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Massive HHS Overhaul Will Cut 20,000 Jobs and Bring Major Changes to Programs Serving Seniors

The U.S. Virgin Islands faces growing pressure as HHS eliminates divisions and cuts funding. Advocates fear impacts on programs like Meals on Wheels, which already struggles to meet demand amid rising care facility waitlists and limited budgets.

Federal / **Published On April 01, 2025 06:07 AM /**

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The V.I. Department of Human Services senior transportation fleet is designated to transport seniors to recreational and educational programs. By. GOV'T HOUSE

A press release from the U.S. Department of Health and Human Services last week informed the public that a “dramatic restructuring” of the agency would be forthcoming, one which would “save taxpayers \$1.8 billion per year through a reduction in workforce of about 10,000 full-time

employees.” In total, once other workforce reduction initiatives are included, the staffing complement at HHS is expected to fall by 20,000 people altogether.

The departure of just under a quarter of HHS employees will be accompanied by the elimination of several HHS divisions, consolidating the 28 existing divisions into just 15. One of the divisions targeted for elimination is the Administration for Community Living (ACL).

According to the HHS press release, “critical programs that support older adults and people with disabilities will be integrated into other HHS agencies.” The closure of the division “will not impact Medicare and Medicaid Services,” the statement reassures.

The statement does not provide any details about which of the ACLs current programs are considered “critical”, however, leaving uncertainty about how deep the cuts, which are being implemented as part of the Trump administration’s “DOGE Workforce Optimization Initiative”, will ultimately be.

While the true impact on many of the programs depended on by seniors and disabled people remains to be seen, advocates are raising concerns that cuts in this area may not be as prudent as they seem at first glance. Amy Akroyd, Meals on Wheels associate director of development and communications in Wake County, said that “we can serve a senior on Meals on Wheels for a year, for the same cost as 10 days in a nursing home or one day in a hospital.”

Without programs such as Meals on Wheels, seniors are less able to sustain an independent lifestyle and more likely to require institutionalized care – a costly endeavor as Ms. Akroyd noted, and one which would place further strain on already overburdened senior residential facilities.

Here in the Virgin Islands, as elsewhere on the mainland, the need for senior services is growing alongside the aging population. Last year, V.I. Department of Human Services Commissioner Averil George told legislators that the [Meals on Wheels program needed \\$300,000](#) to accommodate 97 individuals who were on the waiting list. Days later, the Senate [passed a funding appropriation](#) of \$100,000 for the program, a decision ratified by Governor Albert Bryan Jr.

Senator Ray Fonseca, chair of the Committee on Health, Hospitals and Human Services in the 35th Legislature, remarked at the time that the Meals on Wheels service often provides seniors with “the only hot meal they get in the day.”

While Meals on Wheels is funded through the Older Americans Act, which will not be impacted by the closure of ACL, advocates are concerned that the division’s elimination will make it easier to pull funding from the Act by severely reducing or even eliminating its congressional appropriation.

When the budget reconciliation bill passed by the House in February revealed the intent by lawmakers to make deep cuts to social spending programs, Meals on Wheels America President and CEO Ellie Hollander warned that “funding cuts of any kind would exacerbate an already dire situation for millions of older Americans.”

In the territory, senior services are already under severe pressure. A shift towards more institutionalized care is not feasible, as DHS budget cuts have left homes for the aged [understaffed and in disrepair](#). Efforts to expand the Herbert Grigg Home for the Aged on St. Croix and replace the Queen Louise Home for the Age on St. Thomas “will not be completed until early 2028,” the DHS commissioner [told lawmakers in February](#), which leaves “an immediate gap in care.” Already existing wait lists are expected to grow longer if formerly independent seniors are forced

to seek institutionalized care because the programs and services they depend on are cut back or scrapped altogether.

With local government departments already feeling the bite of the [loss of critical funds](#), further reductions on a federal level will place additional pressure on an overstretched local budget.

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