

Overview of the Disability Community in Washington State

Washington Disability Community statistics:

- 1,067,000 working age adults (18-64) with disabilities live in the community in Washington state.
- 199,000 of those live in poverty.
- Labor participation rate for people with disabilities in Washington is 22.5%, as compared to labor participation for those without disabilities at 68%.
- People with disabilities receiving vocational rehabilitation services statistics:
 - o Participants in Career Services: 10,329 people.
 - o Participants in Training Services: 1,497 people; Funds: \$4,396,046.

Medicaid: 1.8 million people are on Medicaid, which is Apple Health in Washington. Medicaid provides healthcare and services that allow people with disabilities to live independently in the community. Washington Health Care Authority (HCA) estimates that between 200,000 and 320,000 people are projected to lose Medicaid coverage due to the federal budget. Additionally, new Affordable Care Act rules will result in additional uninsured people. Washington will lose billions in federal Medicaid funding between 2025-2034.

Budget impacts passed by congress:

- 1. <u>Work requirements:</u> Establishes work requirements as a new condition of Medicaid eligibility for adults age 19-65 who receive full coverage. Includes some exemptions.
 - a. New applicants for Medicaid must meet work requirements when they apply.
 - b. "Able bodied" adults age 19-64 must work at least 80 hours per month.
 - c. Medically frail individuals do not have to meet the work requirement.
 - d. Guidance on how the changes will be administered is due December 31,
 2025. Changes take place December 31, 2026. States may be exempted until
 2028, at the discretion of the Secretary of Health and Human Services (HHS).
 - e. Increased work requirements are designed to reduce the federal budget by eliminating Medicaid coverage for 5.2 million people in the US.
- 2. <u>Cost sharing:</u> Requires adults to pay cost sharing of up to \$35 for many services excluding primary care, behavioral health, emergency services and services provided in certain rural settings. Effective October 1, 2028.

- Redeterminations: States are required to review eligibility (redetermine) for Medicaid expansion adults at least every 6 months (instead of every 12 months). Effective December 31, 2026.
- 4. <u>Funding for non-citizens:</u> Eliminates Medicaid eligibility for refugee, asylee, and other non-citizen adults and/or makes other changes. Effective October 1, 2026.
- 5. Retroactive coverage: Changes the retroactive coverage period from 3 months to 1 month for adults.

It is important to note that when budget writers talk about cost savings in the federal budget, those savings are achieved when people lose healthcare and other support services.

Supplemental Nutrition Program (SNAP): SNAP is called Basic Food in Washington state. It provides food benefits to low-income households to supplement their grocery budget. Cuts in the budget approved by congress decrease funding by 20%. Washington Economic Justice Alliance noted in August 2025 that though the number of people experiencing food insecurity in Washington was 9.5%, this year the number is rising. in the Fall 2024 Washington State Food Security Survey, groceries have surpassed housing in being the most difficult household expense to afford: WAFOOD Brief16 20250212-1.pdf That same article goes on to note that 11.5% of the population of Washington used SNAP benefits. Statistics:

- 920,000 people get food assistance in Washington.
- 35% are children.
- Programs that serve immigrants may have reduced funding due to lower federal share rates.
- 51.5% of SNAP households are people with disabilities.
- Rural counties have higher rates of SNAP participation.

Budget Impacts approved by congress:

- Cuts impact all who receive SNAP benefits.
- Reduces benefits by freezing benefit levels and creates a rule that any adjustments to the benefit levels must be budget neutral, which effectively freezes benefit levels and doesn't allow for increases when the cost of food goes up.
- Costs for SNAP, including benefits and administrative costs, are shifted to states without additional funding for those costs - placing a huge burden on state budgets.
- 137,000 would lose benefits if they cannot meet work requirements.
- 33,000 lawful permanent residents are excluded from SNAP.
- \$162 million dollars in additional costs to Washington state budget.

- Agricultural communities will lose revenue due to SNAP cuts.
- Immigrants who are not "qualifying aliens" are cut off.
- People who are Able-Bodied Adults without Dependents in counties with limited job opportunities and a seasonal workforce are no longer exempt from work requirements.
- Increases work requirements to keep benefits.
- People aged 54-84 will have a harder time accessing benefits.

Healthcare Marketplace: The healthcare marketplace in Washington is called the WA Health Benefit Exchange, which operates Washington Healthplan Finder. There are various federal rules, budget decisions and other changes happening that impact access to health insurance and healthcare. One of the goals of this part of the system is for everyone to be able to access healthcare and have a low uninsured rate, which is the number of people who do not have health insurance.

Budget impacts approved by congress:

- 140,000 customers are likely to be lost from the system.
- Healthcare premiums increase up to 15%.
- This impacts the entire healthcare system, such as producing \$100m in uncompensated hospital care.

Department of Education (DOE): DOE cuts are still under consideration.

<u>Vocational Rehabilitation (VR) Services</u> (Division of Vocational Rehabilitation [DVR] & Department for Services for the Blind [DSB]):

VR services help people with disabilities get jobs. They provide services tailored to the individual so people can get a quality job that fits their needs.

Cuts include:

- Client Assistance State Grants-these grants fund programs that help DVR customers resolve issues and navigate the VR system. Cuts at the federal level would shift the cost for these mandated services.
- Protection and Advocacy of Individual Rights Program.
- Supported Employment State Grants.
- Demonstration and Training Program.

Special Education: Concerns are rising that Part D Special Education grants may be terminated. This funding is separate from formula funding, and funds technology development, teacher training, research, parent supports, and data collection.

AmeriCorps: The Department for Government Efficiency (DOGE) attempted to cut the entire AmeriCorps program. Services provided through this program in Washington included building low-income housing through Housing for Humanity, literacy skills training, disaster recovery work and more. Nonprofits house young adults who are paid a nominal stipend to do service for the community. This is still being litigated, however with the uncertainty of funding, nonprofits are hesitant to become AmeriCorps sites - so even if the move to eliminate the program is found illegal, there will still be a reduction in services.

Mental/Behavioral Health Cuts:

- Funding previously scheduled to continue through September of 2025 for mental health and substance use disorder treatment programs in Washington, was terminated effective immediately on March 24, 2025. This was \$160 million in funding for crisis response services, outpatient treatment, housing support, schoolbased programs, and community based mental health services.
- Funding for the 2SGLBTQ+ youth mental health support 988 crisis line was eliminated by the federal budget approved by congress.

Other Cuts:

- Environmental and climate change funding has been reduced or eliminated and regulations walked back. Digital Equity Funding was slashed, including the:
- Affordable Internet Program and the Digital Navigation Programs, which helped people gain access to the internet to access community, jobs, school and healthcare.

Context: Lawsuits have been filed by states on various issues. These are in various stages of litigation and take various approaches to trying to limit impact to people. This constantly shifting landscape makes planning difficult and creates an atmosphere of uncertainty as the budget and policy is constantly shifting.

Executive Orders: President Trump has issued over 220 executive orders since January. Orders are issued almost daily on a variety of subjects. Two examples are:

On July 24, 2025, the White House Issued "Ending Crime and Disorder on America's Streets," which aimed to increase civil commitment of unhoused individuals with mental illness. It also prioritizes funding for states and municipalities with strict laws on homelessness. Further, it directs Department of Housing and Urban Development (HUD) to change federal guidelines so that grant recipients are required to collect and share health related data with law enforcement. The order was condemned by national disability rights groups including: The Bazelon Center for Mental Health Law, the National Disability Rights

Network (NDRN), the Center for Public Representation, the National Health Law Program, the Disability Rights Education and Defense Fund (DREDF), and Arc of the United States.

On February 13, 2025, the White House established the Make America Healthy Again (MAHA) Commission. The order included language about autism and attention deficit disorder (ADD) being "health burdens" that "pose a dire threat to the American people and our way of life". It established a commission to deal with aggressively combatting critical health challenges. The directive names mental health disorders, along with chronic diseases and diabetes, as a critical health challenge to be managed.

Resources:

The National Council of Nonprofits has a tracker with various executive orders, their effects and statuses here: Chart of Executive Orders.

Western Center on Law and Poverty: <u>Federal Administration Actions - Tracking & Monitoring Sites – Western Center on Law & Poverty.</u>

MAHA: <u>ASAN Condemns Announcement of President's "Make America Healthy Again"</u>
<u>Commission and Harmful Ideas about Autism and Other Disabilities - Autistic Self</u>
<u>Advocacy Network.</u>

WorkFirst Poverty Reduction Oversight Task Force: <u>Legislative-Executive WorkFirst Poverty</u> Reduction Oversight Task Force - TVW.

SNAP: Rising Food Insecurity in Washington: What's Behind It and What We Can Do-Washington Economic Justice Alliance.

Source for Medicaid usage: Washington Medicaid funding on the chopping block: Federal cuts could worsen state deficit.

Source for Medicaid waiver services: <u>Home and Community Based Waivers (HCBS)</u> | DSHS.

Medicaid Matters: Medicaid Matters: How to Take Action and Stay Informed | WADDC.

Medicaid: Cost Sharing Requirements Could Have Implications for Medicaid Expansion Enrollees With Higher Health Care Needs | KFF.

Source for disability demographic data: <u>Annual Disability Statistics Collection | Center for Research on Disability.</u>

Bill summary: <u>Summary-One-Big-Beautiful-Bill-Act.pdf</u>.

Cuts: How Medicaid, SNAP Cutbacks Would Trigger Job Losses Across States | Commonwealth Fund.

DOE: <u>U.S. Department of Education 101: federal funding in K-12 education | Bipartisan Policy Center.</u>

VR: Funding Uncertainty Undermines VR Program Stability.

Department of Education Funding Request: fy-2026-Dept of Ed Budget Request.

Council of State Administrators of Vocational Rehabilitation policy center brief: <u>POLICY</u> <u>CENTER | csavr.</u>

Mental health: Federal funding cuts impact mental health and substance use disorder grants | Washington State Health Care Authority.