

State Council on Developmental Disabilities

Executive Director Report

May 20, 2025

Aaron Carruthers



Overview

- Medicaid Updates
- Tell Your Story Updates
- HR Updates
- Announcements

What Is Congress' Plan? Medicaid & Health

- On May 11, 2025, the House Energy and Commerce Committee released its plan
- The Committee suggests \$912 billion in spending cuts
 - **\$715 billion from Medicaid and health programs**
 - \$197 billion from other programs
- Congressional Budget Office
 - **“10.3 million would lose health coverage”**
 - ...of those **“7.6 million people would lose health insurance”**
- No direct cuts. All Policy changes
- This would be the largest cut ever to Medicaid

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
<p>Community Engagement requirement aka “work requirements”</p>	<p>Required 80 hours a month Work, school, community service, work program, or combination Exemption for “medically fragile,” including disabled (and others) States would have to verify Verify monthly</p>	<p>People who do not meet the requirements do not get health care. People who do not do the paperwork do not get health care Cuts: \$301 billion by people losing Medicaid because they don't meet this requirement</p>	<p>YES Medicaid enrollees</p>
<p>Other things to think about</p>	<p>This is a “job loss” penalty</p>	<p>Exemptions are not perfect, people get caught in them</p>	<p>Paperwork barrier</p>

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
No new provider taxes	<p>Provider taxes help states pay for their portion of the federal match</p> <p>Tax and reimbursing health care providers</p> <p>No new provider taxes, states may keep current provider tax</p>	<p>Changes how states can pay its part of the match</p> <p>If states can't pay their share, then fed does not have to pay its share</p> <p>Cuts: \$87 billion</p>	<p>YES</p> <p>CA's expires in 2026</p> <p>\$4.4 billion</p> <p>Medicaid enrollees</p>
Other things to think about	On May 12, the President issued a rule stopping MCO, a specific provider tax used by CA	49 states use provider taxes; only 7 states use the MCO provider tax	Change the rules to unfund health care

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
<p>Check eligibility every 6 months</p>	<p>After you are eligible for health care, you have to reverify eligibility every 12 months</p> <p>This would require reverifying eligibility every 6 months</p> <p>Applies to people who get health care through the Affordable Care Act (Covered California)</p>	<p>People who are not eligible any more do not get health care</p> <p>People who do not do the paperwork do not get health care</p> <p>Cuts: \$49 billion by people losing Medicaid health coverage because of this task</p>	<p>YES</p> <p>Medicaid expansion population</p>
<p>Other things to think about</p>	<p>States would have to do more work to verify</p>		<p>Paperwork Barrier</p>

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
<p>Cost Sharing</p> <p>aka “co-pays”</p>	<p>People would pay \$35 per service</p> <p>Applies to people who get health care through the Affordable Care Act (Covered California)</p> <p>Not apply to primary care, prenatal care, pediatric care, or emergency room care</p>	<p>People pay for a portion the federal government used to pay</p> <p>People who cannot afford \$35 do not seek medical care</p> <p>Cuts: \$13 billion by people not getting care</p>	<p>YES</p> <p>Medicaid expansion population</p>
<p>Other things to think about</p>	<p>\$35 co-pay is barrier for people who cannot afford and their children</p>		<p>Pay or lose health care</p>

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
End pandemic-era boost in federal dollars	<p>During the pandemic, it was better to have more people with health insurance</p> <p>Increased federal match by 5% Ends this increase</p> <p>Applies to people who get health care through the Affordable Care Act (Covered California)</p>	<p>States get less money to provide health insurance</p> <p>States cannot afford to keep paying the same amount, so people lose health insurance</p> <p>Cuts: \$12 billion by people losing Medicaid</p>	<p>YES</p> <p>Medicaid expansion population</p>
Other things to think about	5.1 million people will lose health insurance from just this proposal		Cuts health care funds

What Is Congress' Plan? Medicaid & Health

What is the idea?	How does it work?	How does it save \$\$? How much \$\$?	Would it impact CA? Who?
<p>Less dollars for states that provide Medicaid services to people who are not documented</p>	<p>The federal government provides 90% federal match for the Affordable Care Act expansion population (Covered California)</p> <p>This would reduce the federal match by 10%</p>	<p>States get less money to provide health insurance</p> <p>States cannot afford to keep paying the same amount, so people lose health insurance</p> <p>Cuts: \$11 billion</p>	<p>YES</p> <p>Medicaid expansion population</p>
<p>Other things to think about</p>	<p>No federal dollars pay for health care for people who are not documented</p>	<p>Reducing federal match by 10% impacts everyone else</p>	<p>Cuts health care funds</p>

What's in Congress' Plan? Impacts

Medicaid Expansion Population... who's that?

- The Affordable Care Act (ACA) (Covered California) (aka Obamacare) expands health insurance coverage to all people.
 - It helps people get health insurance at rates like if it was provided by an employer
- Medicaid expansion is one part of the ACA that expands Medicaid eligibility to certain low-income adults.
 - The Medicaid expansion population pay little or no out-of-pocket costs

What Is Congress' Plan? Impacts

Medicaid Expansion Population... if that's not me, should I care?

YES

**A cut to the safety net anywhere
is felt everywhere**



What Is Congress' Plan? But wait...

What do you mean a cut to the safety net anywhere is felt everywhere?

Historically, when Medicaid funding is cut, states cut services for older adults and people with disabilities.

During the Great Recession of 2009, every state cut Home and Community Based Services (HCBS). (...that means regional center funding).

Why? Because these services are optional.

Source: [History Repeats? Faced With Medicaid Cuts, States Reduced Support For Older Adults And Disabled People | Health Affairs](#)

What Is Congress' Plan? Impacts

What do you mean a cut to the safety net anywhere is felt everywhere?

Mandatory Benefits States MUST Provide	Optional Benefits States can CHOOSE
<p>Inpatient/outpatient hospital services Physician services Laboratory and X-ray services Family planning services and supplies Nursing facility Home health services Transportation to medical services Federally Qualified Health Clinic services Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) for people under 21</p>	<p>HCBS services (regional centers) Community supported living Dental services Optometry and eyeglasses Hospice services Prescription drugs Personal care services Prosthetic devices Occupational, speech, and physical therapy Case management Other screening, diagnostic, preventive services</p>

What Is Congress' Plan? Impacts

What do you mean a cut to the safety net anywhere is felt everywhere?

To say it bluntly:

States *must* pay for nursing home care, but they do not *have to* pay for HCBS.

To balance the budget, fill holes from less federal dollars, pay for mandatory services, and spread the pain, all Medicaid funded services are at risk

This includes regional center services, IHSS, and every service we've talked about

What Can I Do? Tell Your Story

Your Medicaid story is important

- Your representatives need to know how Medicaid helps you and your family, and what it would mean to your life if the services and supports you are reduced or stopped.
- **Your lived experience makes you an expert!**
- Your voice is important
 - You may be introducing your representative to disability issues.
 - You are helping your representative understand the impact of their decisions.
 - Elected officials remember the people they meet and their stories.

Tell Your Story Trainings

Total	5,396
▪ Aaron	4,059
▪ Bay Area Office	724
▪ San Bernardino Office	315
▪ Los Angeles Office	298



Tell Your Story Letters

1,000th letter!



Partners in Telling Your Story

- Integrated Community Collaborative
- Undivided
- Family Voices of California
- Autism Society SF Bay Area Autism
- Disability Voices United
- Association of Regional Center Agencies
- The Arc CA
- Autism Society Los Angeles
- California Down Syndrome Advocacy Coalition
- Ability Path
- Club 21
- Westside Regional Center; Westside Family Resource and Empowerment Center
- ~~Future for our Kids~~



Are they listening?

YES

“Whatever decision we make, even if it cuts \$1, it’ll be the most dramatic dollar ever, the most important dollar ever to this program.”

-Rep. Valadao, CA
5/2/25

Are they listening?

YES

House Speaker Johnson wanted this bill passed already.

The Energy & Commerce Committee could not get agreement on Medicaid cuts.

Your story is being heard

SCDD HR Dpt has been busy!

- Conducted 22 recruitments in FY 2025 (July 1, 2024 – present)
 - 9 active recruitments currently ongoing
- Screened 1,190 application packets in FY 2025
 - 350 applications received since March
- Hired 13 staff members in FY 2025
 - 4 new hires since March



Announcements

- Welcome Rihana Ahmad, Chief Deputy Director
- Welcome David Delgado, Branch Chief HQ Ops and State Plan
- Welcome Walker Woodard, SDP-TAP Supervisor
- Welcome Kelli Hanspard, Support Staff Assistant

- SCDD Budget continues to be sound
 - Remaining Federal Fiscal Year grant funds arrived
 - October 1, 2024 – March 15, 2025 funds awarded earlier in year
 - March 15, 2025 – September 30, 2025 awarded on May 13

Thank
you!

THANK YOU!