Stetson 2025 National Conference
Legislative Update Outline
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1. *Brief Overview/Explanation of:*
    a. FMAP –Federal Medical Assistance Percentage
    b. Medicaid Expansion
    c. Why is this information important to people w/disabilities and the OBBB?

2. *Biggest Issues Facing People w/Disabilities in OBBB*

Medicaid Cuts will occur: 2028-2032

a. Work Reporting Requirements (beginning 2027- with possible extension)
    i. Exemptions
    ii. If pooled trust beneficiaries aren't working why is this an issue?
    iii. Discussion of new paperwork/applications and GA's issues implementing **https://www.msn.com/en-us/health/other/federal-watchdog-report-on-georgia-s-medicaid-program-raises-concerns-about-administrative-costs/ar-AA1MQ3il?ocid=entnewsntp&pc=U531&cvid=cc1ee68463a74fcccb266c7cee683711&ei=26**
b. Redetermination every 6 months (2027)
    i. Expansion population-but will there be confusion?
    ii. An impact on caregivers/low wage workers (those supporting who we support)
    iii. Other likely impacts
c. Cost Sharing Requirements (July 2028)
    i. Exemptions
    ii. Impact on caregivers/low wage workers
d. State Financing Changes
    i. Impact on funding home-based services, group homes etc.
e. Immigrant Access (documented)
    i. Complete loss of access?
        i. Exemptions
        ii. Impact on caregivers/low wage workers

Biden Era Rules

f. Rules Relating to Enrollment in Medicare Savings Program (MSP)
    i. Nine-year ban on implementing improvements to Medicare Savings Program (MSPs)
    ii. People will be less likely to access programs to make Medicare more affordable
g. Staffing standards in LTC facilities

i. OBBB has blocked the implementation of national minimum staffing requirements for nursing homes

Other Medicaid Items

h. Defunding of Planned Parenthood (being litigated)
    i. Impact on those with conditions that are exacerbated with pregnancy/high risk
i. Expanded Home Care Options for states starting 2028
    i. What does this look like?
j. Rural Health Transformation Program
    i. What does this look like? Will this provide any positive change for those living in rural areas w/little care?
k. Move to 1-month retroactive coverage

Food Assistance Programs- $295 billion in federal cuts over 10 years

l. Increases associated with overall inflation
m. State funding requirements
    i. Lead to waitlists, change in eligibility requirements, wait lists
n. Work Requirements (2029)
o. Limit to Shelter Expense Reductions

ABLE Enhancements

p. Extended contribution limits (2026)
q. Permanent Savers Credit (2026)
r. Rolling unused 529 plan funds into ABLE accounts (immediately)

3. What do we do next?

a. What kind of education can Pooled Trust Administrators Provide:
    i. Legal partnerships
    ii. Educating individuals with disabilities parents to plan for changes
    iii. Educating the general public re: the importance of waiver programs
    iv. Tracking state Medicaid programs response
    v. Connecting others to organizations providing opportunities for advocacy

SNA Reconciliation Bill Summary Analysis:

Threats and Implications for Individuals with Special Needs

On July 4th, President Trump signed into law H.R. 1 – the *One Big Beautiful Bill Act (OBBBA)*. The legislation is expected to mark the most sweeping package of healthcare reforms since the enactment of the Affordable Care Act (ACA) 15 years ago. The bill was finalized after months of intense negotiation within the Republican party, advancing out of both chambers by razor thin margins. The OBBBA has the potential to significantly impact individuals with disabilities and their families. This memo outlines the most pressing risks, relevant positive provisions, and recommended strategies for how SNA members can remain engaged and aware. For general information on Medicaid and health provisions, the National Health Law Program (NHeLP) released high-level and detailed charts of select implementation and funding provisions.

Key Provisions Affecting Clients with Special Needs

Medicaid Changes (Most Significant Impact)

- **Overall Cuts**: $715 billion in Medicaid funding reductions over the next 10 years, potentially resulting in at least 13.7 million people losing health coverage according to estimates from the Congressional Budget Office (CBO).
- **Work Requirements**: New Medicaid work requirements for beneficiaries ages 19-64 will begin by *January 1, 2027*. While exemptions technically exist for individuals with disabilities, confusing and burdensome paperwork processes often result in eligible individuals losing coverage.
- **Documentation Requirements**: Immediate proof of citizenship or immigration status will be required for all Medicaid recipients beginning *October 1, 2026* – raising serious barriers for many families and individuals with cognitive impairments or limited document access.
- **Eligibility Reviews**: Mandatory redeterminations every 6 months (instead of annually) for the expansion population will begin by *January 1, 2027*, significantly increasing the administrative burden on individuals and caregivers.
- **Cost-Sharing**: Introduction of fees up to $35 per Medicaid-covered service for the expansion population beginning *October 1, 2028* – posing an economic barrier to care for many low-income beneficiaries.
- **Home Equity Limits for Long-Term Care**: Maximum home equity limit is lowered to one million dollars beginning *January 1, 2028*.
- **Retroactive Coverage**: Retroactive coverage is reduced to 30 days for the expansion population and 60 days for the non-expansion population beginning *January 1, 2027*, limiting retroactive coverage for individuals newly eligible for Medicaid services.

- **Coverage for Immigrants**: Medicaid and Children's Health Insurance Program (CHIP) funding is restricted to U.S. citizens, lawful permanent residents, Cuban/Haitian individuals, lawful residents under the Compact of Free Association, and residents of a U.S. state, the District of Columbia, or a territory beginning *October 1, 2026*, excluding and potentially removing individuals and their children with other immigration statuses from the programs.

SNAP (Supplemental Nutrition Assistance Program) Funding

- $295 billion in federal SNAP funding cuts over ten years.
- Expanded work requirements for recipients ages 18–64 beginning *January 1, 2029*.
- Restriction of caregiver exemptions to parents with children under age 14 excluding those caring for older children with disabilities beginning *January 1, 2029*.

Positive Provisions

While limited in scope, the bill includes several potentially beneficial provisions for individuals with disabilities:

ABLE Account Enhancements:

- Extended contribution limits beginning *January 1, 2026*
- Permanent Savers Credit for ABLE contributions beginning *January 1, 2026*
- Permanent ability to roll unused 529 plan funds into ABLE accounts tax-free *effective immediately*

These changes may provide expanded planning opportunities for families and practitioners.

Potential Consequences

Reduced Federal Medicaid Funding

Caps on Medicaid growth and restrictions on state funding mechanisms could pressure states to reduce service levels and limit eligibility.

Implication: Loss of critical services such as in-home support, day programs, and residential placements.

Threats to Provider Tax Structures

Limits on provider taxes, which are a major funding tool for states, could destabilize state Medicaid budgets.

Implication: Potential drop in provider participation and quality of care.

Eligibility and Administrative Barriers

Increased documentation and more frequent redeterminations will create significant access barriers.

Implication: Individuals may be wrongly disenrolled or discouraged from seeking services.

Family Caregiver Burden

With reduced HCBS and respite options, families may be forced to take on greater caregiving responsibilities.

Implication: Risk of caregiver burnout, job loss, and long-term economic insecurity.

Secondary Risks to SSI and Related Programs

Although SSI is not directly changed, the Medicaid-related disruptions may cascade into eligibility and access challenges for other linked benefits.

Next Steps and Legal Practice Implications

Special needs attorneys should anticipate the following impacts:

1. **Increased Demand for Appeals and Documentation Assistance:**
   Clients will need more support contesting benefit denials and navigating complex re-verification procedures.

2. **More Complex Medicaid Eligibility Determinations:**
   Attorneys may need to provide more robust planning and compliance strategies to address heightened verification and work requirement standards.

3. **Potential Reduction or Elimination of HCBS Services:**
   Funding shortfalls could result in cuts to waiver programs, group home funding, or personal care assistance.

4. **Guidance on Work Requirement Exemptions:**
   Attorneys will need to proactively identify exemption categories and help clients document eligibility.

5. **Expanded Demand for ABLE Account Planning:**
   The proposed enhancements will increase the utility of ABLE accounts as a legal and financial planning tool.

Special needs attorneys should consider the following next steps:

A. **Monitor State Developments:**
   Track how your state Medicaid program is responding to potential federal cuts and prepare clients accordingly.

B. **Engage Clients and Families Early:**
Alert clients to possible administrative hurdles and prepare documentation strategies in advance.

C. **Support National Advocacy:**
SNA is working with coalition partners to engage policymakers and media. Members are encouraged to share anonymized client stories and data to inform advocacy efforts.

D. **Update Legal Planning Strategies:**
Prepare contingencies in case of service reductions or eligibility loss—particularly for Medicaid-dependent clients.

E. **Leverage Positive Provisions:**
Begin client outreach on the expanded ABLE account opportunities and incorporate them into long-term financial plans.