

OASIS · AT A GLANCE

Sixty years of promises and the crisis they built

Nobody designed this. That is the problem. Six decades of reasonable decisions, each solving the previous decade's emergency, stacked into a system where the cheapest option is the one families have to wait three years for.

BY JIM PALASTY · 13 MIN READ · POLICY HISTORY

60

YEARS OF PROMISES

Nineteen sixty three to now. Still waiting.

How it works

THREE STEPS

STEP 1

Close the institutions

1963. A national promise to replace hospitals with community care.



STEP 2

Build the entitlements

1975 for children in school. Nothing equivalent for adults.



STEP 3

Cap the alternative

1981. Home care becomes a waiver states are allowed to ration.

The timeline, decision by decision

1955	State hospital census peaks at 558,922
1963	Community Mental Health Act signed
1965	Medicaid created. Institutions covered
1970 to 2014	Hospital population falls 370,000 to 40,000
1975	Federal special education entitlement enacted
1981	1915(c) waivers with state capped enrollment
1990	ADA passes. Integration mandate established
1999	Olmstead decided. No funding attached
2014	HCBS Settings Rule issued
2020 to 2023	Direct care workforce collapse

SIXTY YEARS IN ONE FAMILY

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Ruth's brother was institutionalized in 1961 because nothing else existed. Ruth's son aged out of school in 2019 and has been on a waiting list ever since because the thing that was supposed to replace institutions was never built at scale. Two generations, one family, opposite failures, and Ruth is the only person who has lived through both and can name them.

WE CLOSED THE BUILDINGS. WE NEVER BUILT THE REPLACEMENT.

What matters, at a glance

1963

The Community Mental Health Act promises a national network of community centers. Most were never built.

1975

Federal law guarantees a free appropriate public education. It ends at 22 in Michigan, and nothing replaces it.

1981: the load bearing mistake

Congress creates the 1915(c) home and community based services waiver and permits states to cap enrollment. That single permission is why a person can be eligible, medically qualified, and still wait years. Nursing facilities were never given the same permission.

1999: Olmstead without money

The Supreme Court rules that unjustified institutional segregation of people with disabilities violates the ADA. It is the most important disability rights decision in American history and it arrived with no appropriation, no enforcement funding, and a reasonable modifications defense states have leaned on ever since.

The workforce breaks

A field already paying near minimum wage loses to every employer that raised wages during the pandemic. It has not recovered.

2025

The largest federal Medicaid reduction ever enacted lands on the optional column, where all of this lives.

BRING THESE · CHECK AS YOU GO

☐ 1963: community centers promised, mostly unbuilt

☐ 1975: education entitlement, adults excluded

☐ 1981: waiver enrollment caps authorized

☐ 1990: ADA integration mandate

☐ 1999: Olmstead, unfunded

☐ 2014: HCBS Settings Rule

☐ 2024: Michigan ends prevocational services

☐ 2025: largest federal Medicaid reduction enacted

YOUR MOVE

Turn history into a specific ask

1

Identify which decision created your family's problem.

2

Find the current bill that would change it.

3

Ask your member of Congress to cosponsor that bill.

4

Ask your state legislator what Michigan controls here.

5

Submit the history in written testimony, with dates.

6

Teach one other family the timeline. It compounds.

Every one of these was a choice made by identifiable people in an identifiable year. Nothing here was weather.

RESOURCES NAMED IN THIS POST

medicaid.gov · <https://www.medicaid.gov/about-us/program-history>
sites.ed.gov/idea · <https://sites.ed.gov/idea/>
samhsa.gov · <https://www.samhsa.gov/>
ada.gov · <https://www.ada.gov/>
Informational only. Not legal or medical advice. Verify current program rules before acting.

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