

# **Federal Shutdown Looms: What It Means for Home Care**

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The federal government is on the brink of a partial shutdown, with funding set to lapse at midnight tonight (September 30, 2025). A bitter standoff between President Trump and congressional Democrats, largely over Affordable Care Act subsidies and recent Medicaid cuts, has stalled negotiations, making a shutdown increasingly likely. Neither side appears ready to yield, leaving providers and families caught in the crossfire.

## ***Medicaid Slowdowns***

While Medicaid funding is mandatory and state agencies are expected to remain open, providers could face slowdowns in federal approvals and administrative functions. With fewer federal Centers for Medicare and Medicaid Services (CMS) staff available, delays are likely in processing state plan amendments, waiver applications, and appeals. This could impact everything from rate-setting to new service approvals, adding stress to a sector already navigating workforce shortages and funding gaps.

## ***Administrative and Oversight Delays***

Routine Medicaid operations at the state level should continue, but the absence of federal staff will likely stall responses to state questions, slow waiver decisions, and delay new initiatives. Certification and recertification surveys may also be postponed, creating uncertainty for agencies waiting on compliance reviews.

## ***Some Community-Based Supports in Jeopardy***

Programs funded through annual appropriations like the Older Americans Act (OAA) and the Social Services Block Grant could see reduced or paused operations. While smaller in size than Medicaid, these programs provide critical in-home supports, nutrition assistance, and respite services that keep vulnerable populations safely at home. A prolonged shutdown could mean real disruptions across the spectrum of care.

## ***What Providers Should Do***

In the immediate short term, agencies can only watch and wait. A prolonged shutdown may mean additional disruption, but for now:

- Anticipate delays: Build in extra time for Medicaid-related approvals, appeals, and enrollments.
- Monitor state updates: Stay in close touch with state Medicaid offices, which will remain operational.
- Watch smaller programs: Be aware of potential interruptions in Older Americans Act and other grant-funded supports.

While Medicaid payments will continue, the downstream effects of a federal shutdown could still be disruptive for the providers, consumers, and communities that rely on home care every day.