

# A Very Silly Game of Whac-A-Mole

(aka An Update on Federal Policy)

2026 Alliance Summit  
September 3, 2026





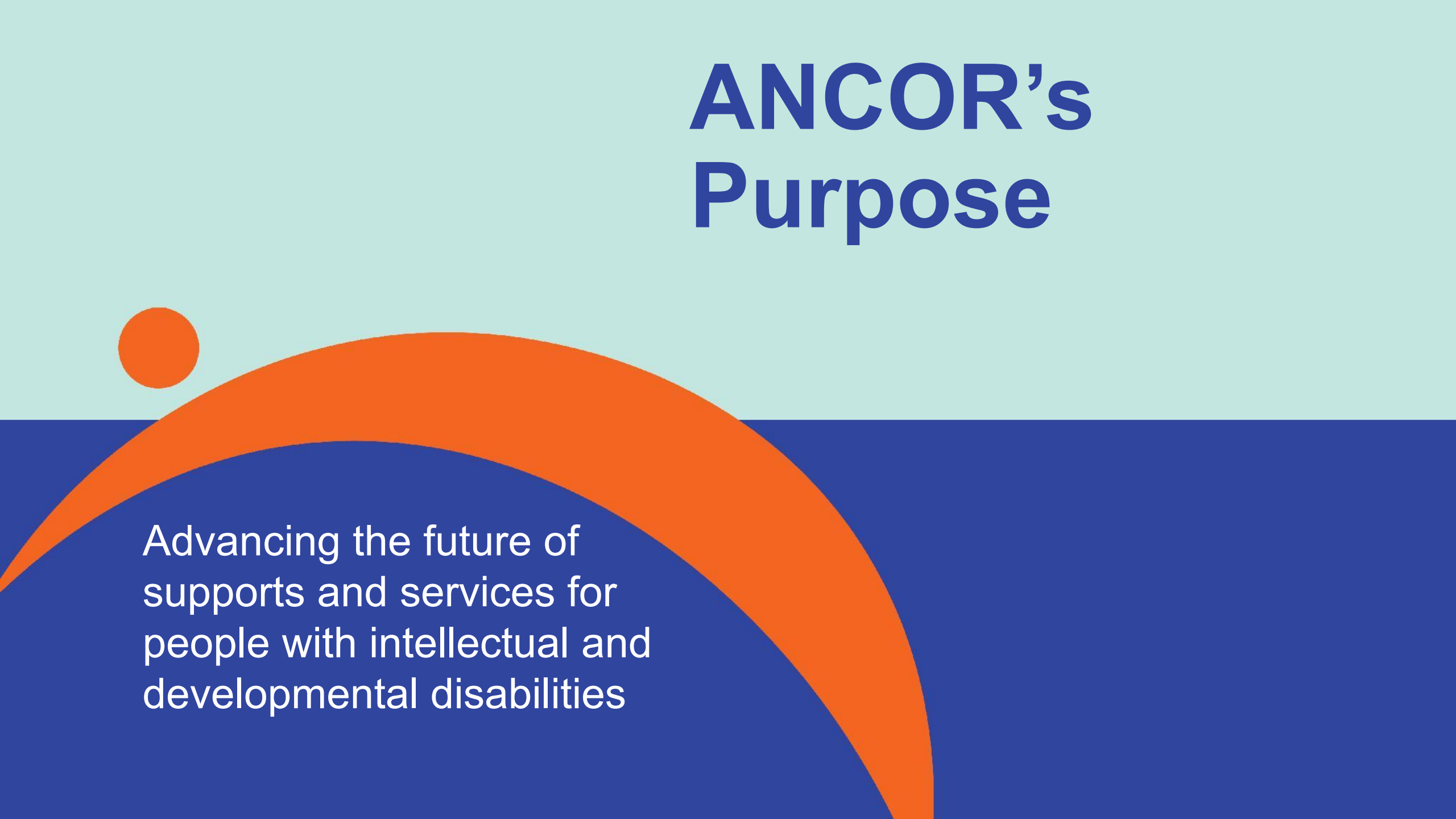
# Hi, I'm Sean!



Vice President, Membership  
& Communications @  
**ANCOR**  
Let's connect on LinkedIn!

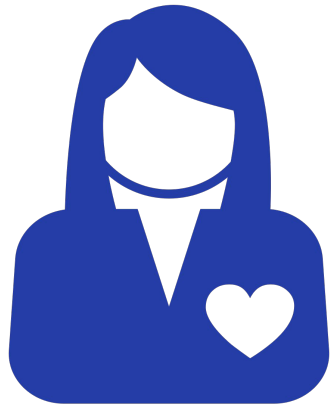


# ANCOR's Purpose



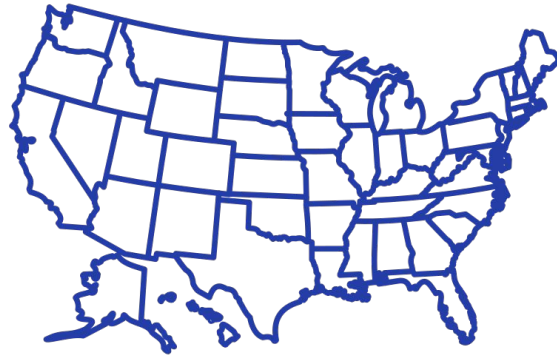
Advancing the future of  
supports and services for  
people with intellectual and  
developmental disabilities

# ANCOR by the Numbers



**2,600**

private providers of  
I/DD services



**57**

state provider  
associations



**20**

100% state  
associations  
*...including  
Alliance!*

# Team ANCOR



**Noah  
Block**



**Lydia  
Dawson**



**Suzanne de  
Grouchy**



**Tricia  
DePalatis**



**André  
Floyd**



**Brennan  
Liming**



**Sean  
Luechtefeld**



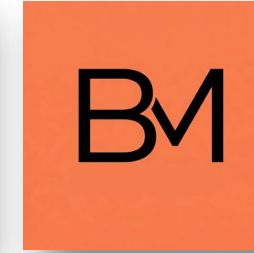
**Donna  
Martin**



**Barbara  
Merrill**



**Lauren  
Middleberg**



**Brandi  
Mueller**



**Mariana  
Nork**



**Cindy  
Ramos**



**Tom  
Rice**



**Gabrielle  
Sedor**



**Ben  
Simone**



**Ashley  
Smith**



**Alli  
Strong-Marti  
n**



**Robyn  
Wolfe**



# Thank You, Team Alliance!



# An Unrelenting Workforce Crisis

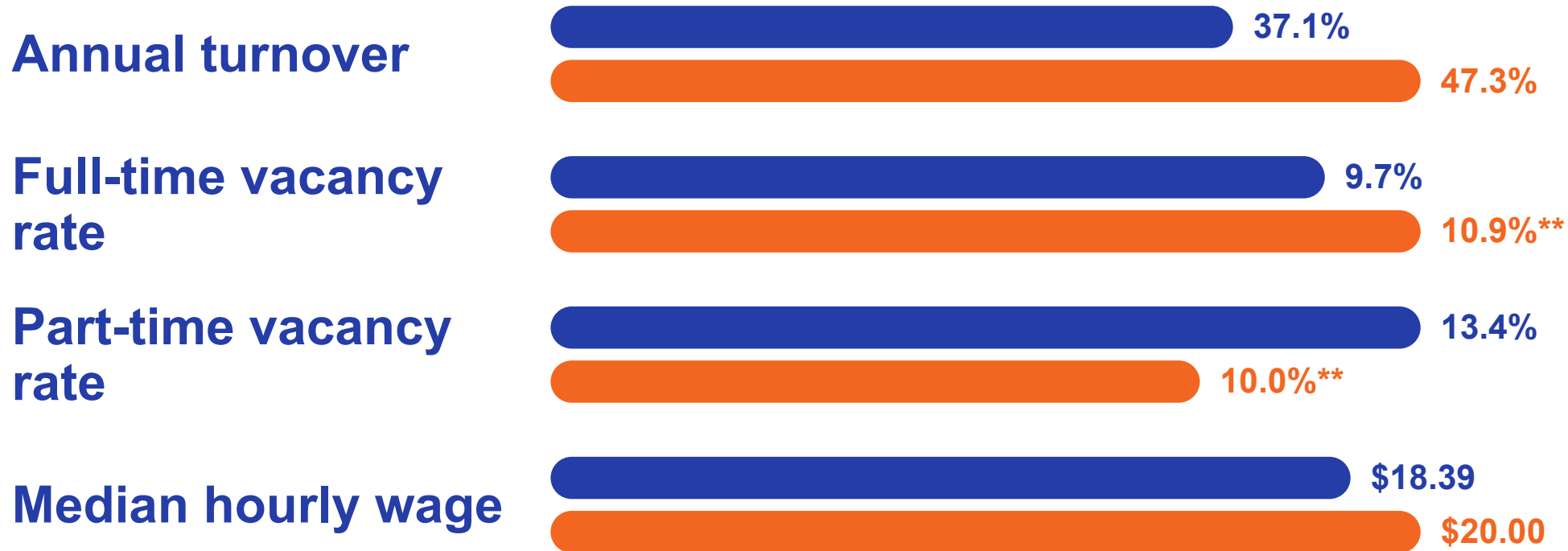


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# The Direct Support Workforce Crisis in the Centennial State & Nationally

■ National ■ Colorado

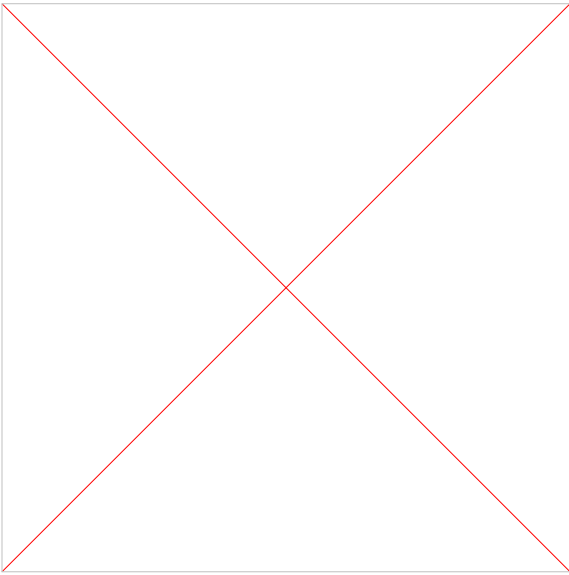


\*\*Colorado's workforce skews part-time (40.5% of DSPs work part-time vs. 29.9% nationally).



# *The State of America's Direct Support Workforce Crisis*

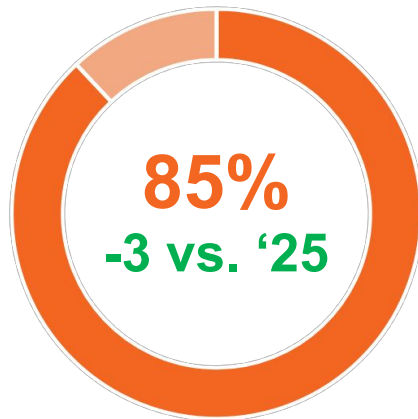
## Survey Overview



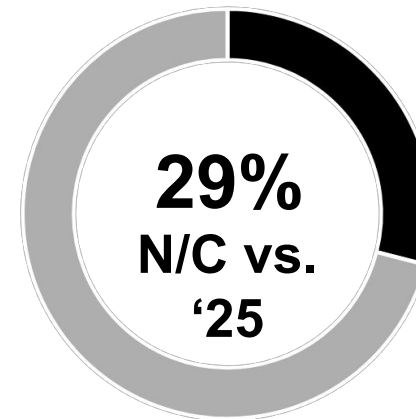
- Award-winning research examines the impossible choices confronting providers due to severe staffing shortages
- 2026 marks the 7<sup>th</sup> edition of this annual data collection
- Our preliminary findings represent **more than 500 responses from all 50 states + DC**
- Data collection took place June 3, 2026, through July 14, 2026

## PRELIMINARY RESULTS

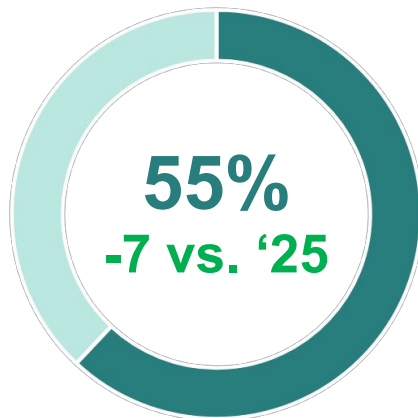
# Key Findings for 2026



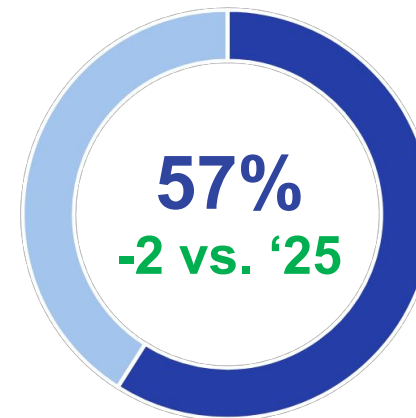
Providers experiencing moderate or severe staffing challenges in past year



Providers discontinuing programs or services due to staffing challenges



Providers turning away new referrals due to staffing challenges

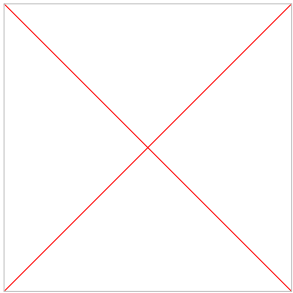
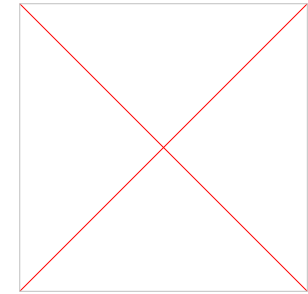


Providers intending to delay the launch of new programs due to staffing challenges

# *The State of America's Direct Support Workforce Crisis 2026*

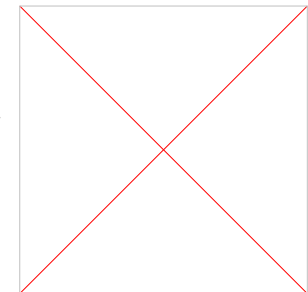
## **WHAT PROVIDERS ARE SAYING**

“Persistent staffing shortages have increased workload demands on existing team members, contributing to burnout, reduced morale, and higher turnover rates.”



“The rates we are paid for our services negatively affect our ability to compensate, train, and retain our direct care staff.”

“We have seen situations where capacity exists on paper but not in reality because there are not enough staff available to safely provide services.”



# PRELIMINARY RESULTS

## Impacts on Access

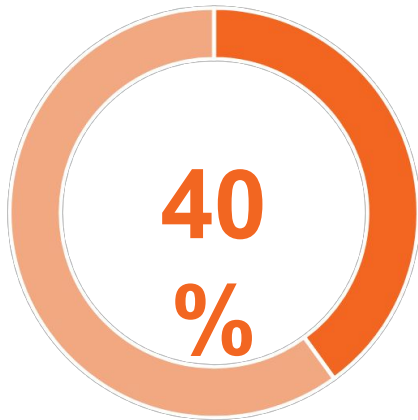
- **59%** delivered services in areas where few or no other options exist (**+3 vs. 2025**)
- **56%** of respondents providing case management indicated challenges connecting people with available services (**-3 vs. 2025**)
- **48%** indicated that they were considering further cuts to programs if challenges persist (**-4 vs. 2025**)



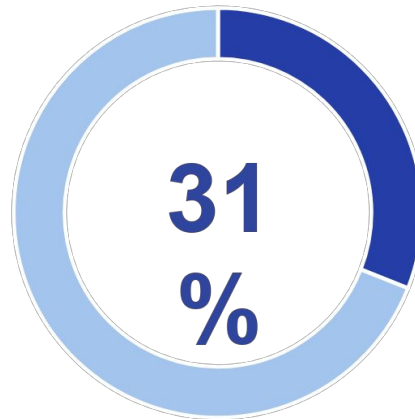
## PRELIMINARY RESULTS

# Impacts on Service Availability

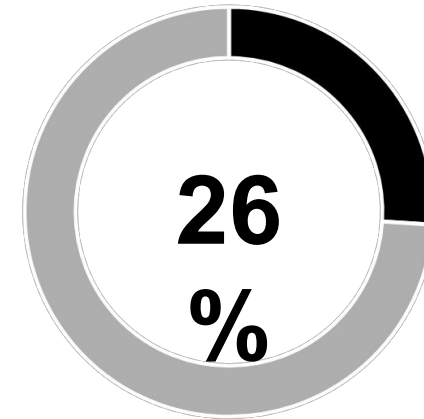
Providers reported services that were most frequently eliminated due to ongoing staffing challenges:



**Residential  
Habilitation  
Services**



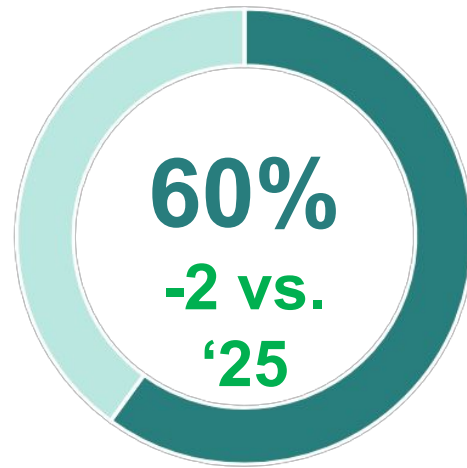
**Home-based  
Services**



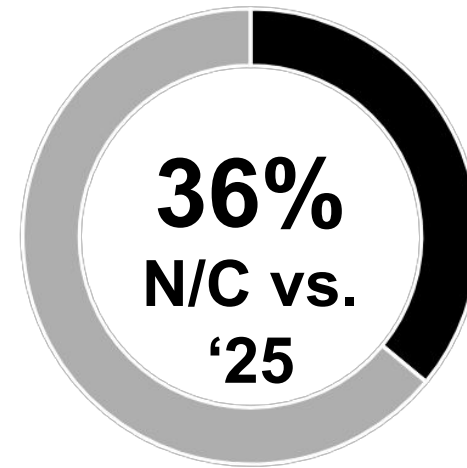
**Day  
Habilitation  
Services**

## PRELIMINARY RESULTS

# Impacts on Quality of Care



**Struggling to achieve  
quality standards  
due to staffing  
challenges**



**Experiencing more  
frequent reportable  
incidents due to  
staffing shortages**

# Funding Cuts for Days



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# Medicaid Provisions of H.R. 1

## State Financing Limits

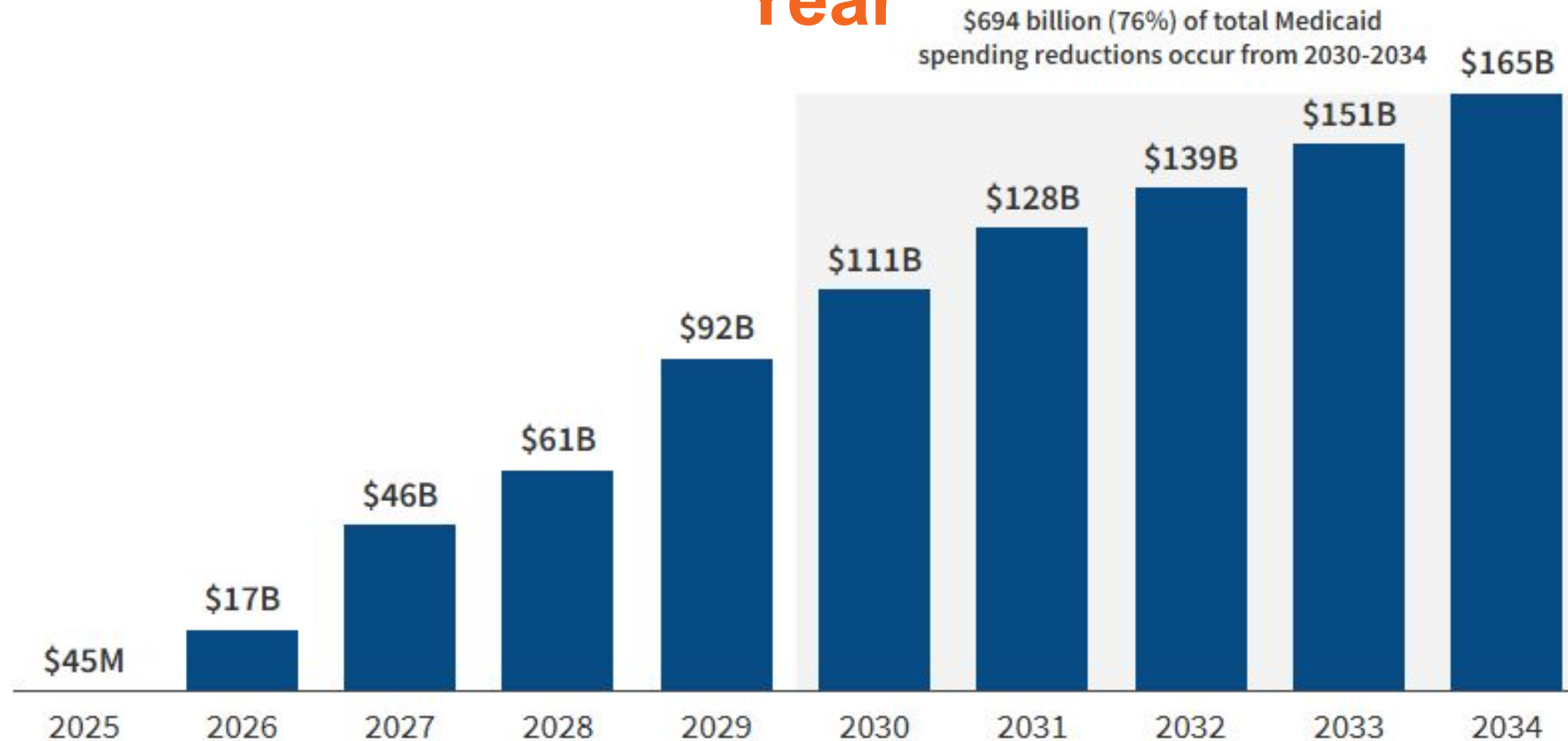
- Changes to Provider Taxes
- Changes to State Directed Payments

## New Administrative Requirements for Expansion Population

- New Work and Community Engagements
- 6 Month Redeterminations

# Medicaid Provisions of H.R. 1

## Federal Medicaid Cuts in H.R. 1 by Year

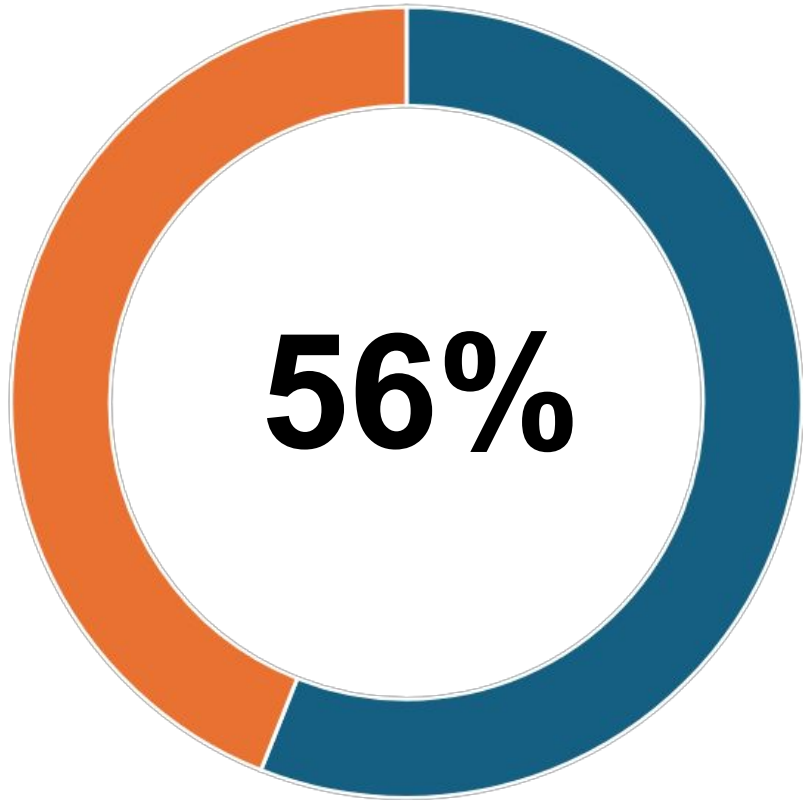


# Status Check: Recent Regulatory Developments Triggered by H.R. 1

- **State Directed Payments**: Proposed Rule reinforces SDP caps at 100% of Medicare payment rates for Medicaid expansion states, 110% for non-expansion states. Comments closed July 21, 2026.
- **Work Requirements**: Interim Final Rule outlines parameters for “community engagement” requirements for people aged 19-64.
- **Provider Taxes**: Proposed Rule on provider taxes would replace 6% indirect hold harmless threshold with state- and provider class-specific limits

## PRELIMINARY RESULTS

# The Impact of H.R. 1



Respondents indicating the threat of state-initiated reimbursement reductions or service cuts in response to H.R. 1 **impacted their decision(s) to not expand services.**

# Senseless Federal Regulations



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# Medicaid Provisions of H.R. 1

## State Financing Limits

- Changes to Provider Taxes
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## New Administrative Requirements for Expansion Population

- New Work and Community Engagements
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# Regulatory Action Beyond H.R. 1

## Immigration Policy Changes

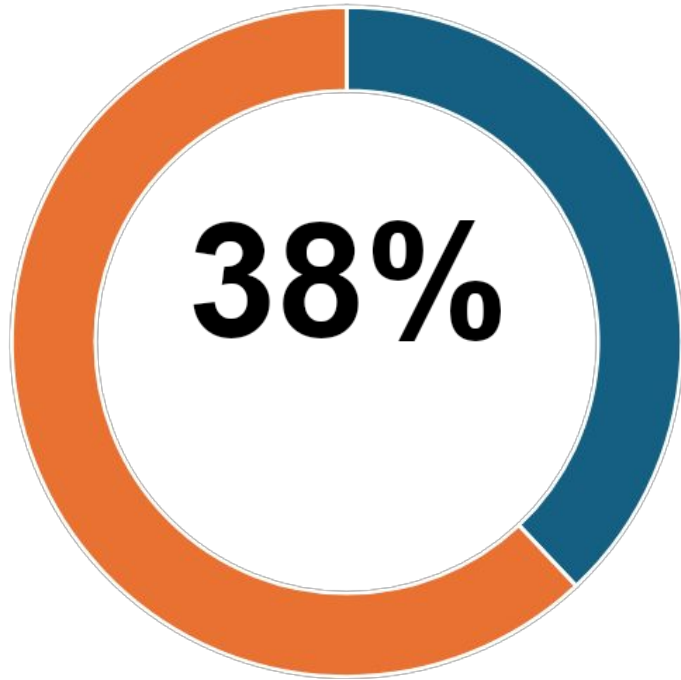
- Ending of Temporary Protected Status
- Public Charge Rule
- Employment Visa Fee Increases

## Efforts Against Waste, Fraud & Abuse

- Funding Deferrals and Withholds
- Provider Revalidations
- Increased Administrative Burdens

PRELIMINARY RESULTS

# Beyond H.R. 1: The Impact of Immigration Policies on Providers



Respondents indicating they employed at least one individual via an immigrant or nonimmigrant visa.

# Attacks on Program Integrity



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# Regulatory Action Beyond H.R. 1

## Immigration Policy Changes

- Ending of Temporary Protected Status
- Public Charge Rule
- Employment Visa Fee Increases

## Efforts Against Waste, Fraud & Abuse

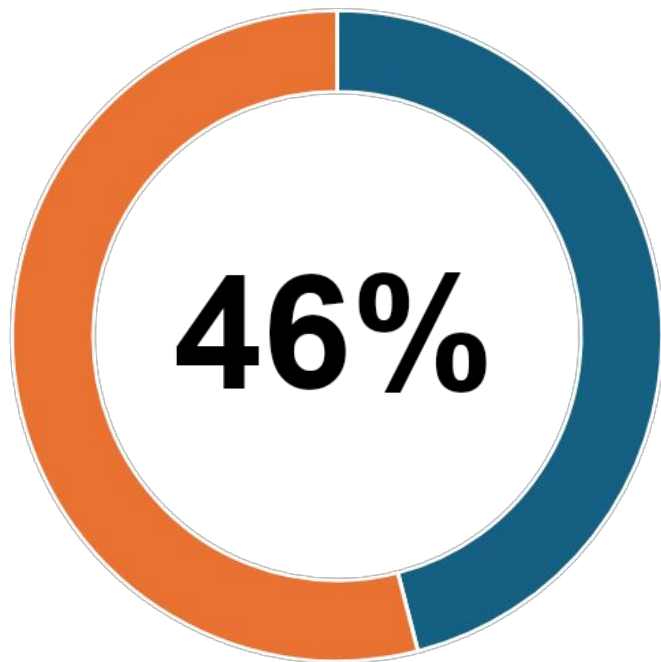
- Funding Deferrals and Withholds
- Provider Revalidations
- Increased Administrative Burdens

# Administrative Focus on Waste, Fraud & Abuse

- **Payment Deferrals:** CMS delays payment of a claim (partially or fully) and requires state to demonstrate payment is allowable. They most recently did this in California and Minnesota.
- **Revalidation Strategies:** In April, CMS sent letters to all 50 governors and Medicaid directors asking for a 2-year provider revalidation strategy for providers of services “at high risk of waste, fraud, abuse and corruption.”
- **Medicaid Fraud Control Unit Audits:** In May, CMS announced a nationwide audit of state Medicaid Fraud Control Units (MFCUs).

PRELIMINARY RESULTS

# Impacts of Funding Interruptions



of respondents said they would need to discontinue programs or services within three months if their Medicaid payments were paused or delayed.

# Erosion of Civil Rights



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# DOJ Memo on Olmstead

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## BACKSTORY

On June 18, the Office of Civil Rights within the U.S. Department of Justice issued a memo outlining a slip opinion denying that *Olmstead v. Lois Curtis (1999)* did not create a freestanding right to “the most integrated setting possible.”

## WHAT NOW

- The ADA and Section 504 remain in effect
- The DOJ’s opinion does not change existing legal precedent or overturn SCOTUS decision
- The risk is in interpretation

## WHAT NEXT?

Providers should:

- Keep the throughline legally precise: *the right still exists, but enforcement may be less aggressive.*
- Educate policymakers and press them to protect Medicaid HCBS.

# BONUS ROUND: The 2026 Midterms





# 21 Districts Will Decide Control of the House in the 120<sup>th</sup> Congress

- AZ-01 Open
- AZ-06 Ciscomani
- CA-22 Valadao
- CO-08 Evans
- FL-14 Castor
- FL-25 Moskowitz
- IA-01 Miller-Meeks
- IA-03 Nunn
- MI-07 Barrett
- MI-10 Open
- NJ-07 Kean, Jr.
- NY-17 Lawler
- OH-07 Miller
- OH-09 Kaptur
- PA-07 Mackenzie
- PA-08 Bresnahan
- PA-10 Perry
- TX-34 Gonzalez
- VA-02 Kiggans
- WA-03 Gluesenkamp Perez
- WI-03 Van Orden



# ANCOR's Official Prediction



# ANCOR's Official Prediction



# What ANCOR is Doing & How You Can Get Involved

# 2026 National Survey of Community Rehabilitation Providers

## Why participate?

- Highlight workforce & funding challenges
- Inform policy decisions
- Help shape future system improvements

## Who participates?

Community Rehabilitation Providers (CRPs) that provide employment and day services for people with intellectual and developmental disabilities (IDD)

**Take the Survey!**



*In partnership with the Institute for Community Inclusion, Umass Boston.*



## Recognizing the Role of Direct Support Professionals Act (S. 3211/H.R. 6137)

- Bill encouraging the creation of a standard occupational classification (SOC)
- \$0 CBO score
- Bipartisan bill led by Rep Fitzpatrick (R-PA) and reintroduced in the 119<sup>th</sup> Congress
- 10 co-sponsors in Senate; 38 co-sponsors in House—but none from CO 😞



# HCBS Access Act (H.B. 8540)

- Currently, Medicaid Home and Community Based Services are an optional offering
- HCBS Access Act would make HCBS a mandatory service, requiring beneficiaries to be covered within five years of enactment
- States would receive 100% federal match and would be compelled to clear waiting lists

# Your Advocacy Toolbox



**ANCOR Amplifier**

[ancor.org/amplifier](https://www.ancor.org/amplifier)

**Advocacy Toolkit**

[ancor.org/advocacy/toolk](https://www.ancor.org/advocacy/toolkit)

[it](https://www.ancor.org/advocacy/toolkit)



**SEE YOU THERE?**

# **2026 ANCOR Policy Summit & Hill Day**





SEE YOU IN  
NEW ORLEANS!

*save the date*

ANCOR CONNECT '27  
APRIL 5-7, 2027



# Get in Touch!

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