



# Update

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## **Improved Economic and Political Environment Make US Healthcare Market an Attractive Option Today**

### Summary

We are at a turning point in the \$2.2 Trillion US Healthcare marketplace. The American Recovery and Reinvestment Act of 2009 ("the Act") will become a law within days. Totalling approximately \$787 billion, the Act contains a vast array of tax breaks and spending projects aimed at swiftly reviving the economy and maintaining and creating jobs. It offers companies a wide range of opportunities to increase business, obtain tax relief and reduce costs. Should there be any revisions, we will provide updated information and analysis.

### The View From The BCM Group

The BCM Group believes that the stimulus plan, a mix of Government spending and tax cuts, will ignite business and consumer spending making investments necessary for lasting economic growth and prosperity. The combination of quick deployment of healthcare spending increase of over \$90B, recouping capital expenditures, business tax credits, restructuring, R&D credits, the hiring employees credits, and the consumer driven healthcare movement makes the plan an attractive choice for businesses.

1. **Overall Healthcare**- The bill provision will help about \$90 billion direct or indirect healthcare activities, and some of this money will flow into the capacity utilization of various drugs, and medical device suppliers.
2. **CDH Movement**- The CDH (Consumer Driven Healthcare) movement will gather further steam and millions of more consumers will join this bandwagon this year affecting potential sales of generic drug and associated manufacturing capacity/pharma packaging equipment. Also, drug stores have installed IIAS (Inventory Information Approval System) a point-of-sale electronic system to track health related expenses for tax purposes and it can be paid through debit cards or

checks, and deducted from personal taxes. So, these Internet-based tools along with transparency of expenses drive usage of drugs and related packaging.

3. **Capital Expenditure Credits**- A number of tax related incentives provide infusion to the industry by giving credits for capital investment and other business related activities. This should motivate companies to buy equipment now rather than later.
4. **Labor force**- The proposal also includes credit to hire employees. subsidizing health insurance, etc.

## Conclusion

This economic stimulus package is designed to be implemented quickly. Companies seeking to fully enjoy its benefits need to position themselves promptly to identify and seize opportunities presented by the package. As this update indicates, US based BCM Group is well-prepared to advise companies on how they can take full advantage of these unique opportunities. For further information about BCM Group and the services offered, visit the website at [www.bcmgroup.net](http://www.bcmgroup.net) or call Bill at +1 973-766-2697.