

# What the OBBB Means for Florida Health Care

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ROLL CALL VOTE | YEA 51 | NAY 49 | UNOFFICIAL TALLY



Motion to Proceed to the consideration of  
H.R. 1, the One Big Beautiful Bill Act



## Who We Are

- Florida Voices for Health is a 501(c)(3) health care advocacy organization. We promote reforms through story collection, community outreach and education, and through relationships with media and lawmakers.
- We lead some coalition-based campaigns on different healthcare issues.
- Our issues include:
  - Strengthening Florida Medicaid
  - Improving access to Oral Health
  - Increasing access for Floridians with disabilities
  - Protecting Floridian Health Care Consumers
- Our main function is **capturing the health care stories** of Floridians and sharing them with lawmakers, the media, and our communities.

# Today's Agenda

## **How We Got Here**

We'll quickly recap the budget reconciliation process.

## **H.R. 1 Provisions**

We'll discuss the specific provisions of the OBBB including re: Medicaid, Medicare, and the ACA.

## **What's Next, Q&A, and Staying Engaged**

Recap of what all of this means for Florida and an invitation to partner with Florida Voices for Health.







# How We Got Here

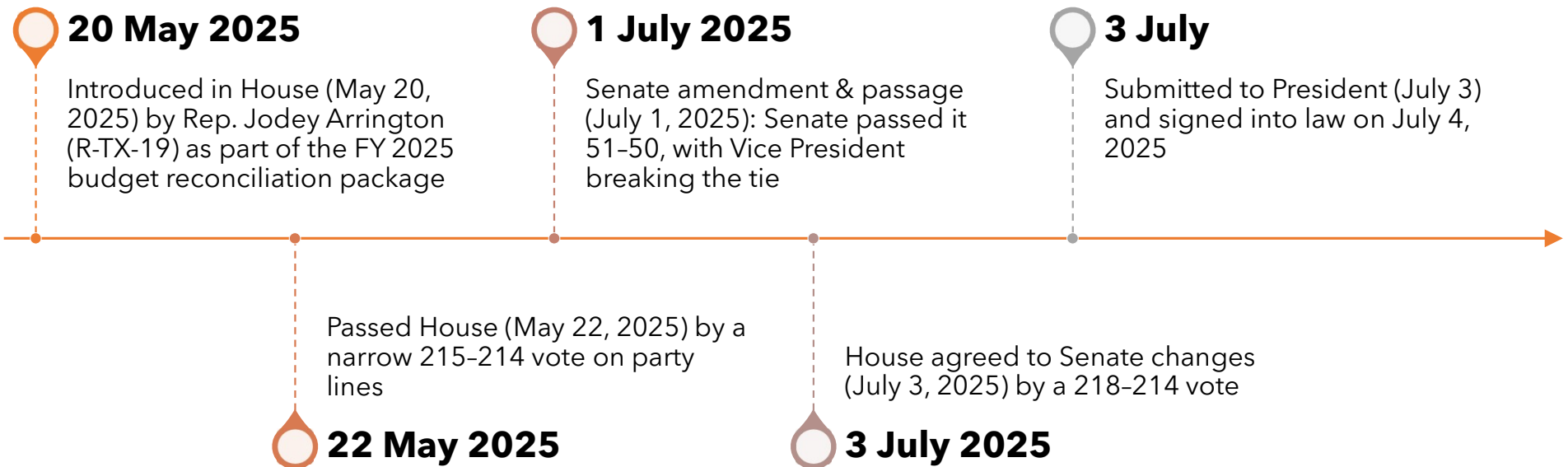
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# Journey to the OBBB





# H.R.1 Provisions

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# Implications of Federal Policy Changes

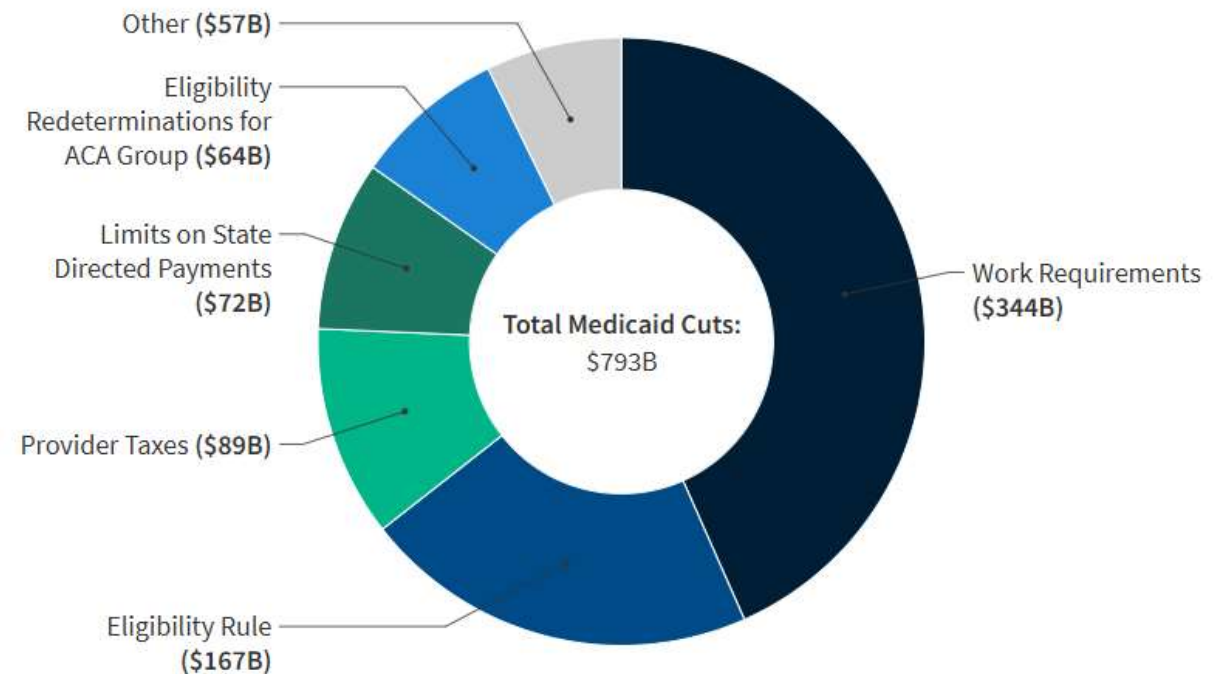
- Federal cuts to states of \$911 billion over 10 years would represent almost 15% of federal spending on Medicaid over the period.
- This is the largest cut in the program's history.

**KFF**

The independent source for health policy research, polling, and news

## CBO Estimates of Potential Federal Medicaid Cuts in the House Reconciliation Bill

10-year federal spending cuts, by policy



# Medicaid Eligibility Policies





# Retroactive Coverage

- **Current Law:** States are required to provide Medicaid coverage for qualified medical expenses incurred up to 90 days prior to the date of application for coverage.
- **OBBB Changes:**
  - 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.
  - Provides \$15 million in implementation funding for FY 2026.
- **Effective Date:** January 1, 2027

# Eligibility and Enrollment Final Rule

- **Current Law:** In April 2024, CMS finalized the Eligibility and Enrollment final rule, which includes two key rules. The first reduces barriers to Medicare Savings Programs (MSPs) for low-income beneficiaries. The second streamlines Medicaid application processes, aligns renewal policies, facilitates transitions between Medicaid, CHIP, and Marketplace coverage, and removes barriers in CHIP. The rule was scheduled to take effect June 2025.
- **OBBB Changes:**
  - Prohibits the Secretary from implementing, administering, or enforcing certain provisions in both rules until October 1, 2034.
- **Effective Date:** Upon enactment

# Immigrant Eligibility

- **Current Law:**

- Undocumented immigrants cannot access federally-funded Medicaid, but Emergency Medicaid covers ER costs for those who would qualify for Medicaid except for their immigration status.
- Lawfully present immigrants require a “qualified” immigration status to be eligible for Medicaid or CHIP. Many must wait five years after obtaining this status to enroll, although states can waive this for children and pregnant individuals. Some states offer state-funded coverage for undocumented immigrants.

- **OBBB Changes:**

- Restricts the definition of “qualified immigrants” to LPRs, certain lawfully residing Cuban and Haitian immigrants and citizens of the Freely Associated States and lawfully residing children and pregnant adults in ICHIA states.
- Provides \$15 million in implementation funding for FY 2026.

- **Effective Date:** October 1, 2026



# ICE & Medicaid Data\*\*

In July, ICE was provided access to the personal data of the 79 million Medicaid enrollees to help track down immigrants who may not be living legally in the United States, according to a data-sharing agreement between CMS and DHS

In the complaint brought last month in Northern California federal court, attorney generals from 20 states – California, Arizona, Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont and Washington – sought to bar use of Medicaid data for immigration enforcement and deportation purposes.

Because ICE had a policy against using Medicaid data for immigration enforcement purposes, which had been publicized to states, medical providers and Medicaid patients since 2013, U.S. District Judge Vince Chhabria said he would grant them a partial preliminary injunction.

# Medicaid Financing Policies



# Disproportionate Share Hospital Payments (DSH)

- **Current Law:** Medicaid provides DSH payments to hospitals that serve a disproportionate percentage of low-income, uninsured and Medicaid patients. The payments cover cost of uninsured and supplement low Medicaid reimbursements.
- **OBBB Changes:** None
- **Effective Date:** The ACA called for a reduction in federal DSH allotments starting in FY 2014 based on the anticipated reduction in uninsured rates stemming from the ACA implementation, but the cuts have been delayed several times and are currently delayed through September 30, 2025.



# Provider Taxes

- **Current Law:** States are permitted to finance the non-federal share of Medicaid spending through multiple sources, including state general funds, health care related taxes (or “provider taxes”), and local government funds.
- **OBBB Changes:**
  - Prohibits states from establishing any new provider taxes or from increasing the rates of existing taxes.
  - Revises the conditions under which states may receive a waiver of the requirement that taxes be broad-based and uniform
  - Reduces the safe harbor limit for states that have adopted the ACA expansion by 0.5% annually starting in fiscal year 2028 until the safe harbor limit reaches 3.5% in FY 2032.
  - New limit applies to taxes on all providers except nursing facilities and intermediate care facilities.
- **Effective Date:** Upon enactment, but states may have at most 3 fiscal years to transition existing arrangements that are no longer permissible.

# Medicaid Long-Term Care & Home and Community Based Services



# Nursing Home Staffing Final Rule

- **Current Law:** A 2024 rule requires long-term care facilities (LTC) to meet minimum staffing levels (including a 24/7 RN on-site and a minimum of 3.48 total nurse staffing hours per resident day), and requires states to report the share of Medicaid payments for institutional LTC that are spent on worker compensation.
- **OBBA Changes:** Prohibits the Secretary of Health and Human Services from implementing, administering, or enforcing the minimum staffing levels required by the final rule until October 1, 2034.
- **Effective Date:** Upon enactment



# Home and Community Based Services

- **Current Law:** States are required to cover nursing facility care under Medicaid, but nearly all home care (HCBS) is optional. Nearly all states provide home care through "1915(c) waivers," which limit services to people who require an institutional level of care.
- **OBBB Changes:**
  - Allows states to establish 1915(c) HCBS waivers for people who do not need an institutional level of care.
  - States' waiver submissions must demonstrate that the new waiver will not increase the average amount of time that people who need an institutional level of care will wait for services.
  - \$50 million in FY 2026 and \$100 million in FY 2027 for implementation.
- **Effective Date:** New waivers may not be approved until July 1, 2028

# Medicaid & Access to Care



# Rural Health Funding

- **OBBB Changes:**

- Establishes a rural health transformation program that will provide \$50 billion in grants to states between 2026 and 2030, to be used for payments to rural health care providers and other purposes.
- Half of the funds will be shared equally among states with approved applications.
- The rest will be allocated by CMS, taking into account:
  - The number of rural people living in metropolitan areas,
  - The percentage of rural health facilities in each state, and
  - The conditions of hospitals that care for a large number of low-income patients with special needs.

- **Effective Date:** Upon enactment but funding is first available in 2026.



# Medicaid Expansion



# Eligibility Determinations

- **Current Law:** States must renew eligibility every 12 months for Medicaid enrollees whose eligibility is based on income, age 65+, or disability (ex: children, pregnant individuals, parents, and expansion adults). States are required to review eligibility within the 12-month period if they receive information about a change in a beneficiary's circumstances that may affect eligibility.
- **OBBB Changes:**
  - Requires states to conduct eligibility redeterminations at least every 6 months for Medicaid expansion adults.
  - Requires the Secretary to issue guidance within 180 days of enactment.
  - Provides \$75 million in implementation funding for FY 2026.
- **Effective Date:** For renewals scheduled on or after December 31, 2026

# Work Requirements

- **Current Law:** Prohibits conditioning Medicaid eligibility on meeting a work or reporting requirement.
- **OBBB Changes:**
  - Eligibility under Medicaid expansion requires working or participating in qualifying activities for at least 80 hours per month. Only parents with children under 13 are exempt.
  - States must verify that applying individuals meet requirements for 1 or more consecutive months preceding the month of application; and that current enrollees meet requirements for 1 or more months between the most recent eligibility redeterminations (at least twice per year).
  - Caps the “look-back” for demonstrating community engagement at application to three months.
  - If a person is denied or disenrolled due to work requirements, they are also ineligible for subsidized Marketplace coverage.
- **Effective Date:** Not later than December 31, 2026, or earlier at state option



# Cost Sharing

- **Current Law:** States can charge premiums and cost-sharing for Medicaid enrollees within certain limits, Cost-sharing is typically nominal but may be higher for those above 100% of the federal poverty level (FPL), and out-of-pocket costs cannot exceed 5% of family income.
- **OBBB Changes:**
  - Eliminates enrollment fees or premiums for expansion adults.
  - Requires states to impose cost sharing of up to \$35 per service on expansion adults with incomes 100-138% FPL;
  - Exempts primary care, mental health, substance use disorder services, services provided by federally qualified health centers, behavioral health clinics, and rural health clinics from cost sharing,
  - Maintains the 5% of family income cap on out-of-pocket costs.
  - Provides \$15 million in implementation funding for FY 2026.
- **Effective Date:** January 1, 2026

# The Affordable Care Act



# Pre-enrollment Verification for Premium Tax Credit

- **Current Law:** New enrollees receive conditional eligibility if they have any discrepancies between the information they provide and federal databases. They can keep their coverage and tax credits for up to 90 days while they submit the necessary verification documents. Returning enrollees who do not act during OE will be automatically renewed into the same or a similar plan.
- **OBBB Changes:**
  - Consumers can still enroll in a plan but cannot receive premium tax credits or cost-sharing reductions (CSRs) until after they verify their eligibility.
  - Exchanges must use applicant's "household income" for verification and determine whether applicant is an "eligible alien."
  - Exchanges can use any third-party sources/data for verification.
  - Effectively ends auto-renewals.
- **Effective Date:** Taxable years beginning after December 31, 2027



# Marketplace Eligibility for Lawfully Present Immigrants

- **Current Law:** Lawfully present immigrants can enroll in ACA Marketplace coverage and receive financial assistance. Lawfully present immigrants with incomes under 100% FPL who do not qualify for Medicaid coverage due to their immigration status also are eligible for ACA Marketplace coverage.
- **OBBB Changes:**
  - Limits eligibility for subsidized ACA Marketplace coverage to lawful permanent residents (LPRs or “green card” holders), Compact of Free Association migrants , or certain immigrants from Cuba and Haiti.
  - Eliminates eligibility for many lawfully present immigrants including refugees, asylees, and people with Temporary Protected Status.
  - Eliminates Marketplace subsidies for all lawfully present immigrants earning under 100% FPL beginning January 1, 2026.
- **Effective Date:** Beginning January 1, 2027

# Recapture of Excess Premium Tax Credits

- **Current Law:** If an enrollee receives more premium tax credits than eligible due to underestimating their income, they must repay the excess amount. Most enrollees have a repayment cap depending on their household income.
- **OBBB Changes:**
  - Requires that all premium tax credit recipients repay the full amount of any excess, no matter their income.
- **Effective Date:** Taxable years beginning after December 31, 2027

# Special Enrollment Periods (SEPs) and Tax Credit Eligibility

- **Current Law:** In addition to qualifying life events (QLEs) that enable eligibility for an SEP, people in states that use Federally-Facilitated Marketplaces (FFM) and make no more than 150% of the federal poverty level can apply for a year-round SEP to sign up for coverage.
- **OBBB Changes:**
  - Bars any consumer who enrolls in a plan via a non-QLE SEP from receiving either premium tax credits or CSRs.
- **Effective Date:** Plan years beginning after December 31, 2025



# Notable Unchanged ACA Provisions

- **Open Enrollment Period (OEP)** - In most states, open enrollment lasts from November 1 to January 15.
- **Coverage of gender affirming care.** The ACA does not exclude or require gender affirming care as an essential health benefit.
- **Limitation on use of CSR funds for abortions.** Abortion coverage is prohibited from being required as part of the federally established essential benefit package.
- **ACA & Deferred Action for Childhood Arrivals (DACA) recipients.** DACA recipients are currently considered “lawfully present” for the purposes of health coverage. However, because of a court injunction, Marketplace enrollment has been placed on hold for DACA recipients in the 19 states that are involved in the lawsuit.

# What the “One Big Beautiful Bill” (OBBB) Act (HR 1) Doesn't Do:

- Did not change the biggest incentive for Medicaid expansion. The OBBB preserves the underlying beneficial reimbursement rates for expansion states (90% FMAP for expansion populations).
- Did not extend ACA Marketplace tax credit enhancements.

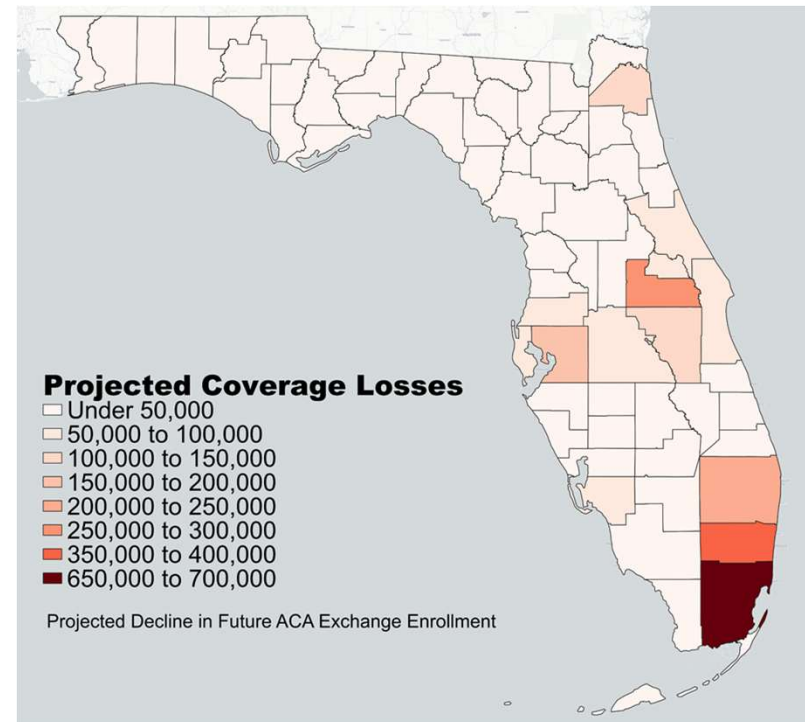
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# ACA Marketplace Cuts Will Hit Florida Hardest

Florida's ACA Marketplace enrollment has risen to a record-setting 4.7 million people in 2025 - or over 1 in 5 Floridians. The most in the nation.

OBBB did not extend ACA Marketplace tax subsidy enhancements - prices to spike for 4.7 million Floridians in early 2026. 2.3 million total projected to lose health insurance - 2.2 m from ACA Marketplace cuts.

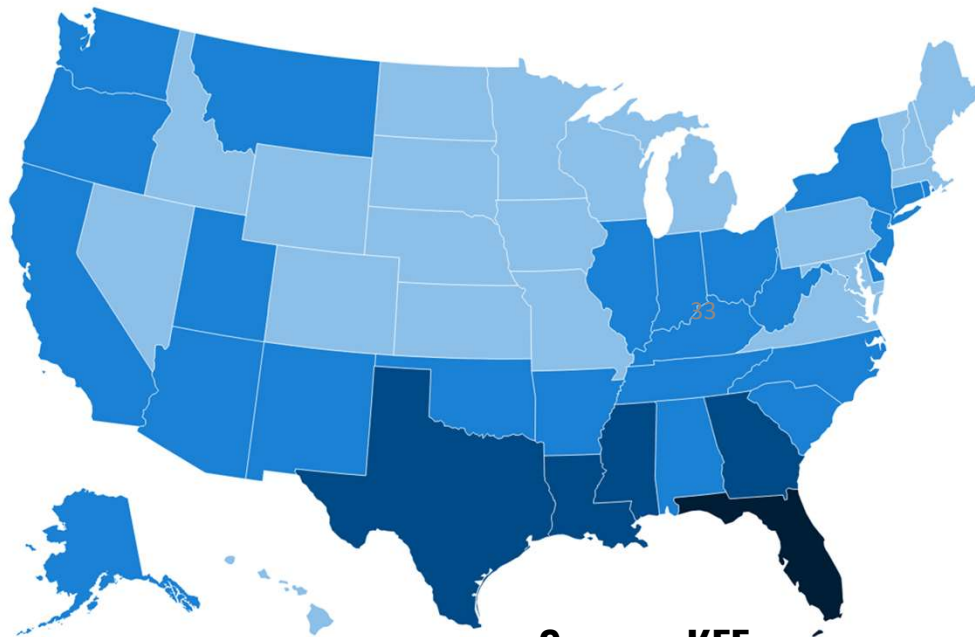




# ACA Marketplace Cuts Will Hit Florida Hardest

Percentage Point Increase in the Uninsured Population After Medicaid and ACA Marketplace Changes Based on National CBO Estimates, by State, 2034

Percentage Point Increase

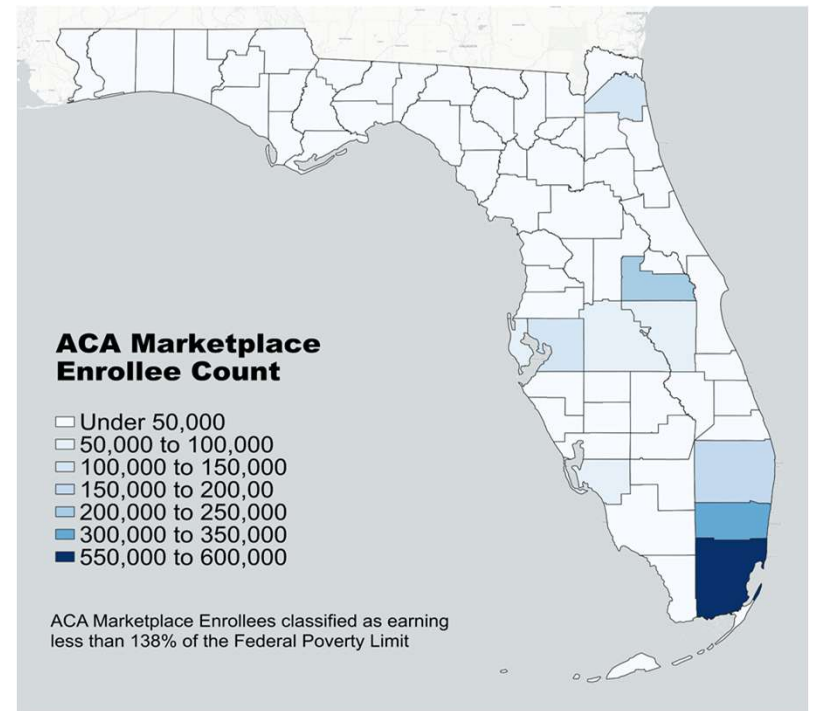


Source: KFF

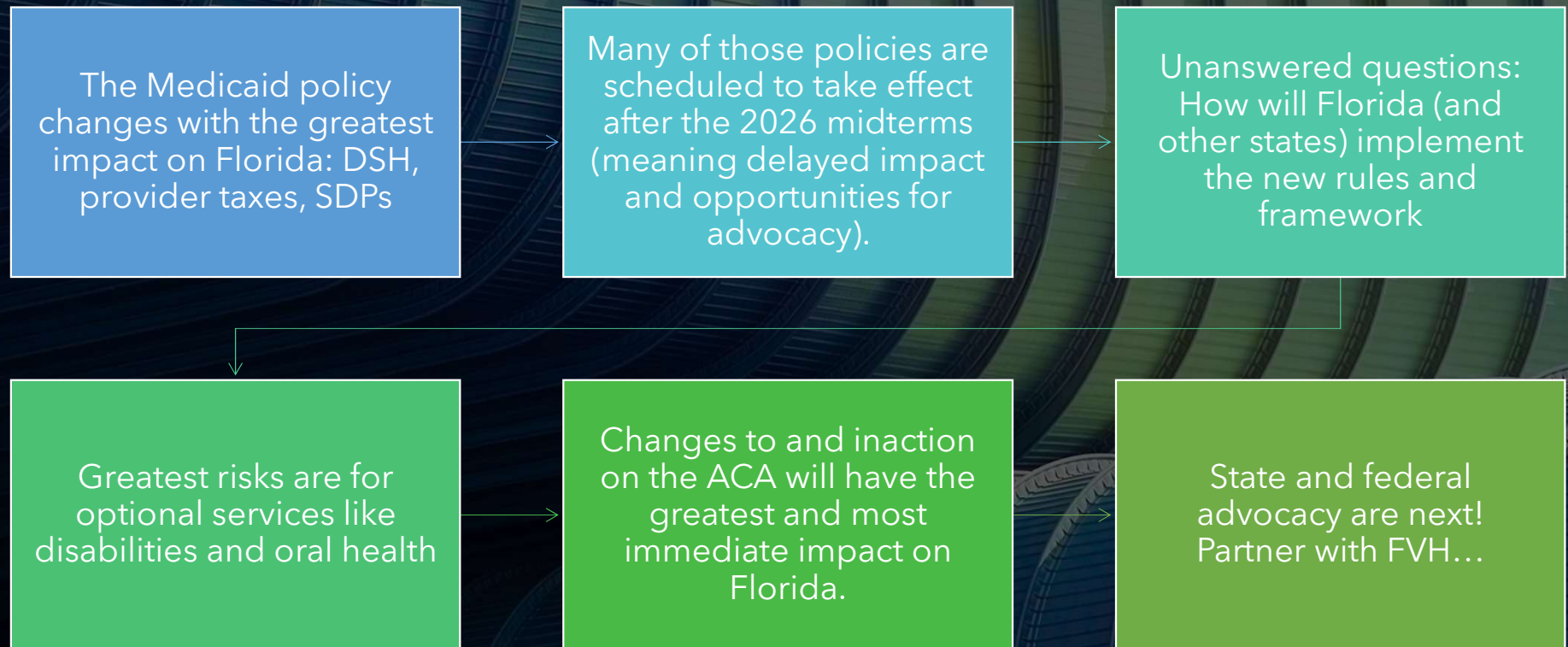
**With 2.3 million people projected to lose insurance, Florida's uninsured rate set to double – up 9 points – the most in the nation**

# Medicaid Expansion Is a **Direct Response** for ACA Coverage Losses

2.4 million of Floridians with ACA Marketplace plans (51%) in 2025 are **under 138% of federal poverty** and could benefit from Medicaid expansion.



# Bottom Line for Florida





# Ways to Engage








Florida Decides Healthcare is working to put **Medicaid Expansion on the ballot in 2026**. To do this we need to collect over **1 million petitions**.

### **How you can help!**

- Volunteer signature collection has begun!
- Donate and help identify other sources for fundraising! Visit the website.
- Volunteer to be a petition collector and/or hub organization.
- Share the campaign with your networks.





# FloridaVoices forHealth

## Advocacy Collaborative



We are a grassroots collaborative raising awareness of barriers to health care & promoting common sense solutions.

Our advocacy involves meeting with legislators in Tallahassee and Washington DC, speaking at county delegation meetings & ongoing advocacy training.

**Join us at [www.healthyfla.org/advocacyteam](http://www.healthyfla.org/advocacyteam)**

# Stay Plugged In With Florida Voices for Health



Connect with Florida Voices for Health to stay updated on major health care policy threats and opportunities. Subscribe to our newsletter, join our monthly policy calls, or experience the health care stories of Floridians at [www.healthyfla.org](http://www.healthyfla.org)





# Thank You!

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