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1. **Details of the impact of the House Economic Recovery Package on states are released**

The Center on Budget and Policy Priorities released an analysis of the impact of the Economic Recovery Package on each state. The Missouri Budget Project prepared an analysis of the impact on Missouri in the attached document. Many of the recipients of this email are particularly concerned about federal assistance for Missouri's Medicaid program. The House proposal assumes an increase of 4.9 percent in the FMAP (the federal match for Medicaid spending), with larger increases in states that have high unemployment rates. Missouri will receive an estimated \$1.5 billion over 9 quarters (October 2008 through December 2010). In State Fiscal Year 2009 (the current fiscal year) Missouri is estimated to receive \$402 mil in additional funds for Medicaid.

A wealth of information is available on the Center for Budget and Policy Priorities' web site at [www.cbpp.org](http://www.cbpp.org). The link to the specific document that discusses Medicaid assistance for States in the House proposal may be found at <http://www.cbpp.org/1-22-09sfp.pdf>.

2. **Governor Nixon to deliver State of the State address on January 27**

Governor Nixon will deliver the State of the State address at 7 PM on January 27. At this time he is expected to outline his budget priorities, and release some detail of his proposed budget.

3. **Committees and Hearings**

House and Senate leadership have appointed Committee members. You can find a list of the Committees, the chairs and members at

<http://www.house.mo.gov/content.aspx?info=/bills091/commit/commlst.htm> and <http://www.senate.mo.gov/09info/com-info.htm>.

Most of the House Committees are holding organizational meetings this week, but the Senate Committees are beginning to hear bills.

Scheduled hearings

The House Appropriations Committee on Health, Mental Health and Social Services is holding hearings next week to discuss new decision items in the Departments' budgets.

**Committee Members:** [David Sater, Chair](#) / [Ray Wetter, Vice-Chair](#) / [Bert Atkins](#) / [Wayne Cooper](#) / [Shalonn Curls](#) / [Jeff Grisamore](#) / [Tishaura Jones](#) / [Jeanne Kirkton](#) / [Rebecca McClanahan](#) / [Robert SchAAF](#) / [Rodney Schad](#) / [Anne Zerr](#)

On Tuesday, 1/27, at 2 PM in HR5 the Committee will discuss new decision items in the Department of Mental Health Budget.

On Wednesday, 1/28 at 2 PM in HR5, the Committee will discuss new decision items in the Department of Health and Senior Services Budget.

On Thursday, 1/29 at 8 AM in HR5, the Committee will discuss new decision items in the Department of Social Services Budget.

In the Senate, **SB45(Pearce)** and **SB136(Rupp)** will be heard in the Jobs, Economic Development and Local Governance Committee on Wednesday at 1 PM in the Senate Lounge. These bills increase tax credits available to support job creation. Based on the number of filed bills, this appears to be a concept that is popular with many members of the General Assembly. Tax credit redemption, which reduces general revenue on a dollar for dollar basis, has more than doubled in the past decade. It rose from \$182 mil in 1999 to \$500 mil in 2008.

#### **4. Dates and Items of Interest**

January 27 is the 27<sup>th</sup> annual *Child Advocacy Day* at the Capitol. For details go to <http://childadvocacyday.org/>.

The *Medicaid Makes Sense Rally* will be held on February 25 in the Capitol Rotunda from noon to 1 PM. For information, contact Rich Blakely at [blake@misn.com](mailto:blake@misn.com).

The Disabilities Coalition for Healthcare Reform released an excellent report this week. *Life on Medicaid Spenddown: Recommendations to Create Access to Affordable Health Care in Missouri* can be accessed at <http://www.paraquad.org/Policy/documents/LifeonMedicaidSpenddown.pdf>.

*For more information regarding the issues in this update, please contact one of the MBP staff.*

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