

Changes to Immigrant Eligibility for Health Coverage in H.R.1 (the Reconciliation Bill)

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Agenda: Changes to Immigrant Eligibility

1. Federal Medicaid
2. Emergency Medicaid
3. Medicare (briefly)
4. ACA Marketplace
5. SNAP (briefly)
6. Notable Dropped Provision
7. Next Steps
8. Resources
9. Questions

Overview of H.R.1

- Under reconciliation, only a simple majority vote is needed in both chambers.
- On July 4, 2025, President Trump signed the tragically misnamed “[One Big Beautiful Bill Act](#)” (OBBBA) into law. Hereafter as just H.R.1.
- H.R.1 responsible for the most significant reductions in immigrant eligibility for benefits since 1996 welfare “reform.”
- In addition to public benefits restrictions, H.R.1 also:
 - Provides hundreds of billions in additional funding for immigration enforcement (including funding to further militarize enforcement and build detention centers for children and families).
 - Imposes exorbitant “fees” for immigration related applications including punishingly steep fees for employment authorization and a historically unprecedented fee to apply for asylum.
 - For more details on immigration enforcement provisions and new fees imposed in H.R. 1 see NILC’s analysis [at this link](#).

Changes to Immigrant Eligibility: Federal Medicaid

Overall changes to Medicaid that will impact all remaining eligible ACA Adults (19-64) including immigrants

Requires states to condition Medicaid eligibility for individuals ages 19-64 on reporting work or participation in qualifying activities for at least 80 hours per month.

Effective Date: Not later than December 31, 2026, or earlier at state option. (Allows the Secretary to exempt states from compliance until no later than December 31, 2028, if the state is demonstrating a good faith effort to comply and submits progress in compliance or other barriers to compliance.)

- Mandates states exempt certain adults, including parents of children under 13
- Specifies that if a person is denied or disenrolled due to work requirements, they are also ineligible for subsidized Marketplace coverage.
- Limits retroactive coverage to one month prior to application for coverage for expansion enrollees and two months prior to application for coverage for traditional enrollees.

More changes to Medicaid that will impact all remaining eligible individuals--including immigrants

- Imposes cost sharing of up to \$35 per service on expansion adults with incomes 100-138% FPL; explicitly exempts primary care, mental health, and substance use disorder services; limits cost sharing for prescription drugs to nominal amounts. **(Effective Date: October 1, 2028)**
- Prohibits states from establishing any new provider taxes or from increasing the rates of existing taxes, which functions as a massive funding cut for the program. **(Effective Date: Upon enactment, but states may have at most 3 fiscal years to transition existing arrangements that are no longer permissible.)**

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Friday, July 25, 2025, 10:00am – 11:30am CST; [Register Here:](#)

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Changes to Federal Medicaid Eligibility (Sec. 71109):

Effective Date: October 1, 2026

Immigration Status	Eligible Now?	Eligible Oct. 1, 2026?
Legal Permanent Resident	Yes, after meet 5 year bar	Yes, after meet 5 year bar
Cuban and Haitian Entrants	Yes (and no 5 year bar)	Yes (and no 5 year bar)
People residing under a Compact of Free Association (3 Pacific Islands)	Yes (and no five year bar)	Yes
Refugees	Yes (and no 5 year bar)	NO (NOTE: refugee medical assistance untouched).
Asylees	Yes (and no 5 year bar)	NO
People granted withholding of removal	Yes (and no 5 year bar)	NO
Trafficking survivors	Yes (and no 5 year bar)	NO
Survivors of domestic violence who filed a VAWA self-petition (or who have an approved family based immigration petition filed by a spouse/parent)	Yes, after meet 5 year bar	NO
Persons granted humanitarian parole for a period of at least one year	Yes, after meet 5 year bar	NO

Impact: (Sec. 71109)

A significant number of immigrants who are eligible for Federal Medicaid *now*, with statuses *other than* Lawful Permanent Resident (LPR):

- Will no longer be eligible for Federal Medicaid Starting 10/1/26 **AND**
- Their path to future eligibility for Federal Medicaid will be through becoming an LPR (green card holder) if they have that option.

How Does Sec. 71109 Affect Illinois' Medicaid Programs?:

Program	Impact After 10/1/26 Effective Date
ACA Adult	Only LPRs who have met 5 year bar, Cuban/Haitian Entrants and COFA Migrants are eligible; all other immigration statuses (refugees, asylees, etc.) now ineligible. VAWA self-petitioners may be eligible for state-funded medical.
AABD	Only LPRs who have met 5 year bar, Cuban/Haitian Entrants and COFA Migrants are eligible; all other immigration statuses (refugees, asylees, etc.) now ineligible. VAWA self-petitioners may be eligible for state-funded medical.
All Kids	Only LPRs who have met 5 year bar, Cuban/Haitian Entrants and COFA Migrants are eligible; all other immigration statuses (refugees, asylees, etc.) now ineligible for federal funding. Their continued coverage would be at state cost (a state cost increase from current AllKids funding).
Moms & Babies	Only LPRs who have met 5 year bar, Cuban/Haitian Entrants and COFA Migrants are eligible; all other immigration statuses (refugees, asylees, etc.) now ineligible. Their continued coverage would have to be at state cost.
HBIS	Closed for new enrollment. If enrollment re-opened, individuals who are 65+ and are asylees, refugees, or have active humanitarian parole (and other immigration statuses now newly excluded) would be eligible.
VTTC Medical/ AATV	People with pending applications for asylum, T visa and U visa (or pending appeals) are eligible and U visa holders are eligible. However as of 10/1/26, coverage for individuals with APPROVED applications for asylum or a T visas would have to be at state cost after passing authorizing legislation.

Changes to Emergency Medicaid

Lowers Medicaid Matching Funds for Some Emergency Medicaid Cases (Sec. 71110)

Currently Under Emergency Medicaid	New Change under H.R.1:	Impact:
Emergency Medicaid reimburses states for emergency care provided to immigrants who are ineligible for Medicaid because of their immigration status. The 90% FMAP rate is currently available for EM provided to the ACA expansion group (ages 19-64, up to 138% FPL).	Reduces the FMAP for Emergency Medicaid: states would receive only the typically lower, base FMAP for these services (which, for Illinois, would be a <u>51.82% FMAP</u>)	This significant decrease in funding to the state (from 90% FMAP to 50%) will be exacerbated by the fact that more immigrants will qualify for Emergency Medicaid after October 1, 2026 (see Medicaid eligibility slide).

Effective Date: October 1, 2026

Changes to Immigrant Eligibility: Medicare

Medicare Eligibility Changes (Sec. 71201):

Currently, lawfully present immigrants are eligible for Medicare if they have the required work quarters and meet the disability or age requirements. **H.R.1 makes the following groups of immigrants newly ineligible even if they would otherwise qualify:**

- Persons granted Temporary Protected Status or Deferred Enforced Departure
- Refugees, asylees, persons granted withholding of removal
- Trafficking survivors
- Survivors of domestic violence who have filed a self-petition under the Violence Against Women Act (or who have an approved I-130 visa petition filed by a spouse/parent)
- Persons granted humanitarian parole into the U.S.
- Non-immigrants, including survivors of serious crimes, and persons on work visas
- Persons granted deferred action
- Spouses and children of U.S. citizens with an approved visa petition and pending application to adjust to lawful permanent residence
- Applicants for asylum, withholding of removal or relief under the Convention Against Torture who have been granted work authorization or if under 14 years old have had an application pending for at least 180 days.

Effective: Medicare eligibility changes are effective immediately upon passage of the law, but people already enrolled in the program on the date of enactment may remain in the program for 18 months from July 4, 2025.

Impact of Medicare Eligibility Changes (Sec. 71201):

The only categories of immigrants who remain Medicare eligible are:

- Lawful permanent residents (green card holders)
- Certain Cuban and Haitian entrants
- People residing under the Compacts of Free Association

Effective: Medicare eligibility changes are effective immediately upon passage of the law, but people already enrolled in the program on the date of enactment may remain in the program for 18 months from July 4, 2025.

Changes to Immigrants' Access to the ACA Marketplace

Two Changes in H.R.1 Work Together to Significantly Reduce
Lawfully Present Immigrants' Access to ACA Coverage

Changes to Eligibility for ACA Premium Tax Credits (Sec. 71301): Effective starting Jan. 1, 2027

Lawfully Present Immigration Status	Eligible plan years on/after 1/1/27?
Legal Permanent Resident (LPR)	Yes, after meet 5 year bar
Cuban and Haitian entrants as defined in section 501(e) of the Refugee 12 Education Assistance Act of 1980.	Yes (and no 5 year bar)
People residing under a Compact of Free Association (3 Pacific Islands)	Yes
Refugees	NO
Asylees	NO
People granted deferred action, deferred enforced departure or withholding of removal	NO
Trafficking survivors	NO
Survivors of domestic violence who filed a VAWA self-petition (or who have an approved family based immigration petition filed by a spouse/parent)	NO
Persons granted humanitarian parole for a period of at least one year	NO
Nonimmigrant visa holders (i.e. people in the United States on temporary, valid visas)	NO
People granted Temporary Protected Status (TPS)	NO
And other lawfully present individuals	NO

Provision ending the ACA's exemption on ACA coverage for people earning below 100% FPL (Section 71302):

ACA Provision	New Change under H.R.1:	Impact of New Change:
The ACA allows <i>lawfully present</i> immigrants earning up to 100% FPL to receive subsidized marketplace coverage (because in almost all states they are ineligible for Medicaid due solely to their immigration status)	Eliminates the provision allowing lawfully present immigrants who are ineligible for Medicaid due to their status and who earn less than 100% FPL to enroll in ACA coverage	Thousands of low-income immigrants would be ineligible for ACA coverage. Combined with Sections 71301 (exclude from ACA tax credit eligibility) and 71109 (exclude from Medicaid eligibility), this provision particularly harms lawful permanent residents during the five year waiting period for Medicaid.

The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

Impact

- The two changes in H.R.1 work together to drastically reduce *lawfully present* immigrants' access to ACA coverage
 - Only LPRs, Cuban-Haitian Entrants and COFA migrants with incomes > 100% FPL will have access to the ACA premium tax credits.
 - Other *lawfully present* immigrants can still purchase ACA Marketplace coverage but only at full price (without access to premium tax credits), essentially rendering it unaffordable.
 - Last year around 90% of Illinoisans who purchased ACA coverage accessed premium tax credits.
- LPRs < 100% FPL will be ineligible for ACA Coverage, and, if still in their 5 year wait period, will be excluded from Federal Medicaid as well.
 - NOTE: There are no *state-based* Medicaid-like programs currently open to LPRs (for either eligibility/enrollment).
- **Interaction with the [final federal marketplace rule published June 20, 2025:](#)**
 - The rule eliminates the year-round SEP for people with incomes < 150% FPL in all states beginning August 25, 2025.
 - The rule makes DACA recipients ineligible for marketplace coverage **beginning August 25, 2025**. [NILC fact sheet on this is forthcoming]

Changes to Immigrant Eligibility: SNAP

(Sec 10108): Ends SNAP Eligibility for Many Immigrants

Immigration Status	Eligible Under H.R.1?
Legal Permanent Resident	Yes (must meet 5 year bar or qualify for an exception)
Cuban and Haitian Entrants	Yes
People residing under a Compact of Free Association (3 Pacific Islands)	Yes
Refugees	NO
Asylees	NO
People granted deferred action, deferred enforced departure or withholding of removal	NO
Trafficking survivors	NO
Survivors of domestic violence who filed a VAWA self-petition (or who have an approved family based immigration petition filed by a spouse/parent)	NO
Persons granted humanitarian parole for a period of at least one year	NO

Effective Upon Enactment; waiting for federal guidance in order to implement

Impact: SNAP eligibility for Most Immigrants (Sec 10108)

IDHS estimates this population in Illinois who will lose SNAP access to be 20,000. [SOURCE: [GCFD analysis](#)].

Once this provision takes effect, the only categories of immigrants eligible for SNAP are:

- Lawful permanent residents (green card holders) who have met the 5 year bar (or qualify for an exception)
- Certain Cuban and Haitian entrants
- COFA Migrants

[GCFD Analysis of SNAP cuts Here](#)

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Timeline of Implementation Dates of Key Provisions Affecting Immigrant Eligibility

DACA no longer eligible for ACA coverage (per [federal rulemaking](#))

Illinois State Based Marketplace Open Enrollment starts until 1/1/26. Also, enhancement to premium tax credits is set to expire at the end of 2025.

Eligibility for Federal Medicaid will be limited to LPRs who have met the 5 year bar, Cuban/Haitian Entrants, COFA migrants.

Eligibility for Advanced Premium Tax Credits will be limited to LPRs, Cuban/Haitian Entrants, COFA migrants. Applies to ACA coverage that starts 1/1/27

August 25, 2025

Nov. 1, 2025

Jan 1, 2026

Oct 1, 2026

Jan 1, 2027

Lawfully present immigrants ineligible for Medicaid due to their status AND who are < 100% FPL are no longer eligible to enroll in ACA coverage.

Illinois will receive a **lower FMAP rate (51% as compared to 90%) for emergency services** for immigrants eligible for Federal Medicaid due to immigration status (this # will increase due to newly eligible immigration groups)

NOTE: Medicare eligibility changes are effective immediately upon passage of the law, but people already enrolled in the program on the date of enactment may remain in the program for 18 months from July 4, 2025.

Dropped Provisions

Provisions Related to Immigrants/Public Benefits that were dropped and are NOT in H.R.1:

- In bill drafts, there was a provision penalizing states (by lowering the ACA Adult FMAP) for states using state-only funds to provide comprehensive health insurance coverage to certain immigrants groups.
- **However, this provision was struck by the Senate Parliamentarian and was not included in the bill that was signed into law.**
 - This means that Illinois's trigger in our Medicaid Expansion statute was not triggered.

Nothing in H.R.1 Triggers Illinois' Medicaid Expansion Trigger

Next Steps

Next Steps in Short Term:

- IDHS can screen SNAP and Medicaid enrollees to ensure that their Medicaid/SNAP case file reflects their current immigration status.
 - Immigration statuses change over time.
 - For instance, a portion of current SNAP and Medicaid enrollees may have applied for Medicaid/SNAP as refugees or asylees, for instance, but have since adjusted to LPR status, and would therefore retain SNAP/Medicaid eligibility under H.R.1.
- Through state subsidies to immigrant-serving organizations that provide legal assistance with adjustment applications, the state can:
 - Help increase access to immigration legal service providers **and**
 - subsidize the cost of the immigration application fees of immigrants who have pathways to adjust to LPR status (which, in turn, would enable them retain eligibility for SNAP/Medicaid).
 - H.R.1 increased the fee to \$1,500 for LPR application (current fee is \$1,140)

Next Steps in Short Term (Cont.):

- **Health care providers (Medicaid) and retailers (SNAP) will also be fiscally harmed by cuts** and should continue to be activated to push back via federal and state advocacy, especially in Republican districts in Illinois.

Engage with



- **Advocates and stakeholders can start to brainstorm now** on ways to make Medicaid/SNAP work requirements as easy as possible for enrollees to track and submit, and to make exceptions as simple as possible to apply for; advocates can lift up these recommendations to our state benefit agencies.
- **Advocates and stakeholders can partner and problem-solve with our state benefits agencies:** Illinois is well-positioned with HFS's and [IDHS's](#) histories of **supporting immigrants** (i.e., partnership with FCRCs, submitting comments in opposition of public charge, etc) and **sharing information with stakeholders** (i.e., via avenues such as the HFS Medicaid Advisory Committee, HFS Public Education Subcommittee, IDHS/HFS Benefits Access meetings and HFS Webinars).

Next Steps in Longer Term: Illinois Has Time for a Thoughtful Response

- For most of these provisions, Illinois has at least year to craft a thoughtful response that preserves health care coverage and food access for all Illinoisans at risk of losing them.
- Illinois can choose to build off of its history of prioritizing health coverage and food for all Illinoisans in its state-funded Medicaid-like and Food Assistance programs:
 - [Asylum Applicants and Torture Victims](#) (AATV), [VTTC medical, food and cash assistance](#), [State-funded cash and medical programs](#) to assist individuals who have a pending or approved petition under VAWA who have not yet met the 5-year federal bar, HBIA/S.
 - Medicaid expansion, AllKids (for children without insurance regardless of immigration status or children at incomes higher than traditional Medicaid), SNAP work requirement waivers for adults without minor children

Next Steps in Longer Term: Illinois Has Time for a Thoughtful Response (Cont.)

- Illinois is launching a **state-based marketplace** this year which allows for additional flexibility in crafting state solutions (e.g., state-based subsidies) for those eligible and could learn from other states, such as Colorado and Washington, about creating a state-based public option.
- Illinois has an opportunity to find **revenue for programs** for immigrants losing coverage under H.R.1, ACA adults terminated due to work requirement challenges or those who lose their SNAP benefits under H.R.1.
- Illinois may have opportunities to bring **legal challenges** to some of the bills provisions.
- We all have an opportunity to **build and strengthen coalition**, consensus, and power around the importance of human services for all.
 - **Protecting Immigrant Families Illinois coalition** (email pifillinois@povertylaw.org if you want to join the listserv to receive updates and invites to join monthly meetings. **Next PIF-IL meeting is August 7th at 10am.** Register here: <https://povertylaw.zoom.us/meeting/register/Dqz9ttbYRimKQXQckH6X8Q>
 - **Protect Our Care Illinois Webinar:** Register Here: https://aidschicago-org.zoom.us/webinar/register/WN_z51cCzv-R4mJeyAE

Resources

- HelpHub is referenced throughout webinar. It is a FREE online portal to post your question (and get answers) on all of the topics discussed in the webinar.
- HelpHub was created for Illinois-based assisters who help people enroll & stay in benefits.
- **Why Join?** Get the latest updates and ask questions about public benefits.
- **How to join?** Register for HelpHub: <https://helphub.povertylaw.org/index.html>

Examples of [HelpHub Questions](#) :

- Did [FILL IN BLANK] change under the new law that just passed?
- What Benefits are counted in the public charge test?
- What benefits is [FILL IN THE BLANK IMMIGRATION CATEGORY] eligible for?
- My client/patient is afraid to sign up for [FILL IN THE BLANK] because of possible negative immigration consequences...

Resources on H.R.1

- [National Immigration Law Center \(NILC\) Analysis](#)
- [PIF's Provisions on Immigrants Access to Public Benefits in the Final Reconciliation Package](#)
- [NIJC's July 10, 2025 Webinar Recording | Urgent Community Briefing: The New Budget Bill's Impact on Immigration and What Comes Next](#)
- [Families USA summary and analysis](#)
- [KFF Health Provisions in the Reconciliation Bill](#)
- [NASHP's What Health Care Provisions of the One Big Beautiful Bill Act Mean for States](#)
- [Senate-Passed H.R. 1: Updated Estimates on Impact to State Medicaid Coverage and Expenditures, Hospital Expenditures, Including Impacts by Congressional District](#)
- NHELP's [Budget Reconciliation Act Implementation Dates For Select Medicaid & Health Provisions](#) (high level - focused on implementation dates)
- NHELP's [Budget Reconciliation Act Implementation Dates, Funding, and Authorities for Medicaid & Select Health Provisions](#) (more detailed - includes dates, implementation funding, and CMS/HHS roles in administering certain provisions)

Illinois-Based Resources

- [Health Care and Coverage Options for Immigrants](#)
- Health Coverage & Public Charge Fact Sheet: [here](#)
- Resources for Illinois's Immigrant-Serving Organizations: ([link here](#))
- [Fact Sheet for Enrollment Assistants on Data Privacy Protections for Medicaid in Illinois](#)

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