The Health Information Technology for Economic and Clinical Health (HITECH) Act, enacted as part of the American Recovery and Reinvestment Act (ARRA) of 2009, was signed into law on February 17, 2009, to promote the adoption and meaningful use of health information technology.

Meaningful Use means that in order for a provider to receive federal reimbursement of HIT expenditures, the provider must demonstrate that their organization is using certified Electronic Medical Record (EMR) or Electronic Health Record (EHR) technology in ways that can be measured significantly in quality and in quantity.

The Centers for Medicare and Medicaid Services (CMS) is making funds available to eligible hospitals and eligible professionals (physicians) who attest to Meaningful Use criteria. Up to $27 billion in EHR incentive payments, or as much as $60,000 per eligible health care professional is available; eligible hospitals can qualify for incentive payments totaling some $2 million or more. However, hospitals and eligible professionals who do not meet the requirements for Meaningful Use are subject to penalties in the form of payment adjustments to their Medicare reimbursements beginning in 2015, which start at 1% and gradually increase to a maximum 5% annual adjustment.

Under the HITECH Act, health care professionals and hospitals may be eligible for incentive payments when they use EHR/EMR technology to meet Meaningful Use objectives, with the goal of having information follow a patient through transitions of care and interactions with providers, hospitals, payers and Health Information Exchange organizations.

- Meaningful Use Stage 1 (MU1) - attestation requires secure provider-to-provider messaging of patient information.
- Meaningful Use Stage 2 (MU2) - attestation requires the use of Direct messaging to support transitions of care and transmission of clinical summaries to third parties.

The Direct Project, including Direct messaging, is an initiative started in 2010 by the Department of Health and Human Services (HHS) in support of the MU provision. Direct messaging was created to specify a simple, secure, scalable, standards-based way for participants to send authenticated, encrypted health information directly to known, trusted recipients over the Internet. Although participation is voluntary, the prospect of missing out on the CMS-issued incentives, and avoiding penalties, is driving organizations to actively participate.