



July 2026 Advocacy & Legislative Update

Introduction

ATRA's advocacy activities are focused on bills, actions, or issues that directly impact the profession of recreational therapy or people with disabilities. ATRA responds to issues in a non-partisan manner to advocate and protect the recreational therapy profession and people served by recreational therapists.

Action Alerts - Please Take Action!

1. **ATRA issued action alert on June 27, 2026** -The **DOJ released a memo to states saying that the Olmstead decision** nor federal disability laws (specifically Section 504 of the Rehabilitation Act) provide a right to community integration for people with disabilities. This reverses over 50 years of precedent in which home and community-based services were prioritized over institutionalization. Contact your governor to express your concerns.
 - a. **Memo with talking points** for contacting legislators regarding Olmstead Guidance and the importance of home and community-based services
 - b. July 20, 2026 **DOJ Clarification statement** that the DOJ will not rely on the Olmstead Guidance to enforce Title II of the Americans with Disabilities Act
2. **ATRA issued an action alert on April 13, 2026** that continues to be relevant - **Home and Community Based Services (HCBS)** are being threatened as cuts to Medicaid and federal appropriations are being planned. Proposed federal funding cuts and state-level budget constraints are directly threatening HCBS. As states are looking to cut spending, HCBSs are currently in jeopardy of being reduced or eliminated. The Action Alert encourages you to contact your state and federal legislators and provides a sample email to send.
 - a. **Health Affairs published an article** explaining HCBS growth is due to demographic changes, not fraud
 - b. See the **HCBS Tracker Project** to see the impact on your state or to share information on cuts and their impact on your clients

Updates on ATRA Advocacy Actions

- Related to the lawsuit on **Section 504 of the Rehab Act**, only three (3) states remain in the lawsuit – Texas, Alaska, and Florida - seeking to block key aspects of Section 504 as unconstitutional. Texas vs. Kennedy states that aspects of Section 504 related to community living and community integration for people with disabilities are unconstitutional. Originally, 17 states were involved in the lawsuit, which dropped to 9 in early 2026. The collective action of disability groups, individuals with disabilities, and supporters have had a significant impact in reducing the number of states involved in the suit. If you live in one of the three remaining states, let your state AGs know that you do not support the lawsuit.
- On June 2, 2026, ATRA submitted comments to the Centers for Medicare and Medicaid Services regarding their requests for comments for 2027 fiscal year. ATRA submitted comments on **Hospice, Inpatient Psychiatric Facilities** (IPF), **Inpatient Rehabilitation Facilities** (IRF), and **Skilled Nursing Facilities** (SNF). In July, the final rule and responses to responses to comments were posted to the Federal Register:

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- No responses were given for ATRA's comments related to **Hospice** or **Skilled Nursing Facilities**.
- **IPF final rule** responded to ATRA's comment about the timing and use of recreational therapy in the IPF setting. The response was that CMS "may consider refinements or additional items to Special Services, Treatments, and Interventions through future rulemaking" (p. 48559).
- **IRF final rule** responded to several of ATRA's and coalition comments.
 - On pages 49007-49008, comments about the change to a 36 hour assessment requirement, variety of therapies utilized, and what should be included are found. Specifically, "Another commenter expressed that CMS should allow for recreational therapy (when medically appropriate) to count towards the 36-hour requirement." CMS mentioned that PT, OT, SLP and O&P apply to the Intensity of Services rule, mentioned that patient needs may change during inpatient services, and that all assessments and services must be initiated within 36 hours of admission. RT is specifically mentioned – "Likewise, we did not propose the use of recreational therapy intervention as a possible therapy orders through PAs. We will continue to monitor the role of PAs and recreational therapy in IRFs and to consider change to policy via future public comment and rulemaking."
 - Regarding a new quality measure, CMS acknowledged the comment about "engagement with IRF clinicians, including nurses and recreational therapists" (p. 49018) while developing a new measure acknowledging the need and benefit of an interdisciplinary approach.

Advocacy Activities

- Talked with PA Representative Glenn Thompson's office regarding potential reintroduction of the inpatient rehabilitation therapies bill directing CMS to follow the direction of physiatrists' in determining the correct mix of therapies to meet the Intensity of Services requirements (i.e., "Three-Hour Rule") within inpatient rehabilitation facilities (IRFs)
- Attended a Department of Education webinar on the Office of Special Education and Rehabilitation Services moving to Health and Human Services. The DOE representatives repeatedly stated that nothing is changing even though special education services are being moved out of education and into healthcare
- Completed survey offering input related to recreational therapy to Social Prescribing USA
- Created multiple posts on ATRA Connect for older adults, special education, higher education, mental health, legislation and advocacy



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Meetings

- ATRA Current Procedural Terminology (CPT) Work Group reviewed the CPT survey in which 241 responses from recreational therapists were recorded. RTs shared their experiences and current use of CPT codes. The Work Group is using this information for their presentation at the ATRA SoCal conference and in exploring next steps in the use of CPT codes
- ATRA's Social Prescribing Task Force met to continue their work. A general session will be offered at the ATRA SoCal Conference

What We Are Watching

- Federal budget proposals that significantly cut domestic programs
- Healthcare affordability, including ACA tax credits and marketplace changes with specific attention on the impact on people with disabilities
- Medicaid changes at the state level
- Impact of Medicaid work requirements on people with disabilities and older adults
 - **Multiple states are suing CMS over Medicaid work requirements**
- The Substance Abuse and Mental Health Services Administration (SAMSHA) support for **community-based mental health and substance abuse programs**
- Social Prescribing

Resources for Recreational Therapists

- Information Section 504, IDEA, and support for students with autism, check out this **resource**
- Join **ATRA Connect** for postings throughout the month

Sign On Letters in July

- Consortium for Constituents with Disabilities (CCD) supporting transportation accessibility, specifically that it should not be an after thought as legislation is passed about new transportation and autonomous vehicles.
- Coalition for the Preservation of Rehabilitation (CPR) and HAB comment letter to the Centers for Medicare and Medicaid Services request for information on CMS's **comprehensive review of the essential health benefits framework (EHB)**
- Disability and Rehabilitation Research Coalition letter **opposing the Office of Management and Budget's proposed rules seeking to revise the Uniform Guidance for Federal Financial Assistance** (OMB-2026-0036)
- CCD opposing the OMB's proposed rules on Federal Financial Assistance
- CCD and DAC on Medicaid Managed Care State Directed Payments and Medicaid Fee-for-Service Targeted Medicaid Practitioner Payments

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Sign On Letters During July Cont.

- CCD sign on Medicaid Managed Care State Directed Payments and Medicaid Fee-for-Service Targeted Medicaid Practitioner Payments
- CCD opposing Medicaid Program Community Engagement Requirement for Certain Individuals
- CCD on Interagency Autism Coordinating Committee request for comments

Thank You

Thank you and shout out to **Lizzie Terry** (CCD) for representing ATRA at coalition meetings, and to ATRA member **Shelly Beaver** for sharing the responses she received from her Senators on the DOJ Olmstead memo!

Stay Connected

- Follow ATRA on Social Media (Instagram, Facebook, and LinkedIn) @ATRAinAction
- Join the conversation and stay current on timely advocacy and legislative issues on our [**ATRA Connect**](#) Advocacy & Legislative page
- Visit the [**Advocacy page on ATRA's website**](#) for official ATRA communications and advocacy resources

ATRA Advocates for You

ATRA is the only national organization representing the specific needs and interests of all recreational therapists. ATRA envisions a world where all people have access to recreational therapy. To make that vision a reality, it is essential for recreational therapists to be recognized and valued in federal, state, and local governments. ATRA is devoted to promoting and supporting the recreational therapy profession through our strategic advocacy efforts, which ensure that lawmakers and other influential organizations are aware of recreational therapy's vital services.

You are *ATRA* and this is *ATRA in Action*.

