

CUTS TO CARE: WHAT TO KNOW & WAYS TO ACT NOW

August 5, 2025





Agenda

- Welcome
- Where We Are: Medicaid, SNAP, and Education Cuts
- Tools and Resources to Take Action
- Q&A

Where We Are: Medicaid, SNAP, & Education Cuts

What happened?

- Budget reconciliation bill signed into law on July 4
- Senate passed HR 1 on July 1 on a 51-50 vote
- House passed the Senate-passed bill on July 3 (218-214).
- The law includes numerous provisions related to Medicaid, CHIP, ACA, and school vouchers with deep, damaging cuts.

Medicaid



CBO Score of Health Provisions

- Congressional Budget Office (CBO) estimates the Medicaid cuts to total **\$911 billion** over 10 years, an historic cut (20% of the program)
- Only 2.5% address waste, fraud, and abuse
- ACA Marketplace cuts amount to \$213 billion over 10
- Altogether, Medicaid, CHIP, and Marketplace cuts total \$1.2 trillion over ten years
- CBO estimates number of uninsured individuals will increase by at least **10 million** in 2034
- Huge cost-shift to states

Budget Law Targets Medicaid Expansion



Adds work requirements



Requires eligibility checks at least every 6 months



Adds up to \$35 dollar copays for certain enrollees



Eliminates an incentive for states that have not yet expanded Medicaid (10 states)



10 states are: AL, FL, GA, KS, MS, SC, TN, TX, WI, WY

Work Requirements for Expansion

- Starting Jan. 2027 many individuals aged 19–64 required to work 80hr per month, volunteer, or education to maintain Medicaid
- Exemptions include caretakers of children age 13 and under; people with disabilities receiving SSI; individuals who are medically frail or otherwise have special medical needs including people with serious and complex medical conditions
- Carve-outs don't work well

People with IDD Will Be Impacted

- Cuts to Medicaid in one area affect all others—cascading effect
- People with IDD are found in all parts of the Medicaid program
- Overall cut in federal funding and more uninsured will challenge hospitals and other medical providers.
- While the bill does not directly target HCBS spending -- history shows that a loss of Medicaid funding hurts HCBS – see [study](#)



People with IDD Will Be Impacted By Work Requirements

Exemptions for IDD and others are vague and will vary by state

Many people with IDD are not on SSI

People who are exempt lose coverage because they cannot navigate or are unaware of the rules

People who are working part-time, seasonal jobs, or other work schedules will lose coverage because they do not fit into the rules or cannot navigate the changes

One Example—Neal's Story

- Neal is 33 and has autism—when he was younger he participated in a local chapter's support programs
- He does not qualify for traditional Medicaid because he does not meet the stringent SSI definition of disabled
- But Neal still needs supports—like job coaching from Vocational Rehabilitation to be able to work in the community
- Luckily, PA is an expansion state and Neal was able to get Medicaid through the expansion
- When people say that people with disabilities will not be harmed by this bill because it is only targeting the Medicaid expansion population they are ignoring people like Neal

How will these Medicaid cuts impact HCBS?

- States will face difficult choices. Will they increase taxes? Cut eligibility? Cut services? Reduce reimbursements for providers?
- HCBS is an optional (and expensive) benefit
- Research shows that states often cut HCBS and other long-term services and supports in the face of recessions, reduced revenues, and budget deficits

Home and Community-Based Services (HCBS)

- Adds new 1915(c) waiver that allows states to provide HCBS to individuals who do not require an institutional level of care
- Authorizes \$100 million in FY 2027 for implementation
- New waivers may not be approved until July 1, 2028
- Unclear if states will take up this new waiver with new budget restraints
- Lots of questions about implementation

Next Steps

- The Arc continues to meet with Members to express thanks or disappointment; sent letters
- The Arc will work with Members of Congress to reverse or mitigate cuts to Medicaid
- The Arc encourages state advocates to work with state legislature and state agencies to assist and advise on how these provisions will be implemented

New Legislation

- Senators Schumer (NY), Wyden (OR), Shaheen (NH), Merkley (OR), Luján (NM) introduced the Protecting Healthcare And Lowering Costs Act
 - Sen Hawley (MO) introduced a bill to repeal provider tax provisions and increase funds for rural health
 - Opportunity to get Members on record for supporting health care



What should you do to prepare?

- Help individuals understand their path to Medicaid
- Understand the new work requirements and help individuals comply
- Pay attention to announcements from CMS and state Medicaid offices
- Monitor and share impact stories

SNAP



Historic Cuts to Food Assistance

- The **Supplemental Nutrition Assistance Program (SNAP)** helps more than 42 million Americans put food on the table.
 - USDA estimates 10% of SNAP beneficiaries are adults with disabilities (aged 18-65). The real % is likely much higher.
- **OBBA made the largest cuts to federal SNAP funding in U.S. history.**
 - **CBO: 20% cut to SNAP, \$186 billion through 2034**

Key Impacts

-  Cost-shifting to states.
-  Benefit cuts.
-  Benefit barriers.
-  Ending nutrition education programs.
-  Food insecurity and health risks.

Cost-Shifting to States

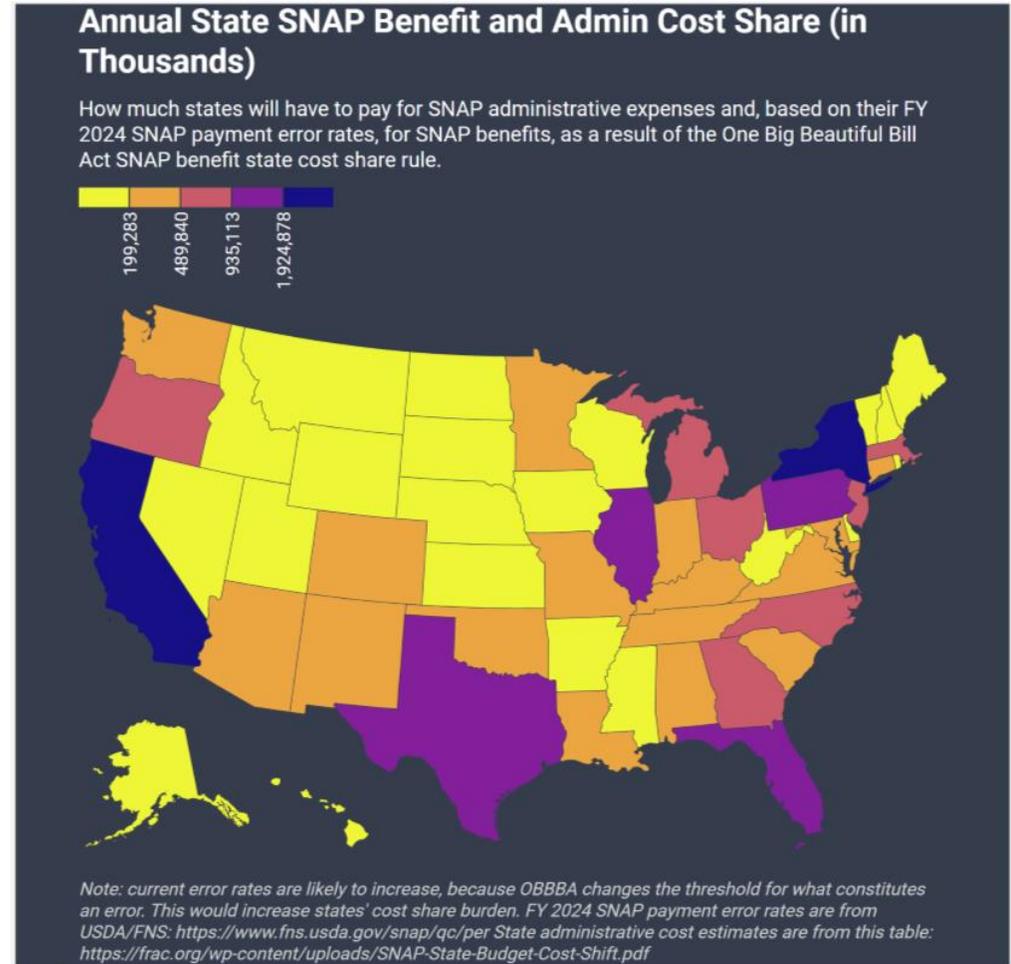
- **Beginning in fiscal year 2027 (October 1, 2026), states will need to cover 75% of SNAP administrative costs.**
 - Currently, the federal government pays 50%
- **For the 1st time ever, states will be responsible for matching a percentage (0-15%) of SNAP benefit costs.**
 - Currently, the federal government pays 100% of SNAP food benefit costs.

State Payment Error Rates

Payment Error Rate	% Match	Examples (Based on FY24 data)
Below 6%	0 (subject to future change)	Idaho, Wyoming, Wisconsin, Vermont, Utah, South Dakota, Nebraska
6–8%	5% match	Hawaii, Iowa, Louisiana
8–10%	10% match	Arizona, Arkansas, Colorado, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, Ohio, Texas
More than 10%	15% match	California, Connecticut, Delaware, Illinois, Oklahoma
1-time exemption for states +13.3% in FY25/FY26	Can delay cost-share until FY2029 or FY2030	Alaska, Florida, Georgia, Maryland, Massachusetts, New Jersey, New Mexico, New York, Oregon, and the District of Columbia

What this Means for States

- **Multimillion dollar budget shortfalls**
- **SNAP spending is optional:** states could opt out of the program altogether.
- **Extra complex for counties:** County governments administer SNAP in 10 states: California, Colorado, Minnesota, New Jersey, New York, North Carolina, North Dakota, Ohio, Virginia, and Wisconsin.



Benefit Cuts

- OBBA takes away a tool USDA uses to ensure that SNAP benefits keep up with the cost of a healthy diet.
 - CBO: This would erode benefits over time and cut SNAP spending by about \$37 billion over the next 10 years.
- OBBA also stops households from getting extra SNAP benefits to help offset high utility and Internet costs.

Expanding Work Requirements

- 'Able-Bodied Adults without Dependents' must work 80 hours per month to receive SNAP for more than 3 months.
- OBBA expands ABAWD work requirements to previously-exempted groups:
 - Older adults aged 55-64
 - Parents, grandparents, or caregivers of children ages 14-18
 - Veterans
 - Adults experiencing homelessness, including homeless families with children 14 or older
 - Former foster youth
 - People living in states no longer able to use waivers based on unemployment data.
- More than 5 million people at risk of losing at least some benefits.

What can you do to prepare?

- Learn about your state's SNAP work requirement policies and processes for granting exemptions for people with disabilities and caregivers.
 - Ex. In Oregon, SNAP time limits are currently not being enforced due to a state waiver. The Oregon Department of Human Services says, "people getting SNAP will be notified when work requirements are needed again."
 - Ex. In Texas, when a disability is not "obvious," getting an exemption requires submitting Form H1836-A and medical evidence from a physician.
- Monitor and share impacts of SNAP cuts.

Education



Federal School Voucher Program

- First ever federal school voucher program
- Families earning up to 300% of median income in county can qualify
- \$1700 dollar-for-dollar tax credit for those who contribute to scholarship-granting organizations (SGOs)
- States need to "opt-in"
- Treasury will begin drafting rules (e.g. how rules interact between state and federal voucher programs)—takes effect Jan 1, 2027

Federal School Voucher Program

- Few protections for students with disabilities
- Public schools serve the majority of students with disabilities
 - As students with vouchers leave, public schools lose that per pupil funding
- These are not considered "direct" federal funds—do not need to follow civil rights laws
- Rural students impacted—only 28% of rural students have a private school within 5 miles of them
- States still maintain obligations (e.g. Child Find) under IDEA even in a voucher program

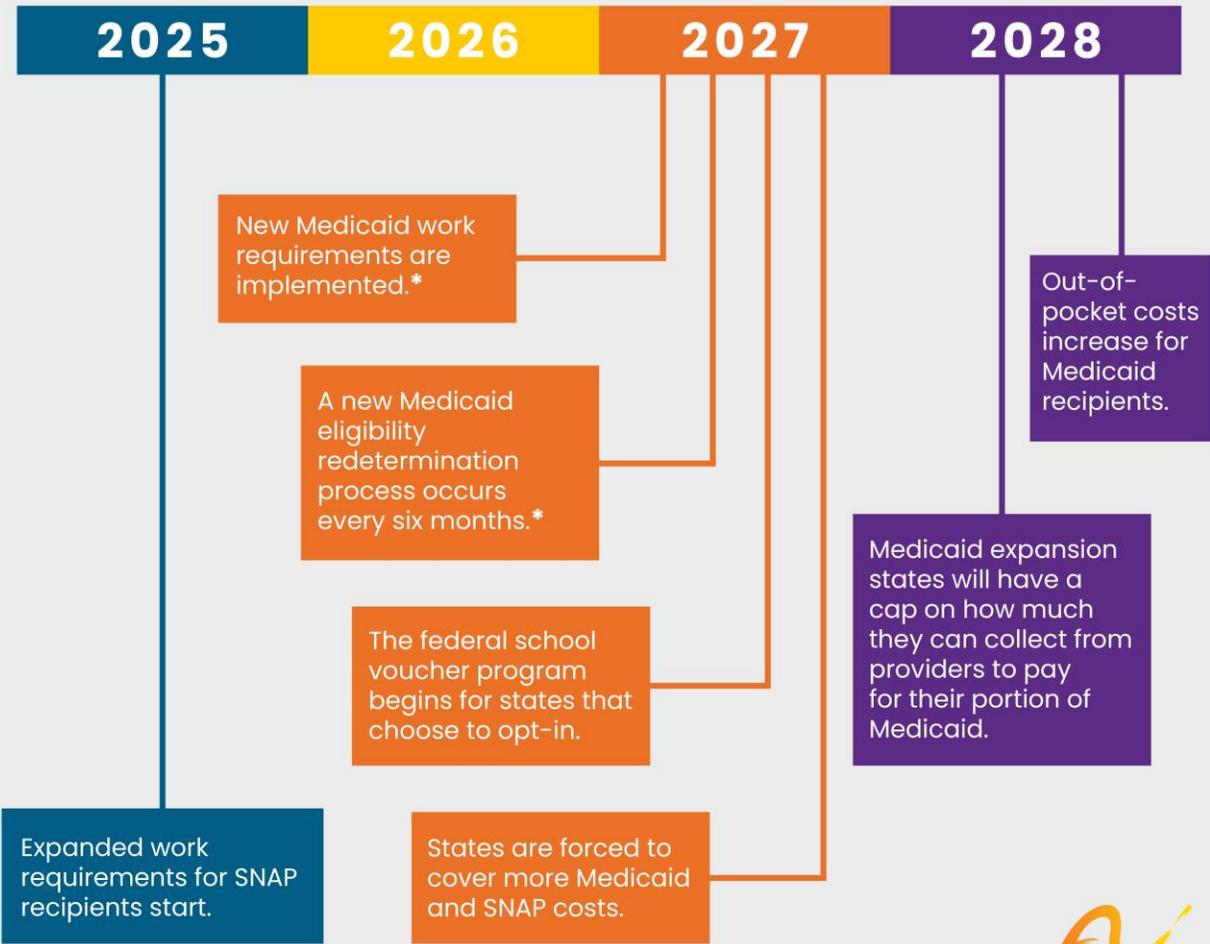
What can you do?

- If you are in a state that currently does not have a school voucher program, advocate that your state does not opt in to this program.
- Clearly communicate to families that **choosing a voucher does not preserve their child's IDEA protections** or guarantees of services.
- Advocate for **licensing, data transparency, and enforcement requirements** for private schools receiving federal funds.
- Support **increased funding for IDEA for FY 26** (esp. Important during August recess), rather than shifting funding away.

Higher Ed Provisions

- Loan limits:
 - Professional/graduate school loan limits
 - \$50,000/year
 - \$200,000/lifetime
- Concerned about effect on doctors, OTs, PTs, dentists that might support people with disabilities

Medicaid, SNAP, and Education Changes



* For people on Medicaid expansion.

Advocacy: Tools & Resources

First up: Thank you!



The Arc of Iowa
June 30

Medicaid cuts. Billionaire tax breaks. Higher health care costs for Iowa families. At a town hall in Cedar Rapids, Iowans spoke out against a federal plan that slashes Medicaid and food assistance while giving massive tax breaks to the ultra-wealthy. Disability advocate Garret Frey reminded us: "We all deserve to be happy and healthy." Doctors, families, and everyday Iowans warned these cuts would hurt rural hospitals, limit care for moms and babies, and put lives at risk—all while rewarding the wealthiest few. It's time to say NO to tax breaks for billionaires and YES to protecting the care that keeps Iowans alive and well.

#StopTheCuts #MedicaidMatters #IowansDeserveBetter



CEDEARRAPIDSGAZETTE | @NEWSMEMORY.COM
"We all deserve to be happy and healthy"
Iowans decry proposed federal cuts, tax breaks: By Tom Barton, Gazette De



is our son, Josef. He lives in a group home where **he is able to live his best independent life with the support he needs to be safe. These supports are possible because of Medicaid.** If Medicaid is cut, he will no longer have access to dental and medical care, including his neurologist, who manages his seizure disorder."

“ Medicaid paid for my life. I was born with a complex medical diagnosis. Medicaid paid for the closure and restoration of my abdomen, and Medicaid paid for my heart transplant at 6 months of age.

-Kassandra and Marely

The Arc of Illinois

The Arc of North Carolina
June 23

"We all want the best for our children: for them to be able to leave home eventually and be self-supporting. That's what Medicaid is making possible for our family." ... See more

6 1 share

It's August Congressional Recess

Ways to Get Involved

1. Meet with your Members of Congress and staff.

- Virtual or in-person
- Bring advocates
- Leave behind materials (toolkit)
- Follow up, say thank you!

2. Invite Members and staff to visit your chapter.

- Take a tour!
- Meet with families and advocates

Get Involved: August Congressional Recess

3. Attend events (townhalls, office hours, etc) hosted by your Members of Congress.

- Ask questions! – Wear The Arc branded swag



Action alerts: updated

SHARE WHAT MEDICAID MEANS TO YOU!

2.5k
SUPPORTERS



SHARE YOUR STORY

SHARE

TELL CONGRESS: PROTECT DISABILITY SERVICES & FUND OUR FUTURE!

6.7k
SUPPORTERS



TAKE ACTION

SHARE

SHARE WHY PUBLIC EDUCATION MATTERS TO YOU!



SHARE YOUR STORY

SHARE

TELL CONGRESS: RAISE THE SSI ASSET LIMIT!



TAKE ACTION

SHARE

thearc.org/action

2025 Toolkit

thearc.org/advocacytoolkit

<p>DOCX</p>  <p>READ FIRST Advocacy Toolkit Medicaid</p> <p>Medicaid - How You Ca...</p>	<p>DOCX</p>  <p>What Medicaid Cuts Would Mean</p> <p>What Medicaid Cuts Me...</p>	<p>DOCX</p>  <p>Key Talking Points About Medicaid</p> <p>Key Talking Points Abo...</p>	<p>DOCX</p>  <p>Medicaid Links & Resources</p> <p>Medicaid Links and Res...</p>	<p>DOCX</p>  <p>Medicaid Overview Leave Behind</p> <p>Medicaid Overview Lea...</p>	<p>DOCX</p>  <p>Medicaid Work Requirements Issue Brief</p> <p>Medicaid Work Require...</p>	<p>DOCX</p>  <p>Medicaid Words to Know</p> <p>Medicaid Words to Kno...</p>	<p>DOCX</p>  <p>Medicaid Funding Explainer</p> <p>Medicaid Funding Expl...</p>
<p>DOCX</p>  <p>Medicaid State Data Leave Behind</p> <p>Medicaid State Data Le...</p>	<p>DOCX</p>  <p>Medicaid Stories You Can Share</p> <p>Medicaid Stories You Ca...</p>	<p>DOCX</p>  <p>SAMPLE Welcome Letter</p> <p>SAMPLE Welcome Lett...</p>	<p>DOCX</p>  <p>SAMPLE Meeting Agenda Worksheet <small>For Meetings With Lawmakers & Staff</small></p> <p>SAMPLE Meeting Agen...</p>	<p>JPG</p>  <p>Social Media Graphic -...</p>	<p>PNG</p>  <p>Orange background</p>		

New & Upcoming Toolkit Resources

- August recess one pager
- Updated state-by-state Fact Sheets:
 - Medicaid
 - SNAP
 - Medicaid in Schools
- Legislative Summary
- Key Talking Points
- Misinformation/Myths in New Law
- Samples:
 - Letters to Your Members of Congress
 - Letter to the Editor



The Arc's Digital Advocacy

- #WeActWednesday on social media
- Follow, share, uplift, subscribe, and **TAG US** on...





Questions?

THANK YOU

Find us at
thearc.org/staff