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Fallout from federal budget cuts will last years

Harm to Ohioans will grow over time

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After a legislative process that moved at warp speed, the federal budget megabill known as H.R. 1 was passed by the narrowest margins possible[1] on July 1 and quickly signed into law.

Americans will experience fallout from this expansive, unpopular[2] budget for years to come. It will come in waves of reduced access to health insurance and food assistance, greatly diminished social services, increased red tape and higher costs that make it more difficult for households and state budgets to make ends meet.

This budget is far-reaching. It affects funding streams, social service eligibility, and the basic structure of so many programs in so many ways that the pain of its full impact will take time to fully understand. As H.R. 1's provisions unfold over the next several years, this overview is a tool for helping Ohioans better understand its sweeping consequences.

H.R. 1 sacrifices critical social services to pay for tax cuts that most benefit America's highest earners.

The basic math behind this budget would be familiar to any American household that's had to find other expenses to cut back on when purchasing a big-ticket item.

In this case, Congressional leaders decided that its big splurge should be extending 2017 tax cuts that overwhelmingly benefit the richest Americans. These cuts were designed to expire at the end of 2025. Making them permanent will cost $4.2 trillion in lost revenues over the next decade.[3] To pay for this, Congress made the deliberate choice to cut Americans' access to basics like health insurance, health care providers and food assistance.[4]

Congress chose to finance these extended tax cuts by cutting a combined $1.1 trillion in health care funding[5] (most of it to Medicaid)[6] and $187 billion in SNAP (Supplemental Nutrition Assistance Program) funding over the next decade.[7] These programs serve

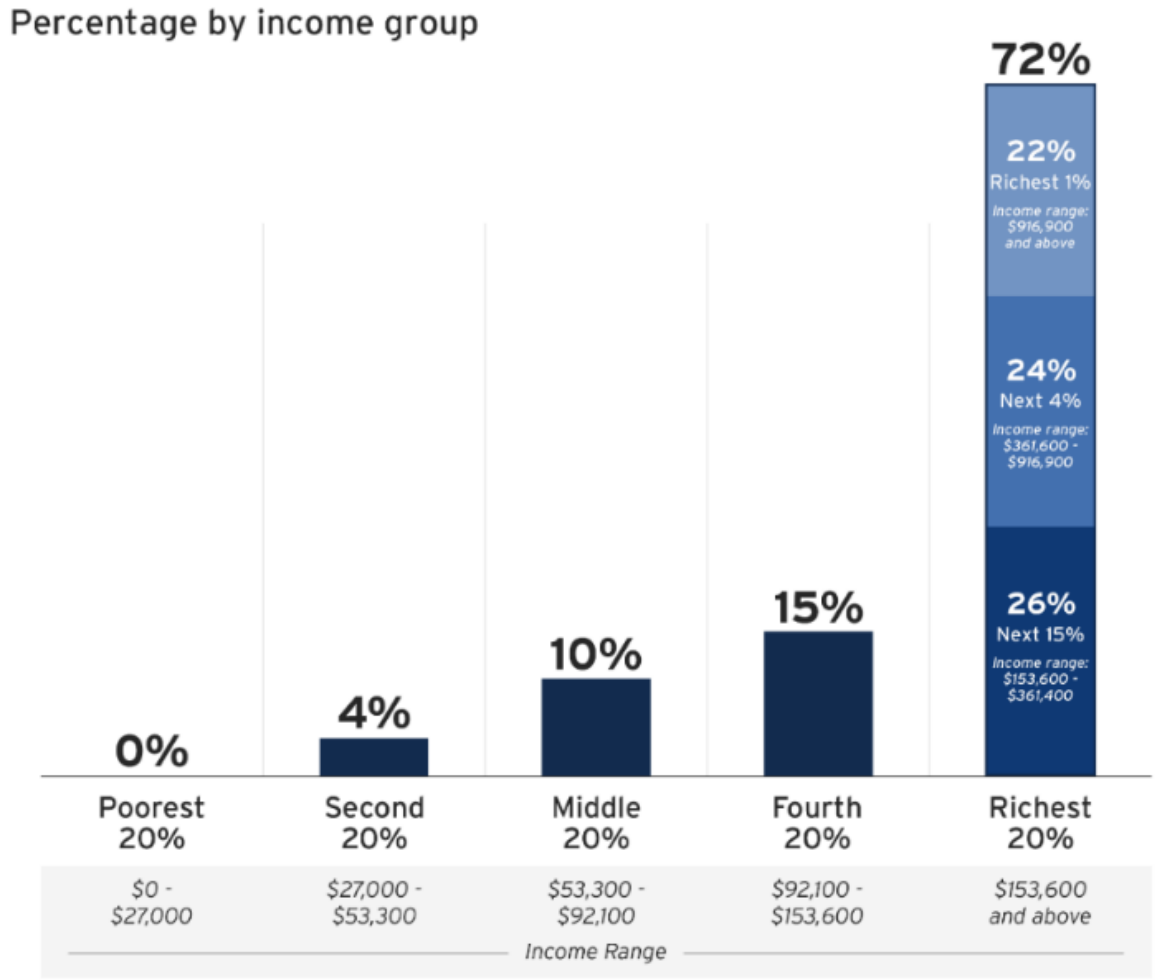
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[1] Half the Senate (50 senators) voted against H.R. 1. Its passage required a tie-breaking 51st vote from Vice President J.D. Vance. It passed the House with a similarly razor-thin margin. It was passed using a special, fast-track process called Reconciliation that allows Congress to pass legislation with a simple majority vote.
[2] Pew Research Center. How Americans view the GOP's budget and tax bill. June 17, 2025. KFF. KFF Health Tracking Poll: Public Views on Recent Tax and Budget Legislation. July 24, 2025.
[3] U.S. Department of Treasury Office of Tax Analysis. The Cost and Distribution of Extending Expiring Provisions of the Tax Cuts and Jobs Act of 2017. January 10, 2025.
[4] The budget also allocates funding to defense spending and border enforcement, but the lion's share of spending is related to making tax cuts first enacted in 2017 permanent. See Penn Wharton Budget Model. Senate-Passed Reconciliation Bill Budget, Economic, and Distributional Effects. July 1, 2025; New York Times. Everything in Trump's Big Tax and Spending Law, and How Much It Will Cost or Save. Updated July 22, 2025.
[5] This number represents net Medicaid, CHIP, and Marketplace cuts over ten years and accounts for interactions. See Georgetown University McCourt School of Public Policy Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.
[6] KFF. Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package. July 23, 2025.
[7] This amounts to approximately 20% of overall SNAP funding. Congressional Research Service. Supplemental Nutrition Assistance Program (SNAP) and Related Nutrition Programs in P.L. 119-21: An Overview. July 23, 2025.

tens of millions of American adults and children every year, with 71.4 million enrolled in Medicaid and 42.6 million enrolled in SNAP as of January 2025.[8]

In exchange, Congress gave the largest share of tax cuts to a tiny share of households. In 2026 alone, America's wealthiest 1% will receive $77 billion more in tax cuts than the 60% with annual income below $92,100.[9] For the wealthiest 1%, that is an average tax cut of $66,000 next year. Americans in the middle income range (between $53,300 and $92,100), will see an average tax cut of $1,510.

Figure 1: Share of tax cuts from H.R. 1 in 2026



Source: ITEP. Analysis of Tax Provisions in the Senate Reconciliation Bill: National and State Level Estimates. Updated July 2, 2025.

[8] Centers for Medicare & Medicaid Services. January 2025: Medicaid and CHIP Eligibility Operations and Enrollment Snapshot. May 30, 2025. USDA. SNAP Data Tables.
[9] ITEP (Institute on Taxation and Economic Policy). Analysis of Tax Provisions in the Senate Reconciliation Bill: National and State Level Estimates. Updated July 2, 2025.

In Ohio next year, the higher a household's income, the larger their federal tax cut as a percentage of their income will be. This means that Ohioans will get steadily higher rates of return the more money they make.[10]

Impacts of H.R. 1's tax provisions in 2026 in Ohio

	Income Range					
Income Group	**From**	**To**	**Average Income**	**Average Tax Change**	**Tax Change as % of Income**	**Share of Tax Change**
Bottom 20%	$0	$26,000	$14,700	-$90	-0.6%	1%
Second 20%	$26,000	$50,200	$38,200	-$620	-1.6%	4%
Third 20%	$50,200	$84,500	$66,600	-$1,540	-2.3%	11%
Fourth 20%	$84,500	$140,100	$108,800	-$2,530	-2.3%	18%
Next 15%	$140,100	$279,500	$181,400	-$4,300	-2.4%	23%
Next 4%	$279,500	$753,900	$414,200	-$14,160	-3.4%	20%
Top 1%	$753,900	and above	$1,805,400	-$61,340	-3.4%	22%

Despite supporters' efforts to market this budget as a win for working people,[11] H.R. 1's basic math is as stark as it appears: a trade-off of social services that benefit millions in exchange for tax cuts that most benefit the richest in America.

Even after making the largest cuts in history to Medicaid and SNAP, federal legislators failed to do what most Americans households must do: maintain their bank balances.[12] When all is said and done, this budget increases the national deficit by $3.4 trillion over the next decade.[13]

H.R. 1 makes historically large cuts to basic services Americans rely on.

Next year, low- and middle-income Ohioans will pay on average between $90 and $1,540 less in federal taxes because of H.R. 1's tax provisions.[14] This is real money — but it doesn't account what many of these same people will pay in higher grocery bills,

[10] Ibid.
[11] As the budget's unpopularity grows, proponents of H.R. 1, which was known as the "One Big Beautiful Bill Act" throughout budget negotiations, have attempted to re-brand it as the "Working Families Tax Cuts Act." New York Magazine. Rebranding Won't Make Trump Megabill Any Less Ugly. September 3, 2025.
[12] It is standard practice for the Congressional Budget Office (CBO) to "score" several versions of the budget, estimating the costs, savings, and human impact of different provisions. However, for H.R. 1, budget proponents voted to run an additional, unprecedented round of CBO scoring using an entirely different accounting method, which papered over the budget's very real deficit impacts. The resulting (and misleading) "deficit-neutral" score has been used to market H.R. 1 before and since its passage, muddying the waters around the budget's impact. Politico. A $715 billion tax cut turns into a $4.5 trillion sales job. August 5, 2025. See also New York Times. With Accounting Gimmick, Republicans Upend Senate Norms. June 29, 2025.
[13] Congressional Budget Office (CBO). Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline. July 21, 2025.
[14] This estimated tax cut range includes income brackets for Ohioans making up to $84,500 a year, the bottom 60% of earners. ITEP. Analysis of Tax Provisions in the Senate Reconciliation Bill: National and State Level Estimates. Updated July 2, 2025.

health insurance premiums, and health care costs due to H.R. 1.

Nationally, H.R. 1's cuts to social services are staggering: the Congressional Budget Office (CBO)[15] estimates that the budget will cause 15 million people to lose their health insurance coverage by 2034. This includes:

- 10 million people who will lose coverage due to budget provisions that cut Medicaid funding, eligibility, and enrollment.
- 4.2 million who will lose coverage from Affordable Care Act (ACA) Health Insurance Marketplace health plans becoming unaffordable due to elimination of enhanced premium tax credits (PTCs) that have been in place since 2021.[16]

Here in Ohio, for far too many of us, the cost of the administration's megabill will outweigh the benefits.

H.R. 1 Federal Budget Impacts for Ohio		
Budget Impact	**Number**	Source
Increase in uninsured Ohioans due to H.R. 1 health provisions and allowing Affordable Care Act (ACA) enhanced premium tax credits to expire.	438,000 more uninsured Ohioans by 2034.	Center on Budget and Policy Priorities (CBPP), KFF, Congressional Budget Office, Manatt Health
Medicaid federal funding loss	An estimated $33B in decreased federal Medicaid funding to Ohio from 2025-34. This number will vary depending on Ohio's response to federal Medicaid cuts.	KFF
Medicaid federal funding loss for rural communities	KFF estimates that rural Ohio will lose an estimated $5.62B in Medicaid funding over 10 years, the 7th highest loss nationwide. Nationally, KFF estimates that rural areas will face $137B in lost Medicaid funding over 10 years. Medicaid expansion states with higher volumes of rural residents (like Ohio) will face higher funding losses.	KFF
Rural Health Transformation Program impact	The $50B allocated to a newly-created Rural Health Transformation Program through H.R. 1 for offsetting impacts to rural areas amounts to just 37% of overall estimated revenue losses nationally.	KFF
Premium cost increases for ACA Health Insurance Marketplace plans due to H.R. 1 allowing ACA enhanced premium tax credits to expire at the end of 2025, premium increases will be in effect January 2026.	**This calculator from KFF is a helpful tool for estimating 2026 Health Insurance Marketplace plan premiums according to your household circumstances.**	

[15] To learn about what the Congressional Budget Office (CBO) is, see this resource.
[16] An additional 1-2 million Americans are expected to lose coverage due to the 2025 Marketplace Integrity and Affordability Final Rule passed on June 20. This is included in the CBO baseline for estimating coverage loss. For CBO estimate baselines involved in this coverage loss estimate, see: Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.

Ohioans at risk of losing Medicaid coverage due to work requirement	319,000-493,000 as of 2034, depending on how Ohio implements the federal work requirement.	CBPP
Medicaid spending loss for Ohio hospitals	$22.4B in lost Medicaid spending for Ohio hospitals between 2025 and 2034.	Manatt Health (See Updated Estimates Data)
SNAP (Supplemental Nutrition Assistance Program) coverage loss	717,000 Ohio families (or SNAP assistance units) to lose some or all of their SNAP benefits.	Urban Institute
SNAP cost shift to Ohio	$388M a year in new SNAP costs for Ohio in order to maintain benefits at current levels as of federal fiscal year 2028. This estimate assumes Ohio's SNAP error rate remains the same.	The Center for Community Solutions & Advocates for Ohio's Future (Timecode 11:45)

Let's take a closer look at how the H.R. 1's gains and losses balance out for people who are not among America's highest earners.

Reduced health care access

H.R. 1 cuts health care access from several angles, with steep reductions to Medicaid funding being by far the largest portion of the budget's cuts.

KFF estimates that Ohio will lose $33 billion in federal Medicaid funding due to H.R. 1 over the next decade, with cuts growing more punishing over time.[17]
H.R. 1 takes aim at programs that the ACA[18] put in place, cutting funding and enacting eligibility and administrative restrictions that will dramatically limit the reach of both ACA Healthcare Marketplace plans and Medicaid expansion.

The ACA may be best known for launching the Health Insurance Marketplace, which offers federal assistance that reduces costs for Marketplace health care plans, allows people up to age 26 to remain on their parents' health care plans, and requires ACA-compliant insurance plans to cover Americans who have pre-existing medical conditions.

Additionally, the ACA allowed any state that chose to participate to expand Medicaid eligibility beyond those Medicaid had traditionally served[19] to include almost all adults with income up to 138% of the federal poverty line. Ohio opted into Medicaid expansion in 2014.

Combined, these ACA programs led to an immediate decrease in the number of Ohioans living without health insurance coverage. Between 2013 and 2015, Ohio's

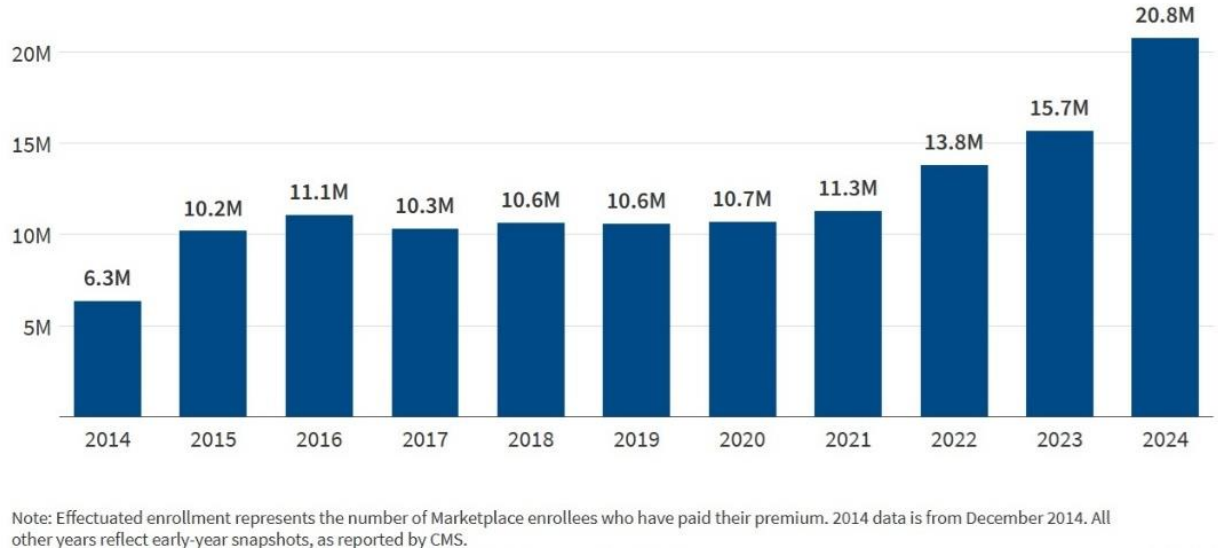
[17] KFF. Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package. July 23, 2025.
[18] KFF. The Affordable Care Act 101. May 28, 2024.
[19] Prior to Medicaid expansion, most low-income adults were ineligible for Medicaid unless they fit specific categories, among them being pregnant or disabled.
CBPP. Entering Their Second Decade, Affordable Care Act Coverage Expansions Have Helped Millions, Provide the Basis for Further Progress. March 25, 2024.

uninsurance rate dropped from 11% to 6.5%.[20] Both programs were widely used, but Medicaid expansion accounted for the majority of newly insured Ohioans.

As of last year, 13.4% of Ohioans under the age of 65 were enrolled in health care coverage under programs the ACA put in place (i.e., a Marketplace plan or Medicaid expansion).[21]

In 2021, enhanced premium tax credits (PTCs) were put in place for ACA Marketplace plans that had decreased Marketplace premiums for enrollees by an average of $705 a year as of 2024.[22] These savings encouraged many more Americans to sign up for Marketplace plans: Enrollment more than doubled nationwide between 2021 and 2025.[23] Ohio saw similarly substantial growth, with ACA Marketplace enrollment increasing by 197% from 2020 to 2025.[24] Nationally, growth in Marketplace enrollment from 2020 to 2024 was especially pronounced among Black and Latine (with both groups seeing enrollment triple over this period)[25] and low-income people.[26]

Figure 2: Affordable Care Act Marketplace enrollment



Note: Effectuated enrollment represents the number of Marketplace enrollees who have paid their premium. 2014 data is from December 2014. All other years reflect early-year snapshots, as reported by CMS.

Source: KFF. The Affordable Care Act 101. May 28, 2024.

[20] The State Health Access Data Assistance Center (SHADAC). Ohio: Affordable Care Act (ACA) Impacts on Insurance Coverage by Congressional District. April 11, 2017. See Statewide numbers within the data file for all Ohio Congressional Districts.
[21] KFF. A Look at ACA Coverage through the Marketplaces and Medicaid Expansion Ahead of Potential Policy Changes. January 15, 2025.
[22] KFF. ACA Marketplace Premium Payments Would More than Double on Average Next Year if Enhanced Premium Tax Credits Expire. September 30, 2025.
[23] Ibid.
[24] KFF. Enrollment Growth in the ACA Marketplaces. April 2, 2025.
[25] Assistant Secretary for Planning and Evaluation (ASPE). HealthCare.gov Plan Selections by Race and Ethnicity, 2015-2024. October 1, 2024.
[26] The Commonwealth Fund. Enhanced Premium Tax Credits for ACA Health Plans: Who They Help, and Who Gets Hurt If They're Not Extended. February 18, 2025.

Federal lawmakers could have used H.R. 1[27] to extend enhanced PTCs past their December 31, 2025 expiration date. They chose not to, creating one of the first cost increases many Americans are experiencing from the federal budget.[28]

Americans enrolling in Health Insurance Marketplace plans as of November are facing steep premium increases for their 2026 coverage. Overall, KFF has projected an average 114% increase in premiums (or $1,016 for a year of coverage) for Marketplace enrollees in 2026 due to removal of enhanced PTCs coupled with rate increases.[29]

Marketplace premium increases will vary by household circumstances, age, income, and where someone lives. A helpful calculator for estimating premium increases based on specific household circumstances from KFF is available here.

To illustrate what Ohioans in different households can expect, CBPP projects the following premium increases if Congress allows enhanced PTCs to expire at the end of 2025:

- a $709 annual premium increase for a 45-year-old Ohioan making $62,000
- a $15,507 annual premium increase for a 60-year-old couple in Ohio making $82,000
- a $6,209 annual premium increase for a family of four (with two 40-year-old parents) in Ohio making $126,000.[30]

Partially because health policy is shifting in unpredictable ways, participating Marketplace insurers recently released baseline premium rates for plan year 2026 that had increased by an average of 20% from last year.[31] Coupled with lost enhanced PTCs, these rate increases will make Marketplace health coverage unaffordable for many who rely on it.

Critically, because Congress's fight around extending enhanced PTCs before their end-of-year expiration continues,[32] and because many Marketplace users auto-enroll in their plans, some may not even know their premiums have steeply increased until they get their first bill for 2026 coverage in January.[33]

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[27] Concurrent with H.R. 1 being finalized, the ACA Marketplace Rule that guides much of how Marketplace runs was released on June 25, 2025, and it includes its own eligibility and enrollment restrictions. See here for more detail.
[28] CBPP. Entering Their Second Decade, Affordable Care Act Coverage Expansions Have Helped Millions, Provide the Basis for Further Progress. March 25, 2024.
[29] KFF. ACA Marketplace Premium Payments Would More than Double on Average Next Year if Enhanced Premium Tax Credits Expire. September 30, 2025.
[30] These premium estimates use ACA Marketplace's second-lowest-cost Silver Plan as a baseline. CBPP. Five Key Changes to ACA Marketplaces Amid Uncertainty Over Premium Tax Credit Enhancements. September 22, 2025.
[31] Peterson-KFF. How much and why ACA Marketplace premiums are going up in 2026. August 6, 2025. Note: The median increase is 18%.
[32] Politico. Continuing Resolution News. and 'Hard to come back': Congress heads into shutdown unknown. October 1, 2025.
[33] CBPP. Five Key Changes to ACA Marketplaces Amid Uncertainty Over Premium Tax Credit Enhancements. September 22, 2025.

For Marketplace users who work jobs that make it tricky to predict a year's income in advance, H.R. 1 adds another complication. Currently, Marketplace enrollees who receive premium tax credits and end the year with more income than they'd estimated must repay some of their credit — but these repayments have been progressively capped so that lower-income Americans do not have to repay full amounts.[34] H.R. 1 changes this. Starting next year, all Marketplace enrollees, regardless of income, will be required to pay back 100% of any excess premium tax credits.[35] This will be a surprising additional loss for some low- and middle-income workers whose annual income is hard to predict.

All off these changes create a vicious spiral: As more Americans are priced out of Marketplace plans, the smaller pool of enrollees means higher costs for those who keep their plans, making it more likely that even more people will be priced out next year. For people with health conditions that make maintaining their health insurance coverage essential, this cycle will be especially harmful.

Several of H.R. 1's provisions apply solely to Medicaid expansion enrollees. These include cutting federal funding and introducing several eligibility restrictions that will decrease who can use the program over time. These changes will soon begin undoing more than a decade of progress for the hundreds of thousands of Ohioans who have seen gains in health, affordable coverage, and preventative care through expansion — and who are now at risk of losing coverage.

When Ohio leaders, led by Republican governor John Kasich, first opted into Medicaid expansion, the results were undeniable: enrollees (75% of whom had been previously uninsured) saw improved physical and mental health outcomes, less medical debt, fewer emergency room visits and unmet health needs and better support for gaining and maintaining work.[36] Ohio hospitals saw a 42% decrease in uncompensated care costs[37] as a share of hospital budgets in the first three years of Medicaid expansion.[38]

H.R. 1 now threatens these gains for the more than 750,000 Ohioans enrolled in Medicaid expansion.[39] The harm will be concentrated in rural and urban areas, where residents enrolled at higher rates. Mapping of March 2025 enrollment showed that the Ohio counties with the largest percentage of residents enrolled in Medicaid via expansion are Scioto (12%), Lawrence (11%), Clark and Pike (10%), and Adams, Franklin and Mahoning

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[34] KFF. Health Provisions in the 2025 Federal Budget Reconciliation Law. August 22, 2025.
[35] KFF. Implementation Dates for 2025 Budget Reconciliation Law.
[36] The Ohio Department of Medicaid. 2018 Ohio Medicaid Group VIII Assessment, Executive Summary. August 2018. While data on how ACA Marketplace coverage has changed health outcomes has been less comprehensive, it's clear that the trend of uninsured people gaining coverage has helped encourage preventative and acute care while reducing uncompensated care costs for providers. For more, see Health Affairs. Review Article: How Have ACA Insurance Expansions Affected Health Outcomes? Findings From The Literature. March 2020.
[37] "Uncompensated care is an overall measure of hospital care provided for which no payment was received from the patient or insurer. It is the sum of a hospital's bad debt and the financial assistance it provides. Financial assistance includes care for which hospitals never expected to be reimbursed and care provided at a reduced cost for those in need." American Hospital Association. Uncompensated Hospital Care Fact Sheet. February 2022.
[38] CBPP. Uncompensated Care Costs Well Down in ACA Medicaid Expansion States. October 21, 2020.
[39] As of July 2025, 752,597 Ohioans were enrolled in Medicaid expansion. Ohio Department of Medicaid. Enrolled Population for month of July 2025.

counties (9%).[40] (Many of these are the same Ohio counties where H.R. 1's SNAP food assistance benefit losses are expected to be most severe.)[41]

Overall, the ACA has laid a roadmap for improving health outcomes, decreasing healthcare costs and making sure more people have healthcare coverage. These gains are now under direct threat from H.R. 1.

Cuts to SNAP food assistance

As of August 2025, 1.4 million Ohioans got help putting food on the table through SNAP benefits, [42] at an average of $191 a month. Forty-two percent of these beneficiaries were children.[43]

The Urban Institute estimates that 717,000 Ohio families will lose some or all of their SNAP benefits under the administration's megabill.[44]

Counties in Southern Ohio will be particularly hard hit, with 6% of total households in Pike and Scioto counties and 5% of households in Adams, Gallia, Jackson, Lawrence, Meigs, and Vinton counties expected to face an average reduction in SNAP benefits of $96 a month.[45] This amounts to $1,152 a year in lost food assistance.

All eight of these counties were classified as distressed (Meigs, Scioto, and Vinton)[46] or at risk in 2025 by the Appalachian Regional Commission based on three-year unemployment rates, per capita income, and poverty rates.[47]

For struggling Ohio counties (both rural and urban), H.R. 1 also removes the state's authority to waive time limits on how long able-bodied adults without dependents (ABAWDs) living in areas with high unemployment can receive SNAP benefits, unless unemployment is above 10%.[48]

Ohio has waived this time limit (which restricts recipients from getting SNAP benefits for more than three months out of every three years) for 18 counties with high unemployment,[49] but will no longer have the authority to do so unless unemployment in any of these areas grows significantly.

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[40] Center for Community Solutions. Ohio Medicaid Enrollment by County - See Percent with Medicaid Expansion. As of March 2025.
[41] Center for Community Solutions. More than 130,000 Ohio households to see an $1,150 annual reduction in SNAP benefits, and rural counties are hit hardest. July 21, 2025.
[42] The Supplemental Nutrition Assistance Program (SNAP) provides low-income households with nutrition assistance. SNAP benefits are sometimes referred to as food stamps.
USDA. Fact Sheets: Supplemental Nutrition Assistance Program.
[43] Ohio Department of Job & Family Services. Caseload Summary Statistics Report August 2025.
[44] Families translates to "SNAP assistance units"." Urban Institute. How the Senate Budget Reconciliation SNAP Proposals Will Affect Families in Every US State. July 2025.
[45] Center for Community Solutions. More than 130,000 Ohio households to see an $1,150 annual reduction in SNAP benefits, and rural counties are hit hardest. July 21, 2025.
[46] Distressed counties are in the 10% worst economic circumstances nationwide based on unemployment rates over three years, per capita income, and poverty rate. At risk counties are in the 10-25% worst economic circumstances.
[47] ARC. County Economic Status and Distressed Areas by State, FY 2025.
[48] CBPP. Many Low-Income People Will Soon Begin to Lose Food Assistance Under Republican Megabill. September 10, 2025.
[49] USDA. Supplemental Nutrition Assistance Program (SNAP) – Ohio Request to Waive Able-Bodied Adults Without Dependents Time Limit – Initial – Approval. August 25, 2023.

H.R. 1's SNAP cuts will harm some of Ohio's most vulnerable and will ripple through Ohio's economy. The National Grocery Association found that as of 2021, SNAP supported over 9,000 jobs in Ohio's grocery industry. It also drove workforce growth for over 5,100 jobs in Ohio's agriculture, manufacturing, transportation, and municipal sectors that support food retailers.[50]

SNAP's impact on local economies ranges widely depending on how many SNAP recipients live in a community and how many retailers accept benefits. Food retailers in some of America's lowest-income communities have more than 50% of their sales covered by SNAP. Across Ohio, 147 retailers have been flagged as being at risk as a result of H.R. 1's SNAP cuts.[51]

The modest benefits H.R. 1 offers low- and middle-income Americans are outweighed by cuts to services that many of these same people depend on.

Tax benefits

The budget includes several tax benefits that apply to certain workers and senior citizens. These will increase the bottom-lines of certain households, with limited reach as outlined below.

H.R. 1 permanently extends the increased standard deduction put in place by 2017's Tax Cuts and Jobs Act (TCJA) and modestly increases standard deductions beginning in tax year 2025.[52]

Several budget provisions have received attention that belies the limited amount of people who will be able to take advantage of these deductions. Among them, H.R. 1's "no tax on tips" provision allows a tax deduction of $25,000 in qualified tip income that phases down for individual taxpayers making above $150,000 (or $300,000 for those filing jointly).

The budget's "no tax on overtime" provision allows a tax deduction of $12,500 ($25,000 for joint filers) of qualified overtime pay. Both of these tax deductions are temporary, extending through 2028 and retroactively applied to earnings made since January 1, 2025.[53]

Both provisions will only apply to a limited number of taxpayers. As estimated by the Tax Policy Center:[54]

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[50] National Grocers Association. Ohio SNAP Economic Impact. June 2021.
The National Grocers Association Economic Impact Study Methodology. June 2021.
[51] Center for American Progress. SNAP Cuts Are Likely To Harm More Than 27,000 Retailers Nationwide. May 8, 2025.
[52] The National Association of Counties (NACo). Analysis of Tax Provisions in the One Big Beautiful Bill Act. August 27, 2025.
CBPP. Implementing the Harmful Republican Megabill: a Timeline. (See Tax Provisions). Updated October 8, 2025.
[53] Tax Policy Center. Preliminary Estimates of Tax Benefits of Deductions for Tips and Overtime. July 31, 2025.
[54] Ibid.

- 3% of American taxpayers (including both single and household filers) can expect to see a deduction from the no tax on tips provision, at an average $1,370 in tax savings for this small group of eligible taxpayers.
- 9% of taxpayers can expect to see a deduction from the no tax on overtime provision, amounting to an average $1,440 in tax savings. Households with total income between $100,000-$500,000 will see the highest benefit from this provision.
- Because these tax provisions do not apply to anyone whose income falls below the tax-filing threshold, America's lowest-income earners will not benefit from them.[55]

Seniors who are 65 or above before the last day of the tax year will receive an additional tax deduction of $6,000 per eligible individual for tax years 2025-28 under H.R 1.[56] This deduction phases down for taxpayers making above $75,000.[57]

To better evaluate the balance of these tax benefits against social service losses, it's important to underline that a high volume of workers in occupations that make at least part of their income from tips also use Medicaid for health care coverage and/or SNAP for food assistance.

In 2023, among the largest categories of tipped workers (including occupations like bartenders, waitstaff, taxi and rideshare drivers), 30% had health care coverage through Medicaid or subsidized ACA Marketplace plans, and 15% received SNAP food assistance benefits.[58] The temporary benefits some of these workers will see from this tax cut will in many cases be offset by higher costs or lost coverage for these benefits.

H.R. 1 makes several changes to the Child Tax Credit, effective in 2026:[59]

- Permanently increasing the top amount available through this credit from $2,000 to $2,200, extending 2017 tax parameters and indexing the credit to inflation.
- Decreasing eligibility for the credit so that an adult filing taxes individually (or at least one adult if filing jointly) must have a Social Security number to claim children and be eligible for this credit. Previously, only children being claimed had to have Social Security numbers for eligibility, continuing to erode access to this credit for immigrant households.[60]

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[55] This varies by year and by filing status, but for reference, the threshold was $14,600 for single filers under the age of 65 in 2024.
[56] IRS. One Big Beautiful Bill Act: Tax deductions for working Americans and seniors. July 14, 2025.
[57] Or $150,000 for joint filers.
[58] Center for American Progress. Despite 'No Tax on Tips,' Trump's Big 'Beautiful' Bill Is Bad for Tipped Workers. July 31, 2025.
[59] Center on Poverty and Social Policy at Columbia University. Children Left Behind by the H.R.1 "One Big Beautiful Bill Act" Child Tax Credit. August 6, 2025.
[60] "Before 2017, any child living in the United States was eligible for the child tax credit. Then Trump's tax cuts package in 2017 changed that rule to require that the child have a Social Security number to qualify. Their parents could use an Individual Taxpayer Identification Number, or ITIN, to file their taxes and still be eligible for the credit. Now at least one of those parents will need to also have a Social Security number. Families headed by an undocumented single parent, where the child is an American citizen, will not get the child tax credit at all." The 19th. The child tax credit is changing. Here's what it means for your family. July 9, 2025.

Especially for low- and middle-income Americans, the benefits that some will receive via tax cuts and tax code changes has to be balanced against what they will lose in higher costs or lost access to services courtesy of H.R. 1.

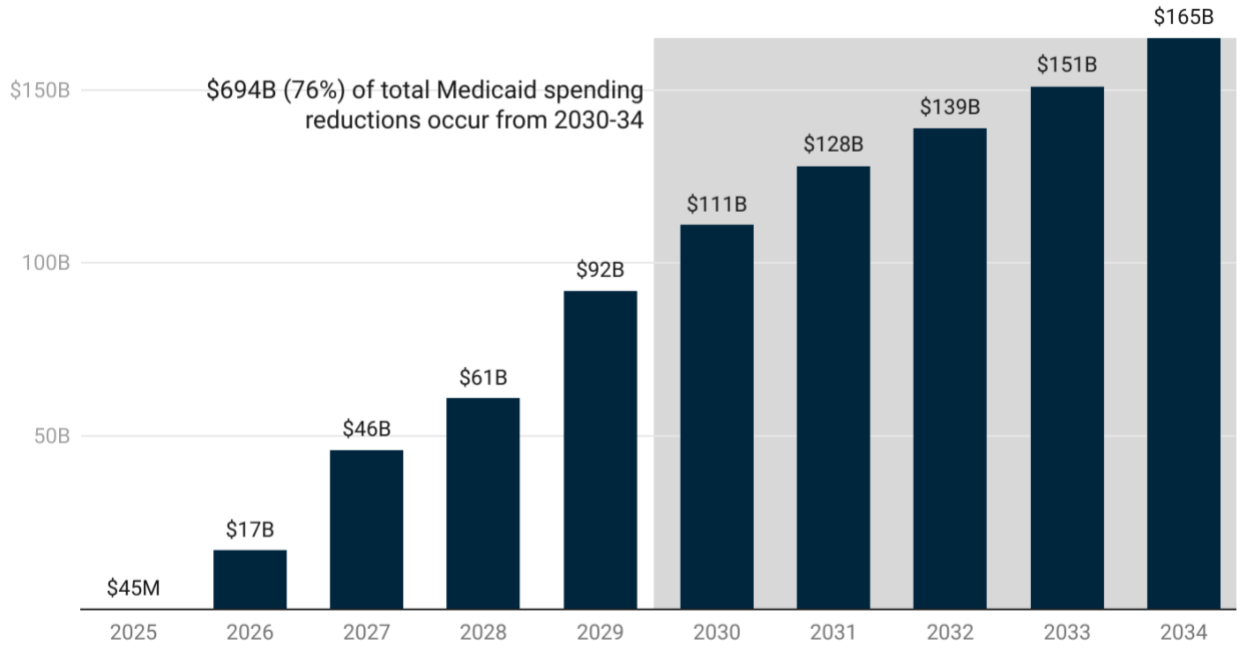
H.R. 1 offers early, often temporary benefits and becomes more punishing over time.

Many of H.R. 1's most damaging provisions have been carefully timed to hit after the 2026 mid-term elections, to make it less likely the budget's supporters in Congress (who fell with precious few exceptions along party lines)[61] will face meaningful backlash.

Additionally, the impact of some harmful provisions will partially depend on how states and federal administrators field them, making it hard to fully assess what's coming before it hits people's bottom lines.

Timing will most certainly matter to the health care providers, states, and agencies who will face (and need to prepare for) significant impending Medicaid shortfalls. Because of their sheer size, it's important to underline that over 76% of H.R. 1's Medicaid cuts will hit between 2030 and 2034.[62]

Figure 3: Federal Medicaid cuts in H.R. 1, by year



Source: KFF. Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package. July 23, 2025.

[61] Senate Roll Call On Passage of the Bill (H.R. 1, as Amended). July 1, 2025.
House Roll Call 190 | Bill Number: H. R. 1. On Motion to Concur in the Senate Amendment. July 3, 2025.
[62] KFF. Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package. July 23, 2025.

See Appendix for a table of key budget provisions and implementation dates (as far as they are known so far).

H.R. 1's complex, death-by-a-thousand-cuts provisions make it hard to understand how seriously the budget destabilizes and defunds basic programs.

Over the course of H.R. 1 negotiations, megabill proponents from the White House down to Ohio's own Congressmembers issued a chorus of reassurances that they would not be cutting popular programs like Medicaid.[63] But the bill they voted for will in fact devastate those programs and the people who rely on them.

This smoke-and-mirrors approach to promoting H.R. 1 was partly possible because many of budget's largest cuts are just plain hard to understand — and there are a lot of cuts coming from a lot of different directions.

To illustrate, let's walk through the intricacies of two of the budget's largest cuts to Medicaid and SNAP:

H.R. 1 restricts and reduces certain revenues used by states to cover Medicaid costs.

Provider tax and state directed payment restrictions

Medicaid costs in America are covered by a combination of federal and state funding, with federal funds covering a larger proportion of costs.[64]

The federal/state balance of funding varies by state. In Ohio, the federal match to state funding of Medicaid costs stands at 64.9% as of FY2026.[65] Of the remaining 35.1% Ohio covers, only a small share is directly covered through state tax revenues.[66] So, where does the rest of that come from?

Since the 1990's, federal rules have allowed states to cover some of their share of Medicaid costs through revenue streams known as **provider taxes**, which states can charge to health care providers like hospitals, nursing homes, and managed care plans.[67]

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[63] Newsweek. Donald Trump Walks the Line on Medicaid. February 23, 2025. See also: The White House Press Release. FACT CHECK: President Trump Will Always Protect Social Security, Medicare. March 11, 2025. See also: News 5 Cleveland. Ohio Senator Bernie Moreno vows Senate GOP won't cut Medicaid. February 26, 2025. See also: Fox News Sunday. Rep Jim Jordan (R-OH) joins Fox News Sunday (Timecodes 5:55-7:04). February 23, 2025. See also: Signal. Jon Husted defends Medicaid cuts in federal bill; putting DeWine's veto spree in context. July 3, 2025.

[64] The Center for Community Solutions. Fragile Financing: Provider taxes, state directed payments, and Ohio Medicaid. (Full Report). October 6, 2025.

[65] KFF. Federal Medical Assistance Percentage (FMAP) for Medicaid and Multiplier. (FY 2025). FMAP (the Federal Medical Assistance Percentage) is the percentage of Medicaid costs paid for by federal funds and is decided on a yearly basis relative to a state's per capita income.

[66] The Center for Community Solutions. Fragile Financing: Provider taxes, state directed payments, and Ohio Medicaid. (Full Report). October 6, 2025.

[67] Learn more about provider taxes here: Congressional Research Service. Medicaid Provider Taxes. Updated December 30, 2024.

Every state but Alaska uses provider taxes to cover some Medicaid costs, including maintaining and improving Medicaid services[68] or funding Medicaid expansion.[69]

These revenues draw down federal matching funds without pulling directly from the state's general revenue fund.[70] Provider taxes in Ohio bring in several billion dollars annually. They make up the largest portion of Ohio's state support for Medicaid and leverage $20 billion in federal match funds per year.[71]

H.R. 1 severely restricts how states use this crucial source of revenue:

- States are immediately restricted[72] from increasing provider taxes or creating new ones.[73]
- Caps on provider taxes (also referred to as "safe harbor") will be reduced by half a percentage point per year for Medicaid expansion states starting in October 2027, from 6% of net patient revenues down to 3.5% in federal FY 2032.[74]
- Specific existing "uniformity waiver" provider taxes are immediately prohibited,[75] with Ohio being among eight states likely to be impacted by this provision.[76]

H.R. 1 also restricts another, more recently-established funding mechanism, **state directed payments (SDPs)**.[77] With SDPs, states can instruct managed care plans they contract with to make specific payments to providers. These funds are used to improve healthcare quality and to fill in for low payment rates.[78] Federal reimbursement caps for SDPs through managed care organizations will be phased down from commercial rates to Medicare rates by 10 percentage points per year starting in 2028.[79]

H.R. 1's restrictions on provider taxes and SDPs will cause massive funding losses. Michigan's House Fiscal Agency estimates that, combined, they will decrease Medicaid payments across the nation by a gross $3.1 billion a year by FY 2033-34.[80] Provider tax

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[68] Georgetown University Center for Children and Families. Medicaid Provider Taxes: A Critical Source of Medicaid Funding for States. February 4, 2025.

[69] KFF. 5 Key Facts About Medicaid and Provider Taxes. March 26, 2025.

[70] The Center for Community Solutions. Fragile Financing: Provider taxes, state directed payments, and Ohio Medicaid. (Full Report). October 6, 2025.

[71] Ibid.

[72] Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.

[73] Georgetown University McCourt School of Public Policy Center for Children and Families (CCF) and Center on Health Insurance Reforms (CHIR). Webinar Slides: Budget Reconciliation (HR1) Medicaid and Marketplace Provisions. Slide 9. July 28, 2025.

[74] Ibid. and KFF. 5 Key Facts About Medicaid and Provider Taxes. December 5, 2025.

[75] "HHS Secretary may provide a transition period of up to three years." KFF. Implementation Dates for 2025 Budget Reconciliation Law.

[76] Georgetown University McCourt School of Public Policy Center for Children and Families (CCF) and Center on Health Insurance Reforms (CHIR). Webinar Slides: Budget Reconciliation (HR1) Medicaid and Marketplace Provisions, Slide 10. July 28, 2025.

[77] "State directed payments are arrangements between the state and its contracted managed care organizations that require managed care organizations to pay providers at a specific or enhanced fee schedule." Michigan House Fiscal Agency. Fiscal Brief: The One Big Beautiful Act of 2025. July 21, 2025.

[78] America's Essential Hospitals. State Directed Payments: Closing Medicaid Payment Gaps for Essential Hospitals. September 12, 2024.

[79] Michigan House Fiscal Agency. Fiscal Brief: The One Big Beautiful Act of 2025. July 21, 2025.

[80] Ibid.

restrictions alone will cost states $191.1 billion in lost revenues for covering their shares of Medicaid costs over ten years.[81]

In Ohio, provider taxes and state directed payments have together become a foundational part of financing Medicaid. Conservatively estimated, Ohio's lost Medicaid funding due to H.R. 1's combined restrictions on provider taxes and SDPs will total between $6.5 and $13 billion over the next 10 years.[82]

These restrictions are one major reason why states and health care providers will see Medicaid funding losses that cumulatively increase over ten years —becoming increasingly devastating to services people rely on.

In short, Congressional leaders chose to dramatically reduce revenues states rely on to finance their share of Medicaid, to fund Medicaid expansion, to weather budget shortfalls and to expand services. States will now be responsible for a higher burden of health care costs due to H.R. 1's restrictions on these revenue streams.

H.R. 1 requires that states impose work requirements for Medicaid expansion eligibility and makes more people subject to SNAP work requirements.

Medicaid expansion work requirements

H.R. 1's work requirement for Medicaid expansion enrollees will be responsible for the largest of the budget's Medicaid spending cuts (at $325.6 billion over 10 years).[83] Of the budget's many health provisions, this one will cause the largest losses in health coverage.[84]

Under the work requirement provision, most Medicaid expansion recipients[85] would need to report a minimum 80 hours of work per month[86] (including working a job, participating in job training, or doing community service) to be eligible to enroll or re-enroll in Medicaid. The provision goes into effect January 1, 2027, unless a state secures a "good faith" implementation delay, which will be awarded at the discretion of Secretary

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[81] Georgetown University McCourt School of Public Policy Center for Children and Families (CCF) and Center on Health Insurance Reforms (CHIR). Webinar Slides: Budget Reconciliation (HR1) Medicaid and Marketplace Provisions. Slide 11. July 28, 2025.
[82] The Center for Community Solutions. Fragile Financing: Provider taxes, state directed payments, and Ohio Medicaid. (Full Report). October 6, 2025.
[83] KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025.
[84] Ibid.
[85] Some exemptions include: "parents, guardians and caretaker relatives of dependent children age 13 and under and disabled family members; pregnant people or those receiving postpartum coverage; some people with disabilities such as those receiving SSI; individuals who are medically frail or otherwise have special medical needs including people with substance use disorders, disabling mental disorders, and serious and complex medical conditions; veterans with disabilities; and former foster youth."
Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.
[86] For detail on frequency of work reporting, see: KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025.

of Health and Human Services (HHS) Robert F. Kennedy, Jr.[87]

The CBO estimates that 5.2 million adults nationwide will lose Medicaid coverage as of 2034 due to this work requirement alone.[88] In Ohio, 319,000 to 493,000 people (depending on how Ohio implements the federal work requirement) will be at risk of losing Medicaid expansion coverage as of 2034.[89]

The budget also makes those who lose Medicaid coverage due to work requirements ineligible to use PTCs for purchasing ACA Marketplace coverage.[90]

By the very nature of who uses Medicaid expansion coverage, very few of those who will be disenrolled from Medicaid due to work requirements will have any access to employer-provided coverage. Those who lose access will have precious few, if any, options left for affordable coverage. Many of Ohio's working Medicaid expansion enrollees are employed in sectors where employer-based health insurance isn't typically provided. These include some of Ohio's most commonly-held jobs in sectors like retail, food service, customer support, and home health service.[91]

Nationally, civilian workers[92] performing service roles have markedly lower access (52%) to employer-provided health care benefits than workers in management and professional roles (88%). Civilian part-time workers have far lower access (25%) to health care benefits than those working full-time (89%).[93]

The above figures do not include the self-employed, which would include many working within the gig economy (in roles like food delivery, ride-hailing, and freelance creative work). As of 2024, about one in 10 workers in the U.S. depended on gig work as their primary income source.[94] More than half of workers doing gig work do not have access to employer-provided health care options.[95]

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[87] "The law allows the Secretary to exempt states from compliance with the new requirements until no later than December 31, 2028, if the state is demonstrating a 'good faith' effort to comply."
KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025.
[88] Ibid.
[89] CBPP. Medicaid Work Requirements Will Take Away Coverage From Millions: State and Congressional District Estimates. July 22, 2025.
[90] KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025.
[91] Testimony by Greg Moody to the Ohio Joint Medicaid Oversight Committee. Ohio Medicaid Expansion History and Impact. p. 3. March 20, 2025.
[92] BLS combines separate private industry and state and local government statistics into a "civilian economy" category. See Technical Note on Civilian Workers (page 4) for detail on exclusions.
Bureau of Labor Statistics (BLS). News Release: Employee Benefits in the United States - March 2024. September 19, 2024. For roles included under BLS's management, professional and related occupations category, see: https://www.dpeaflcio.org/factsheets/the-professional-and-technical-workforce-by-the-numbers
[93] Bureau of Labor Statistics (BLS). News Release: Employee Benefits in the United States - March 2024. September 19, 2024.
[94] The Workers Lab. Gig Economy Data Hub.
[95] National Institute for Workers' Rights. Presentation: The Gig Economy By The Numbers. 2019-2021.

Today's increasingly tight job market only makes the problem worse. In Ohio, the state's ratio of unemployed people to open jobs (UOR)[96] stood at 1.2 as of July 2025, up from 0.6 in July 2023. This means that more unemployed people have been competing for every open position over the last two years,[97] making it especially difficult to meet work requirements.

These combined factors will leave many Medicaid expansion enrollees who cannot meet the work requirement (or simply miss doing the additional paperwork) without options for health care coverage. This is why estimated coverage loss associated with this provision is so very high.

It's important to note that nationally, as of 2023, fully 92% of adults enrolled in Medicaid under the age of 65 were working full or part-time, or were not working because of illness, disability, attending school, or acting as a caretaker.[98]

Though very few Medicaid work requirement programs have been implemented in the U.S., their program outcomes have been high in administrative costs and coverage losses, with little to no meaningful returns on workforce participation.[99]

CBO has confirmed that work requirements do not save the government money on Medicaid spending because people leave Medicaid as their income grows due to additional work. Instead, work requirements save the government money by kicking qualified people off the Medicaid rolls due to nothing else but red tape.[100]

Alongside the work requirement, H.R. 1 also increases how many times a year Medicaid expansion enrollees must go through eligibility redeterminations — from once a year to every six months. This provision alone will result in 700,000 people losing insurance by 2034.[101]

SNAP work requirements

H.R. 1 also made more people subject to an already existing work-reporting requirement for SNAP recipients.

Most SNAP recipients who are able-bodied adults without dependents (ABAWDs) cannot receive benefits for more than three months out of a three-year timespan unless

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[96] The Unemployed Persons per Job Openings Ratio (UOR) measures the relationship between the number of unemployed people (labor supply) and number of job openings (labor demand) at a given time. The higher the ratio, the more people who are competing for existing job opportunities.
[97] Ohio Department of Job and Family Services. Job Openings and Labor Turnover Survey (JOLTS): Unemployed Persons-per-Job-Opening Ratio (UOR). Data pulled October 23, 2025.
[98] KFF. Understanding the Intersection of Medicaid and Work: An Update. May 30, 2025.
[99] Health Affairs. Medicaid Work Requirements in Arkansas: Two-Year Impacts on Coverage, Employment, and Affordability of Care. September 2020. See also: Ohio Department of Medicaid. Presentation to the Joint Medicaid Oversight Committee. Medicaid Work & Community Engagement Requirements. March 2025.
[100] CBO. Work Requirements and Work Supports for Recipients of Means-Tested Benefits. (Medicaid Summary: pp. 19-20.) June 2020. See also Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.
[101] Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.

they prove they have been participating in work or training for at least 80 hours a month.[102] (This is often referred to as the SNAP time limit.)

H.R. 1 removed those exceptions for several groups of people, making them subject to a time limit on their benefits unless they can comply with the work requirement. These groups include:

- veterans
- former foster youth
- people experiencing homelessness
- adults aged 55-64
- parents whose youngest child is at least 14 years old[103]

As detailed earlier, H.R. 1 also limits SNAP time limit waivers for areas where unemployment is high, which will make gaining and keeping food assistance benefits harder for people trying to make ends meet in these communities.

The Center on Budget and Policy Priorities (CBPP) estimates that, nationally, one in eight SNAP recipients live in households that will be at risk of losing at least some SNAP benefits because a member of their household now falls under this work requirement.[104]

In Ohio, an additional 53,000 SNAP recipients will fall under the work-reporting requirement due to these exception removals.[105] Every one of these Ohioans will face more red tape and be at risk of being removed from SNAP benefits or having the timeframe where they can receive SNAP significantly shortened due to H.R. 1.

While SNAP coverage losses due to H.R. 1 will roll out over time, the withholding of federal funds for SNAP benefits in November due to the government shutdown has been a sobering and damaging foreshadowing of what's to come.[106]

This budget transfers huge costs and administrative requirements onto states.

It's not just American household budgets that will take hits from H.R. 1. State budgets will also face serious revenue losses (many of which will increase over time). In particular, H.R. 1's SNAP provisions will result in a major transfer of costs from federal to state funding.

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[102] CBPP. A Quick Guide to SNAP Eligibility and Benefits. September 30, 2024.
[103] USDA Food and Nutrition Service. SNAP Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum. September 4, 2025.
[104] CBPP. Senate Agriculture Committee's Revised Work Requirement Would Risk Taking Away Food Assistance From More Than 5 Million People: State Estimates. June 27, 2025.
[105] Ohio Association of Food Banks. Impacts of H.R. 1 on Hungry Ohioans.
[106] PBS News. 'You cannot crowdsource $8 billion.' Here's what to know about the lapse in SNAP benefits. October 31, 2025. ABC News. Delays, smaller payments: How SNAP funding will work. November 3, 2025. Ohio Capital Journal. Ohio gov. orders ODJFS to give $25 million in TANF funds to food banks, Ohio Works First recipients. October 31, 2025.

H.R. 1 shifts costs for maintaining SNAP benefits (which have been 100% federally-funded for 50 years) [107] onto states in two ways:

1) **Charging states up to 15% of the cost of their SNAP benefits relative to the state's error rate[108] from the prior year.**

   SNAP error rates measure the amount of benefits that are mistakenly over- or under-paid by a state in a given year. States with error rates below 6% as of June 2026 will have their benefits remain fully federally-funded for the next year. States with error rates above 6% will have to pay shares of benefits costs that increase from 5% up to 15% as a state's error rate increases.[109] This provision goes into effect October 2027.[110]

   While the applicable error rate that will determine what Ohio will have to pay

SNAP error rates combine benefits over- and under-payments that can originate from either SNAP recipient or agency errors. They include things like miscalculating a utility credit or incorrectly reporting (or recording) a household's composition, resulting in benefits being above or below what a household should be receiving. Error rates do *not* include cases of actual fraud.*

Error rates tend to increase when new rules or systems are implemented for administering SNAP, which will increase the difficulty for states to quickly hit a low threshold for errors within a complex system of benefits administration.** For reference, the national SNAP error rate for FY 2024 was at 10.93%, † and Ohio's error rate over time has been comparable with peer states in the Midwest. ‡

*USDA Food & Nutrition Service. Fact Sheet: SNAP Payment Error Rate. June 2018.

** The Center for Community Solutions & Advocates for Ohio's Future. Webinar: SNAP Changes in the Federal Reconciliation Bill: Partners in Accuracy. Timecodes 44:16-45:18. (Presentations from The Center for Community Solutions and The Ohio Department of Job and Family Services). September 12, 2025.

†USDA Food and Nutrition Service. SNAP Payment Error Rates by Fiscal Year (2024).

‡ The Center for Community Solutions & Advocates for Ohio's Future. Webinar: SNAP Changes in the Federal Reconciliation Bill: Partners in Accuracy. Timecodes 8:09-8:50. (Presentations from by The Center for Community Solutions and The Ohio Department of Job and Family Services). September 12, 2025.

[107] USDA Food and Nutrition Service. A Short History of SNAP. Updated August 29, 2025.
[108] "SNAP payment error rates measure how accurately state agencies determine household eligibility and benefit amounts. This includes both overpayments — when households receive more benefits than they are entitled to — and underpayments — when households receive less benefits than they are entitled to." USDA Food and Nutrition Service. SNAP Quality Control. Updated June 30, 2025.
[109] Congressional Research Service. Supplemental Nutrition Assistance Program (SNAP) and Related Nutrition Programs in P.L. 119-21: An Overview. August 15, 2025.
[110] Center on Budget and Policy Priorities. Implementing the Harmful Republican Megabill: a Timeline. July 31, 2025.

starting in 2028 won't be released until June 2026 at the earliest,[111] Ohio's most recent FY 2024 error rate of 9.01% would put the state on the hook for 10% of SNAP benefits costs.[112]

2) **Increasing state shares of SNAP administrative costs from 50% to 75%, effective October 2026.[113]**

   Ohio is one of ten states where counties are responsible for administering SNAP. The National Association of Counties estimates that annual administrative costs will increase by $900 million a year across these states.[114]

All told, if Ohio's SNAP error rate remains at its current level, as of FFY[115] 2028 these two provisions combined would saddle Ohio with an estimated $388 million a year in new costs to maintain SNAP benefits at current levels.[116] This estimate includes $321 million a year in new benefits payments, $19.7 million a year in state administrative costs,[117] and $47.4 million a year in county administrative costs.[118]

Across the board, states will be left to figure out what other budget line items they will have to cut to maintain food assistance benefits at current levels — or if SNAP itself will be cut or downsized to meet revenue losses.

This is the type of decision states will be faced with on multiple fronts as H.R. 1 forces their budgets to absorb higher shares of program costs with reduced available revenue.

In Ohio, state legislators have created an increasingly inequitable tax system over the last two decades, costing the state $12.8 billion in lost annual revenues per year (largely through cuts to income taxes) as of 2024. This lost revenue amounts to almost half of the tax revenue collected by Ohio for its General Revenue Fund in fiscal year 2024.[119]

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[111] "States may use either their FY 2025 or FY 2026 payment error rate to determine their required match for FY 2028. For FY 2029 and beyond, the match is based on the payment error rate from three fiscal years prior." National Association of Counties. The One Big Beautiful Bill Act and the Supplemental Nutrition Assistance Program (SNAP): What Counties Should Know. July 9, 2025.
[112] The Center for Community Solutions. Federal reconciliation bill shifts $416+ million in SNAP costs to Ohio taxpayers. July 2, 2025.
Note: The cost shift estimate for Ohio has been updated since this source's publication date.
[113] USDA Food & Nutrition Service. SNAP Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum. September 4, 2025.
[114] National Association of Counties. U.S. Congress passes reconciliation bill: What it means for counties. July 3, 2025.
[115] FFY means federal fiscal year, which runs from October 1 to September 30 annually.
[116] The Center for Community Solutions & Advocates for Ohio's Future. Webinar: SNAP Changes in the Federal Reconciliation Bill: Partners in Accuracy. (Timecode 11:45.) Presentations by The Center for Community Solutions and The Ohio Department of Job and Family Services). September 12, 2025.
[117] The increased share of SNAP administrative costs come from a separate H.R. 1 provision that will hit Ohio in October of 2026 whether or not the state's SNAP error rate decreases. See USDA Food & Nutrition Service. SNAP Provisions of the One Big Beautiful Bill Act of 2025 – Information Memorandum. September 4, 2025.
[118] Ibid.
[119] Policy Matters Ohio. The Great Ohio Tax Shift, 2024. September 26, 2024.

This continuing trend in Ohio will make covering budget shortfalls created by H.R. 1 at the state level more challenging.

Ohio's two-year budget for FY 2026–27 (HB 96) passed almost simultaneously with the federal budget. It included a provision stating that *"...if the federal government reduces, discontinues, pauses, or otherwise suspends any federal program that provides federal funds for any corresponding state program, such program may be reduced, discontinued, paused, or suspended."*[120] This provision eases the way for eliminating or scaling back programs in response to lost federal funding.

Even as H.R.1 shifts costs to state budgets, it also changes eligibility and administrative procedures that will add even more to state, county, and agency burdens, costing time and resources to meet.

Some of these include:[121]

- Increasing the frequency of processing Medicaid expansion eligibility from every year to every 6 months.
- Processing work reporting for Medicaid expansion applicants and SNAP applicants whose exemptions were removed.
- Eliminating auto-enrollment for ACA Marketplace plans, which accounted for fully 45% of enrollments[122] in plan year 2025.

In some cases, the window between H.R. 1's enactment, release of official guidance on how a provision must be implemented, and a provision's implementation date leaves little time for administrators to make changes.[123] In addition to added administrative costs, each of these procedural changes will cause Ohioans to lose health care coverage, partially because they increase red tape around proving and maintaining benefits eligibility.

How many people will lose coverage will in some cases depend on the sophistication of the data matching technology a state has available for efficiently and accurately processing benefits eligibility.[124]

In Q1 2025, the share of Ohio Medicaid enrollees disenrolled at the time of renewal for strictly procedural reasons was at 80.3% compared to the national median of 72.3%. Eligible Ohioans, like Medicaid expansion enrollees across the nation, face a real risk of losing coverage simply because of administrative churn that happens more frequently.

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[120] H.B. 96. Sec. 126.10. Brian Stewart. The Ohio Legislature 136th General Assembly. Enacted June 30, 2025.
[121] Georgetown University McCourt School of Public Policy Center for Children and Families. Are States Ready to Implement HR 1 and Medicaid Work Reporting Requirements? September 4, 2025.
The National Association of Counties (NACo). H.R. 1 and the Supplemental Nutrition Assistance Program (SNAP): What Counties Should Know. August 13, 2025.
[122] KFF. Health Provisions in the 2025 Federal Budget Reconciliation Bill (The Affordable Care Act). Updated July 8, 2025. See line items on Pre-enrollment verification and Automatic reenrollment.
[123] For instance, H.R. 1 specifies that the Secretary of Health and Human Services should release the interim final rule for how Medicaid work requirements will be implemented by June 1, 2026, just 6 months before work requirements go into effect. KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025.
[124] KFF. A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law. July 30, 2025

(On a brighter note, Ohio's performance on most other measures of administrative readiness for Medicaid processing in Q1 2025 ranked positively in relation to other states.)[125]

H.R. 1's "relief" for rural communities is nowhere near enough to make up for historically high cuts to Medicaid.

Across the board, hospitals and health care providers can expect to see considerable revenue losses due to H.R. 1. Manatt Health estimates that Ohio hospitals are expected to see $22.4 billion in lost Medicaid spending between 2025 and 2034 as a result of the federal budget.[126]

In uncompensated care costs alone, hospitals across the nation will be burdened with an additional $443 billion in costs over the next decade under H.R. 1, mostly due to cuts in Medicaid benefits payments.[127] This will look like the ACA in reverse, with uncompensated costs increasing as a result of people losing insurance coverage at high rates.

These revenue losses are particularly damaging for hospitals in rural communities, which will face an estimated $137 billion in reduced federal Medicaid spending over ten years under H.R. 1.[128] For communities where a hospital is often the only local option for health care — and an important local employer — such funding cuts matter greatly.

During budget negotiations, this threat was flagged in a letter from Senate leaders, which highlighted 11 hospitals in rural Ohio (among 338 U.S. hospitals) that would be at risk of closure or having to scale back services[129] under the proposed budget.[130] Seven of these Ohio hospitals are located in Appalachia.

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[125] "Procedural disenrollments occur when the state lacks information needed to determine eligibility at renewal. On average, over two-thirds of individuals losing coverage at renewal are disenrolled for procedural reasons, not because they were determined ineligible. Research has shown that many people who are disenrolled for procedural reasons re-enroll in a short period of time, creating gaps in coverage and additional administrative burden for states and health plans. States can lower the share of procedural disenrollments by providing tutorials and online instructions on how to renew, improving notices, and boosting communications to enrollees." Georgetown University Center for Children and Families. Are States Ready to Implement HR 1 and Medicaid Work Reporting Requirements? September 4, 2025.

[126] Manatt Health. Senate-Passed H.R. 1: Updated Estimates on Impact to State Medicaid Coverage and Expenditures, Hospital Expenditures, Including Impacts by Congressional District. Updated July 1, 2025.
Data Table: http://shvs.org/wp-content/uploads/2025/07/H.R.1-House-vs-Senate-Text_50-State-and-CD-Level-Tables_7.1.2025.xlsx

[127] America's Essential Hospitals. Additional Hospital Uncompensated Care Costs Projected Under Proposed Senate Revisions to H.R. 1. June 2025.

[128] KFF. How Might Federal Medicaid Cuts in the Enacted Reconciliation Package Affect Rural Areas? July 24, 2025.

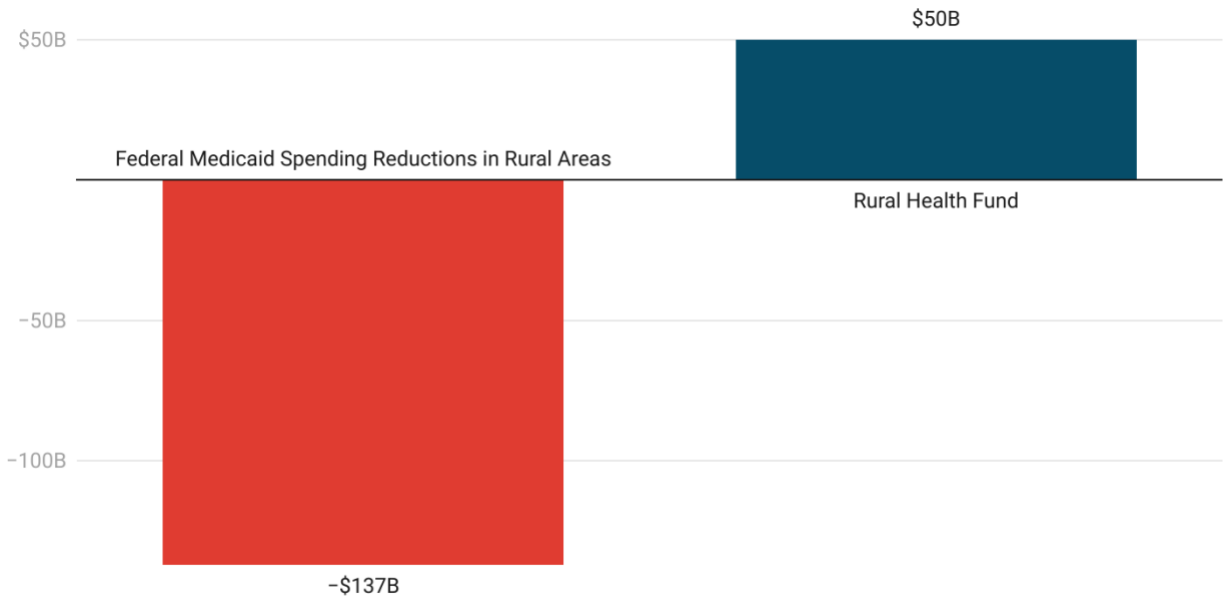
[129] The Cecil G. Sheps Center for Health Services Research determined risk by if a hospital had experienced 3 consecutive years of negative total margins or if it was in the nation's top 10% of Medicaid payer mix among rural hospitals. See Letter from Senators Edward Markey, Ron Wyden, Jeffrey Merkley and Charles Schumer on At-Risk Rural Hospitals. June 12, 2025.

[130] Letter from Senators Edward Markey, Ron Wyden, Jeffrey Merkley and Charles Schumer on At-Risk Rural Hospitals. June 12, 2025.

Overall, as a Medicaid expansion state with a relatively high population of rural residents, Ohio is expected to face the seventh highest loss of rural Medicaid funding ($5.62 billion over ten years) nationally under H.R. 1.[131]

As more people voiced how serious a threat Medicaid cuts would present to rural hospitals, Congressional budget proponents added a temporary $50 billion in funding through a Rural Health Transformation (RHT) Program.[132] They said this would mitigate risk of rural hospital closures and service reductions that would be likely under the budget's Medicaid cuts.

Figure 4: H.R. 1 would reduce federal Medicaid spending in rural areas by $137B; the $50B Rural Health Fund would only partially offset cuts in rural areas.



Note: The analysis uses T-MSIS data to estimate the percentage of Medicaid spending that paid for services used by rural enrollees. Those percentages were then applied to national estimated reductions in federal Medicaid spending from KFF's broader analysis of federal Medicaid spending reductions.

Source: KFF. How Might Federal Medicaid Cuts in the Enacted Reconciliation Package Affect Rural Areas? July 24, 2025.

The problem is that this temporary pot of money does not come close to matching the lost Medicaid funding rural communities will face. As shown above, the $50 billion fund amounts to just over a third (36.5%) of the lost funding rural areas across the U.S. are expected to face from the budget's cuts to Medicaid over the next decade.[133]

[131] This number is a baseline reference point that does not include Rural Fund allocations, since how much funding each state will receive is uncertain. KFF. How Might Federal Medicaid Cuts in the Enacted Reconciliation Package Affect Rural Areas? July 24, 2025.
[132] USA Today. Rural communities prepare for Medicaid cuts to hit hospitals. August 24, 2025.
[133] KFF. How Might Federal Medicaid Cuts in the Enacted Reconciliation Package Affect Rural Areas? July 24, 2025.

Those cuts are permanent, and will grow larger over time, but RHT funding is available for just over five years.[134] Fully 76% of the budget's total Medicaid funding cuts will occur between 2030 and 2034.[135] RHT funding must be fully spent by October 2032, just as these backloaded cuts are hitting hardest.[136]

H.R. 1 specified that half of the RHT's $50 billion would be distributed equally among states with approved applications. The other half would be distributed using an approach determined by the Centers for Medicare and Medicaid Services (CMS) Administrator.[137]

Guidelines on how states can apply for (and what states can expect from) RHT funding[138] were released on September 15, 2025, through CMS's newly created Office of Rural Health Transformation. States were given a quick-turnover deadline of November 5, 2025, to apply for RHT funds. This will be the only time applications will be accepted over the funding's 5-year duration.[139]

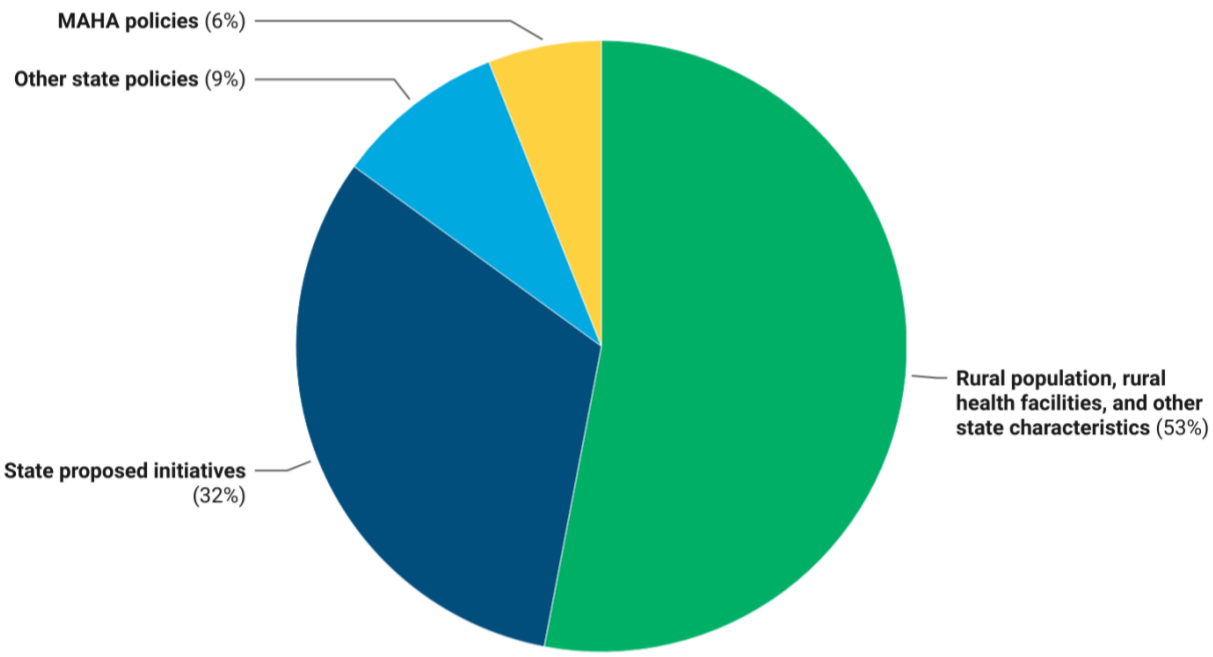
Awarded money will be distributed annually through FY 2030, and states can spend each year's funds through the following fiscal year.[140]

All approved states will receive an equal share of half ($25 billion) of total RHT funds, distributed annually. This is being referred to as "baseline funding." The other $25 billion (referred to as "workload funding") will be awarded according to how a state scores across a range of measures. These include its volume of rural residents and rural health providers, its level of uncompensated care costs and how its application meets RHT goals — among them, workforce initiatives and policies that align with Make America Healthy Again (MAHA) priorities.[141] How these measures will be weighted in workload funding scoring is shown in the following chart:

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[134] Centers for Medicare & Medicaid Services. Rural Health Transformation: Notice of Funding Opportunity Webinar Slides. Slide 41. September 19, 2025.
[135] KFF. Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package. July 23, 2025.
[136] Centers for Medicare & Medicaid Services. Rural Health Transformation: Notice of Funding Opportunity Webinar Slides. Slide 41. September 19, 2025.
[137] The statute left considerable latitude on how the Rural Health Transformation Fund would be administered up to CMS Administrator discretion.
KFF. How Might Federal Medicaid Cuts in the Enacted Reconciliation Package Affect Rural Areas? July 24, 2025.
[138] Centers for Medicare & Medicaid Services. Opportunity number: CMS-RHT-26-001: Rural Health Transformation Program.
Rural Health Transformation (RHT) Program Overview Webinar Transcript. September 19th, 2025.
[139] Centers for Medicare & Medicaid Services. Rural Health Transformation - Frequently Asked Questions.
[140] U.S. federal fiscal years run from October 1 to September 30 of the following year.
[141] KFF. Key Takeaways from CMS's Rural Health Funding Announcement. September 23, 2025.

Figure 5: About half of the second $25B will be distributed across states based on measures of rural population, rural health facilities, and other characteristics



Note: Rural population, rural health facilities and other state characteristics are the "data-driven" factors referenced in the Notice. Categories reflect the share of the second half ($25 billion) of the rural health fund allocated when all factors are considered (starting in the second allocation year). CMS will distribute funds across states with approved applications based on their total score relative to other states. CMS will calculate the score based on 23 factors by allocating 100 points for each factor across states, multiplying the points for a given factor by a weight, and taking the sum for a given state.

Source: *KFF analysis of the CMS Rural Health Transformation Program Notice of Funding Opportunity*.

A minimum of 25% of approved states will receive a portion of this $25 billion in workload funding, and states will learn of award decisions (and award amounts) by December 31, 2025.[142]

While the RHT program's goals of improving rural health care access, infrastructure, and efficiency are important priorities, RHT funding comes nowhere near to making up for what rural communities and rural health care providers will lose as a direct result of H.R. 1's funding cuts.

Importantly, given how sharply cuts to provider tax revenues will impact health care providers, states must cap their use of RHT funds for provider payments at 15%. (Capital

[142] National Law Review. CMS Announces Application Details for Rural Health Transformation Program. September 26, 2025.

expenditures and infrastructure are capped at 20% and administration is capped at 10%.)[143]

While hospitals brace for H.R. 1's massive funding cuts, CMS has given clear messaging to state applicants that RHT funds are not meant for "backfill of operating budgets" but to "rebuild and reshape" rural health care services.[144] This is a tall order for funding meant to mitigate deep revenue losses.

The RHT has been pitched as relief for devastating health care funding losses that legislators chose to impose on rural America, but its investment is simply not big enough to fill the financing void H.R 1 will leave in its wake.

H.R. 1 directly targets immigrant communities.

The budget could not be clearer in its commitment to making life for immigrants in the United States (both documented and undocumented) more difficult. While tax cut extensions make up the largest share of the budget's spending, H.R. 1 also committed significant additional federal funding to border enforcement.

This amounts to $170.7 billion in federal funding that will need to be spent by September 30, 2029. The largest line items include border wall and Customs and Border Patrol facility construction and maintenance, building new detention centers (including family detention centers), and enforcement and deportation (including hiring 10,000 ICE agents over 5 years.)[145]

The allocation to ICE detention alone represents a staggering 308% annual increase from ICE's detention budget in FY 2024.[146]

Several H.R. 1 provisions directly reduce or fully cut benefits coverage for immigrants or immigrant households, and many of these are among the first of H.R. 1's provisions that go into effect. These include:

- **(Effective July 4, 2025, with 120 days to begin implementation)** Making several previously eligible non-citizen groups (among them refugees, asylees, survivors of human trafficking, and survivors of domestic violence) ineligible for SNAP benefits.[147]

[143] Centers for Medicare & Medicaid Services. Rural Health Transformation: Notice of Funding Opportunity Webinar Slides. Slide 13. September 19, 2025.
[144] KFF Health News. States Jostle Over $50B Rural Health Fund as Trump's Medicaid Cuts Trigger Scramble. October 17, 2025.
[145] American Immigration Council. What's in the Big Beautiful Bill? Immigration and Border Security Unpacked. July 13, 2025.
[146] Ibid.
[147] U.S. Committee for Refugees and Immigrants. H.R. 1's Impacts on Refugees and Forcibly Displaced Populations. July 7, 2025.

- **(Effective July 4, 2025, for new enrollees and 18 months after H.R. 1 enactment for existing enrollees)** Making many lawfully present immigrants ineligible for Medicare.[148]
- **(Effective October 1, 2026)** Making certain lawfully-present immigrants ineligible for Medicaid and CHIP.[149]
- **(Effective October 1, 2026)** Reducing the federal repayment rate for covering emergency Medicaid payments to hospitals for patients who would qualify for Medicaid except for their immigration status.[150]
- **(Effective January 1, 2027)** Making some lawfully present, low-income immigrants ineligible for using PTCs to purchase health coverage through Health Insurance Marketplace.[151]
- **(Effective in 2026)** As discussed in the Tax Benefits section, eligibility for the Child Care Tax credits will now require that adults filing taxes individually (or at least one adult if filing jointly) have a Social Security number. Previously, only children being claimed had to have Social Security numbers for credit eligibility.[152]

H.R. 1 reverses course on investments in clean energy infrastructure and jobs.

By removing several federal investments in renewable energy infrastructure and energy efficiency, H.R. 1 set the stage for less resilient energy grids, higher energy costs and clean energy job losses nationwide.

The budget's energy provisions include:

- Phasing out tax credits[153] that were extended for solar and wind projects by the 2022 Inflation Reduction Act (IRA), unless construction begins by July 4, 2026 or projects are in service by the end of 2027.[154] Nationally, 100 gigawatts of utility-

[148] Exceptions are "those admitted for permanent residence, certain entrants from Cuba and Haiti, and COFA [Compact of Free Association] individuals." Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.
[149] "The only lawfully present immigrants who would remain eligible would be those admitted for permanent residence or "green card holders" (after five years), certain entrants from Cuba and Haiti, COFA individuals, and ICHIA children and pregnant women if the state has taken up the ICHIA option."
Georgetown University Center for Children and Families. Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained. July 22, 2025.
[150] KFF. Health Provisions in the 2025 Federal Budget Reconciliation Bill. July 8, 2025.
[151] CBPP. Implementing the Harmful Republican Megabill: a Timeline. July 31 2025.
[152] "Before 2017, any child living in the United States was eligible for the child tax credit. Then Trump's tax cuts package in 2017 changed that rule to require that the child have a Social Security number to qualify. Their parents could use an Individual Taxpayer Identification Number, or ITIN, to file their taxes and still be eligible for the credit. Now at least one of those parents will need to also have a Social Security number. Families headed by an undocumented single parent, where the child is an American citizen, will not get the child tax credit at all."
The 19th. The child tax credit is changing. Here's what it means for your family. July 9, 2025.
[153] The tax credits in question are the Technology Neutral Production Tax Credit (PTC) and Investment Tax Credit (ITC).
[154] The California Legislative Analyst's Office (LAO). Overview of Major Impacts of H.R. 1 – One Big Beautiful Bill Act. August 20, 2025.

scale solar and wind projects are projected to be at risk of not making it online due to H.R. 1's elimination of these tax credits that were expanded by the IRA.[155]

- Ending tax credits and deductions for infrastructure for electric vehicle charging in rural and low-income areas, manufacturing energy efficient homes and making components for wind power generation.[156]
- Easing the way for building fossil fuel projects on federal lands.[157]

Ohio is expected to see the state's energy generation capacity fall by 14 gigawatts[158] by 2035 due to H.R. 1's provisions.[159] This comes at a time of increasing energy demand, with grid operators in PJM (the electricity market where Ohio is located) anticipating a 25% increase in peak load, a measure of energy demand, through 2030.[160]

The combination of decreased energy generation (especially lower-cost solar generation) and resulting increases in natural gas prices through H.R. 1 means that Ohio residents, businesses, and industries can expect to see a 7-11% increase in energy costs by 2035. For Ohio households, this amounts to an extra $190 a year in payments as of 2035.[161]

The peeling back of clean energy infrastructure investments will also come at a cost to Ohio, which saw 19 clean energy projects announced by the private sector after the IRA went into effect in 2022.[162] By 2024, 13,000 new jobs had been created via the clean energy sector in Ohio, which will take a hit from H.R. 1's phased-down federal investment in project development.[163]

Over the next ten years, H.R. 1's energy provisions are expected to cost Ohio a cumulative $46 billion in GDP and to cause an estimated 34,000 job losses.[164]

Conclusion

For political leaders enacting their agendas, budgets are where the rubber meets the road.

By allocating money to (or cutting money from) different programs, budgets determine whether programs will thrive or fail at serving the people who rely on them.

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[155] FTI Consulting. H.R. 1 Implications for Developers, Investors and Utilities. July 16, 2025.
[156] CBPP. Implementing the Harmful Republican Megabill: a Timeline. July 31 2025.
[157] Evergreen Collaborative & ClimateXChange. Reconciliation Bill Leaves Many Policy Gaps for States to Address. July 22, 2025.
[158] 14 gigawatts can power a rough estimate of 10.5 million homes.
CNET. Gigawatt: The Solar Energy Term You Should Know About. March 22, 2024.
[159] Energy Innovation. Economic Impacts of the "One Big Beautiful Bill Act" Energy Provisions on Ohio. July 2025.
[160] FTI Consulting. H.R. 1 Implications for Developers, Investors and Utilities. July 16, 2025.
[161] Energy Innovation. Economic Impacts of the "One Big Beautiful Bill Act" Energy Provisions on Ohio. See State Level Data. July 2025.
[162] E2. Major Clean Energy Projects Announced by the Private Sector.
[163] Climate Power. Two Years Later: Clean Energy Boom Brings More than 13,000 Jobs and $10 Billion in Investment to Ohio. August 14, 2024.
[164] Energy Innovation. Economic Impacts of the "One Big Beautiful Bill Act" Energy Provisions on Ohio. July 2025.

The agenda for H.R. 1 couldn't be clearer: to further enrich America's wealthiest using money cut from programs that overwhelmingly serve low-to-middle income people.

2025 has been packed to the gills with unprecedented, and in some cases illegal, withholding and delaying of already-allocated federal funding for programs and agencies[165] (including education, health research and disaster response.)[166] This onslaught of actions is making it harder to grasp how the federal budget is being decided and enacted.

H.R. 1 stands as one central piece of this broader campaign to effectively dismantle social services and public goods that Americans rely on, using budgets as a primary weapon.

H.R. 1 did not *have* to make massive cuts to critical programs like Medicaid and SNAP. Congressional leaders chose to sacrifice these social programs to pay for tax cuts. It's critical to keep connecting the dots between this budget's cruel trade-off and the material ways H.R. 1 will harm communities across America over the next decade.

[165] Appropriations Committee Democrats. Trump's Unprecedented Funding Freeze Hits Communities Across America.
[166] CBPP. New Proposal Shows Congress Can Enact Guardrails to Ensure a Deal Is a Deal for 2026 Funding. September 25, 2025.

Appendix: Provisions to note in H.R. 1

Provisions that are generally helpful to people making at or below America's real median household income ($83,730 for 2024, the most recent available year). Some may be disproportionately beneficial to the wealthiest Americans.			
Type	**Provision** *X = Temporary Provision* *D = Delayed Until after 11/26*	**Implementation Date**	**Source**
Tax	Permanently extends most tax cuts and increased standard deductions from the 2017 Tax Cuts and Jobs Act.	01/01/26	Center on Budget and Policy Priorities.
	X - Allows tax deduction of $25,000 in qualified tip income, phasing down starting with individual taxpayers making above $150,000.	01/01/25	Tax Policy Center.
	X - Allows tax deduction of $12,500 ($25,000 for joint filers) of qualified overtime pay.	01/01/25	Tax Policy Center.
	X - Adds a $6,000 extra standard deduction for eligible senior citizens that begins to phase out once individual income exceeds $75,000.	01/01/25	H&R Block
	Increases Child Tax Credit maximum amount to $2,200 per child.	01/01/25	H&R Block | Center on Budget and Policy Priorities.
	X - Caps state and local taxes for tax-filers using itemized deductions at $40,000 per household, increases the cap by 1% every year until 2029 and reverts cap back to $10,000 as of 2030.	01/01/25	Center on Budget and Policy Priorities. | Thomas Reuters Tax and Accounting Glossary

Provisions that are generally harmful to people making at or below America's real median household income. *Provisions that are specifically directed at immigrants in the U.S. are highlighted in orange.			
Type	**Provision** *X = Temporary Provision* *D = Delayed Until after 11/26*	**Implementation Date**	**Source**
Health care	Prohibits new or increased provider taxes for all states and specific provider taxes in states that have used uniformity waivers to help cover Medicaid costs.	07/04/25	KFF
	Does not extend ACA Health Insurance Marketplace enhanced premium tax credits that have made Marketplace plans more affordable since 2021.	01/01/26	KFF
	D - Increases frequency of redetermining eligibility for Medicaid expansion enrollees from once a year to every 6 months.	12/31/26	KFF
	D - Enacts work requirements for Medicaid expansion recipients aged 19-64.	01/01/27	KFF

	D - Annually phases down the provider tax rate states can charge and use for covering state shares of Medicaid costs, from its current 6% limit to 3.5% in FY 2032.	10/01/27	KFF
	D - Phases down allowable rates for most already-existing state directed payments in Medicaid expansion states (like Ohio), from commercial rates to Medicare rates. HR 1 also capped most new state directed payments in Medicaid expansion states at Medicare rates, effective July 4, 2025.	01/01/28	KFF | The Center for Community Solutions.
	Regardless of income, requires all excess Health Insurance Marketplace premium tax credits to be repaid if income is underestimated.	12/31/25	KFF
	D - Ends automatic re-enrollment into ACA Health Insurance Marketplace plans, the method used by 45% of Marketplace users in Plan Year 2025 nationally.	01/01/28	KFF
	D - Requires cost sharing for some Medicaid expansion enrollees.	10/01/28	Georgetown University Center for Children and Families.
	Makes many lawfully present immigrants ineligible for Medicare.	7/4/25 for new enrollees. 1/4/27 for existing enrollees.	Georgetown University Center for Children and Families.
	Eliminates eligibility for recently arrived, lawfully present, low-income immigrants to use premium tax credits (PTCs) for purchasing ACA Marketplace health coverage.	01/01/26	Healthinsurance.org. One Big Beautiful Bill Act brings sweeping changes to health coverage.
	Prohibits eligibility for Medicaid and CHIP for certain lawfully present immigrants.	10/01/26	Georgetown University Center for Children and Families.
	Reduces the federal repayment rate for covering emergency Medicaid payments to hospitals for patients who would qualify for Medicaid except for their immigration status.	10/01/26	KFF
SNAP	Expands SNAP's work requirement so that veterans, adults with children aged 14+, adults aged 55-64, people experiencing homelessness, and young people who have recently aged out of foster care will need to comply to receive SNAP benefits for more than 3 months out of a 3-year timespan.	07/04/25	USDA Food & Nutrition Service.
	Increases state share of SNAP administrative costs from 50% to 75%.	10/01/26	USDA Food & Nutrition Service.
	D - Charges states up to 15% of SNAP benefits costs relative to the state's error rate in the previous year.	10/01/27	USDA Food & Nutrition Service.

	Ends funding for SNAP-Ed.	10/01/25	Ohio Association of Foodbanks
	Removes eligibility for SNAP benefits for several non-citizen groups, including refugees, asylees, those granted humanitarian parole for at least a year, and survivors of human trafficking or domestic violence.	7/4/2025 (120 days to begin implement-ation.)	U.S. Committee for Refugees and Immigrants.
Tax	Removes Child Tax Credit eligibility for children who do not have at least one parent with a Social Security Number.	01/01/25	H&R Block | Center on Budget and Policy Priorities.
Immigration	Allocates an additional $170.7 billion to border- and immigration-enforcement, including border wall and facility construction and maintenance, new detention center construction, enforcement, deportation and hiring ICE agents.	Variable. Funds must be spent by awarded agencies by 9/30/29.	American Immigration Council.
Climate	Ends tax credits for electric vehicle purchases.	09/30/25	Center on Budget and Policy Priorities.
	Ends tax credits for residential clean energy purchases.	01/01/26	Center on Budget and Policy Priorities. Updated
	Ends Inflation Reduction Act (IRA) tax credits for utility-scale wind and solar projects, unless construction begins by 07/04/26 or projects are in service by 12/31/27.	07/04/26	The California Legislative Analyst's Office.