Special Needs Alliance:

Public Policy News You Can Use

July 28, 2025

Disability Rights Advocates Celebrate 35th Anniversary of the ADA Act Amid Attacks on Civil Rights

Over the weekend, communities across the country celebrated the 35th anniversary of the passage of the Americans with Disabilities Act (ADA). Oklahoma Lieutenant Governor Matt Pinnell commended the ways the ADA improved urban and rural communities alike, South Dakota honored the achievement at the Sioux Falls' first ADA festival featuring live music, and 4 individuals with mobility challenges climbed the 41 steps to the top of the Utah state capitol building. However, many advocates' celebrations were tinged with worry at the fate of the community. Advocates argue that federal cuts to Medicaid funding, the reorganization of the Department of Education, and President Trump's negative rhetoric about disabled employees threaten the safety of disabled Americans and could result in the next generation of disabled Americans not enjoying the protections the ADA enjoins. Further, advocates warn that legislation in front of Congress threatens to cut up to 60% of funding from disability rights centers across the country, seriously hampering centers' ability to protect the civil rights of disabled community members.

CBO Report Estimates 10 Million Uninsured due to Final Budget Bill

The Congressional Budget Office (CBO) released an updated estimate of the reconciliation bill's impacts, decreasing the number of uninsured individuals by 11.8 million by 2034. The new 10 million uninsured figure is largely due to the Senate dropping a provision that would have cut federal Medicaid matching funds for expansion states that cover undocumented immigrants using state funds.

The CBO report details the approximately $1 trillion in Medicaid cuts over the next 10 years. The largest savings, $325.6 billion, would come from implementing national work requirements. An additional $191 billion would come from phasing down provider taxes, $149.4 billion from capping state-directed payments, more than $121.8 billion from rescinding Biden-era

Medicaid eligibility streamlining rules, $17.4 billion from curbing duplicate Medicaid enrollment across states, $62.5 billion from increasing the frequency of Medicaid eligibility renewals to every six months, about $28 billion from limiting the federal Medicaid matching rate for emergency services provided to undocumented patients in fiscal year 2027, and $23.1 billion from placing a moratorium on the nursing home staffing rule.

Experts Warn OBBBA Medicaid Cuts Harm Family Caregivers

Experts warn that the Medicaid cuts under the One Big Beautiful Bill Act (OBBBA) will harm family caregivers by reducing access to health care for themselves and those they care for while creating additional caregiving burden. The National Alliance of Caregiving estimated that 13 percent of the 8 million family caregivers (over 1 million individuals) in the United States receive health insurance coverage through Medicaid and are at risk of becoming uninsured under OBBBA. Advocates warn that family caregivers are frequently unable to work outside the home because of the high levels of care their family members need, making it extremely difficult for family caregivers to meet new Medicaid work requirements. While OBBBA provides some exceptions to work requirements for parents with dependents, those who are "medically frail," and pregnant or postpartum individuals, family caregivers remain at risk. Even if family caregivers can find work outside of the home, many worry about the reliability and cost of external caregiving services.

Further, 11 million family caregivers receive compensation for their responsibilities, most of which are paid through Medicaid home- and community-based services and other state-level consumer-directed programs. As state Medicaid budgets face more strain, these programs are likely to be the first optional programs to be cut. Family caregivers forewarn that if caregiving funding is clawed back, families would have to return to the financially fraught situation of unpaid caregiving.

CMS Finds $14 Billion Spent on Duplicate Health Insurance Enrollment and Restarts Dual Enrollment Checks

The Centers for Medicare and Medicaid Services (CMS) announced millions of Americans were receiving federal financial supports for multiple health insurance plans costing $14 billion in 2024. The analysis found that every month in 2024, an average 1.2 million Americans were enrolled in Medicaid or the Children's Health Insurance Program (CHIP) in multiple states and an average 1.6 million Americans were simultaneously enrolled in Medicaid or CHIP and a subsidized Affordable Care Act (ACA) exchange plan. CMS Administrator Dr. Oz said that restarting dual enrollment checks follows federal law. Further, Department of Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. claimed the CMS actions align with the broader departmental initiative of addressing fraud, waste, and abuse.

In May, the agency gave consumers enrolled in Medicaid and federal marketplace plans final notices, requiring them to address the issue within a month or lose access to the Marketplace tax credits. CMS declined to clarify how many Americans were given notice and when the notices were sent. During the first Trump administration, exchanges are required to check for dual enrollments at least twice a year through Periodic Data Matching (PDMS); however, the checks were paused by the Biden administration to allow for continuous Medicaid coverage during the COVID-19 public health emergency.

CMS will provide states with a list of individuals enrolled in Medicaid in multiple states to address eligibility status. Additionally, the One Big Beautiful Bill Act requires HHS to start collecting enrollee addresses in 2027 and develop a system to prevent duplicative Medicaid enrollment by 2029.

House Republicans Plan for Follow-Up Budget Bill by Late Fall

House Speaker Mike Johnson (R-LA) told Bloomberg Government he plans to pursue a second, smaller tax bill in late fall using the budget reconciliation process, aiming to restore provisions stripped from the " One Big Beautiful Bill" by the Senate parliamentarian. Though he did not outline specific tax provisions, Speaker Johnson stated the multi-committee effort will focus on reduced spending and government efficiency. According to House Budget Chair Jodey Arrington (R-TX), this could include reintroducing the provision to bar states from using state funds to provide Medicaid to undocumented immigrants.

Senate Republicans have generally shown less enthusiasm about a potential follow-up bill as their priority post-August recess will shift to government-funding measures to avoid a government shutdown. Senate Majority Leader John Thune (R-SD) expressed in a recent interview that this follow-up bill would be "a big undertaking" but would not rule it out completely. Speaker Johnson acknowledged the House will also be busy with appropriations bills, stating plans to aggressively push bicameral funding bills. The White House has yet to comment publicly on the likelihood of a follow-up reconciliation bill, but the President's stance on this measure will be a key deciding factor in the ultimate outcome of this effort.

Trump Administration Releases Executive Order Focused on Increased Use of Civil Commitment for Homeless Individuals

The Trump administration released an Executive Order (EO) titled "Ending Crime and Disorder on America's Streets" that seeks to address homelessness rates by using civil commitment or institutional treatment for individuals with mental health challenges and substance use disorder (SUD). The EO claims most unhoused individuals have mental health disorders or SUD and are associated with crime and disorderly conduct. The EO further asserts that removing unhoused individuals from their locations to mental health or SUD treatment

facilities using civil commitment, which can include involuntary commitment to treatment, will "restore public order."

The EO specifically calls out grant funding from the Substance Use and Mental Health Services Administration (SAMHSA) that allow grantees to use federal funds on harm reduction and safe consumption – two evidence-based practices used to prevent overdose deaths and the spread of preventable diseases like HIV and Hepatitis C. Furthermore, these services often provide a touchpoint with the medical and social support system for when individuals are ready to seek treatment. The EO further directs federal spending towards outpatient treatment centers in the civil commitment process and Federally Qualified Health Centers (FQHCs) and Certified Community Behavioral Health Clinics (CCBHCs) that provide treatment for SUD, drug courts, and serious mental illness and crisis services.

In a significant shift for patient privacy laws, the EO directs the appropriate federal agencies to either allow or require recipients of federal funding for housing assistance to collect health information of individuals using their services and provide this information to law enforcement agencies. Further, the EO directs the Attorney General to investigate recipients of federal housing and homelessness assistance who have operated safe consumption sites, bring civil or criminal actions if found to be in violation of federal law, and freeze federal funding of these organizations if in violation of terms of their funding or federal law.

What's on Tap

Senate Democrats criticized the Trump Administration this past weekend over the $50 billion Rural Health Transformation Fund (RHTF) that was a last-minute addition to the *One Big Beautiful Bill Act* in an effort to appease moderate Republican concerns over the impact of Medicaid cuts on access to care for rural communities. A group of 16 Senate Democrats publicly stated in a letter to Centers for Medicare and Medicaid Services (CMS) Administrator Oz that they are "alarmed by reports" suggesting the taxpayer funds in this program were promised to certain Republicans in exchange for their vote. Democrats also pleaded with CMS for further guidance and clarity on the selection and distribution process. The RHTF will not make direct payments to providers, but rather, states will submit "rural health transformation plans" to CMS that will need direct approval from Administrator Oz. States are particularly concerned with the application process as the deadline for CMS to approve or deny applications is December 31, providing states with just over 4 months to produce an application based on minimal guidance from the agency. The Senate Democrats authoring the letter provided Administrator Oz with a deadline of August 15th to respond to a series of questions on the issue.

The Senate Appropriations Committee will meet on Thursday to consider appropriations for 2026 for the Departments of Health and Human Services (HHS), Labor and Education, among others. The appropriations process, which is when Congress agrees on federal funding levels for the following fiscal year, typically consists of the passing of 12 separate bills before being

consolidated into a final appropriations package ahead of the new fiscal year – October 1st. However, Congress has recently opted to keep the government funded via a continuing resolution (CR) – a short-term funding package that effectively locks in current spending levels for a temporary period of time. The most recent CR was passed in March of this year and expires on September 30th. While lawmakers in both chambers are engaged in the appropriations process, many expect Republicans to pursue another CR once they return from August recess. In March, 10 Democrats chose to vote for the Republican spending package to keep the government funded – a decision they will be faced with once again amidst record low polling for the minority party.

The Senate Health, Education, Labor and Pension (HELP) Committee is set to hold a hearing on "Solutions to Lower Costs and Empower Patients" this Thursday. HELP Committee Chairman Senator Bill Cassidy (R-LA) is expected to leverage this hearing as an opportunity to promote his bipartisan bill aiming to reduce Medicare Advantage (MA) overpayments, known as the *No Unreasonable Payments, Coding, or Diagnoses for the Elderly* (No UPCODE) Act. This legislation aims to mitigate a practice utilized by MA plans to maximize their reimbursement from CMS, known as upcoding, in which plans will intentionally make their patients appear sicker than they actually are to increase their Medicare payments. If enacted as written, the bill would develop a risk-adjustment model that uses two years of diagnostic data instead of just one year and limit the ability to use old or unrelated medical conditions when determining the cost of care, among other fixes. MA overpayments are quickly emerging as a bipartisan priority, gaining the attention of lawmakers on both sides of the aisle and Trump Administration.

Upcoming Events

- Senate: In session July 28 - August 1
- House: Out of session
- Thursday, July 31st at 9:30am |Senate Appropriations Committee Holds a Full Committee Markup of Defense and Labor, Health and Human Services, and Education Appropriations Acts | 106 Dirksen Senate Office Building
- Thursday, July 31st at 10:00am | Senate HELP Committee holds a Hearing on Making Health Care Affordable: Solutions to Lower Costs and Empower Patients | 430 Dirksen Senate Office Building