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Dear APA members,

We wanted to pass along the following PPC update about the ongoing government shut down. Please email us if you have any questions. We also wanted remind everyone about the monthly federal policy and learning collaborative, where we hear updates on federal policy issues and there is space to ask questions and discuss. You can sign up for this group here: [PPAC Policy Updates and Learning Collaborative - Academic Pediatric Association](#)

Thank you!

Maya Ragavan
Public Policy and Advocacy Chair



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PPC Update

October 14, 2025

FISCAL YEAR (FY) 2026 OPENS WITH GOVERNMENT

SHUTDOWN. At 12:01 a.m. ET on Wednesday, October 1, [the federal government shut down after Congress failed to pass a stopgap spending bill](#) ahead of the start of the 2026 fiscal year. As a result, federal agencies have halted all non-exempt activities, as defined by the administration, until new funding is approved. More than [32,000 employees across the Department of Health and Human Services \(HHS\) have been furloughed](#), while the rest of the department's 80,000 employees will work without pay. Activities deemed essential, such as those protecting life and property, fulfilling constitutional duties, or funded through other sources (e.g., multi-year appropriations or user fees), will continue during the shutdown.

– **How We Got Here.** The shutdown follows a series of failed votes on short-term Continuing Resolutions (CRs) by Republicans and Democrats, resulting in the impasse. House Republicans advanced a seven-week CR that would've funded the government at current levels until November 21, while Democrats proposed a four-week version funding the government until October 31 that also included broader measures to reverse cuts made to Medicaid in H.R. 1 and extend the enhanced premium tax credits for people who are covered through the Affordable Care Act (ACA).

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both chambers recessed, and House Republicans extended their recess, aiming to pressure the Senate into accepting their proposal. The House-passed CR received support from Democratic Senators John Fetterman (D-Pa.) and Catherine Cortez Masto (D-Nev.), Independent Angus King (I-Maine), and all Senate Republicans except Rand Paul (R-Ky.). Without the requisite 60 votes to advance legislation in the Senate, legislation to reopen the government remains stalled. Senate Republican leadership has repeatedly brought both bills up for floor votes since the shutdown began in hopes that more Democrats will feel pressure to support the House-passed CR.

Democrats, whose votes are essential to avoid a shutdown given Republicans' narrow 53-seat Senate majority, have tied their support for any stopgap funding measure to specific budgetary and healthcare policy concessions. Their primary demands have included:

- **Permanent extension of enhanced ACA premium tax credits**, which are set to expire at the end of this year. First passed in 2021, these tax credits have made private health plans purchased through the ACA Marketplaces more affordable and increased the number of individuals enrolled through the individual market. It is estimated that up to [4 million people](#) may become uninsured if the credits expire.
- **Repeal of the health title of H.R. 1, the One Big Beautiful Bill (OB BB) Act**, which includes more than \$1 trillion in proposed Medicaid cuts, that are set to take effect in 2028.
- **Restoration of congressionally appropriated funds** that were [illegally withheld or impounded](#) by the Trump administration during FY25.

Another central point of contention is the [administration's treatment of congressionally appropriated funding](#). Democrats argue that the Trump administration has unconstitutionally withheld or redirected hundreds of billions of dollars in approved funding, undermining bipartisan spending agreements. With no guarantee that Republicans or the administration will abide by future spending deals, Democrats argue there is little incentive to approve funding bills without structural safeguards. To date, Democrats' resolve to hold out for a deal to extend the ACA tax credits and advance their other priorities appears to be increasing.

– **The Threat of Future Shutdowns Remains Even if CR Passes.** Even if one side yields to political pressure or mounting harm from the shutdown, the broader appropriations battle remains unresolved. The House and Senate are still far apart on full-year FY26 funding bills. The Senate has pursued bipartisan proposals, while the House has advanced partisan legislation aligned with the [President's FY26 budget proposal](#), which includes a 23 percent cut to non-defense discretionary spending. A short-term CR may temporarily reopen the government, but it would not bridge the deep divide between the chambers. Without agreement on full-year funding, any CR that ends the current shutdown could simply set the stage for another funding lapse later in the fiscal year. Alternatively, Republicans and Democrats may simply pass a full-year continuing resolution if they are unable to come to a broader agreement on FY26 spending legislation, which would lock in prior year funding levels through to next October.

– **Shutdown's Impact on Health Operations Across Federal Agencies.** The majority of children's health programs, including Medicaid and the Children's Health Insurance Program (CHIP) will have enough funding to

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serious disruptions. Funding for WIC is in a particularly precarious position, as reporting indicates existing federal funds [could be exhausted within one to two weeks](#). Such an outcome would jeopardize access to nutritious food for pregnant women, new mothers, and young children. The White House announced it would [tap into unspent tariff revenue to keep WIC funding afloat](#) during the shutdown but has yet to announce [details on when this money would start flowing to states](#).

The shutdown has already triggered widespread furloughs across the federal workforce, which already faced significant cuts earlier in the year. HHS released a [staffing contingency plan for FY26](#) that provides details for what types of activities will and will not continue during the shutdown. Notably, communications at the Centers for Disease Control and Prevention (CDC) will be limited, the National Institutes of Health's (NIH) Clinical Center will not be able to admit new patients (unless deemed medically necessary), and the Food and Drug Administration (FDA) will not be permitted to review or accept new drug applications. NIH will retain just under 25% of its staff (4,477 employees), halting all basic research, peer review, and grant-making activities. Despite the shutdown, FDA will continue activities that support food and drug reviews, and the CDC will continue monitoring for disease outbreaks.

As of Friday, October 10, the White House Office of Management and Budget (OMB) has begun reductions in force (RIFs) across the federal government, appearing to make good on a threat to [use the shutdown to permanently terminate federal employees](#). [Reporting indicates](#) that HHS RIFs will impact 1,000 employees at the Centers for Disease Control and Prevention, Health Resources and Services Administration and Agency for Healthcare Research and Quality. In a [memo](#) released last week, Vought warned of potential large-scale terminations within the federal workforce, though he did not provide specific details or timelines. Already, a coalition of labor unions have [filed a joint lawsuit](#) challenging the administration's authority to implement RIFs during the shutdown.

Advocacy Opportunity: Share Your story:

The PPC is gathering firsthand accounts to understand how the shutdown is impacting pediatric researchers. **If you are experiencing direct impacts on the ground as a result of recent furloughs caused by the government shutdown, [please fill out this survey](#) and share what you are experiencing.** Your feedback will help inform the PPC's collective response and guide advocacy efforts to protect pediatric research.



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Academic Pediatric Association
6728 Old McLean Village Dr., McLean, VA 22101
Ph. 703.556.9222 | info@academicped.org

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