

Today we will talk about:

- State: Deal that would reduce long-term revenue for short term spending increases possible
- Congress: Federal budget, What's in the 2026 Reconciliation bill, what health care cuts and changes are being floated for a 2027 reconciliation bill, HSAs as a health care policy, impacts on ACA coverage and health care providers because of ACA subsidy expiration.
- Federal Administration: CMS withholds another \$91M in Medicaid funding from Minnesota, Minnesota Medicaid funding freeze puts pressure on people who rely on services, three policies that are reviving old ideas
- Impact of HR 1: Nebraska implements prove you're working/exempt requirements, states where voters forced Medicaid expansion are hoping strict work requirements will reduce how many people are in Medicaid, low income workers face new challenges that could impact coverage, study shows the "truly needy" won't be spared from Medicaid cuts, states looking to reduce Medicaid spending may change what drugs are covered, why 4.3M people have already lost food stamps.

Weekly Update

May 8th, 2026

Federal Funding Fallout 2026

1

5/8/2026

Around Wisconsin

We have a
lot to say.

Deal that would reduce long-term revenue for short term spending increases possible

Legislators have been asked about their availability for a possible floor session the week of May 11th.

Rumored the Governor & Republican State Assembly and Senate leaders are negotiating on a proposal to make (unknown) tax cuts and/or a one-time tax rebate in exchange for some increases in education spending and first-time passage of a bill to ask voters to amend the state constitution.

No details or bill language has been released.

No one—including legislators--knows what is being proposed, traded, or negotiated.

Many state functions, programs have been underfunded for multiple budget cycles and/or have not received increases to cover actual costs.

It is unlikely all the items the legislature chose not to fund at requested levels during the regular 2025-27 budget cycle will be included in this package.

Revenue-reducing deal now could make state budget shortfall worse, and cause budget cuts

Reducing the amount of income coming into the states impacts everyone who interacts with programs, infrastructure supported by state tax dollars.

More than 12 states are already cutting Medicaid and other programs to address state budget shortfalls. Additional states are publicly saying they will have to cut budgets next time.

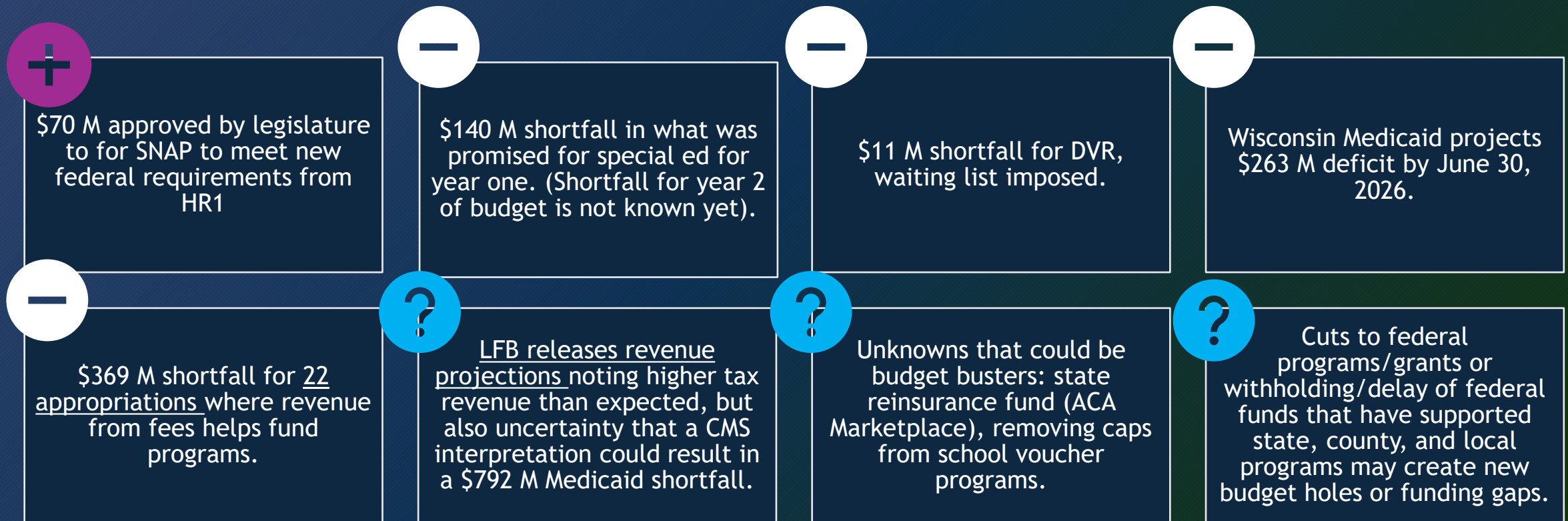
More cuts to federal funding have been proposed in President's 2027 budget. The Administration continues to withhold, not distribute, claw back, and change funding terms so that it may discontinue funding to select entities.

Disability advocates expect a third reconciliation bill (after Oct 1st), and that it will include more Medicaid cuts.

Requirements in HR1 will impact SNAP and Medicaid funding in 2027, 2028, and 2029 and will create big budget holes for most states.

Wisconsin is at least \$500M short of what is needed to do what we are doing now.

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Lots of evidence that states will face budget shortfall next year

States that made tax cuts (i.e. reduced revenue) in good times are in a worse position to manage federal cuts now.

State budget surpluses and rainy day funds are not enough to make up for federal cuts, increased costs, or revenue losses. One-time money is not a solution to fund ongoing costs.

HR 1 is already impacting state budgets. Additional impacts are coming over the next three years.

Overall weaker economy (job losses, weaker job market, increased costs for workers/businesses) often reduces revenue and increases demand for government services.

You can let
the Governor
know what
you think



You are seeing the cuts that are being proposed/made in other states because of budget shortfalls before HR 1 is implemented.



You know HR 1 will continue to impact state budgets in 2027, 2028, 2029.



Federal funding cuts impacted state and local programs last year, the President's budget proposes more cuts.



CMS continues to make administrative decisions that impact state Medicaid funding.



Congress is considering a reconciliation bill this fall that national advocates worry will include more Medicaid cuts.



Many important items did not get funding or funding increases in the last state budget.



Contact Governor's office at 608-266-1212 or <https://wi.accessgov.com/public/Forms/Page/governor/voice-an-opinion/1>

Disability Questions you can ask any candidate

https://wi-bpdd.org/wp-content/uploads/2026/04/DisabilityQuestionsforCandidates_042026.pdf

Wisconsin Democrat Disability Caucus
[2026 Governor Candidate Forum](#)

Disability questions you can ask ANY candidate

- With federal Medicaid cuts about to hit state budgets, what will you do to guarantee seniors and people with disabilities can continue to get the help they need to stay in their own homes (and out of expensive Medicaid funded institutions)?
- Every year the special education reimbursement is not enough to cover actual costs. What will you do to make sure the legislature keeps its promises and funding is guaranteed for these students?
- People with disabilities who want to work are being told they must wait at least a year for help. What will you do to make sure that workers with disabilities can use the Division of Vocational Rehabilitation in real time to get the support they need to find and keep a job?
- Right now, people with disabilities can't get the care they need to stay in their homes outside of Medicaid. That means they are required to be poor forever just to have the help they need to survive. What will you do to make sure people with disabilities can earn and save more without losing the health and home and community-based long-term care services they need?
- Will you consult with disability organizations and advocates when you are developing policies? How will you solicit ideas, feedback, and make changes to proposals that impact people with disabilities?
- How do you plan to make sure decisions are driven by the people who must live and navigate the programs, that decisions make it easier for them not harder, and that decisions are going to result in outcomes people with disabilities want (greater independence, inclusion, integration)?

How people or groups can use this tool

Have individuals:

- List the major parts of their care plan,
- How many paid hours/service the plan currently provides,
- How much natural supports unpaid caregivers are currently doing to make the care plan work.

Ask them what would happen if:

- The amount of paid caregiver hours was reduced (what would it mean if you lost 5 hours? 10 hours? More?)
- The amount of services you currently get was reduced?
- Some of the services you have now would not be in your care plan any more.
- Unpaid caregivers could not cover the same hours or weren't able to cover more hours?

https://wi-bpdd.org/wp-content/uploads/2026/04/BPDD_Worksheet_ImpactCarePlanReductions_042026.pdf

WHAT WOULD IT MEAN IF I GOT LESS HELP THAN I HAVE NOW?

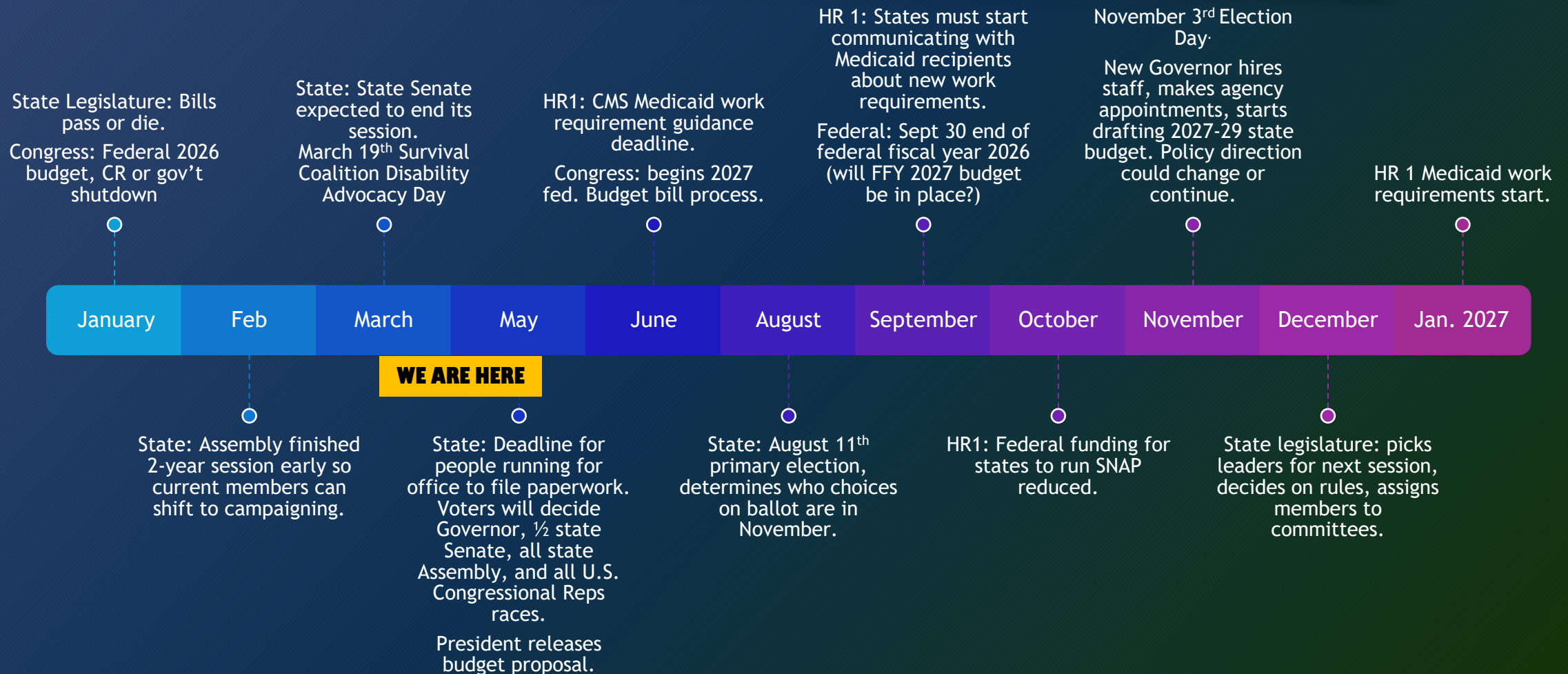
	Number of paid hours/amount of service in my care plan	Tasks or time covered by unpaid caregivers in my care plan	Impact of cuts to paid hours or reduction of services in my care plan?
Personal care			
Home health			
Nursing			
Therapies			
Medical Equip. & Supplies			
Mental Health			
Group home			
Employment Services			
Day Services			
Other services or supports			

Here is what my life looks like now. (Ex. I live in my home in the community, not an institution, I work, I volunteer etc.)

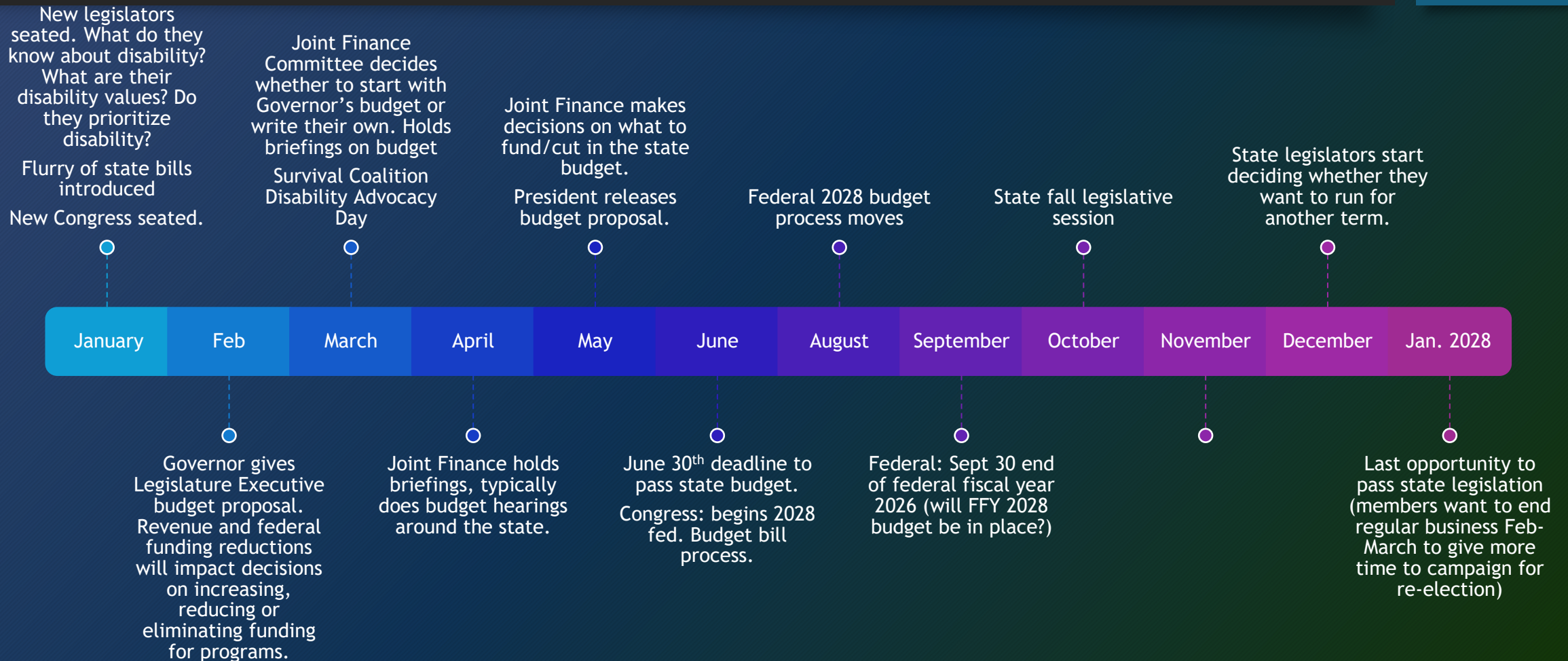
With Family Care, IRIS, CLTS as it is now, I am not always able to Ex. Find enough caregivers, get transportation in the evenings, get support on my job.)

What are you most worried about if you have less help than you have now?|

Buckle up: 2026 is going to be a big year to make sure disability issues are priority issues



2027 is when states feel impact of federal funding cuts.

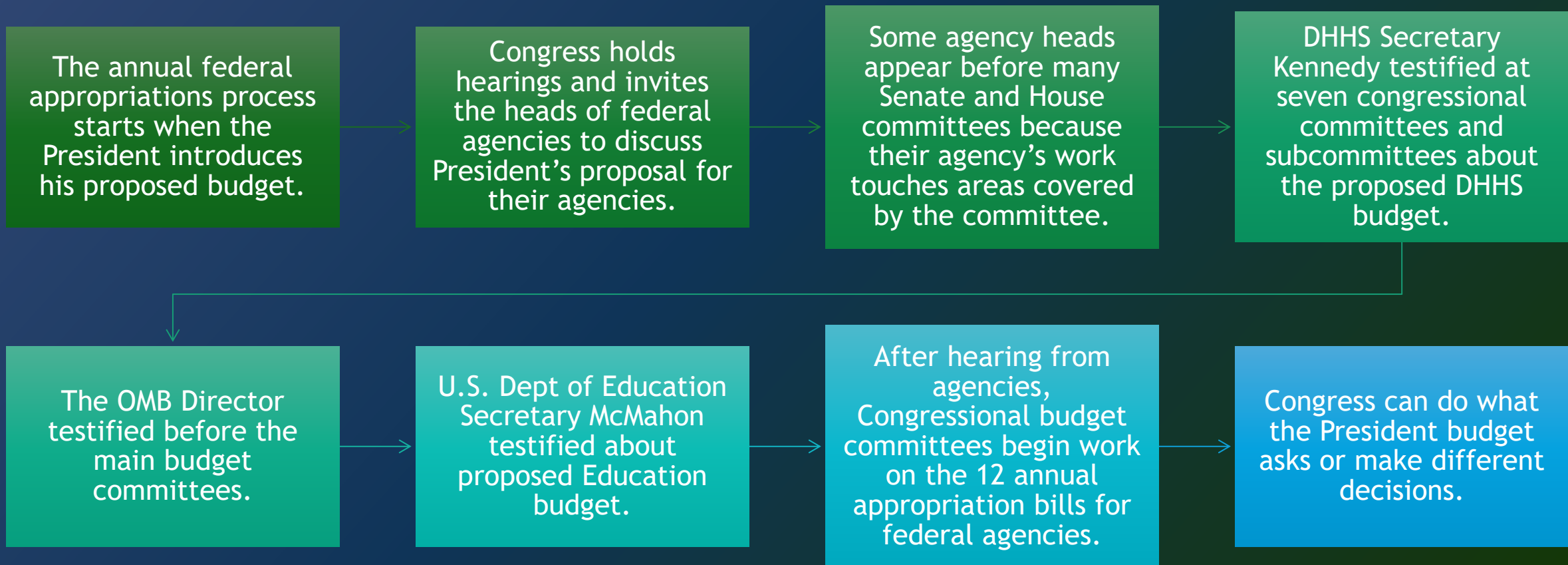


Congress

What are
they doing?
(and not
doing)

2027 federal budget process continues with more Congressional committee hearings

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Remember: President's 2027 budget proposes same disability cuts as last year

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- The 2027 budget proposal includes the same cuts to disability programs proposed last year including, eliminating the Administration of Community Living, eliminating the UCEDDs (Waisman Center) and other disability programs, and eliminating the independent budget lines that guarantee DD Councils (like BPDD) and Protection & Advocacy organizations (like DRW) are funded.
 - Lumping pots of money together, reducing funding, and letting states decide how to spend it is a strategy to make cuts or eliminate programs people with disabilities rely on.
- The 2027 budget would also eliminate funding for the Low-Income Home Energy Assistance Program, Developmental Disabilities Projects of National Significance, Limb Loss Resource Center, Paralysis Resource Center, Voting Access for People with Disabilities.
- Last year, it was grassroots disability advocates that raised the alarm and relentlessly pushed Congress to pass a budget that preserved these programs.



2027 DHHS Budget in Brief:

<https://www.hhs.gov/sites/default/files/fy-2027-budget-in-brief.pdf>

Has Congress become irrelevant in the federal budget process it's supposed to drive?

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- The failure of Congress to fund the Dept. of Homeland Security in January did not stop money from being spent because the President issued “Emergency” Executive Orders March 27th pay airport security staff and April 3rd all other staff.
- “This is illegal, it has always been illegal, and the precedent it sets pushes Congress, the branch of government with the power of the purse, into total irrelevance.”
- In an environment where nobody has raised an objection to illegal spending, you should expect more illegal spending.
- April 30th Congress finally passed the negotiated \$3.3B bill to fund the Dept of Homeland Security (except for ICE and Border Patrol) for the rest of 2026 (i.e. 5 months).



<https://prospect.org/2026/04/24/congress-has-become-almost-totally-irrelevant/>

Has Congress become irrelevant in the federal budget process it's supposed to drive?

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- Now Congress is using a Reconciliation process to sidestep the normal appropriations process for the Dept. of Homeland Security. This avoids the Senate having to negotiate and get 2/3s of members to agree on funds should be spent.
- The oversight mechanisms on the budget don't exist in reconciliation.
- That means the Trump administration will have guaranteed funding 2027, 2028, and 2029 for this agency because the President can veto any changes Congress attempts later. Spending authority goes through Sept 30, 2029.
 - (i.e. if a different party has a majority in the House and Senate, the President can veto legislation and unless Congress can override the veto if 2/3rds of members in both the House and Senate vote yes).
- If the current majority party approves future funding for a long period of time, then new elected officials who have different spending priorities will have a harder time undoing previously approved spending or changing spending.



<https://prospect.org/2026/04/24/congress-has-become-almost-totally-irrelevant/>

What's in the 2026 reconciliation bill?

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- Funds Dept of Homeland Security for three-years (instead of one year).
- Watchers observe there is far less oversight over how this money will be spend compared to typical appropriations passed in the regular budget process.
- Senate planning to start move on plans week of May 18th.
- Almost \$72 Billion total.
 - \$30.75 B for ICE
 - 2.5 B for Dept Homeland Security at large
 - \$1.47 to Dept of Justice at large
 - \$1 B for security related aspects of president's ballroom
 - \$32.5 billion in spending for immigration enforcement CBP agencies, including Border Patrol.



<https://www.politico.com/news/2026/05/05/trump-ballroom-funding-senate-00906322>

Reconciliation bill text from Judiciary committee:
https://www.grassley.senate.gov/imo/media/doc/reconciliation_-_senate_judiciary_committee_title.pdf

Reconciliation bill text from Homeland Security committee: <https://www.hsgac.senate.gov/wp-content/uploads/MDM26A11.pdf>

Congress needs to
know people are
paying attention
to what they are
doing

When Congress does not get enough pushback or opposition on its proposals, it sends a signal that their actions are ok.

If it's easy for Congress to pass a second reconciliation bill, then a third reconciliation bill becomes easier too.

National advocates expect that planning what should go into a third reconciliation bill will begin as soon as the second reconciliation bill passes.

Cuts to Medicaid and other social programs are not included in the second reconciliation bill, but national advocates expect they will be included in a third reconciliation bill.

What health care cuts and changes are being discussed for a 2027 reconciliation bill?

Making it easier for CMS to defer or withhold Medicaid funding from states when CMS suspects fraud, waste, or abuse (like it has with Minnesota).

- 19 “fraud, waste, and abuse” bills have been introduced in Congress this session; existing language is often pulled into other bills.

Expansion of “catastrophic” health care plans that have low premiums and offer little coverage as well as Health Savings Accounts.

Ending all ACA subsidies as well as other changes that increase the amount of money plan holders must pay out of pocket.

Other ideas that were considered for HR 1 could also come back Medicaid block grants/per capita caps, reduction in federal Medicaid match to states or certain Medicaid enrollees

Republicans see high-risk plans as the future of health insurance

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- Hundreds of thousands of Americans have switched to health insurance that covers a lot less of their care this year.
- When Congress did not extend the ACA subsidies that kept premiums affordable, many people with ACA plans searched for plans that cost less.
- But the cheaper plans don't cover the first several thousand dollars in sick visits, drugs and surgeries a patient needs.
- Nearly 4 in 10 Obamacare enrollees are in these “high-deductible” plans now, compared to 3 in 10 a year ago.



<https://www.politico.com/news/2026/05/03/republicans-embrace-high-deductible-obamacare-plans-00902194>

Republicans see high-risk plans as the future of health insurance

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- President Trump and GOP senators want to shift the remaining ACA subsidies, now used to reduce monthly premiums, into tax-advantaged savings accounts that come with the high-deductible plans.
- For wealthy people in good health who use the savings accounts to accrue wealth the change would be good
- It wouldn't for sicker and poorer people who end up with medical bills they can't afford.
- Many high-deductible customers are “chasing after that lower premium, but they actually do need to use care on an ongoing basis, and then they end up with a lot of debt or being terrified to use their insurance or seek care and ignoring symptoms.”
- Republicans argue plans that cover less and require patients to pay more money reduce overuse of the health care system and put downward pressure on prices.



<https://www.politico.com/news/2026/05/03/republicans-embrace-high-deductible-obamacare-plans-00902194>

Millions losing ACA plan coverage because subsidies were not extended

22

- Americans can't afford the higher health insurance premiums that resulted from Congress's refusal to extend federal tax credits.
- Initial sign-ups had already fallen by about [1.2 million people](#).
- Secretary Kennedy, Jr. attributed the initial reductions to an administration crackdown on fraud.
- New estimates say 20% of people who had plans last year now don't (5 million fewer, 19 M compared to last year's 24 M).
- Now that people are facing long-term higher costs, Insurance companies, state officials and industry analysts are reporting that many more have lost coverage
- More people are expected to drop coverage by end of the year. Some estimate up to 26% of people will drop plans.
- The federal government has yet to report current enrollment data.

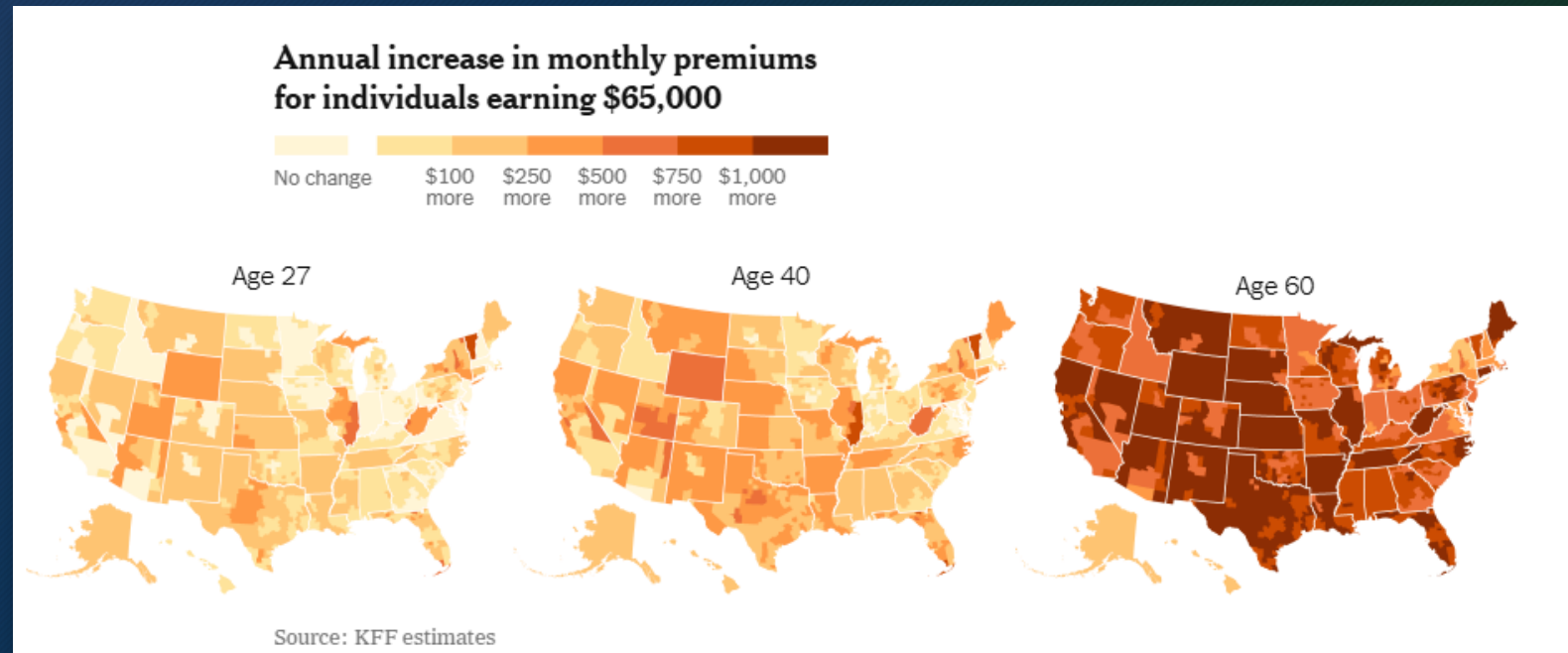


<https://www.nytimes.com/2026/05/01/business/obamacare-enrollment-decline.html>

Millions losing ACA plan coverage because subsidies were not extended

23

- Insurers and state officials said older adults with middle-class incomes, who faced the largest increases in premiums, appeared to be among the hardest hit.
- In many states, around 10 percent of people who are still insured have chosen less generous coverage by plans that have lower premiums but higher out of pocket costs, and carry deductibles as high as \$10,600 a year.



Impact on ACA plan losses and switches to lower quality coverage shifts to hospitals

24

- When Congress chose to let ACA subsidies expire, many insurers changed coverage, reduced service areas, or stopped offering plans.
- Meanwhile more people shifted to lower coverage plans that have lower premiums but much higher out-of-pocket costs.
 - Bronze plan enrollment increased 26% nationally, rising from 30% to 40% of total ACA enrollment, even as overall enrollment declined.
- Now the effects of these changes on one of the four major payment sources for health care are beginning to impact hospitals.



<https://www.beckershospitalreview.com/finance/hospitals-face-growing-fallout-from-aca-coverage-cliff/>

Let Congress know you are paying attention to the President's budget (and them)

Let Congress know what you think about them using a reconciliation process to pass spending that doesn't have to be negotiated and agreed upon by both parties.

Let Congress know what you think about proposed cuts and changes to disability programs. Let them know it's important to have dedicated funded appropriated to preserve current programs (like DD Councils and P&As).

Ask Congress what they will do if the administration makes changes—like eliminating the Administration for Community Living or U.S. Dept of Education or appropriation lines that fund disability organizations—that can only be made by Congress.

Ask if Congress what they will do if the administration cuts, freezes, claws back, fails to send funding for programs that impact people with disabilities, or otherwise ignores how Congress has told the administration to spend money.

Educate your members of Congress on what Home and Community Based Services (Family Care, IRIS, CLTS) do and mean for people with disabilities and families. Not fraud, just care.

Administration

Administrative
rules, Federal
Agency Actions

Minnesota: Trump administration defers \$91M more Medicaid funds, citing fraud vulnerabilities

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- Last week CMS notified Minnesota that it's deferring an additional \$91 million in Medicaid funding.
- This is in addition to the \$243 M that was withheld in February because of fraud concerns in 14 “high risk” services (which are all Home and Community Based Services).
- CMS approved the state's corrective action plan in March but has yet to free up any of the \$243 million it withheld earlier.
- \$76 M of the additional \$91 M is tied to 14 service categories CMS is considering “highly vulnerable to fraud.” \$14 million involves program integrity concerns.
- The announcement comes a week after Oz said CMS would require all states to explain their plans to revalidate some of their Medicaid providers in an escalation of the Trump administration's anti-fraud campaign.



<https://www.wearegreenbay.com/politics/ap-politics/ap-trump-administration-defers-91m-more-in-minnesota-medicaid-funding-citing-fraud-vulnerabilities/>

Medicaid Fraud Crackdown Puts Pressure On People Relying On Services

28

- The fallout from CMS decision to stop Medicaid reimbursement payments for certain HCBS services is impacting roughly 200,000 Minnesotans who rely on the programs.
- Those who need support — including people with autism, cerebral palsy, addiction and mental illness — have unwittingly found themselves in a precarious situation.
- Many fear hard-working providers will be caught up in the crackdown.
- Examples in the article include people who rely on Adult Day, Adult Rehabilitation and Mental Health, Night Supervision, Peer Recovery, Individualized Home Supports, Early Intensive Development and Behavioral Intervention, and Community First Services and Supports.



DISABILITYSCOOP.COM

Medicaid Fraud Crackdown Puts Pressure On People Relying On Services

Fraud-fighting efforts have put individuals with autism, cerebral palsy, Down syndrome and other conditions on edge, leaving some scrambling to...

<https://www.disabilityscoop.com/2026/05/05/medicaid-fraud-crackdown-puts-pressure-on-people-relying-on-services/31986/>

Three policies revive old stigmas and segregation approaches

29

- Secretary Kennedy announced several initiatives intended to reduce use of the most widely prescribed class of antidepressants.
- In 2025, almost 17% of U.S. adults reported taking one of these drugs.
- The changes steer health care providers to help patients getting off medications, and to consider non-drug options, like therapy, nutrition and exercise.
- During his confirmation hearings last year and this week, Mr. Kennedy claimed, without evidence, that these antidepressants were partly responsible for the rise in school shootings, and that they could be harder to quit than heroin.
- Ideas to reduce prescriptions of anti-depressants include phasing out school-based mental health screenings, requiring written informed consent before starting medications and putting large warnings on packaging.



[Kennedy Starts a Push to Help Americans Quit Antidepressants](#)

[RFK Jr. talked about 'reparenting' kids on wellness farms.](#)

[Utah slows, but doesn't stop Trump-backed forced treatment for homeless people](#)

Three policies reviving old stigmas and segregation as a solution

30

- During a Senate hearing Secretary Kennedy was asked about one of his signature ideas to remake U.S. health and addiction care, a national system of "wellness farms." where people would be sent to farm or work camps.
- In previous 2024 ([June](#), [July](#)) interviews he proposed building wellness farms in rural communities across the U.S.
- At times during the interviews, Kennedy said the idea would help a wide range of kids harmed by street drug addiction and what he described as over-prescription of anxiety and depression medications.
- He referenced a rural addiction program in Italy as a model. The farm has 2000 people (many who live there for years) and focuses on wellness, abstinence from substance use, and hard work, but rejects use of scientifically-proven medications.



[Kennedy Starts a Push to Help Americans Quit Antidepressants](#)

[RFK Jr. talked about 'reparenting' kids on wellness farms.](#)

[Utah slows, but doesn't stop Trump-backed forced treatment for homeless people](#)

Three policies reviving old stigmas and segregation as a solution

31

- A Utah proposal to move 1,300 homeless people to a campus on the outskirts of Salt Lake City, many to face forced treatment for addiction or mental illness, has been set aside amid fears about costs, civil liberties and inadequate planning for a site that critics called a detention camp.
- The state's Republican-led legislature did not vote on the plan, but they gave the Governor significant new money and discretion to provide the services at the segregated campus, including programs that emphasize or compel treatment.



[Kennedy Starts a Push to Help Americans Quit Antidepressants](#)

[RFK Jr. talked about 'reparenting' kids on wellness farms.](#)

[Utah slows, but doesn't stop Trump-backed forced treatment for homeless people](#)

New CDC Messaging May Be Eroding Trust In Vaccines

32

- The CDC's shift to an uncertainty-based approach when conveying the scientific evidence on vaccines and autism could already be increasing vaccine hesitancy and strengthening agreement with science-denial strategies, according to an online survey of U.S. adults.
- In the survey of 2,989 people, those who read the CDC's [controversial new statement](#) on vaccines and autism ("The claim 'vaccines do not cause autism' is not an evidence-based claim because studies have not ruled out the possibility that infant vaccines cause autism") were more likely to agree that vaccines might cause adverse events compared with those who read the agency's previous consensus-based statement ("Studies have shown that there is no link between receiving vaccines and developing autism spectrum disorder").



<https://www.medpagetoday.com/infectiousdisease/vaccines/121052>

Deadline Looms For Healthcare Providers To Improve Accessibility

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- A [2024 U.S. Department of Health and Human Services regulation](#) updated Section 504 of the Rehabilitation Act to ban disability discrimination in healthcare.
- The rule said that people with disabilities should not be denied medical treatments due to biases or stereotypes, established standards for accessible medical diagnostic equipment and more.
- This month accessibility requirements for health care provider websites and mobile applications are supposed to take effect.
- The standards apply to most new web content, mobile apps and medical kiosks offered by hospitals, doctors, social services providers and others who receive funding from HHS.
- Providers with 15 or more employees must meet the new web accessibility requirements by May 11. Smaller entities have another year to come into compliance.



<https://www.disabilitycoop.com/2026/05/05/deadline-looms-for-healthcare-providers-to-improve-accessibility/31985/>

Deadline Looms For Healthcare Providers To Improve Accessibility

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- There are now signs that this deadline could be moved back.
- Last month, the Department of Justice delayed implementation of a similar rule just days before the planned deadline.
- Around that same time, HHS sent an interim final rule to the White House Office of Management and Budget (OMB) regarding the 504 regulation.
- That could signal that the rule implementation could be delayed or a new proposal could be in the works.



<https://www.disabilitycoop.com/2026/05/05/deadline-looms-for-healthcare-providers-to-improve-accessibility/31985/>

Continued coverage of impact of Reconciliation bill

Lots of
articles to
share.

35

Nebraska will be the first test of how many people lose insurance—and who they are.

36

- Nebraska implemented its “prove you’re working/exempt” requirements May 1st with no new staff and lots of unanswered questions from health care providers and advocates, like
 - How far back will the state check records to verify somebody qualifies as “medically frail”?
 - Will enrollees be able to figure out if their diagnosis is on the 300 page “medically frail” list that qualifies them for an exemption?
 - What geographical distance from a care provider—a big problem in such a rural state—will qualify as a hardship?
 - Will the electronic verification systems work right?
 - Will people be able to get the needed documentation to prove they meet the new requirements or even figure out what they need to upload?
 - What happens if the state makes a mistake and kicks off someone who is exempt or in compliance accidentally?



<https://www.thebulwark.com/p/trumps-big-medicaid-cuts-are-about-to-get-very-real-work-requirements-health-insurance-care-one-big-bill-nebraska>

<https://www.nbcnews.com/health/health-news/nebraska-rolls-medicaid-work-requirements-putting-thousands-risk-losin-rcna342900>

<https://www.cbpp.org/blog/nebraska-launching-punitive-medicaid-work-requirements-early-even-as-states-lack-information>

[Nebraska's Medicaid work requirements](#)

Nebraska will be the first test of how many people lose insurance—and who they are.

- Nebraska has one of the nation’s better electronic eligibility systems, but there are still backlogs and mistakes.
- The number of mistakes and time it takes seems likely to increase given Nebraska is not hiring more staff to handle the additional administrative work.
- Advocates say Nebraska’s early communication with Medicaid participants was not detailed and was not plain language or at a low enough reading level.
- “People don’t know what’s coming, and they don’t know it applies to them, and they’re just, frankly, unable to understand this,” Maresh said during a Wednesday briefing call for reporters. “This is a really complicated system that’s been set up to have people lose coverage.”

Nebraska Rushing to Launch Policy That Takes Away Medicaid for Not Meeting Work Requirements

Key dates for work requirement implementation, federally and in Nebraska



CMS = Centers for Medicare & Medicaid Services. For more information, see CBPP, “Nebraska Launching Punitive Medicaid Work Requirements Early, Even as States Lack Information and Time”

Nebraska will be the first test of how many people lose insurance—and who they are.

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- Health experts think lots of people who are eligible for Medicaid won't be able to get or stay in Medicaid simply because of paperwork issues.
- That's especially true for low-income people who might, over the course of a year, have multiple part-time jobs or work for direct cash payments—or who might have trouble getting an old employer to complete the necessary documents.
- “If the former employer doesn't return the verification form—even if the individual reaches out to a former employer multiple times, and they don't respond—then they don't have the primary source of information that you need to give to the Department of Health and Human Services,” Behnke said.
- Getting documentation could be particularly hard for seasonal workers.



<https://www.thebulwark.com/p/trumps-big-medicaid-cuts-are-about-to-get-very-real-work-requirements-health-insurance-care-one-big-bill-nebraska>

<https://www.nbcnews.com/health/health-news/nebraska-rolls-medicaid-work-requirements-putting-thousands-risk-losin-rcna342900>

<https://www.cbpp.org/blog/nebraska-launching-punitive-medicaid-work-requirements-early-even-as-states-lack-information>

[Nebraska's Medicaid work requirements](#)

Nebraska will be the first test of how many people lose insurance—and who they are.

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- Gathering the paperwork is just the first step.
- “It’s an online system, that’s going to be hard for many of our patients,” [Andrea Skolkin](#), CEO of the Omaha-based One World Center clinic network, told me. “Knowing how to add documents versus sending paper, knowing how to use the site, that can be a lot for somebody who speaks English and is educated, let alone for people with low literacy or who have English as a second language.”
- Nebraska has said it will contact current Medicaid enrollees slated for disenrollment and give them thirty days to appeal before canceling their coverage.
- But that’s no guarantee the state will reach people, especially when the Medicaid population includes so many beneficiaries with unsteady housing and phone service.
- Outside studies estimate 25,000 people (or 30%) of the 75,000 people subject to the new requirements will lose coverage. We will find out soon.



<https://www.thebulwark.com/p/trumps-big-medicaid-cuts-are-about-to-get-very-real-work-requirements-health-insurance-care-one-big-bill-nebraska>

<https://www.nbcnews.com/health/health-news/nebraska-rolls-medicaid-work-requirements-putting-thousands-risk-losin-rcna342900>

<https://www.cbpp.org/blog/nebraska-launching-punitive-medicaid-work-requirements-early-even-as-states-lack-information>

[Nebraska's Medicaid work requirements](#)

In states where voters expanded Medicaid, Legislatures are using work rules to shrink program

40

- Voters in seven states--Idaho, Maine, Missouri, Nebraska, Oklahoma, South Dakota and Utah--expanded Medicaid at the ballot box through referendum.
- Now six of these states are making the new “prove you’re working/exempt” requirements harder by requiring low-income patients to provide more documentation more frequently to stay enrolled, offering fewer exemptions, and starting enforcement earlier than required by federal law, to reduce the number of people in Medicaid.



POLITICO.COM
Medicaid work requirements give red states a chance to turn back clock

<https://www.politico.com/news/2026/05/03/they-didnt-want-to-expand-medicaid-in-the-first-place-now-theyre-trying-to-shrink-it-with-work-rules-00903627>

In states where voters expanded Medicaid, Legislatures are using work rules to shrink program

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- Idaho and Indiana plan to make low-income residents prove they've been working, volunteering, studying or caregiving at least 80 hours a month for 3 months (instead of the 1 month required under HR 1) before they are eligible to apply to Medicaid.
- Oklahoma, Missouri, Indiana and Iowa, will not grant exemptions to people living in counties with high rates of unemployment.
- Oklahoma, Indiana and Iowa will not exempt residents of areas where there was a natural disaster.



<https://www.politico.com/news/2026/05/03/they-didnt-want-to-expand-medicaid-in-the-first-place-now-theyre-trying-to-shrink-it-with-work-rules-00903627>

In states where voters expanded Medicaid, Legislatures are using work rules to shrink program

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- Oklahoma and Missouri plan to outsource some enforcement tasks to artificial intelligence, a choice other state Medicaid officials told KFF they are worried will lead to errors.
- Nebraska and Utah, and South Dakota are not planning to hire any new staff, bring on contractors, or borrow workers from other agencies to manage the implementation.
- Between 37-68% of enrollees subject to the new requirements are projected to lose Medicaid in states opting for the strictest version of the rules with the fewest exemptions.



POLITICO.COM

Medicaid work requirements give red states a chance to turn back clock

<https://www.politico.com/news/2026/05/03/they-didnt-want-to-expand-medicaid-in-the-first-place-now-theyre-trying-to-shrink-it-with-work-rules-00903627>

In states where voters expanded Medicaid, Legislatures are using work rules to shrink program

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- Even states that are trying to help people stay in Medicaid could see a lot of people fall through the cracks – with Urban Institute estimating 18 to 33 percent losing Medicaid.
- “no state is going to be able to fully protect people’s coverage. It’s just not possible,” said Hannah Katch, a former senior adviser for the federal Centers for Medicare and Medicaid Services under President Joe Biden and former leader of California’s Medicaid program. “This policy was designed to cut eligible people off of Medicaid. That’s why Congress used it as a pay-for for tax cuts: because it reduces federal expenditures on Medicaid.”



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How algorithms wreaked havoc with these workers' schedules and cut their pay

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- Scheduling software is resulting in fewer hours, unpredictable schedules, short notice “mandatory involuntary time off,” and significantly lower income for workers.
- Over the past decade or so, hourly workers across an increasing number of industries have been grappling with erratic schedules that their employers put in place using technology designed to minimize labor costs and maximize productivity.
- How is this going to impact low-income workers who now need to meet work requirements to keep health care?
- Do employers now have more power over non-work parts of people’s lives if management decisions can result in loss of health care?



NPR.ORG

How algorithms wreaked havoc with these workers' schedules and cut their pay

<https://www.npr.org/2026/05/03/nx-s1-5786926/jobs-labor-productivity-languageline-unionize>

Will Medicaid Cuts Spare the 'Truly Needy'? — History suggests they won't, a study finds

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- HR 1 and the ACA subsidy expiration may impose the largest health insurance coverage losses in U.S. history, causing the number uninsured to rise by 55% in the next 10 years.
- Studies of four other times when many people lost coverage found that enrollees who were dropped from Medicaid experienced worsened access to care and poorer health outcomes.
- The "truly needy" were not be spared from the negative impacts of coverage losses.



<https://www.medpagetoday.com/publichealthpolicy/medicaid/121110>

[What happens when coverage is cut?](#)
(Millbank Quarterly)

Will Medicaid Cuts Spare the 'Truly Needy'?

— History suggests they won't, a study finds

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- The study finds:
 - “most who lose Medicaid coverage will not find alternative coverage;
 - that work requirements will impose burdensome administrative costs on states;
 - that states are unlikely to offset reductions in federal Medicaid funding with internal funds;
 - and that the second-order effects of coverage losses may, in some instances, be greater (in magnitude) than the benefits seen after coverage expansions.”



<https://www.medpagetoday.com/publichealthpolicy/medicaid/121110>

[What happens when coverage is cut?](#)
(Millbank Quarterly)

'There's a quiet crisis': NC families, advocates plead for greater disability services investment

- Speakers described to lawmakers decade-long waits for services, mounting financial strain and fears that ongoing budget uncertainty and potential Medicaid cuts could further destabilize care.
- 21,000 people are waiting for a “slot” in North Carolina’s Home and Community Based Waiver program. 14,000 people are in the program.
- A growing number of families face a close to two decade wait before receiving a waiver.
- While some services are available to waitlisted families, such as community living supports and respite hours, that access can be affected by the growing shortage of direct support professionals.



<https://www.northcarolinahealthnews.org/2026/05/07/nc-families-advocates-disability-investment>

‘There’s a quiet crisis’: NC families, advocates plead for greater disability services investment

- “I do fear that more cuts are coming from the federal government, and more than a billion dollars will be needed next year to fund Medicaid,” McMillan told lawmakers.
- “Here is the truth. The Medicaid system is already broken, and if there are any cuts to Medicaid, it will collapse,” she said. “Because of Medicaid, I have a life, not just an existence.”
- “My right to get out of bed in the morning is ‘optional.’ That means when budgets get tight, our homes, our lives are on the chopping block first,” McMillan said. “If you cut Medicaid, you are not saving money. You are sentencing people to nursing homes, a life of isolation where no one can reach their full potential.”



<https://www.northcarolinahealthnews.org/2026/05/07/nc-families-advocates-disability-investment>

Another way states cut Medicaid spending: decide what drugs to cover (or not)

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- State Medicaid programs are facing major budgetary pressures and changing what drugs are covered or who can get them is a way for states to cut Medicaid spending.
- Medicaid programs in California, New Hampshire, Pennsylvania and South Carolina have eliminated coverage of GLP-1 drugs for weight loss, because the expense strained state budgets. Massachusetts and Rhode Island may soon follow.
- Some states are restricting eligibility for the drugs by establishing additional criteria (like additional conditions or degree of obesity) to save money.
- Of note, many drugs have multiple uses (GLP-1s for example are also used for diabetes), which means restrictions can cause unintended consequences.



<https://stateline.org/2026/04/30/more-states-consider-dropping-glp-1-weight-loss-drugs-from-medicaid/>

Why 4.3 Million People No Longer Receive Food Stamps (hint, HR 1)

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- Agriculture Secretary Brooke Rollins this week said the 4.3M fewer people in the Supplemental Nutrition Assistance Program is because many of those people were committing fraud and an improved economy.
- Experts say its due to changes to how SNAP runs that were required under HR 1.
- In January 2025, 42.83 million people were in SNAP. That number dropped nearly 10% by January 2026, to about 38.55 million.
- Most of the decline occurred in the second half of the year, after Trump signed H.R. 1 in July.



https://apnews.com/article/fact-check-snap-food-stamps-fraud-rollins-1a964909ae5cb808813a6478bbfa5f65?utm_source=copy&utm_medium=share

Why 4.3 Million People No Longer Receive Food Stamps (hint, HR 1)

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- “the trend in participation declines seems to be related to the program being harder to access”
- Experts say there is not much fraud in SNAP.
- “I don’t see any evidence supporting a significant reduction in fraud as a driver of what we’re seeing as far as declining SNAP participation.”
- “We’re not seeing a linear kind of drop-off,” said Caspi. “We are not seeing, if you look at the unemployment rates, things that might be an indicator that a strong economy was driving this change. We don’t see, for example, a pattern of decline in unemployment that would match the pattern of decline in SNAP participation.”



https://apnews.com/article/fact-check-snap-food-stamps-fraud-rollins-1a964909ae5cb808813a6478bbfa5f65?utm_source=copy&utm_medium=share