ARRA will invest $19.2 billion total in health information technology (HIT) infrastructure, and Medicare and Medicaid incentives to encourage doctors and hospitals to use HIT to electronically exchange patients’ health information. The Congressional Budget Office estimates that as a result of this legislation approximately 90 percent of physicians and 70 percent of hospitals will be using comprehensive electronic health records within the next decade. The ARRA:

- Codifies the Office of the National Coordinat or for Health Information Technology (ONCHIT) within the Department of Health and Human Services. This office is responsible for creating a nationwide health information technology infrastructure;
- Establishes a voluntary certification process for health information technology products. The National Institute of Standards and Technology will provide for the testing of such products to determine if they meet the national standards;
- Provides significant financial incentives through the Medicare and Medicaid programs to encourage doctors and hospitals to adopt and use certified electronic health records:
  - In Medicare, physicians will be eligible for financial incentives if they are meaningfully using health information technology, such as through the reporting of quality measures over a five year period. Hospitals will be eligible for several million dollars in the Medicaid and Medicare programs to similarly use health information technology,
  - Private practitioners, including dentists, qualify for Medicaid incentive payments related to the adoption of HIT. For qualified practitioners (30 percent Medicaid case share), Medicaid will reimburse a significant share of both the costs of adopting HIT and or reasonable administrative costs. Federally qualified health centers, rural health clinics, children’s hospitals and others will be eligible for funding through the Medicaid program,
  - Incentive payments for both physicians and hospitals in Medicare continue for several years but are phased out over time. Eventually, Medicare payments are reduced for physicians and hospitals that do not use a certified electronic health record, and
  - Nothing in the legislation requires that private entities adopt or use HIT except as required in contracts with federal agencies.
- Provides additional funds to help providers finance HIT through grants. Dental schools qualify to receive grants to teach clinical use of HIT;
- Establishes a federal breach notification requirement for health information that is not encrypted; it requires that an individual be notified if there is an unauthorized disclosure or use of his or her health information; and
- Requires that providers attain authorization from patients in order to use their health information for marketing and fundraising activities.