Special Needs Alliance:

Public Policy News You Can Use

August 11, 2025

Marylanders with Developmental Disabilities Struggle with More Frequent Medicaid Coverage Lapse

Individuals with developmental disabilities enrolled in Maryland's Medicaid program have gone months without health care coverage due to the state's inability to keep pace with new applications and wrongful termination appeals. Providers and disability advocates claim at least several dozen recipients are waiting six to twelve months for new applications and wrongful termination appeals cases to be heard due to Medicaid agency scheduling backlog, limited staffing, and poor interagency communication. Maryland's Medicaid waiver allows individuals with developmental disabilities to access a wide range of services including live-in caregiver support, respite care, employment services, and more. To account for coverage losses, providers and non-profits have been covering millions of dollars on uncompensated care.

The Maryland Department of Health claims it is "working in partnership with stakeholders and providers to enhance and improve the process for these complex Medicaid eligibility reviews." Years of leadership changes and difficulties with quickly filling departmental vacancies significantly hindered the department's ability to effectively function in previous years. On top of staffing challenges, the state cut $164 million from the Maryland Department of Health's Developmental Disabilities Administration fiscal year 2026.

Disability Rights Activist Becomes First Korean American on US Currency

On Monday August 11th, disability rights activist Stacey Park Milbern became the first Korean American on American currency as a part of the Mint's American Women Quarters Program. Milbern began her activism as a blogger, outlining the injustices and inconveniences she experienced as a person with a disability. Milburn advocated for civil rights for people with disabilities and lesbian, gay, bisexual, transgender, and queer (LGBTQ) individuals. In 2014, President Obama appointed her to the President's Committee for People with Intellectual

Disabilities. During the COVID-19 pandemic, Milbern distributed essential public health supplies to vulnerable communities while battling kidney cancer. She passed away in May of 2020. The Mint will produce 300-700 million Milbern quarters.

Shortened Retroactive Medicaid Coverage Raises Concerns for Long-Term Senior Care

The One Big Beautiful Bill Act will shorten the current 90-day period for retroactive Medicaid coverage for people eligible but not enrolled in Medicaid starting January 1, 2027. For states that have not expanded Medicaid under the Affordable Care Act, the new coverage period will be 60 days and for expansion populations it will be only 30 days. This change will place more strain on senior care providers who have to provide free care until patients' Medicaid coverage is granted.

In addition to the negative impact this provision will likely have on nursing home providers, the lack of retroactive coverage can also harm patients who see sudden health deterioration and need to be treated in a nursing home setting. A report from Georgetown University's Center for Children and Families and Center on Health Insurance Reforms stated that retroactive eligibility is critical because many uninsured individuals apply for Medicaid directly following a major health event. Families of long-term care patients in nursing homes or other community-based facilities may not be able to apply for retroactive coverage immediately since they need time to gather documentation despite their loved one requiring immediate care. The report goes on to state that shorter retroactive coverage time periods will mean patients are likely to face higher out of pocket medical costs. States may also choose to eliminate the retroactive coverage period entirely, which could have severe consequences for long-term care facilities.

President Trump Signs Executive Order Titled "Improving Oversight of Federal Grantmaking"

On August 7th, 2025, President Trump signed an executive order aimed at reforming federal grantmaking. In his order, President Trump claims that some current funding, including National Science Foundation Grants, went into funding "far-left initiatives" and "anti-American ideologies." He also criticized certain university research efforts, claiming that even grants supporting important developments often result in irreproducible or falsified findings. Finally, the president pointed to the complexity of grant review processes, suggesting that applicants with access to legal or technical expertise have an unfair advantage. He also cited a lack of interagency coordination, which leads to redundant and inefficient funding.

The executive order outlines several new requirements to increase oversight of discretionary grants. Each federal agency must appoint a senior official to lead a new review process designed to ensure that funding aligns with agency priorities. This process must include coordination with the Office of Management and Budget (OMB), use of expert reviews when appropriate, simplified language, and interagency coordination. It also stipulates that grants must support the administration's policy priorities and avoid controversial or ideologically driven use of funds. In addition, the order updates federal grant regulations to allow for increased flexibility and accountability, including provisions to terminate grants that do not align with national interests. Finally, the order includes implementation and reporting requirements. Within 30 days of the orders issuance, agency heads must submit a report to the OMB director detailing confirmation that grants allow termination "for convenience."

What's on Tap

Last week, President Trump signed an executive order that shifts oversight of the grant making process to political appointees across a variety of agencies, including the Department of Health and Human Services (HHS). The executive order directs agencies to designate a senior political appointee to be responsible for reviewing all aspects of the grantmaking process to ensure the applications are aligned with the President's priorities. The executive order also instructs political appointees overseeing the grantmaking process to ensure that applicants "commit to complying with administration policies, procedures, and guidance respecting Gold Standard Science". President Trump released a definition of the Gold Standard of Science in late May via executive order, which requires grantees to increase transparency, communicate about scientific uncertainty, ensure the peer review process is free of bias and reject diversity, equity and inclusion (DEI) principles. This is the latest move by the Trump Administration as it continues to increase and consolidate oversight of federal grants.

Former U.S. Surgeon General Jerome Adams pushed back against HHS Secretary Kennedy's decision to cancel $500 million intended for vaccine research into mRNA technology. In a television appearance over the weekend, Adams argued that mRNA technology has saved over two million lives and helped develop the COVID-19 vaccine in record time – which he called President Trump's greatest achievement. In the announcement of the canceled contracts, Secretary Kennedy said the mRNA vaccines fail to protect effectively against upper respiratory infections like COVID and the flu. In parallel, the Food and Drug Administration (FDA) quietly reinstated Vinay Prasad, a top vaccine regulatory that was ousted from the FDA last month. Prasad has been critical of the COVID-19 vaccine and personally intervened to place limitations on drugmakers Novavax and Moderna after the companies' COVID-19 vaccines were approved for anyone 12 years or older.

More than a dozen House Democrats authored a letter to the Centers for Medicare and Medicaid Services (CMS) Administrator Dr. Mehmet Oz late last week seeking further information into the Wasteful and Inappropriate Service Reduction (WISeR) Model – a new voluntary care delivery model that CMS' Innovation Center (CMMI) is beginning in 2026. The model aims to focus healthcare spending on services that improve patient well-being, increase transparency of existing Medicare coverage, and implement commercial payor prior authorization processes to Traditional Medicare. House Democrats took issue with the use of prior authorization in the model – which they argue increases provider burden, takes time away from patients, and limits patient access to life-saving care. Trump Administration officials argue that the use of artificial intelligence and machine learning will streamline prior authorization requests, while simultaneously reducing expenditures.

Upcoming Events

- Senate: Out of session
- House: Out of session
- *Regular congressional activity will likely resume following the August recess on September 2nd*