

Information on the CARES Act of 2020 \$150 Billion “Marshall Plan” for American’s Healthcare: Explained

“Priority number one is to keep Americans safe and healthy. This begins with free COVID-19 testing and extends to making sure that our national healthcare system as a whole has the resources to effectively prevent and treat the coronavirus.” -U.S. Senator Tom Udall

The COVID-19 pandemic threatens to overwhelm our nation’s healthcare system by filling hospital beds, overtaxing frontline healthcare workers, exhausting medical supplies and equipment, and threatening hospitals’ solvency as they curtail elective procedures that generate most of their revenue to respond to the coronavirus crisis. Hospitals in rural areas, Indian Country, and impoverished areas are especially vulnerable. Hospitals in regions most affected are strained beyond their limits. But recently-passed federal legislation will provide relief.

As a senior member of the Senate Appropriations Committee, **Senator Udall** worked to secure key resources in the **\$2 trillion *Coronavirus Aid, Relief, and Economic Security Act*** or CARES Act. Signed into law on March 27, 2020, the CARES Act is the largest relief package passed by Congress in American history.

A **centerpiece** of the act is the **\$150 billion “Marshall Plan”** to support the nation’s health care system. This plan keeps hospitals afloat; supports frontline health care workers; replenishes the national stockpile of medical equipment and drugs; and provides critical resources to states, local governments, and Tribes.

The State of New Mexico, including local governments, will also be eligible for up to **\$1.25 billion** for costs stemming from the pandemic. This is in addition to direct funding that will be provided to hospitals and other health care providers.

Major Highlights:

- **\$100 billion for healthcare providers** on the frontline of the crisis — public, private, and nonprofit hospitals and Medicare and Medicaid suppliers.
- **\$4.3 billion for federal, state, and local health agencies** to prevent, prepare for, and respond to the coronavirus – including purchase of personal protective equipment (PPE), testing for COVID-19, and infection control and mitigation.
- **\$1.3 billion for community health centers** – that are on the frontlines of testing and treating patients for COVID-19.
- **\$3.5 billion to expand production of vaccines, therapeutics, and diagnostics** through the Biomedical Advanced Research and Development Authority.
- **\$16 billion to replenish the Strategic National Stockpile** with drugs, PPE, and other medical supplies distributed to state and local health agencies, hospitals and other healthcare facilities that face shortages during emergencies.
- **\$1 billion for the Defense Production Act** to bolster domestic supply chains -- enabling industry to quickly ramp up production of PPE, ventilators, and other urgently needed medical supplies.

- **\$15.85 billion to help veterans**, including funding to treat COVID-19, purchase test kits, and procure PPE for clinicians.
- **\$200 million to assist nursing homes** with infection control and support states in preventing the spread of coronavirus.
- **\$425 million to increase access to mental health services** in communities.
- **\$3.5 billion for the Child Care Development Block Grant** to allow child care programs to maintain critical operations -- including meeting emergency staffing needs and ensuring first responders and health care workers can access child care while they respond to the pandemic.
 - **New Mexico will receive an estimated \$29 million of these funds.**
- **\$750 million for Head Start** to meet emergency staffing needs and respond to coronavirus-related needs of children and families.
- **\$250 million to expand the Hospital Preparedness Program's** support of emergency preparedness.

Tribal Health Care Provisions

As vice chairman of the Senate Indian Affairs Committee, Senator Udall secured \$10 billion for Indian Country, including over **\$1 billion dollars for the Indian Health Service** to be used for everything from expanding medical services to purchasing equipment to promoting public health education to expanding tele-health services and increasing disease surveillance.

This historic bill also extends, at current funding levels through November 30, 2020: community health centers, the National Health Service Corps, the Special Diabetes Program and the Special Diabetes Program for Indians, and teaching health centers that operate Graduate Medical Education programs.