

American Recovery and Reinvestment Act of 2009
Impact to DHS Services and Programs

Program/Service	National Impact	Final			Comments
		State Fiscal Year (SFY)	Estimated State Impact by SFY	Estimated Co., Local, Other Impact by SFY	
Medical Services					
FMAP Increase (Across the Board)	\$86.7 Billion	SFY 09	\$104,794,066	\$26,642,587	6.2% increase in FMAP 10-01-08 through 12-31-10. Counties are also positively impacted by the FMAP increase. Per the act, States must maintain eligibility standards, comply with prompt payment requirements, and report how the increased FMAP funds are expended by 09-30-11. States are not eligible for increased FMAP if any amounts attributed (directly or indirectly) are deposited or credited into any reserve or rainy day fund of the state. The impact to Iowa of this requirement is unknown.
		SFY 10	\$150,278,618	\$38,349,580	
		SFY 11	\$80,094,868	\$20,325,277	
FMAP Increase Based on Unemployment Formula	included in above (estimated)	SFY 09	Unknown	Unknown	Based on a formula patterned after the Senate bill, states with high unemployment rate increases earn a tiered percentage reduction against the state share. Iowa many not qualify until July 2009 and only if the unemployment rate increases.
		SFY 10	Unknown	Unknown	
		SFY 11	Unknown	Unknown	
Disproportionate Share Hospital (DSH)	\$500 Million		No Impact	No Impact	Increases DSH ceiling by 2.5% for FFY 09 & 10. Iowa currently doesn't meet the ceiling, therefore increasing the ceiling does not impact Iowa.
Medicaid Regulation Moratorium	\$100 Million		Unknown	N/A	Extends moratorium on Medicaid regulation changes through 06-30-09.
Child Welfare (Foster Care, Adoption, Guardianship Assistance)					
IV-E	\$743 Million	SFY 09	\$2,520,490	N/A	Estimated FMAP increase of 6.2% for IV-E foster care, adoption, and guardianship services, but not for administrative costs.
		SFY 10	\$4,048,980	N/A	
		SFY 11	\$2,151,020	N/A	
Child Care					
Child Care Block Grant	\$2 Billion	SFY 09	\$6,787,500	N/A	Entire amount available upon enactment, though timing of actual State awards and States' flexibility to utilize funds over multiple state fiscal years is uncertain and dependent on DHHS-ACF requirements. Funds are to supplement, not supplant. Estimated Iowa impact is \$18.1M. Additionally, \$255M of the \$2B is set aside for quality improvement activities (Iowa estimate of \$1.5M), of which \$93,587,000 is for infant and toddler care quality activities (Iowa estimate of \$868K).
		SFY 10	\$9,050,000	N/A	
		SFY 11	\$2,262,500	N/A	

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Child Support Enforcement					
Collection Incentives	\$1 Billion	SFY 09	\$10,191,176	N/A	Will generate \$13.6M FFP per FFY (\$27.2M over 2 years) if Iowa maintains current performance. State savings of \$9.2M over 8 quarters: \$3.5M in SFY09; \$4.6M in SFY 10; and \$1.2M in SFY 11. Incentives must be spent on child support services.
		SFY 10	\$13,588,235	N/A	
		SFY 11	\$3,397,059	N/A	
Food Assistance					
Supplemental Nutrition Asst. Program (SNAP) Program Benefits	\$20 Billion	SFY 09	\$35,100,000	N/A	Food assistance recipient benefits, which are 100% federally funded, increase 13.6% effective 04-01-09. Estimated Iowa impact over 2 years: \$93.5M. May require notification to households -- FNS guidance needed.
		SFY 10	\$46,700,000	N/A	
		SFY 11	\$11,700,000	N/A	
SNAP Program Administration	\$295 Million	SFY 09	\$300,000	N/A	Estimated Iowa impact of up to \$2.6M over 2 years. Available 60 days after enactment.
		SFY 10	\$1,300,000	N/A	
		SFY 11	\$700,000	N/A	
Temporary Assistance for Needy Families (TANF)					
TANF Block Grant	\$5 Billion	SFY 09	None Likely	N/A	Sets the appropriation for the emergency contingency fund at \$5 billion. Any potential benefit is directly dependent on the extent of a FIP caseload increase. Unless and until FIP caseloads experience and maintain a consistent increase, Iowa will not benefit.
		SFY 10	None Likely	N/A	
		SFY 11	None Likely	N/A	

Additional Comments:

- > As a part of Workforce Improvement Act (WIA) at \$250M nationally and Public Service Act at \$500M nationally, competitive grants and targeted funding are provided to address healthcare workforce shortages. If inclusive of mental health workforce shortages would be beneficial to DHS.
- > \$19B for Health Information Technology (HIT) to computerize health records to cut costs & reduce medical errors. Includes training providers on implementation in coordination with state Medicaid programs. Provides 100% federal funds to reimburse Medicaid providers implementing electronic health records & information exchange. 90% federal match for HIT administrative costs.
- > Increased funding for K-12 education, including \$12.2B for formula grants for special education (i.e. IDEA) and \$13B for Title I for disadvantaged children, may assist DHS facilities with school programs.
- > COBRA premium assistance to be administered through normal COBRA process; reimbursement will be provided through payroll deductions.