

Secretary Kathleen Sebelius testified before a hearing of the House Education and the Workforce Committee (Full Committee) Thursday, May 5, 2011, on the "Policies and Priorities of the U.S. Department of Health and Human Services." The secretary's testimony described the Administration's FY12 HHS budget. Although her oral testimony did not address HIT, meaningful use adoption, or EHRs incentive funding, the secretary's written testimony included the following two segments:

Page 9 – "Advancing Health Information Technology: The [President's FY12] Budget includes \$78 million, an increase of \$17 million, for the Office of the National Coordinator for Health Information Technology (ONC) to accelerate health information technology (health IT) adoption and promote electronic health records (EHRs) as tools to improve the health of individuals and transform the health care system. The increase will allow ONC to assist health care providers in becoming meaningful users of health IT."

Pages 12-13 – "Implementing the Recovery Act: The American Recovery and Reinvestment Act provides \$138 billion to HHS programs [including] making long-term investments in health information technology (IT), biomedical research and prevention and wellness efforts. HHS made available a total of \$118 billion to States and local communities through December 31, 2010; recipients of these funds have in turn spent \$100 billion by the same date. Most of the remaining funds will support a signature Recovery Act program to provide Medicare and Medicaid incentive payments to hospitals and eligible health care providers as they demonstrate the adoption and meaningful use of electronic health records. The first of these Medicaid incentive payments were made January 5, 2011. As of March 31, 2011, 660 providers received \$64 million in Medicaid incentives."

The House Energy and Commerce, Commerce, Manufacturing, and Trade Subcommittee held a hearing Wednesday, May 4, 2011, on "The Threat of Data Theft to American Consumers." The hearing was precipitated by Sony's recent revelation that its PlayStation Network users' data had been breached. In the Sony case alone, the personal information of over 100 million customers appears to have been illicitly accessed. The witnesses included David Vladek, Director, Bureau of Consumer Protection, Federal Trade Commission; Pablo Martinez, Deputy Special Agent in Charge, Criminal Investigative Division, U.S. Secret Service; Justin Brookman, Director, Consumer Privacy Project, Center for Democracy and Technology; and Dr. Gene Spafford, Professor and Executive Director, Purdue University CERIAS. Testimony of several witnesses indicated that in many recent disclosure cases the collectors of the consumers' personal information were not exercising the appropriate levels of protective action even including not using up-to-date firewalls and downloading the latest software security patches provided by software companies. The witnesses addressed the responsibilities of both the software company and the collector of the data. Healthcare information was mentioned as one example of personal information that has to be protected. The Committee is working on new potential legislation specifying the responsibilities of software manufacturers and collectors of personal information to protect that information and enhancing the FTC's civil enforcement authority. The legislation may be modeled on H.R. 2322 from the 109th Congress.