

## Snapshot

*(A 30-second read for busy people)*

- **FY 2026 OAA Funding:** State Units on Aging have received their federal funding allocations under the continuing resolution (CR). Congress will return next month to continue negotiations on the final Labor-HHS FY 2026 spending bill before the CR expires on January 30.
- **OAA Reauthorization:** Despite tireless advocacy from the Aging Network, the Older Americans Act (OAA) will not be reauthorized this year. However, there are positive signs that OAA can move in 2026!
- **OBBBA Implementation:** The Centers for Medicare & Medicaid Services (CMS) continues to release guidance to states on implementing the new law. AAAs are encouraged to remain engaged with their states for Medicaid HCBS access updates.
- **2026 Preview:** Congress will continue the battle of extending Affordable Care Act (ACA) tax credits in the new year and conversations will begin to shift to November's mid-term elections.
- **Call to Action:** Advocacy will be critical next year as we work to get OAA reauthorization across the finish line and ensure OAA programs are protected in the FY 2027 appropriations process. An *Advocacy Alert* will be sent out early next year with guidance on how you can engage with your Members of Congress!

This year was the most challenging and rapidly changing policy environment the Aging Network has seen in years. From the federal funding freeze proposals, and the U.S. Department of Health and Human Services (HHS) reorganization to OAA funding threats and the longest government shutdown in United States history, it has been quite a year for the Aging Network. However, despite unexpected policies and outcomes, this year has shown us that advocacy still works! As we begin to wind down for the holiday season, the USAging Policy Team is sharing a recap of this year's aging and health policy updates as well as a 2026 policy preview and what to expect in the new year.

## 2025 Policy Recap

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### ACL Reorganization, FY 2026 Appropriations and OAA Funding

In April, a draft of the President's HHS budget was leaked, revealing a shocking proposal to break up OAA programs, with some going to a newly named Administration for Children, Families and Communities (ACFC) and others going to CMS. The president's draft budget also proposed to eliminate funding for OAA Title III D Evidence-Based Health Promotion and Disease Prevention, OAA Title VII Long-Term Care Ombudsman, Adult Protective Services, the Low-Income Home Energy Assistance Program (LIHEAP) and other key programs that support older adults. Despite this existential threat to the Aging Network, six weeks of tireless advocacy by USAging and its members convinced the Trump Administration to correct the error and the president's budget ultimately funded all HHS OAA programs. It also kept those programs and the disability programs under ACL together and moving as a unit to ACFC and fully funded.

Following the president's budget, the House and Senate released their FY 2026 Labor, Health and Human Services and Education (Labor-HHS) funding proposals over the summer. The Senate level funded most OAA programs, and the House provided modest increases for several OAA programs, including for Title III B Supportive Services and Title VI Native American Aging Programs, both of which USAging lobbied for across dozens of Capitol Hill visits. Last month, Congress passed three appropriations bills but left the remaining nine bills extended only through January under a CR. The deal, which ended the longest government shutdown in U.S. history, also included an extension of MIPPA authorization through January—while paid for under the mandatory funding stream, MIPPA needs to be authorized to continue to fund AAAs, SHIPs and ADRCs to do outreach to low-income Medicare beneficiaries.

### ***What's Next?***

State Units on Aging have received their federal funding

allocations and we believe AAAs should have access to these short-term FY 2026 dollars soon if they have not already. The appropriations committees have been working to advance their bills this month but with the holidays approaching, negotiations will pause until January. [See what we sent Congress this month to push for the highest possible levels for OAA and other key aging programs.](#)

When Congress returns the week of January 5, federal funding will be a top priority as the House and Senate work to finalize FY 2026 spending bills for the rest of the fiscal year (i.e., through September 30). Therefore, while the Aging Network can exhale for a few weeks, advocacy is still needed to ensure OAA programs are protected in a final spending bill or future CR. While unlikely, another government shutdown is possible in January should Congress find themselves in a similar position again.

Keep a lookout for an *Advocacy Alert* from USAging early next month for guidance on how you can engage with your Members of Congress and urge them to protect OAA funding!

## **OAA Reauthorization**

After OAA reauthorization fell out of last year's end-of-year package due to larger partisan politics and not the merits of the bill, USAging had hoped Congress would swiftly pass that same bill in this new Congress. However, the major changes to the Administration and Congress in 2026 stalled that progress—again, not based on the merits of the OAA. While leadership for OAA authorizing committees largely remained the same, we welcomed a new Chairman of the House Committee on Education and Workforce, Congressman Tim Walberg (R-MI).

The Senate Health Education, Labor and Pensions (HELP) Committee did advance reauthorization this year, introducing the OAA Reauthorization Act of 2025 (S. 2120) in June, which was identical to the Senate-passed bill in the previous Congress. The House did not go as far as the Senate on OAA this year, although a lot of education and engagement was done by USAging and its members, and there are signs of

movement for early 2026.

### ***What's Next?***

This month, the Senate HELP Committee began the process of “hotlining” S. 2120, a process used by leadership to advance non-controversial bills via unanimous consent. Despite advocacy from USAging, other national organizations and our members, the Senate ran out of time to complete this process and so did not advance the bill. However, we have assurances from committee leaders that they intend to move it in the new year. So, there is more work to do in 2026, but we remain optimistic! [See here for USAging's recent letter to Senate leadership.](#)

### **MIPPA Reauthorization**

The Medicare Improvements for Patients and Providers Act (MIPPA) is currently only authorized through January 30, as its extension was attached to the last CR. MIPPA is unlike OAA, as it receives mandatory funding and so *must be authorized* for funding to flow. In good news, however, this year the House and Senate introduced the bipartisan Senior Savings Protection Act (S. 2466/H.R. 6210). This bill would extend MIPPA funding for five years to AAAs, SHIPs and ADRCs to support low-income Medicare beneficiaries to enroll in financial assistance programs that help make their Medicare benefits affordable. Advocacy will still be needed in the new year to extend funding for this critical program for millions of older adults.

### **One Big Beautiful Bill Act (OBBBA) Implementation**

Passed into law this summer, the One Big Beautiful Bill Act (OBBBA) introduces significant challenges related to older adults, people with disabilities and caregivers and their access to Medicaid and SNAP. For a detailed overview of the bill's provisions and timelines, see our members-only [Reconciliation Bill tracker.](#)

### ***What's Next?***

CMS has been releasing guidance related to OBBBA

provisions such as State Directed Payments (SDPs) and clarity on Medicaid work requirements and the implementation of community engagement provisions (what CMS is calling the work requirements). CMS is expected to issue additional guidance in the new year with more detailed instructions for state implementation. OBBBA requires CMS to issue an interim final rule by June 1, 2026, however, it is unclear if outstanding questions will be addressed through a final rule or sub regulatory guidance. We encourage all USAging members to engage with their states to ensure you stay up to date with decisions and changes states will make regarding Medicaid, including watching for any potential impact on home and community-based services.

## **What to Watch Out for in 2026**

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### **The ACA Showdown**

This week, the House passed a health care bill but failed to include an extension of the ACA enhanced premium tax credits that Democrats had fought for in the fall via the resulting shutdown, so the issue is far from resolved. It is not expected that the Senate will support this bill and moderate House Republicans in swing districts are vowing to continue to negotiate a compromise in 2026. With Congress heading home for the holidays, these credits will expire on December 31, leaving consumers to face an average of \$1,016 in increased premium payments next year.

The House Democrats have reached the necessary signature threshold for their discharge petition on a three-year extension of the ACA tax credits thanks to several key Republican votes from the moderates referenced above. A discharge petition forces a bill out of committee and to the floor, essentially taking away the power of the Speaker of the House to decide which bills are taken up on the floor. However, that ACA extension bill is also expected to not make it very far in the Senate. While discussions within and across the House and Senate continue to develop a compromise health care package that could pass both chambers next month, there remain vast differences between the parties.

## Mid-Term Elections: To Flip, or Not to Flip, That is the Question

Mid-term congressional elections are set to be held on November 3, 2026, setting the stage for potential flips from a Republican majority to a Democratic majority in either chamber. Historically, the party holding the White House usually loses seats in Congress in the mid-terms, except for the 2002 election where President George W. Bush's Republican party gained seats in both the House and Senate.

Having either chamber change leadership would change the dynamic of the 119th Congress and would impact conversations around aging and health policies, FY 2027 OAA appropriations (should there be a continuing resolution into 2027) and FY 2028 appropriations.

## How to Stay Updated: USAging's 32nd Annual Aging Policy Briefing

With all this 2025 excitement behind us, rest assured that USAging will continue to keep members updated as new policy developments and issues arise in 2026! Next year's Aging Policy Briefing (APB) is the perfect opportunity to get your policy footing for the new year, hear from experts in the field and leave with guidance and tools on how you can ensure OAA, aging programs and older adults are protected and prioritized.

**Don't miss your chance to attend, we are already 50 percent full!** We expect the APB to sell out this year, so we are prioritizing early access for USAging members with a members-only registration period until January 23. Register and reserve your hotel room at [www.usaging.org/apb](http://www.usaging.org/apb)!

## Cheers to a Happy Holiday Season!

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The USAging Policy Team wishes you, your staff and your families a restful and joyous holiday season. We hope you take time to relax and recharge as we head into a new year of aging and health policy opportunities, challenges and