2025 BUDGET RECONCILIATION BILL

The final version of the 2025 budget reconciliation bill passed on July 4, 2025 and will enact sweeping changes to healthcare in the United States over the next several years. It's estimated that over 10 million people may lose insurance coverage because of the changes in this bill. There are also other measures in the bill that impact the CF community, like cuts to nutrition assistance and improved incentives for rare disease drug development.

Medicaid

The bill requires some adults enrolled in Medicaid to meet work requirements to receive Medicaid coverage. This requirement is for adults (ages 18-64) who do not have a disability and who do not have children younger than age 13. These adults must show proof that they worked, volunteered, or attended school for 80 hours in a month. States must verify this proof at least twice a year. These requirements would start at the end of 2026.

In order to receive coverage, Medicaid enrollees will have to prove that they are meeting work, study, or volunteer requirements or prove that they are exempt, which will require more paperwork for patients and administrators. People may lose coverage because they will become ineligible or because of incorrect or missing paperwork if they are eligible. Patients may experience delays as states work out how to implement these new requirements. States manage Medicaid programs, so each state may implement these requirements differently. If you're not sure what Medicaid is called in your state, you can find a list here.

CF is a chronic, life-long disease, so families and individuals may have to verify their health status multiple times per year to stay covered by Medicaid, adding additional stress and paperwork on top of managing CF care.

The bill also reduces funding for Medicaid from the federal government, which impacts state programs. Because Medicaid is funded by both federal and state governments, state programs may be reduced or cut if states cannot make up the difference in funding. These federal reductions begin in 2028.

Affordable Care Act Plans

Tax credits that are meant to encourage Affordable Care Act Marketplace enrollment will expire, which would cause out-of-pocket premium costs to increase by an average of 75%. It's estimated that 4.4 million people could lose coverage when these credits expire.

The bill also states that people who are not eligible for Medicaid because they do not meet work requirements are also not eligible to receive subsidized Marketplace insurance coverage. This policy begins in January 2027. The bill also ends automatic re-enrollment in Marketplace plans and introduces more eligibility requirements, which will begin in 2028.

Supplemental Nutrition Assistance Program (SNAP)

The reconciliation bill cuts \$156 billion in funding to SNAP over ten years. It's estimated that this will affect over 22 million families, with over 5 million of those families losing an average of \$1,752 per year. The bill also introduces work requirements (80 hours per week) to receive benefits for longer than three months for more people, including adults ages 55 to 64, parents of children ages 14 to 17, and veterans. These cuts and changes may significantly impact families living with CF who rely on SNAP to access food, which is challenging considering the nutritional needs of people living with CF, especially children.

Rare Disease Drug Development

The bill allows for more rare disease medicines to be exempted from Medicare drug price negotiations, which were enacted in the Inflation Reduction Act. Medicines that treat more than one rare disease will not be subject to price negotiation, which can encourage research and approvals of rare disease medicines so more patients can have treatments. This policy starts in 2028.

What can we do?

You can join BEF by continuing to advocate for comprehensive and continuous insurance coverage for all people living with CF. You can learn more about our efforts to advocate for more affordable healthcare on our Advocacy page.

You can advocate to your state lawmakers about why Medicaid is important to you. Because these changes will be carried out by individual states, sharing your story and educating legislators can impact how these policies are rolled out. Reach out to BEF's Director of Advocacy, Meredith Marden, at mmarden@esiason.org if you would like to share your story.

Sources

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How the Senate Budget Reconciliation SNAP Proposals Will Affect Families in Every US State | Urban Institute

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