

## Economic Recovery Package With Major Health Care Initiatives Nears Congressional Approval

The economic recovery package working its way through Congress is expected to direct over \$150 billion to the health care industry. The impact will be wide-reaching, including investments in health information technology, additional Medicaid funding for states, subsidies for continuation of COBRA, funding for research sponsored by the National Institutes for Health (NIH), and Medicare and Medicaid reimbursement changes. As this landmark legislation nears final passage, Ropes & Gray attorneys are closely monitoring the package and its contents and will be providing updates as they become available through our health care reform newsletter. Click [here](#) for a detailed side-by-side comparative analysis of the health care provisions of the House and Senate bills.

Two different versions of the economic recovery legislation are currently in play. The House approved its version of the bill last week, on January 28. On January 27, the Senate Finance Committee and the Senate Appropriations Committee convened to consider their respective portions of the package. Debate on the Senate floor on a combined bill began February 2. Once the Senate passes a bill, a conference committee comprised of members of both the House and the Senate will meet to resolve their differences and present a bill for approval by both houses and, subsequently, the president.

Both the House-passed bill and the current Senate bill include measures that promise to have a dramatic impact on the health care industry. For example, both bills contain provisions that would provide:

- Funding and support for Health Information Technology (HIT);
- Additional Medicaid funding for states intended to help them avert drastic Medicaid budget cuts that are currently being contemplated by their state legislatures;
- Subsidies for continuation of COBRA health coverage for workers who have lost jobs;
- Funding for medical research through the NIH; and
- Medicaid and Medicare reimbursement changes, including increases in Medicaid disproportionate share hospital (DSH) payments and restoration of funding cuts from Medicare indirect medical education (IME) payments.

For further information, please contact your usual Ropes & Gray attorney.