

The tables below compare major safety net cuts in the House-Passed *One Big Beautiful Bill Act* (OBBB, H.R. 1) and recently released Senate draft text. This analysis is current as of June 23, 2025.

Provision	H.R. 1 ( <u>Text</u>   <u>Section by</u> <u>Section</u> – from May 12)	Senate Draft ( <u>Text</u>   <u>Section</u> <u>by Section</u> )
SNAP Benefit Cost Share	<ul> <li>Beginning in FY 2028:</li> <li>Payment error rates below 6% - states pay 5% share of SNAP benefits</li> <li>Error rates 6% - 7.99% - states pay 15% share</li> <li>Error rates 8% to 9.99% - states pay 20% share</li> <li>Error rates 10% or higher – states pay 25%</li> </ul>	<ul> <li>Beginning in FY 2028:</li> <li>Payment error rates below 6% - states have no cost share</li> <li>Error rates 6% - 7.99% - states pay 5% share</li> <li>Error rates 8% to 9.99% - states pay 10% share</li> <li>Error rates 10% or higher states pay 15%</li> <li>NOTE: On June 20, the Senate Parliamentarian ruled this provision would not comply with reconciliation requirements.</li> </ul>
SNAP Payment Error Rate Calculation	Any over or under payment counts toward state's error rate (current law does not count errors within \$57)	Keeps current law
SNAP Administrative Cost Share	<b>Upon enactment</b> , reduces federal contribution from 50% to 25%, making states and counties liable for 75%	Same as H.R. 1 but does not take effect until <b>FY 2027</b>
SNAP-ED	Eliminated	Same as H.R. 1
Expanded SNAP Work Requirements	<ul> <li>Expand the definition of "Able Bodied Adults Without Dependents (ABAWDs)" to include individuals up to age 64 (up from 54 currently) and individuals with children age 7 and up</li> <li>Secretary may only waive SNAP work requirements for areas with an unemployment rate over 10%, cannot be statewide</li> </ul>	<ul> <li>Expand the definition of "Able Bodied Adults Without Dependents (ABAWDs)" to include individuals up to age 64 (up from 54 currently) and individuals with children age <b>10</b> and up</li> <li>Secretary may only waive SNAP work requirements for areas with an unemployment rate over 10 percent.</li> </ul>

## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

	<ul> <li>SNAP work requirement waivers cannot be issued for more than 12 consecutive months</li> <li>Lowers the ability of a state to otherwise exempt able-bodied adults without dependents from the work requirement from 8 percent of such individuals in the State to 1 percent.</li> <li>Keeps Fiscal Responsibility Act of 2023 (FRA) exemptions for veterans, former foster youth and homeless individuals through October 1, 2030.</li> </ul>	• Eliminates Fiscal Responsibility Act of 2023 (FRA) exemptions for veterans, former foster youth and homeless individuals through October 1, 2030.
Thrifty Food Plan	Future updates to the Thrifty Food Plan must be cost-neutral and can only occur once every 5 years	Same as H.R. 1
Standard Utility Allowances	Limit the automatic application of the Standard Utility Allowance based on receipt of \$20 or more from the Low Income Home Energy Assistance Program (LIHEAP) and exclusion of utility assistance from countable income to elderly and disabled households	Same as H.R. 1
Treatment of Internet Expenses	Households can no longer include internet service costs when calculating their excess shelter deduction for SNAP benefits.	Same as H.R. 1
Immigrant Eligibility	Limits SNAP eligibility to U.S. citizens or lawful permanent residents (green-card holders) after 5 years. Exemptions for refugees, asylees and survivors of domestic violence or child trafficking would be eliminated apart from certain Cuban nationals	Same as H.R. 1 NOTE: On June 20, the Senate Parliamentarian <u>ruled this provision</u> would not comply with reconciliation requirements.
TOTAL ESTIMATED IMPACT	<b>\$300 billion</b> in cuts over 10 years. CBO <u>estimates</u> at least 3.2 million individuals would lose coverage in a given month due to work requirements. The benefit cost share could result in a partial or whole benefit loss to 1.3 million individuals.	<b>\$209 billion</b> in cuts over 10 years

## MEDICAID/CHILDRENS HEALTH INSURANCE PROGRAM (CHIP)

Provision	H.R. 1 ( <u>Text</u>   <u>Section by</u> <u>Section – from May 11</u> )	Senate Draft ( <u>Text</u>   <u>Section</u> by Section)
Work Requirements	<ul> <li>Starting Dec. 31, 2026, impose an 80/hour a month work requirement on individuals aged 19 to 64, with some exemptions for certain populations including parents/caregivers of children and disabled individuals, former foster youth, and those deemed "medically frail"</li> <li>People in this population who fail to meet Medicaid community engagement activities will also be blocked from getting premium tax credits on the ACA marketplace</li> <li>States must conduct eligibility redeterminations every 6 months (current law is annually)</li> <li>Delays until 2035 the implementation of a rule simplifying Medicaid application, enrollment, and renewal processes and removing access barriers for children who access CHIP, including waiting periods, lifetime limits on coverage, and lock-out periods for failure to pay premiums</li> <li>Prohibit federal Medicaid reimbursement for individuals until their immigration status is verified (currently, there is a 90-day grace period)</li> </ul>	<ul> <li>Same as H.R. 1, but the parent/caregiver exclusion would be narrowed to only exempt those caring for children under age 14 or disabled individuals.</li> <li>States may request initial exemptions but not beyond Dec. 31, 2028</li> </ul>
Retroactive Enrollment	Limit retroactive Medicaid coverage from three months before the application date to one month before the application date.	Same as H.R. 1 for expansion population, but allows two months for traditional Medicaid

FMAP Expansion Penalty for	Reduce the Expansion	Same as H.R. 1, but explicitly
States Serving Undocumented Immigrants	<ul> <li>Federal Medicaid Assistance Percentage (FMAP) by 10 percentage points for any states using state dollars to expand Medicaid coverage to undocumented immigrants (see impacted states here)</li> <li>Appears to apply penalty to states providing coverage to lawfully present pregnant women and children under CHIP, which is a federal option</li> </ul>	does not apply penalty to states providing coverage to lawfully present pregnant women and children under CHIP, which is a federal option
Provider Tax Rate	<ul> <li>Freeze states' current provider tax rates (currently capped at 6%)</li> <li>Prohibit states from establishing new provider taxes</li> <li>Modify the criteria HHS must consider when determining whether certain health care- related taxes are generally redistributive to waive the general uniform tax requirement</li> </ul>	<ul> <li>Freeze states' current provider tax rates (currently capped at 6%) for non- expansion states only</li> <li>In expansion states only</li> <li>In expansion states, incrementally lower the allowable provider tax in Medicaid expansion states starting in 2027 from the current 6% until it hits 3.5% in 2031. The dial-down would not apply to nursing or intermediate care facilities.</li> </ul>
State Directed Payments (SDPs)	<ul> <li>Future SDPs for inpatient hospital and nursing facility services must be capped at 100% of the Medicare rate for expansion states and 110% for non-expansion states</li> <li>Grandfathers in existing SDPs unless states adopt Medicaid expansion</li> </ul>	• Existing SDPs must reduce by 10 percentage points annually (beginning Jan. 1, 2027) until they equal 100% of the Medicare rate for expansion states and 110% for non-expansion states
Cost-Sharing for Expansion Population	Require states to charge expansion individuals earning over 100 percent of the Federal Poverty Level a co-pay of more than \$0, but no more than \$35 per service. Exempts requirement for primary, prenatal, pediatric, or emergency care.	Require states to charge expansion individuals earning over 100 percent of the Federal Poverty Level a co-pay of more than \$0, but no more than \$35 per service. Exempts requirement for primary, prenatal, pediatric, or emergency care, but allows cost-sharing for nonemergency medical transport under certain conditions.
Emergency Medicaid Services	No change from current law	States cannot receive expansion FMAP when

Immigrant Eligibility	No change from current law	providing emergency medical care to low-income adults who are ineligible for full scope Medicaid because of their immigration status Effective FY 2027, refugees, asylees, parolees, certain abused spouses and children and certain victims of trafficking would lose their eligibility for Medicaid and CHIP coverage. Lawful Permanent Residents would still be eligible after a 5-year or longer waiting period, along with certain Cuban immigrants and, per state option, lawfully residing children and pregnant people.
Section 1115 Waivers	Must be budget neutral	Generally same as H.R. 1
DSH Cuts	Delay the Disproportionate Share Payments to Hospitals (DSH) cut of \$8 billion annually to safety net hospitals until FY 2029 (Congress typically delays these cuts, which are in current law but have never taken effect)	Does not delay DSH cuts
TOTAL ESTIMATED IMPACT	\$863.4 billion cut over ten years CBO estimates 10.9 million individuals will lose health coverage by 2034, including changes to the Affordable Care Act (ACA)	No official cost estimate/CBO analysis yet

## CHILD TAX CREDIT (CTC)

Provision	H.R. 1 ( <u>Text</u>   <u>Section by</u> <u>Section</u> )	Senate Draft ( <u>Text</u>   <u>Section</u> by Section)
Value of the credit	<ul> <li>Makes \$2,000 CTC enacted under Tax Cuts and Jobs Act (TCJA) permanent</li> <li>Temporarily expands CTC to \$2,500 from 2025-2028</li> <li>Continues indexing refundable portion to inflation</li> </ul>	Same as H.R. 1, but temporary expansion limited to <b>\$2,200</b>

Immigrant Eligibility	Along with qualifying child, the taxpayer and spouse (if applicable) must have a Social Security Number	Same as H.R. 1, but in a two- parent household, only one filer must have an SSN
TOTAL ESTIMATED IMPACT	Along with excluding 17 million children in families earning too little income to claim the full credit, an estimated 4.5 million children would lose access due to the new SSN requirement for parents	An estimated 2.5 million children would lose access to the credit due to the SSN requirement