



## **EDC Statement on Passage of the American Rescue Plan**

WASHINGTON, D.C. (April 8, 2021) — Last month, President Joe Biden signed into law the American Rescue Plan (ARP) ([P.L. 117-2](#)), a \$1.9 trillion stimulus package aimed at addressing the continual impact of the COVID-19 pandemic. This legislative package contains a number of funding provisions related directly to mitigating the pandemic itself, along with provisions related to expansions in health coverage and funding for mental health programs. The EDC provides a summary of the relevant sections of the bill below.

### **Expanded ACA Subsidies**

The ARP contains provisions that would help make health insurance coverage more affordable for Americans during the pandemic. This bill raises premium tax credits in 2021 and 2022, which will lower or eliminate insurance premiums for millions of people enrolled in the Affordable Care Act (ACA) marketplace plans. Premium pricing is capped to ensure that no marketplace enrollee has to spend more than 8.5% of their income on insurance premiums. This policy eliminates the “subsidy cliff”, which historically has prevented Americans with incomes above the Medicaid eligibility threshold, but too high for subsidized health insurance through the ACA marketplace. Additionally, individuals with an income under 150% of the federal poverty line would pay no premiums for a benchmark plan, which is an upgrade from a bronze level plan to the second lowest cost silver plan.

### **ACA Medicaid Expansion Incentives**

The bill incentivizes the 14 states who have not expanded Medicaid to do so by offering increased federal funds for states that initiate expansion now. It would increase the Federal Medical Assistance Percentage (FMAP) for all groups other than groups who qualify via expansion by 5% for two years after a state expands, and states would receive the 90% enhanced FMAP for the expansion group. It is estimated that if these 14 states carry out the Medicaid expansion, 4 million uninsured adults, which includes about 640,000 front-line or essential workers, would be eligible to gain health coverage.

### **COBRA Subsidies**

Under the COBRA health insurance law, people are able to keep the health insurance plan they would have otherwise relinquished after losing employment. The ARP would guarantee 100% premium subsidies for individuals who became unemployed during the pandemic. Those who were able to keep their insurance through COBRA after becoming unemployed would have the costs of any health insurance premiums paid for by the federal government. This provision will be in effect until the end of the current fiscal year, which runs through September 30, 2021.

### **Mental Health and Substance Use Disorder**

The bill includes a total of \$3.88 billion in mental health and substance use disorder funding to expand on the initial investments made to cash-strapped localities and states in the year-end 2020 package.

This includes:

- \$1.5 billion in funding for the Substance Abuse Prevention Treatment Block Grant program under the Substance Abuse and Mental Health Services Administration (SAMHSA), which makes funds available to all 50 states, the District of Columbia, and all territories to prevent and treat substance abuse.
- \$1.5 billion in funding towards the Community Mental Health Services Block Grant program under SAMHSA, which makes funds available to all 50 states, the District of Columbia, and all territories to provide community mental health services.
- \$420 million for Certified Community Behavioral Health Clinic Expansion Grants, to increase access to and improve the quality of community mental and substance use disorder treatment services.
- Over \$400 million in funding for other initiatives including behavioral health workforce education and training, mental health and substance use disorder training for health care professionals and public safety

officers, pediatric mental health care access, grants for health care providers to promote mental health among their health professional workforce, Project AWARE (which focuses on mental health among students), youth suicide prevention, the national child traumatic stress network, and more.

“The EDC was pleased to see the American Rescue Plan contained considerable funding for mental health issues, as well as ACA and other health coverage expansions,” said **EDC Board President Chase Bannister, MDIV, MSW, LCSW, CEDS**. “The organization looks forward to the positive impact these provisions will have on the country and the eating disorders community.”

The EDC will continue to provide relevant updates as the American Rescue Plan is rolled out in the coming months.

*The Eating Disorders Coalition for Research, Policy & Action (EDC) is a Washington, DC-based, federal advocacy organization comprised of advocacy organizations, academics, treatment providers, family/loved ones of children with eating disorders and people experiencing eating disorders nationwide. The EDC advances the recognition of eating disorders as a public health priority throughout the United States. Additional resources can also be found at [eatingdisorderscoalition.org](http://eatingdisorderscoalition.org).*

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