

Special Needs Alliance:

Public Policy News You Can Use



February 24, 2026

Special Olympics Join Institute for Exceptional Care to Develop White Paper on Health Needs of I/DD

The Special Olympics' Center for Inclusive Health, Institute for Exceptional Care, and Leavitt Partners held a webinar on [Addressing the Health Care Needs of People with Intellectual and/or Developmental Disabilities](#) (I/DD). Speakers acknowledged the health disparities and barriers people with I/DD face when accessing high-quality, inclusive care. The webinar discussed the physical, behavioral, and social needs of people with I/DD, highlighted key elements of clinical care models that foster inclusive and supportive health care environments, and outlined coverage and payment strategies to expand access to affordable, high-quality care. People interested in receiving the Special Olympics' Center for Inclusive Health newsletter can sign up on their [website](#).

Department of Government Efficiency Releases Medicaid Spending Data

The U.S. Department of Health and Human Services [publicly released](#) what officials are calling the largest Medicaid claims dataset in its history. Covering January 2018 through December 2024 and drawing from the federal Transformed Medicaid Statistical Information System (T-MSIS) data, [the release](#) has been promoted by the Department of Government Efficiency (DOGE) as a transparency and fraud-detection milestone. The files are said to be able to allow the government to identify high-billing Medicaid providers and unusual billing patterns. The data is aggregated and de-identified, enabling provider-level detection, without including beneficiary-level claims.

The T-MSIS [data shows](#) that Medicaid total program spending reached approximately \$849 billion in 2023, covering roughly 90 million enrollees. CMS estimates \$31.1 billion in improper Medicaid payments were made in fiscal year (FY) 2024 but suggest that this could be higher if Medicaid eligibility errors are included. The Government Accountability Office estimated more than \$100 billion in combined Medicare and Medicaid improper payments in FY 2023, underscoring the scale of payment integrity risk.

E&C Democrats Demand Answers from HHS Over Cancellation of Health Grants to Democratic-Led States

On February 18, 2026, Democratic leaders on the House Energy and Commerce Committee sent a [letter](#) to Robert F. Kennedy Jr. demanding accountability for the abrupt cancellation of hundreds of millions of dollars in federal health grants to California, Colorado, Illinois, and Minnesota. The affected states, all led by Democratic governors, filed [suit](#) against the Department of Health and Human Services (HHS) last week, arguing that the funding terminations are illegal and unconstitutional. The letter was led by Ranking Member Frank Pallone Jr., Health Subcommittee Ranking Member Diana DeGette, and Oversight and Investigations Subcommittee Ranking Member Yvette D. Clarke.

In their letter, the Democratic lawmakers characterized the grant cancellations as politically motivated and lacking substantive justification, citing the geographic concentration of terminated awards in Democratic-led states and the absence of detailed explanations linking the grants to shifting agency priorities. They further raised concerns about what they described as the politicization of federal grantmaking, alleging that decisions are being directed by political leadership rather than informed by career public health officials with longstanding relationships at the state and local level. The members warned that terminating multiyear awards in their final phases risks wasting taxpayer dollars and undermining ongoing health initiatives.

The lawmakers also argued that canceling public health funding along partisan lines could have nationwide consequences, emphasizing that infectious disease outbreaks and public health emergencies do not adhere to state borders. As part of their oversight efforts, the Committee leaders requested documentation and responses from HHS by March 4, 2026, signaling a potential for further scrutiny of the Administration's grantmaking practices.

Jay Bhattacharya Appointed to Acting Director of CDC

Jay Bhattacharya, currently serving as Director of the National Institutes of Health (NIH), was [appointed Acting Director](#) of the Centers for Disease Control and Prevention (CDC) following the dismissal of former Director Jim O'Neill. The leadership reshuffle, reportedly led by the White House, is intended to strengthen the administration's health policy team ahead of upcoming midterm elections and to support priorities including drug pricing reforms. As part of the transition, O'Neill is expected to transition to a new role leading the National Science Foundation. Other senior officials including Kyle Diamantas and Grace Graham were elevated to Senior Counselors and other staff were promoted across federal health agencies to reinforce operational oversight and strategic alignment.

Senator Cassidy Releases Framework for Modernizing the FDA

Senator Bill Cassidy (R-LA), Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, [released a proposal](#) outlining recommendations to modernize the Food and Drug Administration (FDA), arguing that inconsistent review practices and regulatory

bottlenecks are slowing patient access to new treatments and consumer products. The report raises concerns about unpredictable approval processes, particularly for orphan drugs used to treat rare diseases, and calls for more standardized, risk-based review approaches similar to the [FDA's Oncology Center of Excellence](#). The report also urges the agency to adopt innovative clinical trial methods, including potential pilot programs for streamlined Phase I trials drawing on international models, in order to reduce development costs and strengthen U.S. competitiveness in biomedical research. Additional recommendations emphasize clearer FDA guidance on the use of artificial intelligence, increased oversight of food ingredients classified as "Generally Recognized as Safe" (GRAS), and broader regulatory modernization to support innovation while maintaining safety standards. These recommendations form a set of 15 stakeholder-informed reforms aimed at building a more efficient, future-ready agency.

Healthsperien Announces Healthsperien ExCHANGE Blog Series

Healthsperien is excited to announce the launch of [Healthsperien ExCHANGE](#), a new blog series delivering clear, actionable insights on evolving health policy. Leveraging more than a decade of cross-sector expertise, the series translates complex federal and state developments into practical direction for leaders across the health care ecosystem.

The latest post, [Healthsperien's What to Watch in Health Policy in 2026](#), provides an in-depth analysis of emerging shifts in behavioral health, drug pricing reform, Medicaid restructuring, Medicare Advantage modernization, rural investment, and the continued expansion of value-based care. As the policy environment evolves, Healthsperien will continue to stay ahead of the curve—delivering timely analysis and strategic guidance on what lies ahead.

What's on Tap

Congress returns to session this week after adjourning for a brief recess last week. Lawmakers will be immediately faced with the [ongoing shutdown](#) of the Department of Homeland Security (DHS) after funding for the agency lapsed at the end of January. Democrats continue to refuse to support any legislation funding DHS that does not adopt stricter oversight of the department's immigration enforcement activities. Senate Minority Leader Chuck Schumer (D-NY) is leading negotiations on behalf of Democrats, going back and forth with the White House to identify a potential off ramp. DHS workers are set to miss their first paycheck on Friday, escalating pressure for lawmakers to find a path forward.

The partial government shutdown is [expected to be a focal point](#) of President Trump's first State of the Union Address in his second term, which is set to take place on Tuesday the 24th at 9pm ET. Historically, the President's comments on legislative negotiations have carried significant weight with the Republican conference; although, it remains to be seen whether his comments will stall or progress talks to pass the final appropriations bill. The President is also expected to focus on his administration's health care plan for 2026 by touting the administration's deals with drug manufacturers and Most Favored Nation drug pricing policies. The White House and GOP have signaled they plan to make health care a key component of their campaign ahead of this year's midterm elections. On the other side of the

aisle, several Democrats have already indicated they will boycott Tuesday's speech; however, House Minority Leader Hakeem Jeffries (D-NY) [directed](#) members of his conference to attend the event with "silent defiance".

The President is also expected to address the Supreme Court's ruling that he cannot declare a national emergency in order to unilaterally impose tariffs on trading partners under the International Emergency Economic Powers Act in his remarks to Congress. Friday's Supreme Court ruling effectively bars the President from leveraging tariffs as an economic weapon going forward – arguably the biggest blow to his Administration's economic agenda thus far. The federal government is also [potentially on the hook](#) for well over \$100 billion to pay back companies that were impacted by the tariffs. The Supreme Court's decision, the President's [lowest approval rating](#) to-date, rollbacks on the White House's deportation efforts, and a bleak outlook for the midterm elections leaves the President in a precarious position for one of the most important domestic speeches of this term.

Upcoming Events

Senate

- In Session: February 23-27
- Wednesday, February 25, 10:00 am | Senate HELP Committee hearing on [The Nomination of Casey Means to be Medical Director in the Regular Corps of the Public Health Service and Surgeon General of the Public Health Service](#) | 430 Dirksen Senate Office Building
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House

- In Session: February 23-25
- Tuesday, February 24, 10:00 am | House Ways & Means Health Subcommittee hearing on [Advancing the Next Generation of America's Health Care Workforce](#) | 1100 Longworth House Office Building