



FEDERAL GOVERNMENT SHUTS DOWN

When people disagree, they usually talk about their differences and work out a compromise. Unfortunately, that did not work for our Federal government, despite the fact that Republicans control the White House (President) and Congress (US House of Representatives & US Senate). All three of these bodies must agree to a budget, or there is no money to keep our Federal government open.

When Congress and the President could not agree on the Federal budget by the start of the new federal fiscal year (October 1, 2025), the Federal government shut down. This is a very fluid situation. By the time you read this, Congress may have already solved the budget problem and the government could be back to normal. Either way, the shutdown is affecting people with disabilities.

When the federal government shuts down, services may stop or be delayed. It may be hard

to get help from a federal agency as some staff are laid off. Generally, social security (SSA, SSDI) payments and Medicare coverage are not affected, but there may not be enough staff to help with any troubleshooting. Here are a few ways government shutdowns impact people with disabilities:

- **Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), Medicare, Medicaid enrollments, and appeals:** Even though benefit payments are protected, the administrative functions — processing new applications, appeals, reviews, and recertifications — may slow down or stop. This can cause long wait times, delays in appeals, or gaps in care.
- **Disability Determination Services:** These state-level agencies, funded in part by federal resources, may send staff home or reduce

FEDERAL SHUTDOWN *(continued)*

operations, meaning that medical and vocational evaluations essential for disability adjudications are delayed.

- **Civil Rights Complaints:** Government offices that investigate disability discrimination in education, housing and employment may be laid off or operate at reduced capacity, slowing enforcement of rights.
- Some government-funded programs like **vocational rehabilitation** may be reduced or delayed.
- **Organizations that serve people with disabilities** (nonprofits, service providers) may face problems if federal funding is paused. Many people with disabilities don't have extra money to handle delays. When services are slow or uncertain, it can make life harder and push people into crisis.



If you are concerned about the government shutdown, **email your US Representative and US Senators.** You can use our Take Action Center at: **iowaddcouncil.org/take-action-center**



Carlyn's Corner

We hear you – new law and policy suggestions.

It may seem like we do a lot of “talking” through these newsletters and our Capitol Chats. We want **more** opportunities to hear from you as advocates and learn about what you want to change in Iowa. At our annual *Make Your Mark!* conference last month, we took more time to do just that with the 200 advocates in attendance – and we made a “game” of it!

Each year Iowa legislators are invited to be on panel at *Make Your Mark!* to share advice and wisdom about changing policy for the better. Those able to attend this year represent districts in the Des Moines area – Sen. Tony Bisignano, Rep. Eddie Andrews, Rep. Rob Johnson, Rep. Mary Madison and Rep. Heather Matson. But this year, not only did they share their wisdom, they also listened in and judged the lunch “policy game.” In our “game” 18 roundtables of advocates came up with their best ideas for new laws and policies they want passed. And here are the new law/policy suggestions that legislators judged (in no particular order):

- **Work Without Worry:** Removing asset/income limits for Medicaid and enacting Work Without Worry was suggested by multiple tables.
- **Uniform Accessibility Law:** Requiring our state government to provide more accessible communications so people can understand the information provided.
- Increasing salary automatically every year for **direct service professionals (DSPs)**.
- **Expanding HCBS options**, including more access to health care and healthy foods.
- Giving employers **tax incentives** to hire people with disabilities.
- **Enacting universal healthcare** or Medicaid for everyone.
- **Increasing mental health funding** and finding/recruiting/retaining healthcare providers.

Carlyn's Corner *(continued)*

- Using the **housing trust fund** to help prioritize hiring people with disabilities.
- **Free parking** for people with disabilities.
- Giving people the right to **choose a dentist** in any community.

The winner: No parking fees for people with an accessible parking tag or license. Legislators chose this suggestion because it was creative, it didn't cost the state money and was considered "most likely to pass."

The runner up: Giving projects receiving money under the Housing Trust Fund priority if they hire people with disabilities as part of their work. Legislators felt this too was doable, creative and does not require more money to make it happen.

What now? How do you pass a new law or policy?

Our September Capitol Chat featured **Shanna Sieck**, a true advocate in action. Shanna is the founder of Mason's Light House, which will be a pediatric palliative care center in Iowa. Due to Shanna's efforts, Iowa is the first state to have a special Pediatric Palliative Care Center license, which was needed for Mason's Light House.

When her family was going through something unimaginable – losing their young son to a terminal illness – Shanna thought about other families. She wanted them to have a place to go for care and comfort in Iowa, rather than driving hours away from home like her family did. To achieve her goal, Iowa law had to be changed.

Without any political experience she set out to make that change earlier this year and did it in one legislative session – something that rarely happens. **Shanna shared the steps she took and tips for advocates who want to work with legislators to make change:**

- **Know which policymakers you need to contact.** Start with your own Representative and Senator. They can help you decide if it is a state, federal or local issue and who to contact.
- **Be able to describe the problem clearly and what outcome you want.** How will this affect Iowans? Who will it affect and how can they be helped?

What needs to change? Do you know what part of the law needs to be changed?

- **Back up your problem with stories and data.** She could tell her own story, but having information on how many people are affected, costs and potential impact and examples from other states could help.
- **Offer solutions that are innovative.** When Shanna was able to show that investing in this kind of care would save the State of Iowa money, it helped her make the case.
- **Know what your policymakers value and align your solution with their values.** Saving money is always important. But if it costs money, how does that investment help them and their constituents? What's worth the investment to them?
- **Build a movement—ask for help!** Shanna did a lot on her own, but she also had to get legislators and others on her side as champions. They then could sell the idea to other legislators, in their own words. Get expert advice too.
- **Be ready to spend time on it.** You'll need to contact many people and attend meetings. Create tools and share information to tell your story. A short video can help others understand the need.
- **Be personal, polite, patient, prepared and persistent!**
- **DON'T GIVE UP!** If you are interested in working on a change in policy or a new law, contact us at the Iowa DD Council. We can help!
- **Get tips directly from Shanna** by watching the September Capitol Chat video at: iowaddcouncil.org/capitol-chat. This is also available with ASL interpretation.

Take our annual survey before Nov. 7 and you might win a Visa gift card!
Just go to: surveymonkey.com/r/iddc-2025-annual-survey

Medicaid Shortfall Expected in 2026

Turning to state news, Iowa lawmakers will have their own budget challenges when they start their 100-day legislative session on Monday, January 12, 2026. Iowa spends about \$2 billion each year on Medicaid alone. **That is about 20% of the state's total budget.**

For the past few years the State had extra money in the Medicaid budget. There are two main reasons for that fund balance. First, the Federal government increased its share of Medicaid costs during the COVID-19 pandemic. Second, the Federal government did not allow states to drop people off Medicaid during the public health emergency, even if they were no longer eligible. Once that ended, **thousands of Iowans lost Medicaid coverage.**

These two changes helped the State keep a balance (extra money) in the Medicaid budget. That balance is slowly going away, and the State will now have to add money to the Medicaid budget just to keep services the same. That makes it even harder to advocate for more services, Work Without Worry, waiver reform, and increasing salaries for direct care professionals.

Here's a quick look at the status of the Medicaid budget:

- **June 30, 2024:** Iowa Medicaid ended its fiscal year with a balance of \$307.1 million.
- **June 30, 2025:** Iowa's Medicaid balance went down to \$105.7 million.
- **June 30, 2026:** Iowa Medicaid is expecting to be short \$76 million.

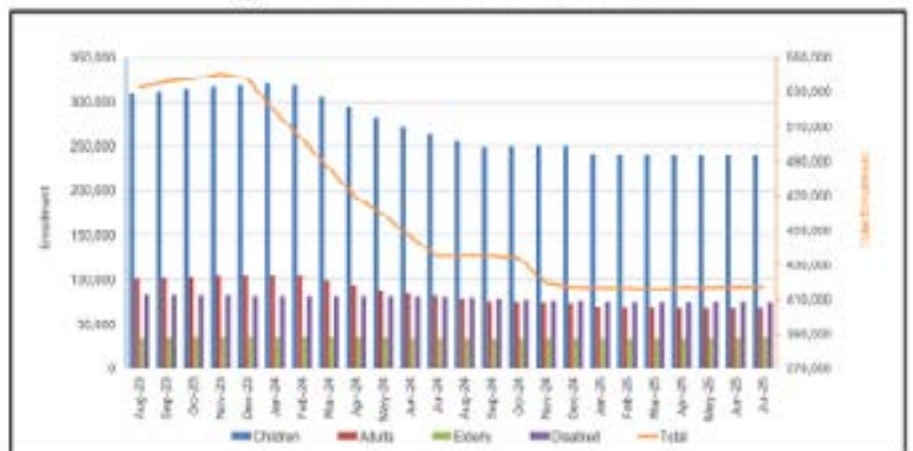
The number of people with Medicaid in 2024 dropped to 14,076/month. That means 168,908 people lost Medicaid coverage that year.

The federal Medicaid match rate for the next state budget year goes down by 0.36% (to 63.2%). This means that for every dollar spent on the Medicaid program, the federal government will pay \$0.632 and Iowa will pay \$0.368.

- **For Fiscal Year 2027:** Iowa Medicaid is expecting to be short \$180.7 million. This includes the 2026 shortfall and adds \$18.7 million because of a drop in federal match rate. Fiscal Year 2027 begins on July 1, 2026 and it is the budget that Iowa lawmakers will be adopting in the 2026 legislative session. This means Iowa will need to come up with \$180.7 million more to keep Medicaid services and provider rates the same. If the State wants to remove people from the HCBS waiver waiting lists or increase HCBS provider rates, the lawmakers will have to find money on top of that \$180.7 million to do it.

To be successful in getting funding for Medicaid, advocates need to focus on the **investment** that is made in funding Medicaid services, and the **return on that investment**. Iowans with disabilities who receive community-based services can work, avoid expensive hospital or institutional care, and contribute to the state's economy, while costing the taxpayers less.

Figure 3 — Medicaid Enrollment Two-Year Actual



Governor's DOGE Recommendations Coming Soon

Governor Kim Reynolds has made reorganizing state government a top priority since she took office in 2017. This year she appointed an **Iowa "DOGE" Task Force** to look for ways state and local governments can deliver services more efficiently (at less cost) and effectively (better service). DOGE stands for "Department of Government Efficiency."

The DOGE Task Force is made up almost entirely of business leaders, but does include two county supervisors and a business college representative. Over 180 days, these 13 leaders met in work groups to make recommendations. The final report was sent to the Governor at the end of September. Governor Reynolds is currently reviewing the recommendations that are in the report, which has not yet been made public.

We know that there are about 45 recommendations included in the report.

- The **workforce committee** proposed eliminating duplicate workforce programs, adding more apprenticeships and internships, and creating a "red-tape hotline" to help anyone finding it hard to interact with state agencies and programs.
- The **technology committee** suggested updates to government technology, using more cloud services, sharing state government technology resources with local governments, and providing a single user login for Iowans to pay their taxes, submit documents for state programs, or renew their driver's license.
- The **return on taxpayer investment committee** was to find ways to stretch the tax dollar further (that is, not cutting spending but "spending smarter"). They suggested performance-based pay for teachers who help students succeed and score higher on standardized tests. They also recommend giving all public employees other options for retirement. Another recommendation was for cities and counties to share services with each other or state government.

These recommendations do not have a lot of detail since the final report hasn't been released yet. It is hard to know if these can be easily translated into a bill for lawmakers to consider in the 2026 legislative session and if (or how) these recommendations will impact Iowans with disabilities. **Stay tuned for updates.** Join us monthly for our Capitol Chats, and watch our website for breaking news.

The Governor's DOGE website can be found at: governor.iowa.gov/vision-iowa-0/government-efficiency/iowa-doge-task-force.

New Leaders, Committee Chairs

House Majority Leader:

Rep. Bobby Kaufmann (R-Wilton)

Senate Majority Leader:

Sen. Mike Klimesh (R-Spillville)

House Agriculture Committee Chair:

Rep. Derek Wulf (R-Hudson)

House Commerce Committee Chair:

Rep. David Young (R-Van Meter)

House Health/Human Services Committee Chair: Rep. Austin Harris (R-Moulton)

House Local Government Committee Chair:

Rep. Brooke Boden (R-Indianola)

House Natural Resources Committee Chair:

Rep. Devon Wood (R-New Market)

House Transportation Committee Chair:

Rep. Megan Jones (R-Spencer)

House Veterans Affairs Committee Chair:

Rep. Tom Determann (R-Clinton)

House Ways & Means Committee Chair:

Rep. Carter Nordman (R-Dallas Center)

House Education Budget Subcommittee Chair: Rep. Dan Gehlbach (R-Urbandale)

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