

Congress Passes \$1.9 Trillion COVID-19 Relief Deal

On March 10, Congress passed the [American Rescue Plan Act of 2021](#) (HR 1319), a \$1.9 trillion COVID-19 relief package. The bill was passed by the House and Senate along party lines and was written to take advantage of the Senate reconciliation procedure, which allows legislation to pass by a simple majority. The bill is on its way to the President's desk, and he is expected to sign it by March 14, when current unemployment benefits are set to expire.

This package contains billions in funding for the public health response to the COVID-19 pandemic, as well as additional funds to stimulate the economy with direct payments to individuals and to strengthen the social safety net for additional child tax credits and other supports.

NACCHO's summary of the \$1.9 trillion package (below) highlights noteworthy provisions of importance to local health departments.

Overall, this is a very significant investment in the public health response, nearly tripling COVID-19 response funding to date. It is expected that funds will be released from the federal government via the Centers for Disease Control and Prevention (CDC) in a manner similar to previous COVID-19 supplemental funding, meaning states will have discretion to determine how much and how funding reaches local health departments. Because of reconciliation rules that limit the types of specifications permitted in the legislative language, this package does not contain provisions to track federal dollars to the local level that were included in the COVID-19 relief package passed in December 2020.

NACCHO will continue to work with the CDC towards transparency and equity in funding by obtaining tracking of dollars allocated to local health departments and will advocate for provisions in future bills to contain reporting language on the tracking of federal dollars to the local level as well as designated funding for local health departments.

If you have any questions, please contact Government Affairs Senior Specialist Ian Goldstein at igoldstein@naccho.org.

Summary of American Rescue Plan Act of 2021

Public Health Response

- \$46 billion in funding to the Secretary of Health and Human Services (HHS) to detect, diagnose, trace, monitor and mitigate COVID-19 infections. Specified activities include:
 - Implementing a national strategy for testing, contact tracing, surveillance, and mitigation;
 - Providing technical assistance, guidance, support, and grants or cooperative agreements to States, localities, and territories for activities to detect, diagnose, trace, monitor, and mitigate COVID-19 infections;
 - Support the development, manufacturing, procurement, distribution, administration of tests, including supplies necessary for administration such as personal protective equipment (PPE);

- Establishing and expanding federal, State, local, or territorial testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units, particularly in medically underserved areas; enhancing IT, data modernization, and reporting;
- Awarding grants, cooperative agreements, or contracts with local, State, and territorial public health departments to establish, expand, and sustain a public health workforce; and to cover administrative and program support costs.
- \$7.5 billion in funding for the CDC to support vaccine related activities to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes funding for activities related to enhancing, expanding, and improving distribution and administration, and activities related to the distribution of ancillary medical products and supplies related to vaccines.
 - This section provides guidance, support, and awards to local, State, Tribal and territorial public health departments for enhancement of COVID-19 vaccine distribution and administration capabilities.
 - Distribution and administration of licensed or authorized vaccines and ancillary medical products and supplies;
 - Establishment and expansion of community vaccination centers, including in particularly underserved areas;
 - Deployment of mobile vaccination units, particularly in underserved areas; IT, data, and reporting enhancements; facility enhancements; and public communication.
- \$5.2 billion to the Secretary of HHS to support research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products and supplies.
- \$500 million to CDC to support health data surveillance and analytics infrastructure modernization initiatives and to establish, expand, and maintain efforts to modernize the United States disease warning system to forecast and track hotspots for COVID-19.
- \$750 million for global health activities and respond to other emerging infectious disease threats globally.

Public Health Workforce

- \$7.66 billion in funding to HHS to establish, expand, and sustain a public health workforce, including by making awards to local, State, and territorial public health departments for costs, including wages and benefits, related to the recruiting, hiring, and training of individuals to serve as case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, informaticians, communication and policy experts, and any other positions as may be required to prevent, prepare for, and respond to COVID-19.
 - Funds may be used to pay for staff employed by health departments or nonprofit organizations that have experience partnering with health departments. Funds may also support PPE, data management and other technology, or other necessary supplies and administrative costs and activities necessary to implement activities. NACCHO has been a strong advocate for public health workforce and will work with CDC and Congress to help transition this short-term workforce surge support into more sustainable positions.
- \$100 million to the Medical Reserve Corps (MRC).

- MRC is a volunteer-based program – two-thirds housed in local health departments – that assists communities with emergency needs and filling gaps when public health personnel are calling to respond to a crisis. The program has been funded at \$6 million per fiscal year for the last 4 cycles; however, NACCHO [has advocated since the spring](#) for the program to receive additional emergency funding to better facilitate volunteer response support. NACCHO has consistently touted the benefits of increasing MRC capacity, especially as MRC units provided 800,000 volunteer hours for COVID response in 2020.

Other Health Investments

- \$7.6 billion in funding to support COVID-19 response at community health centers.
- \$1.8 billion for COVID-19 testing, contact tracing, and mitigation activities in congregate settings such as prisons, jails, detentions centers, correctional, detention, psychiatric hospitals, residential treatment facilities, and other residential care facilities.
- \$800 million in funding for the National Health Service Corps, including \$100 million for the State Loan Repayment Program.
- \$200 million to support the Nurse Corps Loan Repayment Program.

Additional Public Health Priorities

- \$5.5 billion for carrying out activities of the Indian Health Service.
- \$1.75 billion for activities related to the Substance Abuse Prevention Treatment Block Grant Program.
- \$425 million in funding for expenses related to the care of children under the care of HHS.
- \$40 million through the Health Research and Services Administration (HRSA) to promote mental and behavioral health services for the health care workforce.
- \$30 million to award grants to local, State, Tribal and territorial governments, Tribal organizations, community-based organizations to support community-based overdose prevention programs, syringe service programs, and other harm reduction services.

State and Local Government Funds

- \$130 billion for payments to metropolitan cities, units of local government with populations under 50,000, and counties to mitigate the fiscal effects from the pandemic.
 - \$65.1 billion allocated for counties, distributed proportionately by population based on the most recent data available from the Census Bureau.
 - \$45.57 billion allocated for metropolitan cities to be distributed according to the formula used to administer the Community Development Block Grant.
 - \$19.53 billion reserved for units of local government with fewer than 50,000 residents. States would not have authority to change the amount of, or attach additional requirements to, such payments.
- \$219.8 billion for payments to states, territories, and tribal governments
 - \$195.3 billion allocated to the 50 states and Washington, D.C.
 - \$4.5 billion allocated to territories, with 50% is allocated equally to each territory and the remaining 50% allocated by population size.
 - \$20 billion allocated to tribal governments.

The funds distributed in this section are allocated to governments, which are not required but may be used for public health, as well as other government services. Last year, in many communities this type of funding was vital to ensuring local health departments had the resources necessary to respond to the COVID-19 pandemic. The funding passed in previous packages expired, but unspent fund carry over was permitted in the December COVID-19 relief law. This section ensures that every level of government will be able to receive funding for the pandemic response and for other governmental needs.

These funds can be used to:

- Cover costs incurred as a result of the emergency;
- Replace revenue lost, delayed, or decreased as a result of the emergency;
- To address negative economic impacts of the emergency.

Recipient governments would be able to transfer funding to private non-profit organizations or other public benefit corporations that can provide transportation of passengers or cargo.

Individual Economic Relief

- \$1400 payments to every individual; additional \$1400 for each dependent.
 - Adults who earned \$75,000 or less in their most recent tax year will receive the full \$1,400, as will couples who earned \$150,000 or less, and heads of household who earned \$112,500 or less.
 - Adults who earned more than \$75,000, but less than \$80,000; married couples who earned more than \$150,000, but less than \$160,000; and heads of household who earned more than \$112,500, but less than \$120,000, will be eligible for a reduced payment.
- Increase to the child tax credit from to \$3,000 (or \$3,600 per child under 6) offered as a cash refund for parents from July to December 2021.
 - The provision also increases the qualifying age to 17.
 - Payments are reduced by \$50 for every \$1000 in modified adjusted gross income in excess of \$150,000 for joint filers (\$112,500 for head of household filers and \$75,000 for other filers).
- Extends the Pandemic Unemployment Assistance Program through August 29, 2021 and increases the total number of weeks related to benefits available to individuals from 50 to 74.

The economic relief for individuals and families in this bill includes anti-poverty measures that widen the social safety net for children and provide a basic universal income to many working parents. Experts claim this provision could cut child poverty nearly in half.

Medicaid Provisions

- Requires Medicaid coverage of COVID-19 vaccines and treatment without beneficiary cost sharing with vaccines matched at a 100% federal medical assistance percentage (FMAP) through one year after the end of the public health emergency.
- Allows states, for five years, to extend Medicaid eligibility to women for 12 months postpartum.
- Allows states, for five years, to extend the Children’s Health Insurance Program eligibility to women for 12 months postpartum.

- Provides Medicaid eligibility, for five years, to incarcerated individuals 30 days prior to their release.
- Provides an incentive for states to expand Medicaid by temporarily increasing the state's base FMAP by five percentage points for two years for states that newly expand Medicaid.
- Provides 100% FMAP for services provided to Medicaid beneficiaries receiving care through Urban Indian Organizations and Native Hawaiian Health Centers for two years.
- Provides a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid home- and community-based services for one year.
- Provides \$250 million to HHS that is available until expended to help states create nursing home strike teams for facilities to manage COVID-19 outbreaks when they occur.

For additional highlights including, omnibus bill text, explanatory statement, and health-related funding highlights:

- [Section by Section Summary](#)
- [American Rescue Plan Act of 2021](#) (HR 1319)
- [Modifications by the Senate](#)