MEDICAL CARE ON A CARD
Can a European import fix what ails America?

It remains an enduring image from the White House's failed campaign for health-care reform: In 1993, President Clinton stood before the nation flashing a mock "health security card." The plan was to link such cards to a national database containing Americans' complete medical histories, promising huge efficiencies and speeding communications between doctors and hospitals.

That scheme has sputtered in the U.S.—but not in Dr. Heinrich Fien's office in Karlsruhe, Germany. There, visitors hand receptionist Suzanne Stiegel a smart card—basically, an I.D. card with an embedded chip. Passed through a slot in Stiegel's computer keyboard, the card provides each patient's name, address, and insurance information, all linked to medical files stored in the computer system. After treatment, the system sends an electronic claim to the insurer. No paper forms, no headaches. "This system is so much easier," Stiegel says.

Smart cards have become a staple of European life in the past decade, used for everything from phone calls to betting on horse races. Now, plastic is pushing into health care. Germany has used medical smart cards since 1995, and France, Belgium, and Slovenia are close to instituting similar schemes nationwide. Across Europe, some 200 pilot projects are in the works, forming the backbone of what could become a Continentwide network (table).

BIG SAVINGS. Indeed, about 100 million Europeans will hold medical smart cards by yearend, a figure that should double by 2000, says Cap Gemini consultant Hervé Doaré. While early versions of the French card, to be launched nationwide in 1999, will service only administrative functions, a successor, due in 2000, will bear patients' medical records. Germany's cards soon will include drug prescriptions, and Holland is equipping ambulances with card readers.

Such systems could produce monumental savings for the Continent's bloated health system, where expenditures are rising faster than gross domestic product. The French government hopes by 2005 to phase out 8,700 jobs related to paper-based medical transactions, saving $338 million a year. But health advocates also anticipate that smart card will foster better medical care. Physicians will get instant access to patient blood types, allergies, and lab test results; speeding diagnoses. Using search engines to comb through databases of patient records, even doctors in remote villages will be able to locate colleagues handling similar cases to compare symptoms and treatments.

That's why the European Commission is working with local governm anders to prepare legislation to address security and standardization problems. The European Parliament has recommended distributing a voluntary Continentwide emergency card called Health Passport, in 1999.

"CULTURAL ISSUE." Before a Continental network can fly, Europeans must overcome competing languages and legal systems. Even more daunting are privacy concerns, which vary greatly among nations. Belgians, for example, prefer not to have their insurers' names printed on their cards—so physicians will need special cards access such data. "This is a cultural issue, which is not as complicated as technology and will consequently slow," says Philippe Cir's manager of Santal, a card project co-sponsored by France and the European Commission.

A Continentwide scheme could prove a huge win for the vendors supplyi most projects—France's Gemplus Groupe Bull, and Schlumberger, a Germany's Giesecke & Devrient, Or and Siemens. The companies also hear the European boom will ignite interest in the U.S. Already, the Group of Eight has launched pilots in North Dakota, Wyoming, Nevada, West Virginia, a Washington, hoping someday to roll them to a global network.

It won't be an easy sell, though. Europe leaped into smart cards early because it lacked an advanced telecommunications infrastructure. America's better telecom technology, so smart cards inherently are less appealing. Health-care providers are looking for an econo payback that will justify the huge investment such a system requires. Within two years, the experiments should show how well smart cards translate.

By Inka Reisch in Paris