

In addition to Myerson, Truveta's C-suite includes three other former Microsoft executives, including its chief product officer, chief technical officer, and chief of marketing. Its data will be stored with a third-party cloud provider, although Myerson declined to identify the company. Executives with the hospitals that collectively own Truveta said they structured it to keep health care entities in direct control of the use of their data, even if the infrastructure to link and store the data is developed by large technology companies and former employees of such companies.

"It's about the control word with a capital C," said Rod Hochman, chief executive of Providence, a health system that helped form the company. "The providers wanted to maintain control of the process. We have strong feelings about the ethics of how data is used and what the use cases are."

He said the health systems investing in Truveta did not believe a large technology company is well-suited to serve as a steward of patient information, or to understand the types of questions patient data should be used to answer. "We've seen some examples that we haven't been too happy with where people have tried to take data — they try to go around health systems and find it from the EMRs. We haven't been happy with those results," Hochman said.

So Truveta is, in essence, an attempt to fill what the hospitals see as a gaping void currently

being filled by companies whose motives don't necessarily align with those of the hospitals or their patients. In that way, it is akin to another company, Civica, whose mission is to manufacture and distribute generic drugs that are often subject to shortages and price hikes by pharmaceutical companies.

Many of the hospitals investing in Truveta are also involved in Civica, including Providence, Trinity Health, Advocate Aurora Health, Baptist Health, and Memorial Hermann.

But health data experts said Truveta's success or failure will be determined by several important decisions not yet made. Among them: Which entities will Truveta share data with? How much will it charge? And how will it interact, if at all, with patients whose data is being used to power the research projects and the products derived from them?

"The most ethical way to do this would be to ask patients for their consent in the sharing of the data and be fully transparent as to what is happening with the data," Tanner said, adding that structuring as a nonprofit might also help allay concerns about its motives. "The fact that it is for profit creates the potential that the lure of money could lead one to stray from the path of the highest ethical standards."

When it comes to patient consent, Truveta executives said the use of data for medical research is already included in the privacy policies the

health systems provide to patients when they get care. The company also said that as Truveta is integrated into the providers' systems, "each will assess how best to inform patients" of the projects for which their data is being used.

As far as its tax structure, Hochman said that although the health systems in Truveta are mostly tax-exempt entities, they weren't certain Truveta could function as a nonprofit. "We didn't feel it could necessarily make the hurdle to be a tax-exempt organization. And also, we want to see where things go. Today, the only investors are going to be the health care entities that are part of it, but we're not accepting charitable contributions. We didn't want to go down that pathway [so we can] kind of leave the possibilities open."

He added: "If you ask me, Rod, what will Providence do with any profits that come from Truveta? Guess what? They're going to get plowed right back into taking care of patients and doing what we do."

About the Author

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