

American Recovery and Reinvestment Act of 2009: Coverage, Public Health, Social Security & Other Provisions

This fact sheet highlights potential funding opportunities in the American Recovery and Reinvestment Act (ARRA) for public health and social services including housing supports, education, Social Security, COBRA, and other insurance programs. Distribution of the funds will be determined by states with guidance and oversight from Federal partners. Because community behavioral health organizations (CBHOs) vary in the types of services provided, it will be important for each agency to identify opportunities and to engage with local and state officials to be competitive for funding from ARRA provisions. Given that implementation details for many of these provisions will be determined at the state level, please contact your state and local authorities to identify if and how these opportunities will be available to CBHOs in your community. Questions? Email Mohini Venkatesh at MohiniV@thenationalcouncil.org.

Note that there are separate fact sheets for the [Medicaid](#) and [HIT](#) provisions of the ARRA on our policy page.

ASSISTANCE TO PROVIDER AGENCIES

Children and Family Services Program (TITLE VIII)

- \$50 million to establish a new initiative to award capacity-building grants directly to non-profit organizations. The program is intended to expand the delivery of social services to individuals and communities affected by the economic downturn.

Innovation Fund (Sec. 14007)

- Secretary of Education may reserve up to \$65 million to create the Innovations Fund.
- Funding for local education agencies (LEA) or a partnership between a non-profit agency and a LEA that have shown significant gains in closing the achievement gap (measurement of this is not defined) in at least one of the following groups: 1) economically disadvantaged students, 2) students from major racial or ethnic groups, 3) students with disabilities, 4) students with a limited English proficiency. In addition, they must have made significant improvements in other measurable areas such as graduation rates or increased recruitment of high quality teachers.
- Entities that receive funding via the Innovation Fund are expected to expand their current services and serve as best practice models.

Tax Credit for Hiring Unemployed Veterans & Disconnected Youth (Sec. 1221)

- A work opportunity tax credit is available on an elective basis for employers hiring individuals from one or more of 9 targeted groups, including unemployed veterans and disconnected youth, who are hired by an employer in 2009 or 2010 (cannot have hire date before January 1, 2009).
- Unemployed Veteran: defined as an individual certified by the designated local agency as someone who: 1) served on active duty in the Armed Forces for more than 180 days or who has been discharged or released from active duty in the Armed Forces for more than 180 days or who has been discharged or released from active duty in the Armed Forces for a service-connected disability, 2) has been discharged or released from active duty in the Armed Forces during the 5-yr.

period ending on the hiring date; AND 3) has received unemployment compensation under State or Federal law for not less than four weeks during the one-year period ending on the hiring date.

- **Disconnected Youth:** Defined as an individual certified by the designated local agency as 1) at least age 16 but not yet age 25 on the hiring date, 2) not regularly attending any secondary, technical, or post-secondary school during the six-month period preceding the hiring date, 3) not regularly employed during the 6 month period preceding the hiring date, AND 4) not readily employable by reason of lacking a sufficient number of skills.

Funding via Health Resources and Services Administration (TITLE VIII)

- Of funding allocated to the Health Resources and Services Administration (HRSA), CBHOs may be able to directly access - or partner with local Federally Qualified Health Centers (FQHCs) to access - the following:
 - \$150 billion in grants for construction, renovation and equipment, and for the acquisition of health information technology systems for health centers including health center controlled networks (HCCNs).¹
 - \$500 Million for the National Health Service Corps to address health professional workforce shortages through scholarships, loan repayment, and grants to training programs for equipment²
 - \$500 million to provider organizations receiving grants under Section 330 of the Public Health Service Act.

Neighborhood Stabilization Fund (Title VII)

- \$2 billion for the Community Development Block Grant to redevelop foreclosed and abandoned homes.
- The funds can be used to purchase, manage, repair and resell foreclosed and abandoned properties or for states to establish financing methods for the purchase and redevelopment of foreclosed properties.
- Eligible grantees include nonprofits, states, and local government.

ASSISTANCE TO INDIVIDUALS

COBRA Continuation Coverage for Unemployed Workers (Sec. 1899F)

- 65% [subsidy for COBRA continuation premiums](#) for up to 9 months for workers who have been involuntarily terminated, and for their families. This subsidy also applies to health care continuation coverage if required by states for small employers and would terminate upon offer of any new employer-sponsored health care coverage or Medicare eligibility.
 - To qualify, a worker must be involuntarily terminated between September 1, 2008 and December 31, 2009. Workers who were involuntarily terminated between September 1, 2008 and enactment, but failed to initially elect COBRA because it was unaffordable, would be given an additional 60 days to elect COBRA and receive the subsidy.
 - Eligibility is restricted to individuals with incomes that will not exceed \$145,000 and families with incomes that will not exceed \$250,000 during the year the COBRA option is utilized.

¹ HRSA's Health Center Controlled Networks (HCCNs) support the creation, development, and operation of networks of safety net providers to ensure access to health care for the medically underserved populations through the enhancement of health center operations, including health information technology. <http://www.hrsa.gov/healthit/factsheet.htm>

² Mental and behavioral health professionals, including health service psychologists, clinical social workers, licensed professional counselors, marriage and family therapists, and psychiatric nurse specialists can participate in the program. <http://nhsc.hrsa.gov/index.asp>

Unemployment Insurance (Sec. 2003)

- Federal funding for a \$25 per week increase in unemployment benefits.
- Extends the deadline to qualify for the Emergency Unemployment Compensation extensions through December 31, 2009.

Payment to Supplemental Security Income (SSI) Beneficiaries (Sec. 2201)

- One-time \$250 payment to SSI beneficiaries. The [Social Security Administration](#) has stated that they expect to disburse payments by the end of May 2009 (which will be separate from regular SSI payments) and beneficiaries will receive these payments in the manner in which they receive their regularly-scheduled payments.

Homelessness Prevention Fund (TITLE XII)

- \$1.5 billion to provide short term rental assistance, housing relocation, and stabilization services for families who may become homeless due to the economic crisis. Funds are distributed by the formula used for the Emergency Shelter Grants Program under the McKinney Vento Act.

Assisted Housing Stability (TITLE XII)

- \$2.25 Billion for 12-month renewals of project-based Section 8 rental properties; of which \$250 million is set aside from grants/loans for energy retrofitting and green investments in assisted housing.

ASSISTANCE TO STATES/LOCAL GOVERNMENT

Training & Employment Services (TITLE VIII)

- \$3.95 billion to provide job training and employment services via the Workforce Investment Act.
 - Funding is provided for *state formulary* grant programs: 1) \$1.2 billion for [youth activities](#) (with the goal of creating 1 million new [summer jobs for youth](#) age 16-24), 2) \$1.25 billion for [dislocated workers](#), and 3) \$500 million for [adult activities](#).
 - Funding is provided for *state discretionary* grant programs: 1) \$200 million for [Dislocation Workers Assistance National Reserve](#), 2) \$750 million for a new High Growth and Emerging Industry Sectors competitive grant (\$500 million of these funds are for research, labor exchange and job training that prepare workers for careers in energy efficiency and renewable energy fields), 3) \$50 million for the Youth Build Program.

Law Enforcement Assistance Programs (TITLE I)

- \$2.765 billion for a range of state and local law enforcement assistance programs including: 1) Edward Byrne Memorial Justice Assistance Grants (\$2 billion to state and local law enforcement agencies to help prevent, fight, and prosecute crime), 2) Byrne Competitive Grants (\$225 million to various entities, including states and non-profit organizations), 3) Rural Law Enforcement (\$125 million for the persistent problems of drug-related crime in rural America).

Community Development Block Grant (TITLE XII)

- \$1 billion for the Community Development Block Grant, available to grantees that received funding in 2008.
- Funding is provided to support community development activities which are directed toward the specific objectives including the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income.

Public Housing Capital Fund (TITLE XII)

- \$4 billion to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937.
- Funding is until September 30, 2011. Within one year of receiving funds, states must show that funds have been obligated to public housing agencies (although it does not need to be spent) or leftover funds will be recouped.
- Up to .5% of funding made available via this section shall be available for staffing, training, technical assistance, technology, monitoring, travel, enforcement, research and evaluation activities.
- No amount of this funding may be used for rental assistance activities.

Special Education (TITLE XIII)

- \$12.2 billion for special education under certain Parts of the Individuals with Disabilities Act (IDEA).
 - Part B: Allocated \$11.7 billion, of which 1) \$11.3 billion will be given to states as grants to support the free and public education of children aged 5-21 and 2) \$400 million will be given as grants to states to provide funds for pre-school education of children aged 3-5 with disabilities to assist with school readiness activities.
 - Part C: Allocated \$500 million to support early intervention services of children with disabilities (up to 2 yrs. old) and their families. Early intervention services must be provided under public supervision at no cost to children with disabilities or their families except where allowed under state or federal law and includes services that are focused on 1) physical development, 2) cognitive development, 3) communication development, 4) social or emotional development, and/or 5) adaptive development. Services can be provided in the child's home where appropriate.

Employment & Case Management Services (Sec. 1826)

- Codifies a set of requirements for the Secretary of Labor to make the employment and case management services described in *section 235 of the Trade Act of 1974* available to Trade Adjustment Assistance (TAA) eligible workers. The TAA program is available to workers who lose their jobs (or whose hours of work and wages are reduced) as a result of increased imports.
- Requires that states, among other things, (1) perform comprehensive and specialized assessments of enrollees' skill levels and needs; (2) develop individual employment plans for each impacted worker; and (3) provide enrollees with (a) information on available training and how to apply for such training, (b) information on how to apply for financial aid, (c) information on how to apply for such training, (d) short-term prevocational services, (e) individual career counseling, (f) employment statistics information, and (g) information on the availability of supportive services.
- Provides that, in addition to funds that are allocated to states for the provision of employment & case management services, states should receive an amount equivalent to 15% of the provision of these services, to be used for administrative needs.
- These employment services and case management funding should be in addition to, and not offset, any funds that a state would otherwise receive under the Workforce Investment Act or any other program.

Rehabilitation Services & Disability Research (TITLE VIII)

- \$680 million for the Rehabilitation Services and Disability Research account, of which:
 - \$540 million is available for Vocational Rehabilitation State Grants
 - \$18 million is available for independent living state grants
 - \$87.5 million is available for Independent Living Centers directly

- \$34 million is for services for older blind individuals.

ASSISTANCE VIA FEDERAL INFRASTRUCTURE DEVELOPMENT

Prevention and Wellness Fund (TITLE VIII)

- Creates a fund under the direction of the Secretary of Health and Human Services (HHS).
- \$650 million for evidence-based clinical and community-based prevention and wellness strategies that deliver specific, measurable health outcomes that address chronic disease rates. The Secretary has the discretion to transfer funds to HHS divisions including the Substance Abuse and Mental Health Services Administration (SAMHSA).

Social Security Administration (TITLE VIII)

- \$1 billion to the Social Security Administration for administrative expenses:
 - \$500 million to renovate/update the Social Security Administration's National Computer Center and the information technology costs associated with the center
 - \$500 million for processing disability and retirement workloads, including acquisition of information technology. Up to \$40 million may be used for health information technology research and activities to facilitate the adoption of electronic medical records in disability claims, including transfers to the Supplemental Security Income Program.

Comparative Effectiveness (TITLE VIII)

- \$700 Million to the Agency for Healthcare Research and Quality (AHRQ) for comparative effectiveness research (CER), activities, defined as efforts that conduct, support, or synthesize research that compares the clinical outcomes, effectiveness, and appropriateness of items, services, and procedures that are used to prevent, diagnose, or treat diseases, disorders, and other health conditions.
- Specifies opportunities for provider input through: 1) providing recommendations on the national priorities for comparative effectiveness research to be conducted or supported, to the Institute of Medicine, which must produce a report to Congress and the Secretary by June 30, 2009 and 2) public comments on research conducted by CER grant recipients.
- The Secretary of Health and Human Services is required to publish information on grants and contracts.

Government Accountability Office Study on State Needs During Economic Downturn (Sec. 5008)

- The Government Accountability Office (GAO) is commissioned with conducting a study of economic downturns since 1974 to develop recommendations of state needs during such times, especially the impact of temporary Federal Medical Assistance Percentage (FMAP) increases, and provide recommendations on how the FMAP formula should be modified in the future to maximize benefits to states during times of economic downturns.
- This report must be provided to Congress no later than April 11, 2011.