

October 7, 2010, 5:10 PM ET

Washington, Silicon Valley talk health-care technology

About 170 people gathered to trade ideas and hear the chief technology officer of the U.S. address health information-technology companies in San Francisco on Thursday. It's part of a week-long series of events being billed as "Health Innovation Week" in the city by the bay, and it comes at a critical time. Next year the federal government will begin to fund \$20 billion in incentive payments to doctors and hospitals that make "meaningful use" of electronic health records.

The U.S. government doesn't endorse particular products or companies, [Aneesh Chopra](#), the federal CTO, reminded attendees at the DC to VC: Investing in Health-Care IT Summit, held at the St. Francis Yacht Club. But he was generally bullish on the market's prospects, broadly defined. Competitions among developers, including some hosted by the government, are spurring innovation, he said.

"We see a tremendous opportunity in mobile health," Chopra said, noting the Obama administration has called for nearly doubling the available spectrum for such apps.

As an example, Chopra said 75,000 women have signed up for free text messages in a partnership "Text4Baby" program for pregnant women and new mothers that launched earlier this year.

He also pointed to a new "blue button" program on the Veterans Administration website that allows veterans to take possession of their health records if they want. Since President Obama announced the feature in early August, 60,000 veterans have downloaded their information, Chopra said. The tool is available on [MyHealthEVet](#).

The blue button feature is now available to Medicare beneficiaries as well, the Department of Health and Human Services announced Thursday. People on Medicare can choose to download their records to keep on their personal computers or share with other doctors by going to [www.MyMedicare.gov](#). See an overview of the new program [here](#).

After his speech, I asked Chopra if he'd read patients' suggestions that were solicited during an open-comment period on what should qualify as meaningful use of electronic health records.

"I read syntheses of the comments that came in," he told me. "The patient-engagement recommendations were generally overwhelmingly supported."

I also asked him how the administration is protecting patients' privacy concerns as more companies start mining troves of personal data for commercial use.

"In our policy environment, privacy and security are absolutely sacrosanct," Chopra said. "The requirements are unilaterally push technologies."

That means patients control the options upfront, Chopra said. He noted that privacy standards have "moved from the traditional model of informed consent to knobs and dials that give consumers more power over what their information is used for and how."

[Todd Park](#), chief technology officer of the U.S. Health and Human Services Department, said entrepreneurs have been "scrubbing in" and making obscure public-health data more useful to people by way of games and other playful apps.

"A lot of the data developers have been making apps with has been in the public domain for years but nobody knew it," Park said.

See this [report from Xconomy](#) for a broader Q and A with Chopra.

What New Zealand has to do with it

It was a medical need while traveling in New Zealand that first drew Morgenthaler Ventures partner [Rebecca Lynn](#) into the world of health IT.

Ten years ago, she visited a doctor in private practice in a small town and another at an urgent-care center in Queenstown. Each physician pulled her medical data up on a screen, discussed it with her and gave her a print-out to take with her, highlighting the self-care she should do at home and how to follow up with him if the need arose.

"I nearly fell over," Lynn said, noting that the Queenstown doctor also apologized for charging her \$20 and making her wait 15 minutes for her appointment. Her New Zealand experience "created a vision of how much we could improve" systems here in the U.S.

Morgenthaler Ventures is a major investor in Practice Fusion, a San Francisco-based free provider of EMR software to individual physicians and those who practice in small groups. Lynn said she's looking for more health IT investment opportunities and sees the conference opening doors to a productive collaboration between the government and entrepreneurs.

"Health care is in a lot of ways analogous to where the financial-services sector was 15 years ago," Lynn said. "The data was often [in silos]."

For more on the ramped-up push for electronic health records, see this [Vital Signs column](#) from April.

Lynn said she, along with Brian Ascher of Venrock and Shai Goldman of Silicon Valley Bank, put the conference together in consultation with Wil Yu of the Office of the National Coordinator for Health IT in Washington. She originally planned for a modest round-table discussion, but interest grew and grew. Many of the invitation-only crowd represented the banks' clients and venture-capital firms' portfolio companies.

Heard at the conference

During one panel, Park asked the chief executives of up-and-coming companies to describe the one thing they wanted the U.S. government to do to help spur innovation.

Giovanni Colella's answer was perhaps the most surprising. Colella is CEO of Castlight Health, which provides comparative health-care pricing information primarily to big employers. He urged the government to get employers out of the business of offering health insurance or at least eliminate the generous tax deduction they receive for doing so, calling the result a "disaster" that creates inequity and works against free-market principles.

In response, Park quipped, "That's slightly above my pay grade."

Between sessions I caught up with Ron Gutman, chief executive of HealthTap, a start-up company based in Palo Alto, Calif. It's still formative, so he was light on the details. But here's his basic pitch.

"The Internet is organized around the disease, conditions, signs, symptoms and treatment, but it's never about the most important entity in the system. It's never about you," Gutman said.

"What we're building now will help you on three levels: orientation, action and support."

The company recently hosted a hackathon, where developers share ideas and compete to create the best technology. He expected 30 to 40 developers to show up.

"When the 200<sup>th</sup> person registered we had to close registration," Gutman said.

It's that kind of enthusiasm that may lead to more robust consumer-health tools arriving soon.