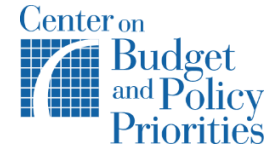


2025 Budget Impacts: House Bill Would Cut Assistance and Raise Costs for People With Disabilities



House Republicans' budget reconciliation legislation would take away health coverage and food assistance from many millions of people, including people with disabilities, significantly raising their costs to buy groceries and address their health care needs. These effects would be on top of the harmful impacts of administrative changes being attempted under the Trump Administration, including [threatening timely disability benefits](#) by significantly cutting staff at the Social Security Administration. The so-called "Big Beautiful Bill" is anything but beautiful; it would cause widespread harm by making massive cuts to Medicaid, Affordable Care Act (ACA) marketplace coverage, and the Supplemental Nutrition Assistance Program (SNAP), which would raise costs and make it much harder for people to afford the high cost of groceries and health care.

People With Disabilities Receive Critical Support From Medicaid and SNAP

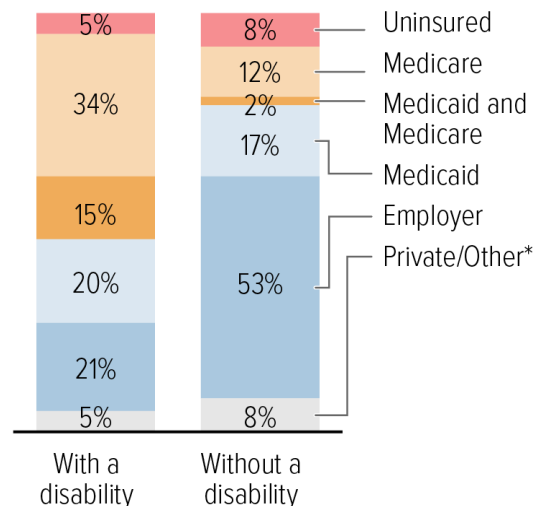
Having a disability can raise expenses and make it harder for people to work, put food on the table, and afford adequate health care. People with disabilities have poverty rates over [twice](#) that of those without disabilities. Medicaid and SNAP help millions of people with disabilities meet these challenges.

Medicaid provides health coverage, including for home- and community-based services, for about [15 million people](#) with disabilities, representing over one-third of all people with disabilities, according to KFF. Medicaid expansion increased coverage for people with disabilities, allowing many to qualify based on income rather than strict disability eligibility criteria. Nationwide, approximately two-thirds of non-elderly adult Medicaid enrollees with a disability do not receive Supplemental Security Income, which would qualify them for Medicaid on the basis of disability; instead, many of these adults are likely covered through Medicaid expansion.

In 2023, SNAP provided food assistance to nearly 4 million households each month that included individuals under age 60 who received disability benefits, representing nearly one in five SNAP households, [U.S. Department of Agriculture data](#) show. More than 3 million additional SNAP household heads under age 65 had a self-reported disability, according to Census data.

Medicaid Is a Major Source of Health Coverage for People With Disabilities

Percentage of individuals by insurance coverage and disability status, in 2023



For more information please visit kff.org: "5 Key Facts About Medicaid Coverage for People with Disabilities"

Source: KFF estimates based on the 2023 American Community Survey, 1-Year Estimates.

Cuts to Medicaid Would Hurt People With Disabilities

Taking away Medicaid from people not meeting a work requirement. The House bill would take away coverage from low-income adults enrolled in the Medicaid expansion group who can't document meeting rigid work requirements or show they qualify for an exemption. Prior research has shown that many people with disabilities would likely lose benefits under a Medicaid work requirement even if they should be exempt. For example, when Arkansas implemented a Medicaid work requirement in 2018, 18,000 people lost their health coverage despite evidence that [95 percent](#) of those subject to the requirements appeared to have either met them or qualified for an exemption. Given the complicated reporting requirements, people with disabilities were "[particularly vulnerable](#)" to having their Medicaid coverage terminated, even though they were supposed to be exempt, KFF research found.

Increasing red tape and imposing higher costs on people with disabilities. The House Republicans' bill includes provisions that will add burdens for people with disabilities, contributing to coverage losses and higher costs. One such provision would block implementation of a rule designed to make it easier for people with disabilities and seniors who receive Medicare to access Medicare Savings Programs, a part of state Medicaid programs that help pay low-income people's Medicare premiums and cost-sharing charges. According to [data](#) from the nonpartisan Congressional Budget Office (CBO), roughly 1.4 million people who are dually eligible for Medicaid and Medicare would no longer receive this cost-sharing assistance and would therefore face increased out-of-pocket costs under the bill.

Threatening funding for home- and community-based care. The House bill would shift costs to states, including through new restrictions on how states can finance their share of Medicaid, which could lead states to cut back on health care services for people with disabilities. States unable to backfill for those cuts may look to cut back on services they aren't required to provide under Medicaid, including home- and community-based care for frail seniors and people with disabilities.

Making it harder for people, including those with disabilities, to maintain health coverage. The House Republican bill would require states to redetermine eligibility for enrollees in the Medicaid expansion group twice a year, instead of annually, starting with renewals due on or after December 31, 2026. This would add excessive red tape for enrollees as well as state agencies, which are likely to make more mistakes with the sharp increase in workload. Experience shows that people who still meet eligibility criteria will lose coverage and "churn" on and off Medicaid, leading to interruptions in people's medications and treatments. Indeed, CBO estimated this provision would cut \$53 billion in federal spending between fiscal years 2028 and 2034 as more frequent renewals would cause eligible enrollees to lose coverage.

Increasing costs for people with disabilities in the ACA marketplaces and Medicaid. The House Republicans' health agenda also targets the ACA marketplaces, which provide coverage and financial assistance to more than 20 million people, including people with disabilities. The legislation fails to extend the expiring enhanced premium tax credits for marketplace coverage, which will lead to [skyrocketing premiums](#). Additionally, the bill would require cost-sharing for people with income greater than the federal poverty level (\$15,650 per year for an individual in 2025) who are enrolled in Medicaid through the expansion, increasing costs for people with disabilities and other enrollees. The bill also would take away marketplace financial assistance from most categories of lawfully present immigrants, such as refugees and people granted asylum, including those who may have disabilities.

Cuts to SNAP Would Hurt People With Disabilities

Forcing deep SNAP benefit cuts by radically altering SNAP's funding structure. SNAP benefit costs have been fully federally funded for 50 years. The House reconciliation bill would fundamentally alter this structure by requiring states to pay for between [5 and 25 percent](#) of benefit costs. If a state can't make up for these massive federal cuts with tax increases or spending cuts elsewhere in its budget, it would have to cut its SNAP program (such as cutting eligibility or benefits or making it harder for people to enroll) or it could *opt out of the program altogether*. CBO estimates that states would cut or terminate benefits for about 1.3 million people in an average month due to this provision. The cuts to nutrition assistance could be far larger if more states than CBO projects deeply cut or end SNAP, and the risk of such cuts would rise during recessions, when state budgets are even more stretched.

Taking SNAP benefits away from older adults and people with disabilities who don't meet rigid work requirements. Under current SNAP rules, adults up to age 54 and without children in their homes are limited to three months of benefits out of every three years if they can't document they are either meeting a 20-hour-per-week work requirement or are exempt; many people with disabilities get cut off due to the existing requirement, often because the exemption process is cumbersome and doesn't work. The House Republican bill would [expand this harsh restriction](#) to older adults aged 55-64, increasing its application to people with disabilities given the rising risk of disability with age. CBO estimates that expanding the work requirement would cut SNAP by \$92 billion through 2034 and take food assistance away entirely from 3.2 million people in a typical month.

Restricting SNAP benefit updates. The Republican House bill would [restrict future updates](#) of the Thrifty Food Plan, the basis for SNAP benefit levels, so it wouldn't reflect current dietary guidance and the types of foods people eat. This would cut benefits for all participants, including people with disabilities, by \$37 billion over the next decade according to CBO.

Taking food assistance away from people legally residing in the U.S. The House Republican bill would end SNAP for hundreds of thousands of currently eligible immigrants, including those with disabilities. It would restrict food benefits only to U.S. citizens, lawful permanent residents, certain Cuban entrants, and COFA citizens. People who have proven they have fled persecution, domestic violence survivors, and survivors of sex and labor trafficking are among those whose benefits would be terminated.

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