

Virginia Impacts of H.R.1 and Federal Decisions: Medicaid/ACA/SNAP

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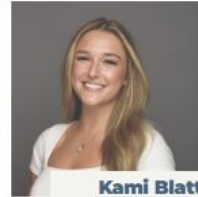
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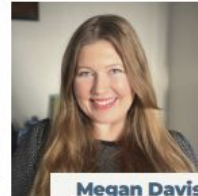
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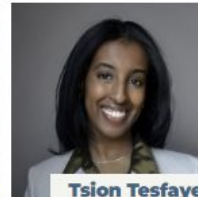
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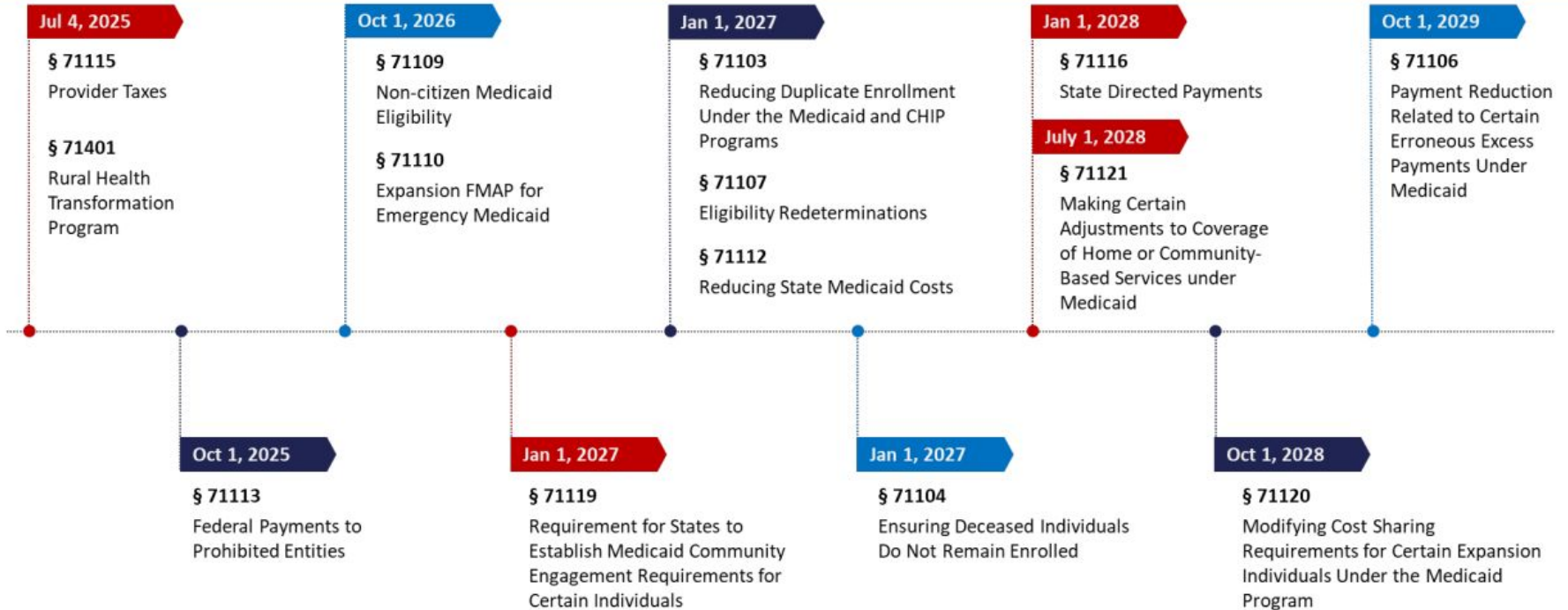
Overview

- 1. Medicaid Cuts**
- 2. Expiring Enhanced ACA Subsidies**
- 3. SNAP Cuts**
- 4. State Options to Help Mitigate Harm**

**In July, Congress passed
& President Trump
signed a bill that calls
for nearly \$1 trillion in
cuts to Medicaid**



H.R.1 – OBBBA Timeline



Source: Virginia DMAS Presentation 8.14.25

Federal Cuts Target People with Coverage Through Medicaid Expansion



Medicaid expansion typically covers adults:

- ◆ Aged 19-64
- ◆ Do not have dependents
- ◆ Have children but earn some income
- ◆ Are not eligible for SSI
- ◆ Earn below 138% of the federal poverty level
 - About \$37,000 for a family of three

Currently nearly 566,000 enrolled in Medicaid expansion

New Medicaid Work Reporting Requirements



Adding harsh work reporting requirement & new red tape:

- Applies to most Medicaid expansion adults
- Report 80 hours of work, studying, community service a month
- Exemptions include: people with dependents age 13 and under, serious illness, and more
- Likely to start in January 2027

MEDICAID WORK REQUIREMENTS

Required Exemptions

Parents/guardians/caretaker relatives, or family caregivers of a dependent child age 13 and under or a disabled Individual	Incarcerated or recently released from incarceration within the past 90 days	Medically frail: <ul style="list-style-type: none">o Blind or disabledo Have a substance use disordero Have a disabling mental disordero Have a significant physical, intellectual, or developmental disabilityo Have a serious or complex medical condition
Pregnant or receiving Medicaid postpartum coverage	Entitled to Medicare Part A or enrolled in Medicare Part B	
Foster youth and former foster youth under the age of 26	Meeting Temporary Assistance for Needy Families or SNAP work compliance requirements	
AI/ANs	Participating in a drug addiction or alcohol treatment program	

Source: Virginia Poverty Law Center

6 month eligibility redeterminations



Additional eligibility checks:

- Applies to all Medicaid expansion adults
- Currently, eligibility is checked once a year
- New requirement will move eligibility checks to twice a year
- Begins January 2027

Out of pocket cost-sharing

Persons in family / household	48 contiguous states and DC
1	\$15,650
2	\$21,150
3	\$26,650
4	\$32,150
5	\$37,650
6	\$43,150
7	\$48,650
8	\$54,150
9+	If more than 8 in household / family, add \$5,500 per additional person.

Adding new out of pocket costs:

- Applies to Medicaid expansion adults making above the federal poverty level (FPL)
- States are required to have up to \$35 co-pays for certain services up to 5% of family income
- No co-pays on some services: primary care, mental health and substance use disorder (SUD) treatment, and more
- Begins: Oct. 1, 2028

New Restrictions on our Immigrant Neighbors



Reducing coverage:

- Removes Medicaid, Medicare, and subsidized ACA eligibility for legally residing immigrant groups such as refugees, asylees, and more
- Lawful permanent residents also known as “Green Card Holders” should not be impacted
- Medicaid/Medicare: Oct. 1, 2026
- ACA Subsidies: Jan 1, 2027

Coverage loss and increase in uninsured people



- ◆ Increased pressure on emergency departments, community health centers, free clinics, and community service boards
- ◆ People relying on inadequate health coverage options
- ◆ Provisions are estimated to lead to:
 - ◆ 260,000 people losing Medicaid coverage by 2034
 - ◆ 147,000 people paying new out of pocket costs in Medicaid (4/2025 estimate)

**Congress is still
deliberating the
extension of enhanced
premium tax credits that
made ACA coverage
more affordable for
thousands in Virginia**



Background on Enhanced ACA Subsidies



Part of American Rescue Plan Act (ARPA) of 2021

- ◆ Made subsidies more generous for those already eligible
- ◆ Provided subsidies for households earning above 400% FPL

Since these subsidies became available enrollment in Virginia's ACA marketplace has risen by 33%

Example of monthly premiums for 40-year-old couple with children ages 5 and 10:

Income	\$93,600 300% Federal Poverty Level			\$124,810 401% Federal Poverty Level			\$156,010 500% Federal Poverty Level		
	With Expanded Subsidies	No Expanded Subsidies	Monthly Premium Increase	With Expanded Subsidies	No Expanded Subsidies	Monthly Premium Increase	With Expanded Subsidies	No Expanded Subsidies	Monthly Premium Increase
Chesterfield/Henrico	\$ 477.24	\$ 684.24	↑ \$ 207.00	\$ 896.24	\$ 1,213.24	↑ \$ 317.00	\$ 1,114.24	\$ 1,213.24	↑ \$ 99.00
VA Beach	\$ 566.20	\$ 772.20	↑ \$ 206.00	\$ 984.20	\$ 1,279.20	↑ \$ 295.00	\$ 1,203.20	\$ 1,279.20	↑ \$ 76.00
Fairfax County	\$ 604.22	\$ 811.22	↑ \$ 207.00	\$ 1023.22	\$ 1,276.22	↑ \$ 253.00	\$ 1,241.22	\$ 1,276.22	↑ \$ 35.00
Roanoke County	\$ 582.00	\$ 788.00	↑ \$ 206.00	\$ 1,000.00	\$ 1,379.00	↑ \$ 379.00	\$ 1,221.00	\$ 1,376.00	↑ \$ 155.00

Virginia Impact of Expiring Enhanced ACA Marketplace Subsidies



- ◆ Enhanced ACA marketplace subsidies that help keep coverage affordable expired
- ◆ Some will lose access to subsidies all together
- ◆ 20,000 households have dropped coverage as of 1/27
- ◆ \$234 million a year for state to backfill expiring ACA subsidies

SNAP Cuts



\$186 billion in cuts from SNAP:

- ◆ Cost-shift of SNAP program to states
 - \$88 million in administrative costs in Virginia
 - \$265 million in program costs in Virginia
- ◆ Expanded work reporting requirements
 - 80k people in Virginia
- ◆ Cuts to immigrant families
 - 14k in Virginia

H.R.1 CHANGES TO SNAP WORK REQUIREMENTS for “ABAWDs”

Before H.R.1	After H.R.1
Under 18 or 55 years or older	Under 18 or 65 years or older
Mentally or physically unfit for employment	Mentally or physically unfit for employment
Parent or residing in a household where a household member, even if they are not eligible, is under 18	Parent or residing in a household where a household member, even if they are not eligible, is under 14
Pregnant	Pregnant
Homeless	Homeless
Veterans	Veterans
Individuals 24 or younger who were in foster care on the date of attending 18	Individuals 24 or younger who were in foster care on the date of attending 18
	<i>Certain Native Americans</i>
Meets an exemption for work requirements	Meets an exemption for work requirements

Source: Virginia Poverty Law Center

Policy options

- State and local funding for safety net facilities
- Improve enrollment and eligibility systems, invest in DSS workers
- Call on federal legislators to extend ACA premium tax credits
 - ◆ State level targeted subsidies
- Raising revenue at state level to backfill services cut in reconciliation bill

Questions and Comments

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