



# American Recovery and Reinvestment Tax Act

## *Health Related Funding Implications*

Community Action Network Presentation  
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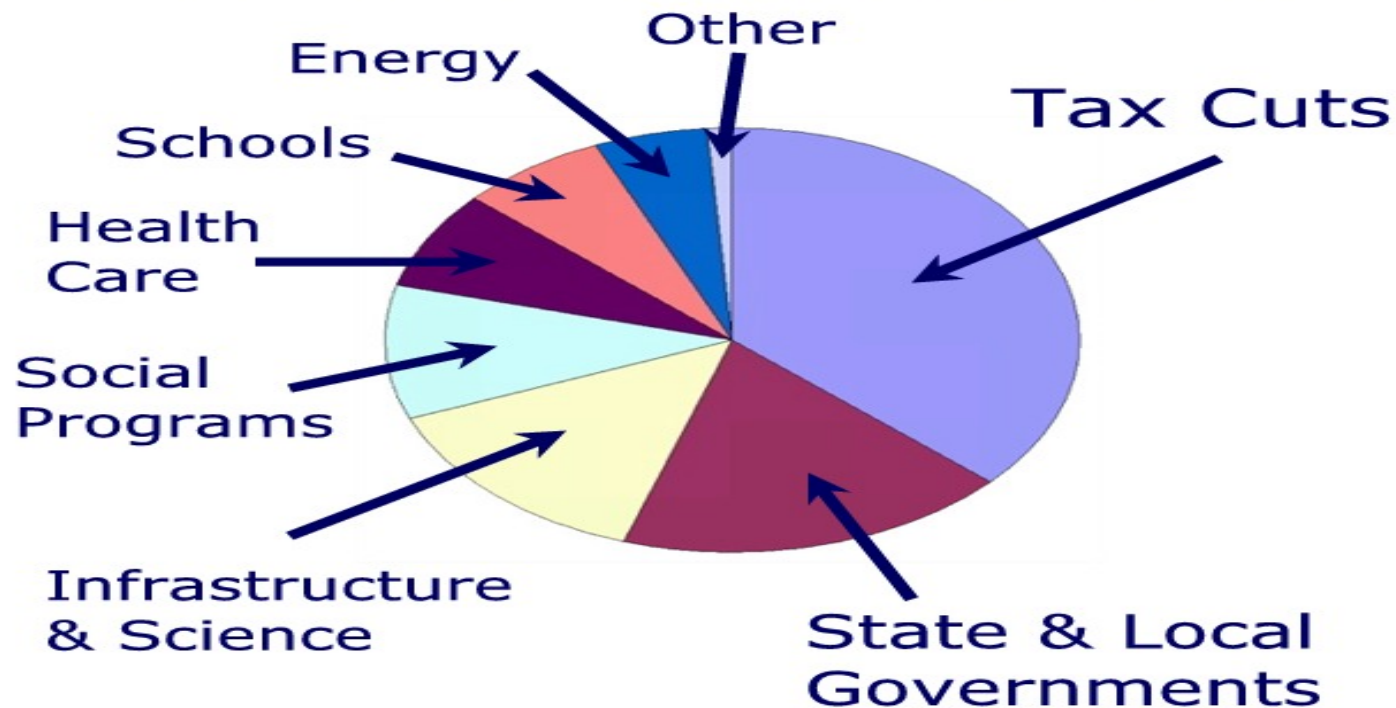
# Overview of Federal Act

<b>Program</b>	<b>\$ in Billions</b>	<b>Percent of Total</b>
Tax Cuts	288	37%
State and Local Governments	144	18%
Infrastructure and Science	111	14%
Social Programs	81	10%
Health Care	59	7%
Schools and Training	53	7%
Energy	43	5%
Other	8	1%



# Overview of Federal Act

## American Recovery And Reinvestment Act of 2009





# Health-Related Funding

## Health Centers

- **\$500M** for grants to health centers authorized under section 330 of the Public Health Service Act (such as Federally Qualified Health Centers)
- **\$1.5B** for infrastructure needs for these centers, including -- construction, renovation, equipment, and/or acquisition of health information technology (HIT)
  - \* HRSA to determine eligibility for size/type of projects
  - \* HRSA to distribute funds directly to health centers



# Health-Related Funding

## Workforce

- **\$500M** to address work shortages in health professions, including \$75M for National Health Services Corp
  - \* Supports scholarships, loan repayment, and grants to training programs
  - \* 20 percent of funds allocated to National Health Services Corps for field operations
  - \* Up to .5% may be used for administration of funds

# Health-Related Funding

## Prevention and Wellness

- **\$1B** to be administered by Department of Health and Human Services for prevention and wellness
- **\$300M** to Centers for Disease Control for immunization program
- **\$650M** for evidence-based prevention and wellness strategies authorized by Public Health Service Act
- **\$50M** to States to implement infection-reduction strategies
- Requires annual evaluation of funded programs and allows for no more than .5% of funds for management and oversight activities



# Initial Estimates of State Impact

## Health – Federal Medical Assistance Program

- **\$4.6B** potential from FY09-FY11 in increased federal contribution for Medicaid program (state match required)
  - \* Increase is temporary
  - \* Across-the-board increase of 6.2% over FY08 rate then adjusts for state increase unemployment
  - \* Medicaid eligibility cannot be made more restrictive
  - \* Cannot be used by state for state reserve of rainy day fund
  - \* Must report on use of funds by 9/30/11



# Initial Estimates of State Impact

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## Disproportionate Share Hospitals (DSH)

- **\$70.8M** in *additional* funds for FY09 and FY10 (combined)
  - \* Increases state DSH allotment to 102.5% of state's 2009 allotment
  - \* Current state allotment is \$936.7M



# Estimated Local Impact

- CommUnityCare Health System (FQHC) is slated to receive \$966,315 in one-time funds
  - ✓ Have two years to implement plan for impacting increased demand for services
  - ✓ Increase in number of providers
  - ✓ Increase in existing services
- Additional opportunity to seek funds from \$1.5 Billion for infrastructure and Health Information Technology



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## *Health Related Funding Implications*

More information to come...

