state at the Madigan Army Medical Center in Tacoma, Wash.

The three new pilot programs, which received \$1.7 million in state grants, are operated by St. Joseph Hospital Foundation and the Critical Junctions Institute in Bellingham, the Community Choice Healthcare Network in Cashmere and Inland Northwest Health Services in Spokane.

Participants will use Google Health and Microsoft Health Vault to make deposits and withdrawals.

"We've had other vendors express interest in this program and there may be other options in the future, but right now, Google and Microsoft have the most robust systems, offering the best security and the greatest sophistication," Alaniz said.

State officials hope to get an idea of how the systems work by June and, depending on the results, may pursue statewide health information infrastructure based on health record banks by 2011.

Support in Congress

A bipartisan bill introduced in 2007 -- HR 2991 by Rep. Dennis Moore (D-Kan.) -- encouraged the use of independent community-based health record banks (called trusts in the legislation). The bill was co-sponsored by 78 legislators and had the support of the Progressive Policy Institute, as well as the Heritage Foundation.

The bill died without a vote at the end of the 110th Congress, but support for the idea clearly lives on. In addition to the states and communities already working on creating banks, several others have expressed interest.

Financing Model Offered

The Health Record Banking Alliance developed a set of health record banking principles, which includes a model for financing banks with a combination of for-profit and not-for-profit organizations.

Under that model, a not-for-profit community organization provides governance and collaborates with a for-profit to develop and operate the bank. The for-profit would raise the capital and pay ongoing fees to the not-for-profit to cover its operating expenses. Accounts are free to everyone, with the costs defrayed by a combination of fees for reminders and alerts paid by patients and/or third parties and fees from researchers for data searches and advertising.

To protect privacy, patient permission would be required before data could be sold and only anonymous tables of summary results would be released, said Yasnoff. Consumers could elect to not see advertisements on their health records for an annual fee, Yasnoff added.

Health record banks could encourage physician use of electronic records by either paying physicians who already have EHR systems a fee for deposits or by subsidizing Internet-accessible EHRs for physicians who have not yet invested in an electronic system.

Funded Through 'New Value'

"Because it is inexpensive, health record banking can be deployed with a sustainable business model that also covers the cost of [EHRs] for all medical providers in the community," Yasnoff said, stressing the value of helping providers invest in or pay off electronic systems.

In one business model described by Yasnoff, a bank with one million subscribers could create a modest profit for the medical community. Here's how he describes it working:

Optional reminders and alerts would bring in \$12 per person, per year, with advertising adding another \$6 per person for a total of \$18 in annual revenue per person. Expenses in this example would be \$6 per person to operate the health record bank, and \$10 per person to defray the costs of EHRs for all providers, for a total of \$16 per year.

"This results in a profitable operation, with earnings before taxes of \$2 per person per year," Yasnoff said, adding, "This business model does not depend on or attempt to capture any health care savings. It is funded solely through new value created for consumers by the health record bank."