Special Needs Alliance:

Public Policy News You Can Use

May 19, 2026

Senators Introduce Bills to Update ABLE Program

United States Senators Jerry Moran (R-KS) and Chris Van Hollen (D-MD) introduced three pieces of legislation to strengthen and improve access to the Achieving a Better Life Experience (ABLE) program with support from Senators Thom Tillis (R-NC) and Amy Klobuchar (D-MN). Senator Moran and Senator Van Hollen, then serving in the House of Representatives, sponsored the legislation establishing the ABLE program in 2014. In January 2026, the ABLE Age Adjustment Act, also sponsored by Senator Moran, went into effect and is expected to double the number of individuals with disabilities eligible for ABLE accounts.

The ABLE Match Act (S.4492) would create a new federal program that matches ABLE account contributions of up to $2,000 per year and authorizes $5 million annually through 2030 to promote ABLE accounts and the new matching benefit. Additionally, the ABLE Direct Deposit Act would reaffirm that direct deposits from employer and government program contributions can be made to ABLE accounts. The final of the three bills, the ABLE Tomorrow Act (S.4498), would strengthen and modernize and expand awareness of the ABLE program by

- eliminating the Medicaid claw back
- create exceptions to annual contribution limits for certain 529 rollovers
- establish a two-month grace period and notification requirement before Social Security benefits are suspended when an account exceeds the $100,000 threshold
- allowing employers to contribute to an employee's ABLE account in lieu of a defined contribution plan without jeopardizing the benefit eligibility
- Directing federal and state agencies to inform eligible individuals about ABLE accounts across programs
- Authorize $50 million annually through fiscal year 2031 for state and tribal grands to increase ABLE awareness and enrollment

The package of bills are supported by 25 disability rights, employment, and insurance organizations including the Autism Society of America, Muscular Dystrophy Association, National Association of Insurance and Financial Advisors (NAIFA), and National Down Syndrome Society.

Department of Education Announces $144 Million Investment in Young People with Disabilities and Expecting Parents

On May 13, the U.S. Department of Education Secretary Linda McMahon announced a $144 million investment to help state and local agencies to use for Individuals with Disabilities Education Act (IDEA) programs. Funding will be applied to IDEA Part B and C programs which support young people ages 3 through 21 receive special education and related services and support infants and toddlers from birth through age 2 receive early intervention services, respectively.

In addition to funding programs for students with disabilities, the Department of Education released new guidance for states to use IDEA funding to help expectant parents of infants with disabilities gather information and tools to prepare for their child's arrival and secure supports for after their child's birth. The new guidance expands the application of IDEA services to expectant parents, whereas the previous guidance limited funds to already born children in line with the fiscal year 2026 appropriations language.

Vice President Vance, Fraud Task Force Announce Audit of MFCUs

Vice President JD Vance announced that the Trump Administration will launch a nationwide audit of state Medicaid Fraud Control Units (MFCU). MFCUs operate in all 50 states and territories and are usually a part of the State Attorney General's office. As part of its oversight role, the Office of Inspector General (OIG) annually recertifies each MFCU, evaluates its performance and compliance with Federal requirements, and provides Federal grant funding to help cover operational costs. Additionally, the relationship between the Medicaid unit and the MFCU must be separate and distinct. In a letter sent to Attorney General Stephen J. Cox of Alaska, the OIG stated that it will undertake a "robust review of Alaska's MFCU" and will impose "appropriate consequences should it find that a State has failed to operate a MFCU that effectively fulfills its duties."

The announcement coincides with the Trump administration withholding $1.3 billion in Medicaid reimbursements to California, the largest deferral from CMS in history. Taken together, these actions by the White House and CMS highlight their steadfastness in combating fraud, waste, and abuse in national health care programs.

FDA Commissioner Makary Resigns

After 13 months as Food and Drug Administration (FDA) Commissioner, Marty Makary announced that he was resigning from his post. FDA Deputy Commissioner Kyle Diamantas will fill the post as Acting Commissioner while the Trump Administration identifies a permanent replacement. The departure was described as a decision made primarily by Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. with White House approval, and President Trump acknowledged that Makary had been "having some difficulty."

Makary's tenure was defined by turbulence, including thousands of staff layoffs tied to the Department of Government Efficiency (DOGE) downsizing efforts, the departure of several senior career officials, and competing pressures from multiple political directions. Anti-abortion lawmakers pushed him to restrict access to the abortion pill mifepristone, biopharmaceutical companies raised concerns about inconsistent drug reviews, and President Trump directly pressured him to authorize flavored vaping products, which the FDA ultimately approved just days before his resignation. Moreover, Makary's handling of personnel matters, including the firing and later reinstatement of vaccine official Vinay Prasad, drew sustained criticism from patient advocates and industry alike.

Public Confidence in Federal Agencies Hits a New Low, Poll Finds

Last week, the Kaiser Family Foundation (KFF) released results from the Health Tracking Poll, which found that over 60% of U.S. adults held low confidence in the ability of federal agencies to act independently when acting on their responsibilities over food and drug safety and public health. Confidence was highest in the Centers for Disease Control Prevention (40%), followed by the Food and Drug Administration (36%) and Environmental Protection Agency (36%), though fewer than half expressed confidence in any agency. This sentiment is consistent across party lines, showcasing a general trend of distrust.

The survey also found broad public distrust that pharmaceutical, food and beverage, and agriculture companies would act in the public's best interest, while doctors and health care providers remain the most trusted source of health information, regardless of party identity, consistent with previous polling data.

These findings come amid ongoing national turmoil over vaccine policy, food safety oversight, and the role of federal agencies in balancing scientific guidance with political and industry pressures. KFF researchers noted that declining institutional trust could have broader implications for public health communication and policy implementation, particularly during public health emergencies or regulatory debates.

What's on Tap

To meet President Trump's June 1st deadline, both chambers of Congress are rushing to pass a reconciliation package that would fund Immigration and Customs Enforcement (ICE) and Customs and Border Patrol before the legislature adjourns for the Memorial Day Weekend recess. Last week, the Senate Parliamentarian ruled that components of the Republican bill did not adhere to the Byrd Rule, a rule that requires all provisions in a reconciliation package to be germane to the budget. Another major sticking point from the Senate Parliamentarian is a provision in the package that would set aside $1 billion to build the White House ballroom, which would need to be reworked to be included in the package moving forward. In anticipation that the reconciliation package would advance from the Senate, House Speaker Johnson canceled votes for the beginning of this week.

Despite the inherent partisan nature of the reconciliation proceedings, some Republicans have signaled an openness to working with their Democratic counterparts on bipartisan legislation they want on President's desk including the taxation of cryptocurrency and the streamlining of energy permitting. Representative Jason Smith (R-MO-08) said last week that the House Ways and Means Committee would work on health care, trade, and tax in a bipartisan manner ahead of the midterm elections, bringing hope to a potential bipartisan package in the next few months. Members of Congress have also indicated there are ongoing bipartisan talks on the Great American Outdoors Act, legislation that would create a regulatory framework governing the use artificial intelligence and boost American manufacturing capabilities. Lawmakers have seven working weeks left before the August recess and only a month in September of legislating before the midterm elections.

Over the weekend, Senator Bill Cassidy (R-LA) lost his primary, finishing in third after U.S. Representative Julia Letlow (R-LA-05) and Louisiana Treasurer John Fleming (R) who will advance to a runoff. Senator Casidy is the first elected Senator in either party to lose in a primary election since 2012. Senator Cassidy's loss is due to President Trump's endorsement of Representative Letlow as retribution for Senator Cassidy's disagreement with some of the Administration's actions, including doubting the nomination of Health and Human Services (HHS) Secretary Robert F. Kennedy Jr's vaccine skepticism. Similarly, several Republican state legislators in Indiana who disagreed with President Trump's redistricting efforts were ousted. These events demonstrate the lasting impact President Trump and his base could have on the upcoming midterm Republican primary elections.

In parallel, the Trump Administration continues to target alleged fraud in federal health programs by announcing that the Centers for Medicare and Medicaid Services (CMS) would be withholding $1.3 billion in Medicaid reimbursements from California. In the announcement, Vice President JD Vance indicated the funding pause was in response to allegations of fraud in California. While only a small portion of California's overall Medicaid spending, the $1.3 billion deferral is the largest in CMS history. CMS Administrator Mehmet Oz simultaneously announced the establishment of a six-month, national moratoria on new home health and hospice provider enrollments – the second time such a guardrail has been imposed on home health providers and the first for the hospice industry. CMS has been suspending payments to home health and hospice providers for weeks, mostly concentrated in the greater Los Angeles metro area.

Upcoming Events

Senate

- In Session: May 18-22
- Thursday, May 21, 10:00 am | Senate Appropriations Labor, Health and Human Services and Related Agencies Subcommittee hearing on the President's Fiscal Year 2027 Budget Request for the National Institutes of Health | 124 Dirksen Senate Office Building

House

- In Session: May 18-21
- Wednesday, May 20, 2:00 pm | House Committee on Energy and Commerce hearing Examining the Medicare Physician Fee Schedule, MACRA, and Opportunities for Payment Reforms | 2123 Rayburn House Office Building