

# **POLICY BRIEFING**

## **One Big Beautiful Bill Act - Medicaid, SNAP, and ACA Changes**

July 25, 2025

# Agenda

1. Overview and Level Setting
2. Medicaid Program/Eligibility Changes
3. ACA Marketplace Changes
4. Changes to Immigrant Eligibility
5. Next Steps: Advocating for Access to Care
6. Changes to SNAP
7. Organizing and Accountability
8. Resources
9. Questions
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# PROTECT OUR CARE IL

Protect Our Care – Illinois is a statewide coalition of health care advocates, providers, and consumers joining together to protect and defend Medicaid and the Affordable Care Act.



## Presenters

- Kathy Waligora, EverThrive IL, (she/her)
- Nadeen Israel, AIDS Foundation of Chicago, (she/her)
- Stephanie Altman, Shriver Center on Poverty Law, (she/her)
- Carrie Chapman, Legal Council for Health Justice, (she/her)
- Niya Kelly, Chicago Coalition to End Homelessness, (she/her)
- Beth Kenefick, Greater Chicago Food Depository, (she/her)
- King Moosa, Citizen Action IL, (he/his)

# OVERVIEW AND LEVEL SETTING

# Overview of Healthcare Coverage in Illinois

- **Medicaid:** [Free, comprehensive health insurance based on income level](#)
  - AllKids, Moms and Babies, AABD, and ACA Adults (Medicaid Expansion)
  - Medicaid programs insure around [3.2 million Illinoisans](#)
  - Generally, Illinois and the federal government share costs
- **[ACA Marketplace](#):** Marketplace plans insure over [450,000 Illinoisans](#) and are affordable because the federal government subsidizes premium costs for eligible enrollees.
  - Illinois is transitioning to a state-run Marketplace beginning plan year 2026 with enrollment starting in Fall 2025.
- Enrollment in these two types of insurance (about 3.65 million people total) represents almost 30% of our [total 12.8 million state residents](#) and almost one in every three children.
- **[State-Funded Immigrant Health Coverage Programs](#)** (primarily state-funded except Emergency Medicaid for Non Citizens.)

# Overview of Medicaid Financing

- Medicaid is a joint federal and state program.
- The federal government pays a specified percentage of Illinois' Medicaid program expenditures: [the Federal Medical Assistance Percentage \(FMAP\)](#).
- [The FMAP is based on the state per capita income](#), meaning that higher per capita income states get proportionally fewer federal dollars.
  - IL regular FMAP for most program is approximately 50% (the current federal law floor for FMAP), but for ACA Adults the FMAP is 90%.
- Illinois funds its share of Medicaid expenditures through general revenue, health care related taxes (e.g., hospital assessment, nursing home assessment), and other sources.

# Overview of H.R.1

- On July 4, 2025, President Trump signed the tragically misnamed “[One Big Beautiful Bill Act](#)” (OBBBA or H.R. 1) into law.
- [H.R.1 is responsible for the most significant reductions in immigrant eligibility for benefits since 1996 welfare “reform.”](#)
- H.R. 1 cuts \$1 trillion from Medicaid and the Congressional Budget Office has estimated that it will result in 11.8 million people becoming uninsured by 2034.
- We will detail the main provisions of the bill, the timeline, the impact on Illinois, and steps we can all take to mitigate the harm.



# What was proposed but *did not* pass in H.R. 1?

- FMAP reduction 90% to 80% for expansion states providing assistance or coverage to unqualified immigrants with state funds **did not pass.**
- FMAP reduction for expansion states to regular FMAP from 90% **did not pass.**
  - The **only** FMAP reduction that passed lowers FMAP for Emergency Medicaid for Noncitizens to the corresponding FMAP rate for the ACA expansion category.
  - This means that IL will get regular FMAP rate (50%) for IL noncitizens ages 19-64 who would be on ACA Adult but for immigration status for emergency services instead of 90%.
- **No provision that passed in OBBA would trigger our ACA Adult “trigger” ending the program because FMAP is not lowered for that population.**

## What was discussed but *did not* pass in H.R. 1?

- No per capita caps or block grants.
- No reduction of Federal Medical Assistance Percentage (FMAP) for family planning.
- No prohibition on states claiming federal matching funds during a reasonable opportunity period.
- No ban on gender affirming care coverage in Medicaid (*Marketplace Essential Health Benefits restricts certain gender affirming care.*)
- No bans on telehealth.

# Overview: What passed that will impact Illinois most significantly?

- A projected 330,000 Illinoisans will lose coverage, and the state will face about a \$51 billion reduction in Medicaid expenditures in the next decade.
- Estimates show that the most significant combined loss of federal funding *and* eligibility will come from the implementation of work requirements for the most of the ACA Adult population (and other eligibility process changes) by December 2026.
  - Loss of coverage for individuals in this group will essentially mean loss of revenue for health centers and hospitals and an increase in demand for uncompensated care.

# What passed that will impact the state finances and the healthcare system most significantly?

## Provider Taxes:

- Most significant loss of federal funding to IL will come through cap on provider taxes, ultimately down to 3.5%.
- This could lead to a [\\$4.8 – 11.2 billion](#) in loss of federal Medicaid funding in Illinois over the first 5 years of implementation.

## State directed payments (SDPs):

- Allow states to direct Medicaid managed care organizations to make specific payments to providers.
- Bill caps new SDPs at 100% of Medicare payment levels (110% for non-expansion states) upon enactment.
- Bill requires states to reduce their current SDPs by 10 percentage points per year until the SDPs are no greater than 100% of Medicare for expansion states starting January 1, 2028.
- Impact in Illinois: reducing our directed payments to hospitals by about \$3.4 billion over 10 years.

# MEDICAID PROGRAM - ELIGIBILITY CHANGES

# Work Requirements and Reporting

- Requires states to condition Medicaid eligibility for non-exempt individuals ages 19-64 on reporting work or participation in qualifying activities for at least 80 hours per month.
  - Show compliance at application and renewal (at least every 6 months.)
  - Compliance review includes 1-3 consecutive months immediately prior to initial application and 1 or more months (consecutive or not) between eligibility (re)determinations for current enrollees (review period specified by state.)
  - Any combination that adds up 80 hours per month paid work, community service, education program (at least half time), or participation in a work program or student (at least half time.)
- **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.)

# Work Requirements - Exemptions

- Exemptions and carve outs for specific populations --will be an administrative burden on Medicaid members and state staff to administer. Further guidance will be issued by federal agencies.
  - Mandatory exemptions
    - Participating in a drug or alcohol addiction treatment program.
    - Medically frail (including those with an SUD, “disabling mental disorder,” physical or I/DD that significantly impairs 1+ ADL, serious or complex medical condition.)
    - Incarcerated or released from incarceration in last 90 days.
    - Parents/guardians/family caregiver of dependent child(ren) under age 14 and under or an individual with a disability.
    - Others (pregnant, veteran with disability, etc.)
  - Optional temporary exemptions (individuals must request “short-term hardship” exemption)
    - Receiving inpatient psychiatric care.
    - Living in county impacted by disaster.
    - Living in county with high unemployment (requires request from state to Secretary.)

# Work Requirements - Impact on Coverage

- Penalties related to work requirements are essentially Medicaid cuts.
- Penalties do not improve employment. Most working age Medicaid enrollees who can work already do.
  - Adding administrative burdens have already proven ineffective in states that have implemented them.
  - Disproportionate harmful impact on people with SU/MH conditions and those with arrest/conviction records, given significant barriers to employment
- Specifies that if a person is denied or disenrolled due to work requirements, they are also ineligible for subsidized Marketplace coverage so long as they are still Medicaid eligible.
- Estimates range from 270,000 to 500,000 people in Illinois could lose eligibility.



## Other Key Changes in Medicaid

- More frequent and onerous eligibility reviews creating burdens on for individuals and state agencies including redeterminations every 6 months for ACA Adults.
- Retroactive eligibility period cut from 3 months to 1 month for ACA Adults and to 2 months for other Medicaid applicants.
- Requires Medicaid programs to regularly obtain address information for enrolled individuals and provide specific information to HHS (e.g., SSNs of Medicaid-enrolled individuals and those applying) to identify duplicate enrollments
- Imposes cost sharing of up to \$35 per service on expansion adults with incomes 100-138% FPL, [despite evidence of harms](#); explicitly exempts primary care, mental health, and substance use disorder services; limits cost sharing for prescription drugs to nominal amounts.

# ACA MARKETPLACE CHANGES

# ACA Marketplace Changes

Illinois is administering a state-based Marketplace, GetCoveredIllinois beginning 1/1/26.

- Advanced Premium Tax Credits (APTC) are financial assistance or “discounts” individuals receive if they are income eligible to reduce the cost of insurance in the Marketplace.
- **H.R. 1 failed to extend the enhanced Advanced Premium Tax Credits.** The enhancements which made the APTCs much more generous expire on 1/1/26. The enhancements could still be extended by 12/31/25 but politically difficult.

H.R. 1 made other changes that make insurance harder to get, more expensive, and the system more burdensome in the ACA Marketplaces including:

- Rescinds limits on how much a person may have to pay back for APTC if their income changes.
- Limits non citizen eligibility for financial assistance.
- Imposes burdensome pre-enrollment verification of eligibility for financial assistance.
- Stops automatic re enrollment for individuals with APTCs.
- Ends Special Enrollment Period based on income below 150% FPL.

<https://ccf.georgetown.edu/2025/07/22/medicaid-chip-and-affordable-care-act-marketplace-cuts-and-other-health-provisions-in-the-budget-reconciliation-law-explained/>

# CHANGES TO IMMIGRANT ELIGIBILITY

# Lowers Medicaid Matching Funds for Some Emergency Medicaid Cases

| 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 <b>90% FMAP</b> 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 <a href="#">51.82% FMAP</a> ) | This significant decrease in funding to the state (from <b>90% FMAP to 50%</b> ) will be exacerbated by the fact that more immigrants will qualify for Emergency Medicaid after October 1, 2026. |

Effective Date: October 1, 2026

## Impact

- Cutting the match rate from 90 percent to 50 percent means a significant cost shift to states just as the need for Emergency Medicaid will increase due to ending Medicaid and CHIP eligibility for many lawfully present immigrants.
- This cut will create further fiscal pressures on Illinois to make other cuts to the rest of their Medicaid programs.

# General Changes to Federal Medicaid Eligibility

| Immigration Status   | Eligible Now?                            | Eligible Oct. 1, 2026?                                  |
|--|--|---|
| Legal Permanent Resident   | Yes, after meet 5 year bar               | Yes, after meet 5 year bar                              |
| <a href="#">Cuban and Haitian Entrants</a>   | Yes (and <a href="#">no 5 year bar</a> ) | Yes (and no 5 year bar)                                 |
| People residing under a Compact of Free Association (3 Pacific Islands)  | Yes (and <a href="#">no 5 year bar</a> ) | Yes   |
| Refugees   | Yes (and no 5 year bar)                  | <b>NO</b> (NOTE: refugee medical assistance untouched). |
| Asylees  | Yes (and no 5 year bar)                  | <b>NO</b>   |
| People granted withholding of removal  | Yes (and no 5 year bar)                  | <b>NO</b>   |
| Trafficking survivors  | Yes (and no 5 year bar)                  | <b>NO</b>   |
| 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               | <b>NO</b>   |
| Persons granted humanitarian parole for a period of at least one year  | Yes, after meet 5 year bar               | <b>NO</b>   |

Effective Date: October 1, 2026

# Impact

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 this Affect Illinois' Medicaid Programs?

| Program          | Impact <b>After 10/1/26 Effective Date</b>  |
|------------------|---|
| <b>ACA Adult</b> | 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. <a href="#">VAWA self-petitioners may be eligible for state-funded medical</a> . |
| <b>AABD</b>      | 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. <a href="#">VAWA self-petitioners may be eligible for state-funded medical</a> . |

# How does this Affect Illinois' Medicaid Programs?

| Program                  | Impact <b>After 10/1/26 Effective Date</b>   |
|--------------------------|--|
| <b>All Kids</b>          | 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).               |
| <b>Moms &amp; Babies</b> | 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.  |
| <b>HBIS</b>              | 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.   |
| <b>VTTC Medical/AATV</b> | 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. |

# Medicare Eligibility Change

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.

# Changes to Eligibility for ACA Premium Tax Credits

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

Effective Date: January 1, 2027

## Provision ending the ACA's exemption on ACA coverage for people earning below 100% FPL

| 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.

# Medicare

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.

# 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]

# Timeline Recap



# When does the bill go into effect?

| OBBBA Provision  | Effective Date   |
|--|--|
| Freeze current and prohibit new provider taxes   | July 4, 2025   |
| Phase-down provider hold harmless threshold  | October 1, 2028  |
| Modify “generally redistributive” provider tax criteria  | Transition period of up to 3 years TBD                                 |
| Cap new SDPs at 100% Medicare payment rates  | July 4, 2025   |
| Reduce current SDPs by 10 percentage points per year until the SDPs are no greater than 100% of Medicare | January 1, 2028  |
| Work requirements  | January 1, 2027 (January 1, 2029 with good faith effort determination) |
| 6-month eligibility redeterminations for ACA adults  | January 1, 2027  |
| Prohibit Medicaid funding to Planned Parenthood for 1 year   | July 4, 2025   |
| Rural Provider Relief Fund   | Application period will end no later than December 31, 2025            |
| Several other eligibility-related proposals  | January 1, 2027 – October 1, 2029                                      |



HFS

Illinois Department of  
Healthcare and Family Services

# Best Comprehensive Summaries of Bill Language and Timelines

- [Health Provisions in the 2025 Federal Budget Reconciliation](#)
- [Impact of Federal Changes - HFS Presentation July 2025](#)
- [Trump's OBBBps-Final-Big-Beautiful-Bill-Explained-.pdf](#)
- [High level Implementation Dates](#)
- [Detailed Implementation Dates, Funding, and Administrative Authorities](#)
- [Georgetown Center for Children and Families OBB analysis](#)

# NEXT STEPS: ADVOCATING FOR ACCESS TO CARE

# We MUST fight back

These massive cuts to Medicaid funding will force states to fill huge budget holes by making changes, such as:

- Cutting/narrowing eligibility
- Cutting/narrowing [optional benefits](#) and supplemental programs
- Not increasing/cutting reimbursement rates → deepens workforce shortages
- Increase uncompensated care requirements for hospitals
- Allow closure of hospitals/clinics/maternity wards, particularly in rural and underserved areas, further compounding access issues

## Next Steps in Short Term

- **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, to make exceptions as simple as possible to apply for, to seek all flexibilities/delays/etc. that are possible. Advocates can lift up these recs to our state benefit agencies.
- **Advocates and stakeholders can partner and problem-solve with our state benefits agencies:** Illinois is well-positioned to avoid and mitigate harms with HFS's and [IDHS's](#) histories of [protecting customers](#) 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, HFS Webinars, and clear, timely, and meaningful notices).
- **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.

# 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 protect access to care.

Illinois can:

- Create special state mechanisms for funding health coverage and care.
- Use Medicaid Advisory Committees (MAC) and Beneficiary Advisory Councils (BAC) to get ideas from all stakeholders about how to best respond.
- Build a robust administrative record about the cost and impact of the changes.
- Sue to ensure that due process rights are protected during implementation and that notices are timely, clear, and actionable.
- Keep track of coverage losses, hospital closures, service and rate cuts and any other data that helps us make the case for change

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

- 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 ACA adults terminated due to work requirement challenges or those who lose their SNAP benefits under the bill.
- Illinois may have opportunities to bring legal challenges to some of the bills provisions.

## Next Steps in Longer Term: What can each of us do?

- We all have an opportunity to build coalition, consensus, and power around the importance of human services for all.
- Dialogue is key for engagement on these issues. How are we encouraging, supporting, and facilitating dialog?
- What information gathering and research can we engage in and support to demonstrate impact/harms?
- What affirmative ideas do we have based on each of our seats of expertise to protect access to care and coverage?



# CHANGES TO SNAP

# Overview of SNAP in Illinois

The Supplemental Nutrition Assistance Program (aka SNAP, formerly known as food stamps) is the **primary source of nutrition assistance** for almost 2 million people in Illinois.

**SNAP lifted 269,000 people above the poverty line in Illinois**, including 135,000 children, per year between 2014 and 2018, on average.

Every dollar spent on **SNAP generates \$1.5 in economic activity**, benefiting local stores and farmers.

SNAP benefits help **reduce the risk** of diet-related diseases



# Summary of SNAP Changes & Impact

**Current State:** Illinois issued **\$4.7B** in SNAP benefits, feeding more than **1.8M** individuals in **1M** Illinois households.



Increases State Cost Requirements to Unprecedented Levels



Cuts SNAP By Preventing Future Updates to Benefit Amounts



Bars SNAP Benefits for Many Legally Present Immigrants



Vastly Expands Failed Work Requirements (Time-Limited SNAP Benefits)



Narrows State Option to Calculate Utility Deductions



Eliminates SNAP Nutrition Education

## Impact to Illinois:

- All **1.8M** IL residents on SNAP (including nearly **650,000** children) will see the true value of their benefits decrease overtime
- **450,000** SNAP recipients at risk of losing benefits due to burdensome work reporting requirements
- **20,000** lawfully present immigrants, including refugees, asylees, immigrant survivors of DV, labor and sex trafficking (and more), will lose access
- Maintaining SNAP could cost the state **\$800M** more per year.

# Vastly Expand Failed Work Requirements (Time-Limits)

**Historically:** States could choose to request permission from USDA to waive the time limit for adults who live in areas with elevated rates of unemployment.

Every state has done so at one time and the rules were suspended during Great Recession and COVID-19 pandemic.

**Change:** Severely restricts the options by only allowing states to pursue this waiver if an area\* has an unemployment rate of over 10% or doesn't have "sufficient" jobs

**Impact:**

- Illinois has a statewide waiver through Jan. 31, 2026
- Right now, no county in Illinois has an unemployment rate over 10%. But adults are impacted by elevated unemployment rates in many IL cities and towns.

*\*Doesn't define "area".*

**Change:** Increases number of people subject to existing harsh and ineffective 3-month time limit via ABAWD rules. Proposal impacts:

- older adults until they turn 65
- parents or grandparents of children 14+ (no exemption)
- Adults experiencing homelessness (including homeless families if children are 14 or older)
- Veterans and former foster youth up to age 24

**Impact:**

- Increases the ABAWD population subject to burdensome paperwork to prove work from **190,000 to 450,000** (25% of SNAP caseload)
- IDHS estimates that **340,000** of this total population are at risk of losing SNAP benefits entirely.
- Families and households with these individuals would lose a substantial portion of their monthly SNAP benefit

# Increases State SNAP Costs to Unprecedented Levels

## Benefit Costs

**Historically:** 100% Federally Funded since 1963

**Change:** Starting in FFY2028 (Oct. 1, 2027), requires states to pay a portion of SNAP benefits based on payment error rates:

- < 6% error rate = 0%
- 6-8% error rate = 5%
- 8-10% error rate = 10%
- 10% error rate or higher\* = 15%

### Impact:

- FFY24 IL had an error rate of **11.56%**
- IDHS estimates this to cost **\$705 million/year**

*\*13.33% error rate or higher in FFY2025 and FFY2026 delays implementation to FFY2029 or FFY2030, respectfully.*

## Administrative Costs

**Historically:** Split 50-50 between state and federal

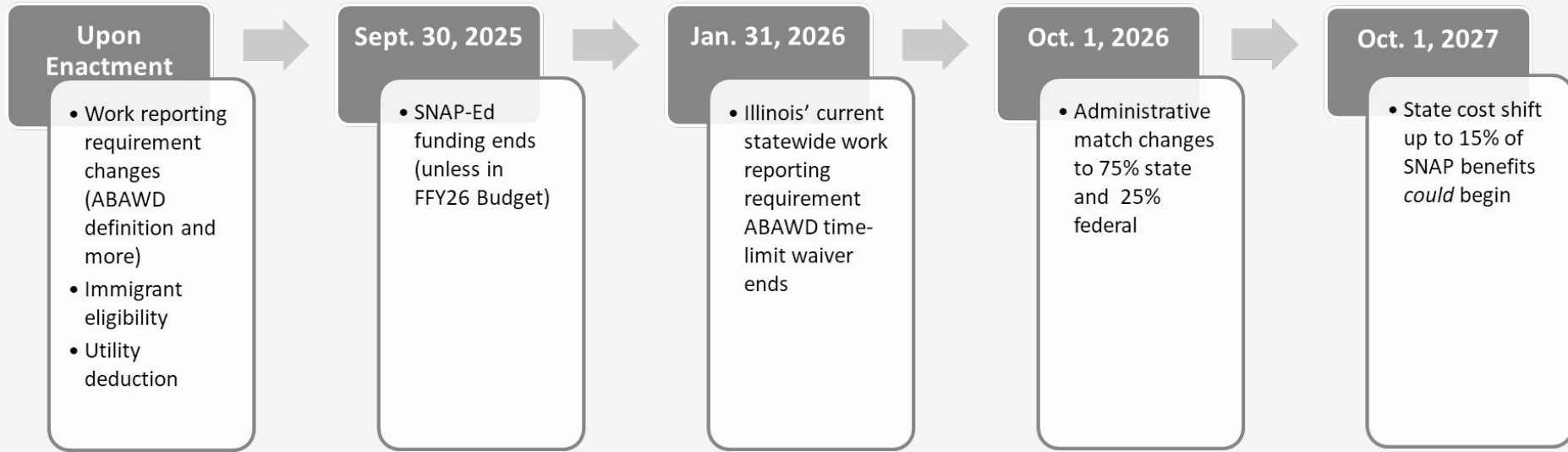
**Change:** Starting FFY2027 (Oct. 1, 2026), all states would be responsible for 75% of costs.

**Impact:** IDHS estimates this to cost an additional **\$80 million/year** plus **\$20 million/year** to implement the new changes.



**= more than \$800 million/year**

# Timeline of SNAP Changes



**\*\* The Illinois Department of Human Services (IDHS) is still analyzing the bill and waiting for further guidance from the federal government before implementing changes. \*\***



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# Bars SNAP for Thousands of Legally Present Immigrants

**Historically:** Low-income, legally present immigrants have long qualified for SNAP.

**Change:** Severely limits SNAP eligibility to U.S. citizens, legal permanent residents, certain Cuban entrants, and COFA citizens.

***Ends SNAP eligibility** for refugees, people granted asylum, certain victims of labor or sex trafficking, certain victims of domestic violence, and other currently eligible immigrants with a lawful status.*

**Impact:** IDHS estimates this will impact **20,000** legally present refugees, asylees, and humanitarian parolees in Illinois on SNAP.





# Cuts SNAP by Preventing Future Updates to Benefit Amount

**Historically:** In 2021 USDA updated the Thrifty Food Plan (TFP) for the first time in 50 years, basing SNAP benefits on scientific nutrition standards, modern food preparation, and food costs.

**Change:** Prohibits USDA from making future increases to the cost of the TFP outside of annual inflation adjustments

*Freezes SNAP benefit amounts outside of a cost-of-living adjustment, without regard for future changes to nutrition standards, food purchasing patterns, or systemic changes in food costs*

**Impact:** Reduces purchasing power of SNAP benefits over time for all **1.8 million** Illinois SNAP recipients (and Summer EBT and TEFAP).





# Narrows State Option to Calculate Utility Deductions

**Historically:** Certain types of utility costs - including internet costs - count in the SNAP benefit calculation. Utility costs are calculated in a standard way (called a “Standard Utility Allowance”, or SUA). Illinois uses a state option in current federal law to simplify SUA administration for households who receive fuel assistance payments

**Changes:** Narrows state option to calculate utilities and bars internet costs making it more challenging to factor in expenses during benefit application and redetermination processes.

**Impact:** Increases administrative burden for IDHS and risks underpayments to eligible households.



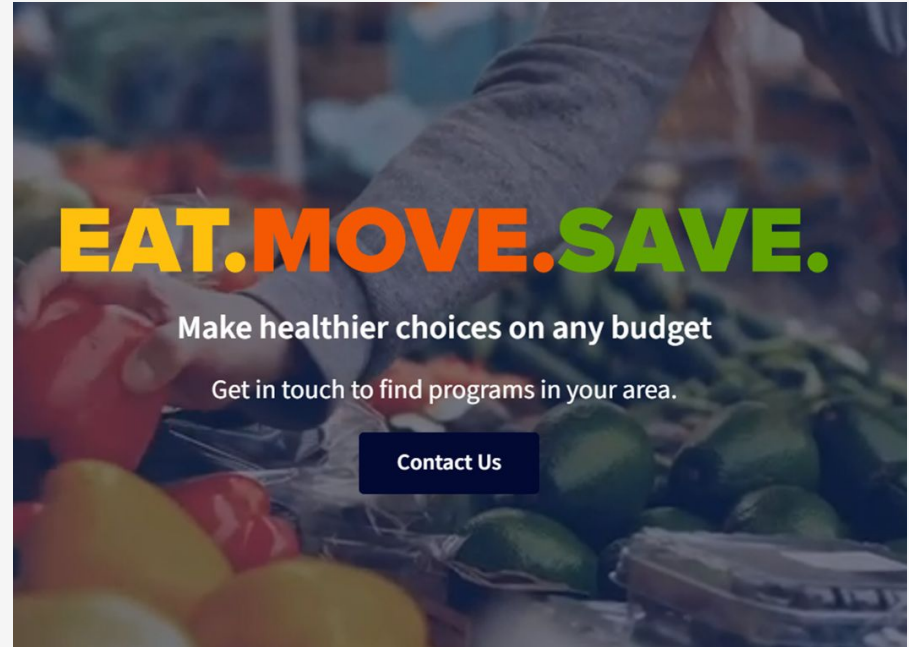
# Eliminates SNAP-Ed

**Historically:** SNAP-Ed is provided by University of Illinois Extension and University of Illinois Chicago as Eat.Move.Save. SNAP-Ed helps Illinois families improve their food and activity choices, stretch their food dollars, and increase access to healthy foods.

**Change:** Eliminates SNAP Nutrition Education

**Impact:**

- Lose significant returns on investment, including reduced healthcare costs.
- Over **1 million Illinois residents** will lose access to nutrition education that helps them make informed choices when feeding their families.
- **1,800** Illinois organizations will lose access to these funded services.
- Find Food Illinois (statewide) would no longer be available to Illinoisans.



**Learn more next week!**

## **SNAP in Crisis: The Cuts, Consequences and Plan for Collective Action**

July 31, 2025

2 - 3 p.m.

Please join the Greater Chicago Food Depository next week to discuss more in-depth the cuts to SNAP, the anticipated consequences of the changes, and how we can harness our collective power to fight back.

Register: [https://us06web.zoom.us/webinar/register/3317531941413/WN\\_Juhe3btxQFKr54u29JR3YA](https://us06web.zoom.us/webinar/register/3317531941413/WN_Juhe3btxQFKr54u29JR3YA)



# ORGANIZING & ACCOUNTABILITY

# Organizing Goals

## 'Big, beautiful bill' tax cuts touted in ad blitz as Senate GOP gears up for midterms

One Nation launches eight-figure campaign highlighting elimination of taxes on tips and overtime pay

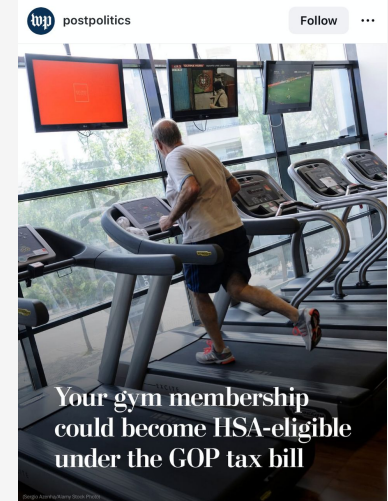


By Paul Steinhauser · Fox News

- 1) **Define the OBBBA in the media as an attack on healthcare** and basic services that will raise prices for working families, cause hardship for state budgets, take away services from people who need them like seniors, veterans, kids, and people with disabilities.

**Why is that necessary?** Those who voted for it will be “selling the bill” over the next several months.

- 2) **Build more support for stopping the bill's implementation** by increasing opposition. Join us at an upcoming event.



**PROTECT  
OUR CARE IL**

# Upcoming Events

- 1) **Medicaid/Medicare 60th Anniversary - Bleak Birthday Events**
  - a) Chicago - 7/30 at 10am
  - b) Peoria - 7/30 at 11am
  - c) Carbondale - 7/30 at 5:30pm
- 2) **Healthcare is a Human Right Town Halls**
  - a) South Suburbs - 7/29
  - b) Rockford - 8/13
  - c) East St. Louis - 8/19
- 3) **Protect Our Care Phone Banks**
  - a) Every Friday at Noon



# 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...



# National Resources on H.R.1

## Immigrant Provisions

- [National Immigration Law Center \(NILC\) Analysis](#)
- [PIF's Provisions on Immigrants Access to Public Benefits in the Final Reconciliation Package](#)

## Healthcare Provisions

- [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](#)
- [Georgetown Healthcare Litigation Tracker](#)

## SNAP Provisions

- [Food Research & Action Center \(FRAC\) H.R.1 SNAP Cuts Overview](#)
- [Feeding America H.R. 1 Analysis](#)

# Illinois-Based Resources

## Immigrant Provisions

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

## Healthcare Provisions

- [Protect Our Care Illinois Resources](#)

## SNAP Provisions:

- [Greater Chicago Food Depository Detailed SNAP Cuts Analysis](#)
- [I Benefit from SNAP Storytelling Project](#)
- [SNAP in Crisis one pager](#)
- [SNAP Facts vs. Fiction](#)

# QUESTIONS

# Panelist Contact Information

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# APPENDIX

# SNAP 101



## What is it?

The Supplemental Nutrition Assistance Program (SNAP, or Link) helps individuals and families purchase groceries. By providing money for groceries, SNAP frees up household income for other necessities like medicine or utilities.

There are some eligibility requirements for income, employment, and citizenship. Older adults over age 60 and individuals with a disability have expanded eligibility rules and a simplified process for maintaining benefits.

## How does it work?

SNAP benefits are distributed monthly on an electronic benefits transfer (EBT) card. Each month, participants receive a dollar amount to spend on grocery foods at authorized retail stores.

The amount of benefit you receive depends on your household income and expenses and the number of people in your household. SNAP benefits cannot be used to purchase non-food items.

## What does SNAP matter?

SNAP (formerly known as food stamps) is the **primary source of nutrition assistance** for almost 2 million people in Illinois.

**SNAP lifted 269,000 people above the poverty line in Illinois**, including 135,000 children, per year between 2014 and 2018, on average.

Every dollar spent on **SNAP generates \$1.5 in economic activity**, benefiting local stores and farmers.

SNAP benefits help **reduce the risk** of diet-related diseases

For **every meal** a Feeding America food bank serves across its network, **SNAP provides 9**. The emergency food system was not designed to fill the gap.

## Who administers it?

The U.S. Department of Agriculture (USDA) regulates the program at the federal level through their Bureau of Food and Nutrition Services (FNS) and the Illinois Department of Human Services (IDHS) administers the program at the state level




# What is the Nutrition Safety Net?


| SNAP  |                           | SNAP                      |                       |              |
|---|---------------------------|---------------------------|-----------------------|--------------|
| Free Child Meals                            | Reduced Price Child Meals | Reduced Price Child Meals |                       |              |
| WIC   | WIC                       | WIC                       |                       |              |
| Senior Meals                                | Senior Meals              | Senior Meals              | Senior Meals          |              |
| Emergency Food System                       | Emergency Food System     | Emergency Food System     | Emergency Food System |              |
| <130% FPL                                   |                           | 130-165% FPL              |                       | 165-185% FPL |
| <130% FPL                                   |                           | 130-165% FPL              |                       | >185% FPL    |
| 2024 Annual Income Household of 3 (Example) | < \$33,566                | \$33,566-\$42,603         | \$42,603-\$47,766     | \$47,766+    |



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# What is IDHS Telling Neighbors about SNAP?

 **IDHS** Illinois Department of Human Services  
JB Pritzker, Governor · Dulce M. Quintero, Secretary

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IDHS is deeply concerned by the recent passage of the Trump Administration's sweeping budget bill and its impact on the Supplemental Nutrition Assistance Program (SNAP). There remain many unanswered questions as to the timing and logistics for these changes, we are still in the process of analyzing the full impacts of the bill, and we await further guidance from our federal counterparts. IDHS will work to mitigate as much harm as possible. We will be reaching out to stakeholders & clients to provide updates as soon as we have additional information to provide.


En IDHS estamos muy preocupados por la aprobación del nuevo presupuesto de la Administración Trump y cómo puede afectar al programa de ayuda de alimentos (SNAP). Todavía hay muchas dudas sobre cuándo y cómo se harán estos cambios. Aún estamos en el proceso de analizar todos los impactos de la nueva ley y esperamos más instrucciones del gobierno federal. IDHS hará todo lo posible para mitigar el daño. Nos comunicaremos con las partes interesadas y los clientes para dar actualizaciones tan pronto como tengamos información adicional que ofrecer.


 **PROTECT  
OUR CARE IL**



# What is IDHS Telling Neighbors about SNAP?

 **ABE** APPLICATION FOR BENEFITS ELIGIBILITY

[Español](#)  [Sign In](#)

 An official site of the State of Illinois | J.B. Pritzker, Governor

[What is ABE?](#) [FAQ](#) [More Options](#)

IDHS is in the process of analyzing changes to the Supplemental Nutrition Assistance Program (SNAP) because of the passage of the federal budget bill. At this time, customers should continue applying and managing their cases as normal. We will be reaching out to stakeholders & clients to provide updates as soon as we have additional information to provide.


**Got Medicaid?** *Get ready to renew!* Use Manage My Case to access your benefits, check your redetermination due date, and verify your mailing address. If you're due, renew online right away.

**ILogin** - A new way to log in to ABE and Manage My Case. For more information and Troubleshooting tips visit the [ABE Customer Support Center](#).

## Welcome to ABE

### Helping people in Illinois lead healthy and independent lives

Use this site to apply for and manage your healthcare, food, and cash assistance benefits.



# What are Payment Error Rates in SNAP?

## According to the USDA Food and Nutrition Service:

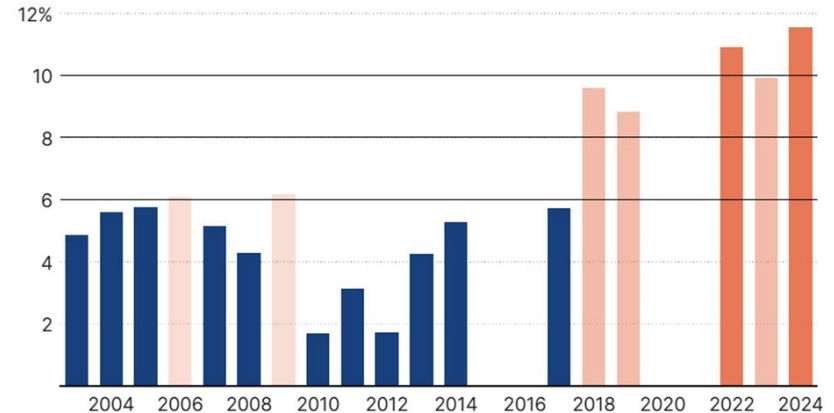
SNAP has one of **the most rigorous quality control systems** in the federal government to measure how accurately states determine a household's eligibility and benefits.

As part of the quality control system, FNS and states identify payment errors. There are two types of payment errors:

- **Underpayments**
- **Overpayments**

Payment errors are **largely unintentional** and may be on the part of the state agency or the SNAP household. For example, the state agency incorrectly calculates a household's expenses, or a client forgets to provide the state with an update on their income.

Payment error rates for Illinois, FY 2003–FY 2024



**Note:** Payment error rate data are not available for pandemic years (2020–21), 2015, or 2016. Horizontal black lines indicate payment error rate thresholds of 6, 8, and 10 percent. The y-axis shows the greater of 10 percent or a state's maximum payment error rate.

THE  
HAMILTON  
PROJECT

# What are Able-Bodied Adults Without Dependents?

Congress established the 3-month time limit in the 1996 Welfare Reform Act in which SNAP recipients deemed ABAWDs are limited to 3 months of benefits in a 3 year period *unless* they meet the strict work requirements (20 hr/per week) or are exempt (such as having a disability).

The 3-month time limit has never applied to parents/caretakers of children or adults over 54.

Congress expanded the time limit to include adults ages 50-54 in the Fiscal Responsibility Act (FRA) of 2023 and added specific exemptions for adults who are experiencing homelessness, veterans, or former foster youth under age 24; but sunset the expanded age range and new exemptions on October 1, 2030.

## Vastly Expanding Punitive and Ineffective Work Requirements...

- Ignores systemic barriers in the labor market
- Takes food off the table for children
- Undermines recession readiness and responsiveness
- Creates massive red-tape and burden
- Imposes work requirements on parents, grandparents and other caregivers

# What did we not have time to mention from the BBB

Restricting eligibility for long-term services and supports including nursing home care by capping home equity limits to a hard cap without any adjustments for inflation.

Blocking implementation of a rule to improve nursing home staffing, despite overwhelming evidence during COVID that staffing is insufficient.

Blocking implementation of elements of an essential rule to simplify eligibility and enrollment and increase participation in Medicaid and CHIP particularly among seniors and people with disabilities.

Imposing mandatory federal funding penalties on states related to eligibility errors. Starting FY 2030, the law effectively eliminates the good faith effort waiver for states with over 3% eligibility errors; requires penalties to be assessed; sets the erroneous excess payment rate as determined under audits by the Secretary; and extends the definition of erroneous payments to include payments for items and services furnished to ineligible individuals or “where insufficient information is available to confirm eligibility.”

Under federal statute, Medicaid beneficiaries have “free choice” to receive Medicaid-covered services from any qualified provider willing to participate in the Medicaid program. This included Planned Parenthood and other reproductive health clinics, just like any other participating provider. However, as part of a longstanding anti-abortion campaign, the BBB bans Planned Parenthood from being a Medicaid provider, even though federal law already prohibits Medicaid from covering abortion services under the Hyde Amendment except in the case of rape, incest, or when the woman’s life is in danger.

Increasing verification that Medicaid beneficiaries are not deceased. States are now required to check *not less frequently than quarterly* the Social Security Administration (SSA)’s “Death Master File” to determine whether any Medicaid beneficiaries are newly deceased and if found to be deceased, to disenroll such individual and discontinue any payments on their behalf.