

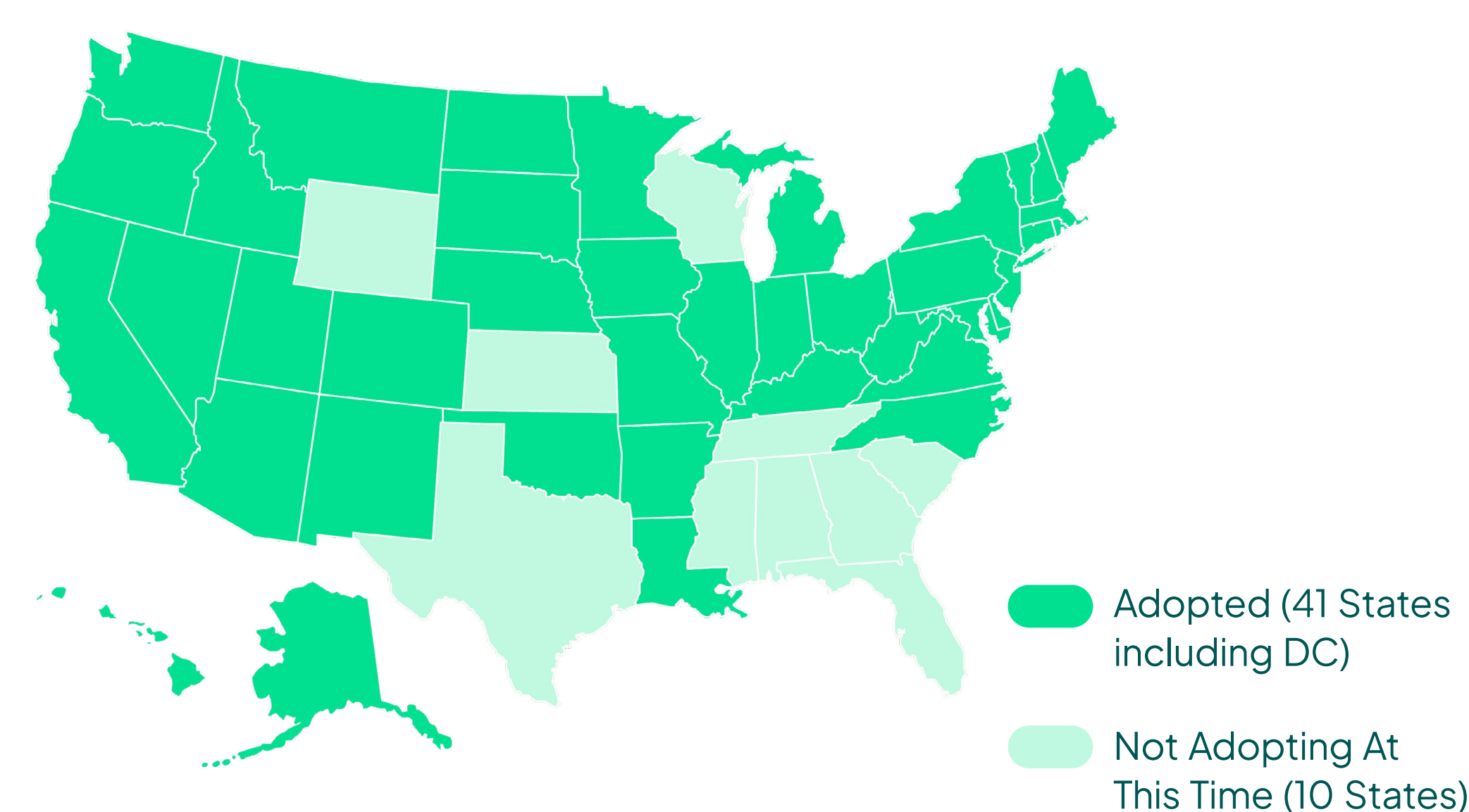
One Big Beautiful Bill Act Medicaid Provisions

The One Big Beautiful Bill Act (OBBBA), which was signed into law on July 4, 2025, contains over 30 different provisions related to Medicaid — one of the nation's largest assistance programs. The legislation is poised to change who may be eligible, how people enroll, and how states fund their programs.

What is Medicaid?

Medicaid provides free or low-cost medical insurance to millions of low-income individuals. About 89 million people, or 26% of the population, were covered at some point in fiscal year (FY) 2024.

States with Medicaid Expansion 2025



Current status for each state is based on KFF tracking and analysis of state activity.²



Want more OBBBA resources?

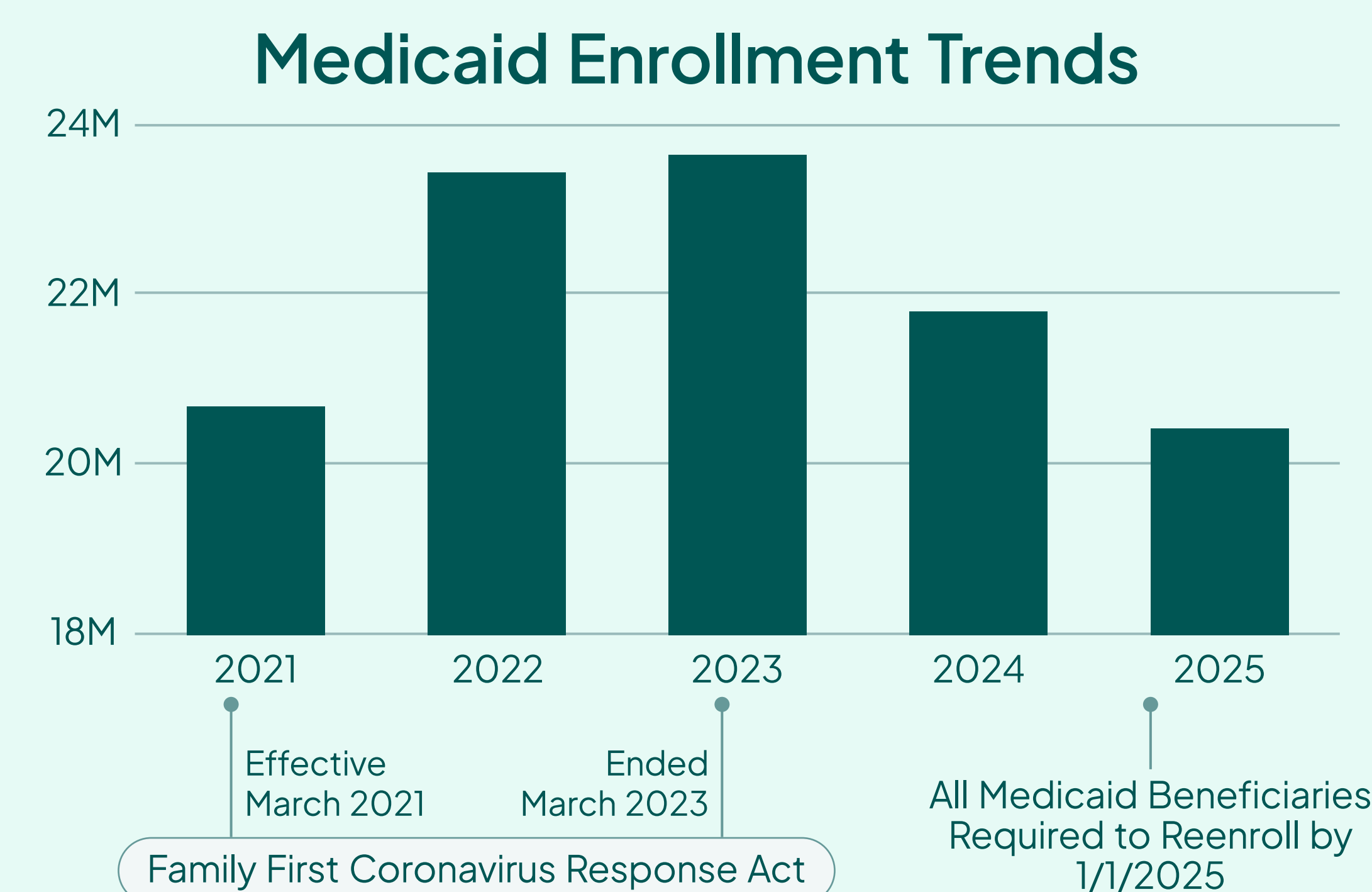
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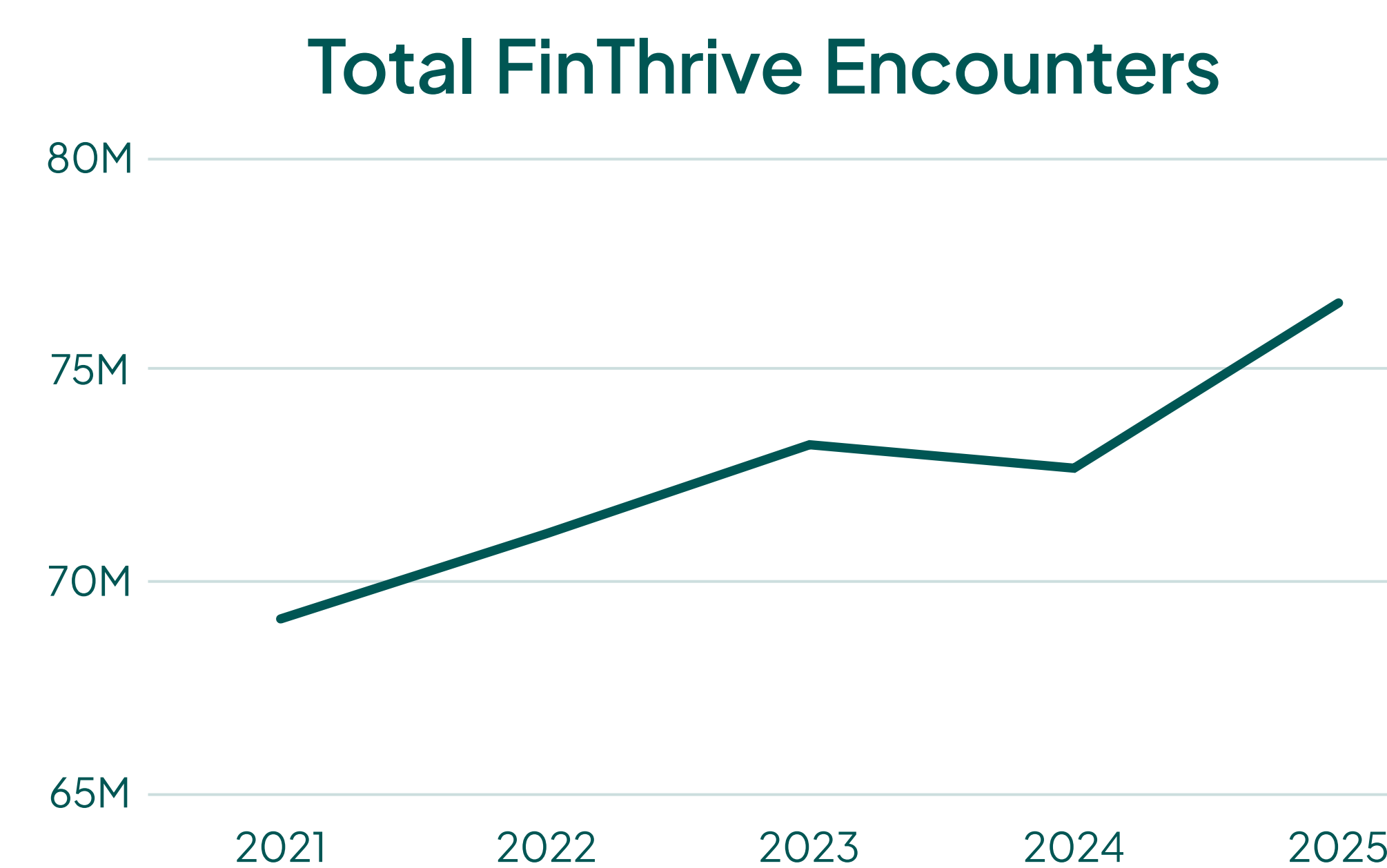
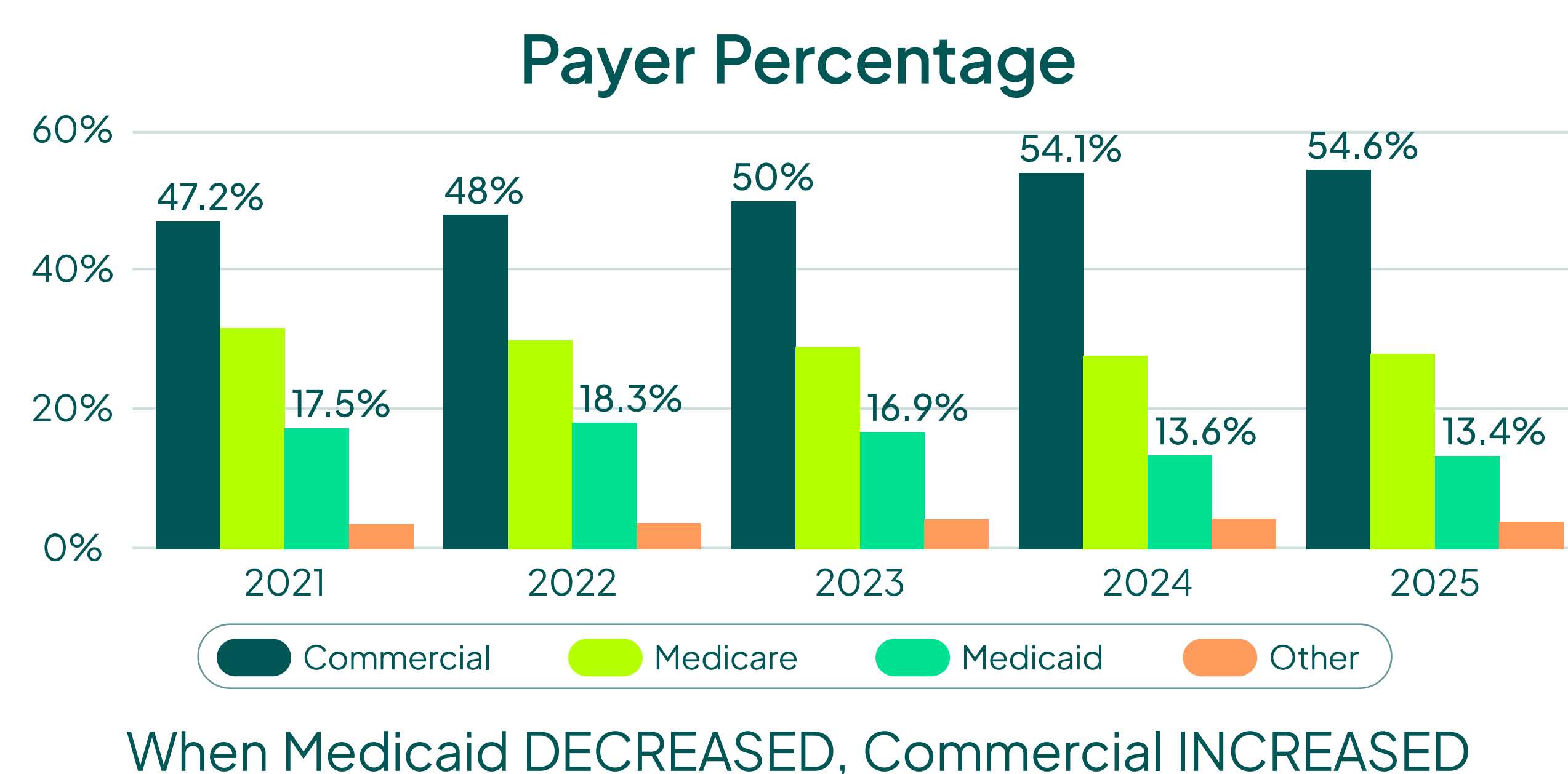
- 1 FinThrive, <https://finthrive.com/obbba-healthcare-resource-hub>
- 2 Status of State Medicaid Expansion Decisions: Interactive Map, <https://www.kff.org/medicaid/status-of-state-medicaid-expansion-decisions/>
- 3 Medicaid Enrollment Data Collected Through MBES | Medicaid, <https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/medicaid-enrollment-data-collected-through-mbes>
- 4 Health Insurance Exchanges 2025 Open Enrollment Report, <https://www.cms.gov/files/document/health-insurance-exchanges-2025-open-enrollment-report.pdf>
- 5 <https://www.kff.org/medicaid/allocating-cbos-estimates-of-federal-medicaid-spending-reductions-across-the-states-enacted-reconciliation-package/>
- 6 <https://www.kff.org/quick-take/about-17-million-more-people-could-be-uninsured-due-to-the-big-beautiful-bill-and-other-policy-changes/>
- 7 <https://www.healthinsurance.org/obamacare/beware-obamacares-subsidy-cliff/>

Enrollment Numbers Impacted by Increased Requirements

For the quarter beginning with January 1, 2014, states began reporting Medicaid enrollment data as part of their Medicaid expenditure reporting through the Medicaid Budget and Expenditure System (MBES). The enrollment information is a state-reported count of unduplicated individuals enrolled in the state's Medicaid program at any time during each month in the quarterly reporting period. The enrollment data identifies the total number of Medicaid enrollees and, for states that have expanded Medicaid, provides specific counts for the number of individuals enrolled in the new adult eligibility group, also referred to as the "VIII Group."³



Number of Encounters in FinThrive Claims Data Increase While Medicaid Payer Source Decreases

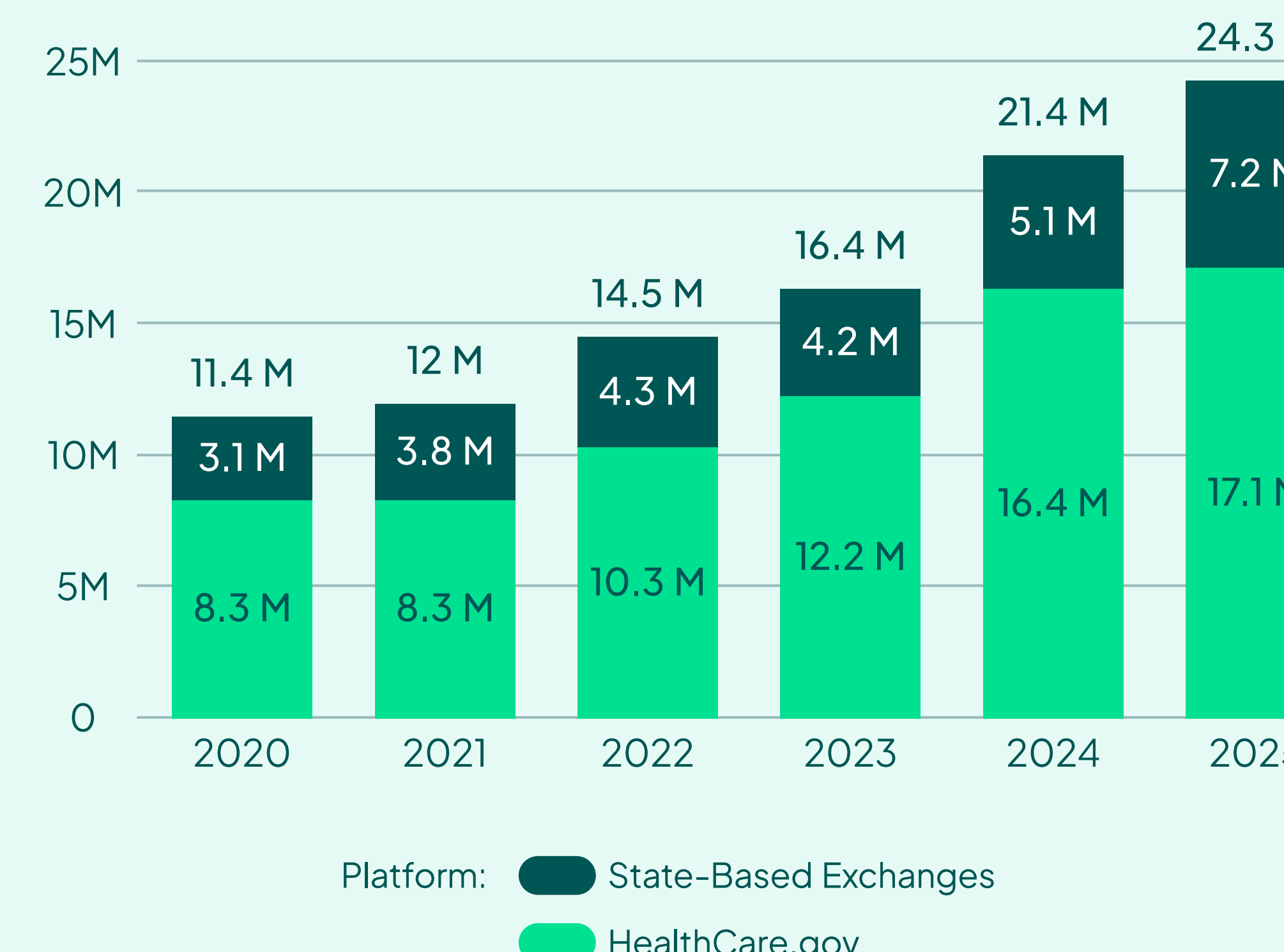


Healthcare Exchange Enrollment Impact on Commercial Insurance

Nationally, during the 2025 Open Enrollment Period, 92% of consumers had their premiums reduced by Advanced Premium Tax Credits (APTCs), and 51% selected plans with Cost-Sharing Reductions (CSRs). 41% of HealthCare.gov consumers selected plans that cover 94% of their expected health care costs – 94% actuarial value (AV) – the same percentage as in 2024, and an increase of nearly 10% from 2020.⁴

	2020	2021	2022	2023	2024	2025
With APTC: All Exchanges	84%	85%	89%	90%	92%	92%
HealthCare.gov	87%	88%	92%	93%	95%	95%
SBEs	76%	78%	83%	82%	83%	86%
With CSR: All Exchanges	49%	47%	49%	48%	50%	51%
HealthCare.gov	52%	51%	53%	52%	53%	53%
73% AV	6%	4%	5%	3%	2%	2%
87% AV	15%	12%	13%	11%	9%	9%
94% AV	32%	34%	35%	37%	41%	41%
American Indian/Alaska Native	1%	1%	1%	<1%	<1%	<1%
SBEs	39%	39%	37%	35%	39%	45%
Metal Level: All Exchanges						
Catastrophic	1%	1%	1%	<1%	<1%	<1%
Bronze	33%	35%	32%	32%	31%	30%
Silver	57%	55%	56%	54%	54%	56%
Gold	8%	8%	10%	12%	13%	13%
Platinum	1%	1%	1%	1%	1%	<1%

During the 2025 Open Enrollment Period, 24.3 million consumers selected or were automatically reenrolled in an Exchange plan. This includes 17.1 million consumers through the HealthCare.gov platform and 7.2 million consumers in State-Based Exchanges using their own platforms.



Key Impacts on Medicaid and ACA

Spending Reduction

\$990 Billion Reduction in Medicaid Spending⁵

Estimated 11 million individuals expected to lose coverage⁶

- Ripple Effects
- Increased uncompensated care
 - Rising bad debt
 - Elevate charity care

Administrative Burden

Stricter Eligibility Requirements

- Biannual eligibility rechecks
- Shorter retro-enrollment periods
- Work-related activity requirements

Higher Premiums

Premium Hikes in Marketplace Coverage

Financial assistance for those above 400% of poverty level slated for removal⁷

- Impact
- Reduced access to affordable care
 - Increased medical debt
 - Forced not to have coverage

Limits on State Autonomy

Caps on Provider Taxes and State Payments

- Limits state ability to implement provider taxes
- Removes state autonomy to provide emergency Medicaid for immigrants
- Eliminates bonus incentives for expansion of Medicaid

Operational Challenges for Hospitals and Health Systems



- Increased administrative burdens
- Rise in uninsured patients
- Managing same number of patients with less revenue
- Longterm funding shortfalls
- Worsening health disparities