



### **Some Quick Highlights of New Recovery Package American Recovery and Reinvestment Act (P.L. 111-5)**

- **Federal Medicaid Assistance (FMAP) (\$86.7 billion)**  
--states will get an additional federal assistance in the form of a base 6.2 percentage point increase in their FMAP rate. The increased federal Medicaid funding will be available for Medicaid expenditures between October 1, 2008, and December 31, 2010. In addition, states experiencing high unemployment will receive additional assistance.
- **State Stabilization Fund (\$53.6 billion) to help state and local governments avert cuts**  
--\$39.5 billion block grant earmarked for maintaining K-12 and higher education  
--\$8.8 billion in flexible block grants to states to help avert cuts in education or other critical services **including services to people with disabilities and the elderly**
- **SSI and Social Security (\$15 billion)**  
--Nearly 55 million beneficiaries automatically will receive one-time additional \$250 payment by end of May 2009. There are limitations—no one time payment if the SSI beneficiary is living in a medical treatment facility (hospital, nursing home, ICF/MR) and only children with disabilities under the age of 18 with receive the one-time benefit. See [Social Security stimulus payment website](#) for more information.
- **Rehabilitation Services \$680 million**  
--\$540 million Grants to states to assist in meeting costs of vocational rehabilitation services provided in accordance with State vocational rehabilitation plans  
--\$140 million provided to Independent Living Centers
- **Training and Employment Services for Activities under the Workforce Investment Act ("WIA") \$3.9 billion**

- \$500 million for grants to the States for adult employment and training activities
  - \$1.2 billion for grants to the States for youth activities
  - \$1.2 billion for grants to the States for dislocated worker employment and training
  - \$750 million for a program of competitive grants for worker training and placement in high growth and emergency industry sectors (with \$500 million designated for energy projects) and Secretary of Labor to give priority to projects that prepare workers for careers in the health care sector
- **Unemployment Assistance (\$40 billion)**
    - Provides additional 20 weeks of unemployment benefits and, in high unemployment states, additional 13 weeks
    - Increase in Federal funding for a \$25 per week increase in unemployment benefits through December 31, 2009
  - **Tax Relief:** Centerpiece *Making Work Pay Credit* of up to \$400 per worker not claimed as another taxpayer's dependent, with the credit phased in at the same rate as Social Security taxes
    - Temporarily increases earned income tax credit to 45% of the family's first \$12,570 of earned income for families with children
    - Temporarily expands the Child Tax Credit by lowering the eligibility level (the *refundability threshold*) to make the credit available to tax filers with at least \$3,000 of earnings. (Under prior law, the credit was typically available only to those with earnings of \$8,500 or more in tax year 2008 and \$12,550 in tax year 2009.)
  - **Child Care:** An additional \$2 billion in child care funding under the Child Care and Development Block Grant (CCDBG) to states to subsidize child care for children in low-income working families and low-income families in which parents are engaged in education or training.
  - **Adoption and Use of Health Information Technology (\$19 billion) to Promote IT and Electronic Health Records (EHR) and Adoption of Federal Standards by 2010**
    - \$17 billion for Medicare and Medicaid incentives and infrastructure to encourage doctors and hospitals and other providers to use HIT to exchange patients' health information
    - \$2 billion for affiliated HIT grants and loans through discretionary funding

For more information and details: Check ANCOR's economic recovery website at [Economic Recovery Plan 2009 web page](#). Visit the White House [recovery website](#) to track the progress of the ARRA and to see how the money is being spent. Access the Office of Management and Budget's (OMB) [February 18<sup>th</sup> memorandum and initial guidance on implementing the ARRA](#).