



DRAFT

June XX, 2025

SUBMITTED ELECTRONICALLY

The Honorable John Thune (R-ND)
Majority Leader
United States Senate
SD-511
Washington, DC 20510

The Honorable Mike Crapo (R-ID)
Chairman
Senate Finance Committee
239 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Chuck Schumer (D-NY)
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden (D-OR)
Ranking Member
Senate Finance Committee
221 Dirksen Senate Office Building
Washington, DC 20510

Re: Coalition to Preserve Rehabilitation and Habilitation Benefits Coalition Opposition to Proposed Medicaid Provisions in the Senate Budget Reconciliation Package

Dear Majority and Minority Leaders Thune and Schumer, and Chair and Ranking Member Crapo and Wyden:

The undersigned members of the Coalition to Preserve Rehabilitation (“CPR”) and Habilitation Benefits (“HAB”) Coalition write to express our deep concerns regarding the sweeping Medicaid cuts proposed in the Senate’s federal fiscal year (“FY”) 2026 budget reconciliation package. These cuts pose a serious and dangerous threat to the ability of Medicaid enrollees living with disabilities and other chronic conditions to access the medically necessary rehabilitation and habilitation services and devices they need to recover from injury or illness, regain function, and live independently.

CPR is a coalition of national consumer, clinician, and membership organizations that advocate for policies to ensure access to rehabilitative care so that individuals with injuries, illnesses, disabilities, and chronic conditions may regain and/or maintain their maximum level of health and independent function. The HAB Coalition membership includes national non-profit consumer and clinical organizations focused on securing and maintaining appropriate access to, and coverage of, habilitation benefits within the category known as “rehabilitative and

habilitative services and devices” in the essential health benefits (“EHB”) package under existing federal law.¹

Medicaid is the largest single payer for long-term services and supports (“LTSS”) in the United States, including rehabilitation and habilitation services. For millions of enrollees, including children and adults with significant functional limitations, Medicaid is the only available coverage option for critical services provided in IRFs, skilled nursing facilities (“SNFs”), home- and community-based settings (“HCBS”), and outpatient rehabilitation clinics. Reducing federal Medicaid funding or shifting costs to states will undoubtedly lead to service restrictions, provider payment cuts, and coverage limitations—all of which translate into delayed care, worse health outcomes, and higher long-term costs.

Additionally, regardless of how changes to Medicaid eligibility requirements are implemented, which are also included in the Senate package, millions of people are going to lose access to essential healthcare coverage if these proposed cuts are finalized. That means real people, whether they are children, immigrants, pregnant women, or people with disabilities, no longer have healthcare coverage and are going without timely rehabilitation or habilitation therapy, assistive devices, or community supports—ultimately leading to worse outcomes and greater reliance on emergency care and institutional settings.

Medicaid cuts of this magnitude will disproportionately harm individuals living with disabilities who rely on intensive rehabilitative and habilitative services to help keep, learn or improve skills and functioning or recover after stroke, traumatic brain injury, spinal cord injury, and other disabling conditions. These are not optional services—they are essential to preventing long-term institutionalization and enabling people to return home, work, and participate in their communities. Limiting access to rehabilitation, which is the only realistic outcome from cuts of this scale, is not only counterproductive but inconsistent with the goals of cost-effective, patient-centered care that Congress has long supported.

CPR and the HAB Coalition strongly urges Senate leadership to reject these harmful Medicaid provisions and preserve access to rehabilitation and habilitation services across the continuum of care. Rehabilitation is a path to recovery and independence—not a line item to be eliminated. We look forward to working with you to ensure that all Americans, particularly those with the greatest needs, continue to receive the care and supports they require to live full and productive lives.

Thank you for consideration of our concerns. Should you have any further questions regarding this information, please contact Peter Thomas or Michael Barnett, coordinators for CPR and the HAB Coalition, by e-mailing Peter.Thomas@PowersLaw.com or Michael.Barnett@PowersLaw.com, or by calling 202-466-6550.

Sincerely,

¹ Patient Protection and Affordable Care Act (“ACA”), Section 1302.

The Undersigned Members of the Coalition to Preserve Rehabilitation and HAB Coalition

**Member of the CPR or HAB Coalition Steering Committee*