



Senator Sherrod Brown

American Recovery and Reinvestment Act *An Investment in Improving Healthcare in Ohio*

What does the economic recovery package mean for Ohio?

- Creates or saves 133,000 jobs in Ohio.
- Provides critical tax cuts for an estimated 4.5 million middle class Ohioans through the Making Work Pay Tax Credit and relief from the Alternative Minimum Tax for 884,000 Ohioans.
- Saves money, reduces energy consumption, and creates jobs through energy efficiency programs.
- Invests \$68 million in targeted communities hard hit by job loss and high unemployment by retraining dislocated workers and helping communities build regional industry clusters.
- Improves education throughout the state by investing in local school districts and public colleges and universities.

WHAT IS THE DIFFERENCE BETWEEN FEDERAL COMPETITIVE GRANTS AND STATE FUNDING IN THE ECONOMIC RECOVERY PACKAGE?

- **Federal agencies will be accepting proposals for Federal Competitive Grants beginning in March.** See below for information on how to apply. Program and agency information on energy funding is listed on the reverse of this page. For additional information, visit Senator Brown's website at www.brown.senate.gov or the President's webpage www.recovery.gov.
- Much of the state funding will be distributed via noncompetitive formula grants. The State of Ohio will be distributing this formula funding at its discretion and is accepting project proposals at www.recovery.ohio.gov.

How to Apply for Federal Competitive Grants

The economic recovery package will help to rebuild our economy and put Americans back to work through targeted investment and competitive grants for key programs in vital economic areas.

Requests for Proposals (RFPs) for competitive grants will be available beginning in **March 2009**. In order to apply for a federal competitive grant, you must complete the www.grants.gov registration process.

Please register early so you are prepared to apply for grants as soon as they are available. Additional information about grants will be listed at www.brown.senate.gov as soon as RFPs are available.

How to sign up for Federal Competitive Grants

1. Go to www.grants.gov and complete the online registration.
2. Visit www.brown.senate.gov for important updates.
3. Senator Brown's office will hold Federal Assistance Workshops to help you apply. For more details, please visit www.brown.senate.gov/ohio/constituent_services/workshops/

In March, Ohio received \$6.3 million in Federal funding for five community health centers (CHCs) in Dayton, Lorain, Springfield, Lancaster, and Columbus.

These centers help people in need (many with no health insurance) obtain access to primary and preventive health care services – in 2007 alone, Ohio's 137 CHCs provided care to more than 374,000 Ohioans. This additional funding is projected to create 190 jobs in Ohio.

What does the economic recovery package mean for HEALTHCARE?

The economic recovery package provides critical investments that will improve quality of and access to healthcare in Ohio and the rest of the country, including:

- \$3 billion for the National Science Foundation for research supporting American innovation
- \$1.5 billion to the National Institutes of Health for the renovation of university research facilities and assistance to universities in competing for biomedical research grants
- \$19 billion in nationwide investment (grants, loans, tax incentives) to accelerate adoption of Health Information Technology systems
- \$3 billion to Ohio in 2009 and 2010 to help maintain Medicaid programs, in additional federal matching funds
- \$1 billion for a new Wellness Fund to help reduce the incidence of disabling and costly chronic illnesses
- \$1.1 billion for comparative effectiveness research to help doctors determine the right medicines for patients

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For more information about the economic recovery package, visit www.brown.senate.gov

Federal Competitive Grants – Health

Listed below are the federal programs that received economic recovery package funding. Visit the links in the right-hand column for details on each program. For more health recovery information, visit <http://hhs.gov/recovery>. Requests for Proposals (RFPs) will be made available from each agency and program.

| PROGRAM | AGENCY | FEDERAL FUNDING | WEBSITE |
|-------------------------------------------------------------------------------------|---------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------|
| Community Health Centers | Department of Health and Human Services | \$500 million | http://www.hrsa.gov/ |
| Distance Learning, Telemedicine, and Broadband | Department of Agriculture Rural Utilities Service | \$2.5 billion | http://www.usda.gov/rus/ |
| Establish a New Initiative to award capacity building grants directly to nonprofits | Department of Health and Humans Services | \$100 million | www.hhs.gov |
| Green and Health Care Worker Training | Department of Labor | \$750 million | http://www.doleta.gov/ |
| Health IT | Department of Health and Human Services | \$2 billion | www.hhs.gov |
| Rehabilitation Services and Disability Research | Department of Education | \$680 million | http://www.ed.gov/programs/cil/index.html |

Tax and Finance Provisions for Health

In addition to the funds available through the state and the federal competitive grants, the economic recovery package will provide significant **tax relief towards investing in healthcare**.

HEALTH INSURANCE ASSISTANCE

Premium Subsidies for COBRA Continuation Coverage for Unemployed Workers To help people maintain coverage, the economic recovery package provides a 65% subsidy for COBRA continuation premiums for up to 9 months for workers who have been involuntarily terminated (between 09/01/08 and 12/31/09) and for their families. This subsidy also applies to health care continuation coverage if required by states for small employers. For individuals who were involuntarily terminated but failed to initially elect COBRA because it was unaffordable will be given an additional 60 days to elect COBRA and receive the subsidy. Individuals making over \$125,000 annual (or \$250,000 for a family) not eligible for the COBRA subsidy.

Medicare Payments for Teaching Hospitals, Hospice and Long Term Hospitals The economic recovery package blocks a recent Medicare payment reduction to teaching hospitals related to capital payments for indirect medical education (IME) as well a Medicare payment cut to Hospice providers related to a wage index payment add-on. The bill makes technical corrections to the Medicare, Medicaid, and SCHIP Extension Act of 2007 related to Medicare payments for long-term care hospitals.

HEALTH INFORMATION TECHNOLOGY (Health IT)

Funding for Health IT through Medicare and Medicaid Incentives

- Government will be required to take a leadership role to develop standards by 2010 that allow for the nationwide electronic exchange and use of health information to improve quality and coordination of care.
- There will be an investment of \$19 billion in health IT infrastructure and Medicare and Medicaid incentives to encourage doctors, hospitals, and other providers to use health IT to electronically exchange patients' health information.
- Federal privacy and security law will be strengthened to protect identifiable health information from misuse as the health care sector increases use of health IT.

STATE FISCAL RELIEF AND MEDICAID

Temporary Federal Medical Assistance Percentage (FMAP) Increase For a 27-month period (10/1/2008– 12/31/2010), FMAP funding will be increased by 6.2% to all states. Additionally, a bonus structure provides a decrease in State financial obligations for Medicaid based on increases in the State's unemployment rate.

Temporary Increase in Disproportionate Share Hospital (DSH) Payments States' FY2009 DHS allotments will be raised by 2.5%; FY2010 allotments will be raised by 205% above the FY2009 allotment.

Extension of Moratoria on Medicaid Regulations Through 06/30/09, moratoria on Medicaid regulations for targeted case management, provider taxes, and school-based administration and transportation services will be extended and adds a moratorium on the Medicaid regulation for hospital outpatient services.

For more information about the economic recovery package: www.brown.senate.gov
 For more information about the tax provisions: www.irs.gov