



# Impact of OBBBA on People With Disabilities

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# Disclaimer

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- We cannot provide specific legal advice about implementation or the impacts for individuals or organizations
- If you have specific legal questions as to how these changes may apply to you, please consult your organization's or personal attorney



# Housekeeping – Q&A and Chat

- Please use the Q&A box for all **questions** to the panelists
  - Click on the Q&A icon at the bottom of the screen
- Webinar is being recorded. Everyone who registered will receive a link to the recording and the slides
- If you have a **technical issue**, please use the chat function

A screenshot of a Q&A window titled "Q&A". The window has a header with "You asked:" on the left and "19:41" on the right. Below the header is a text input field with the placeholder text "Type your questions and comments here!". At the bottom of the window, there is a text input field with the placeholder text "Please input your question". To the left of this field is a checkbox labeled "Send Anonymously". To the right is a blue "Send" button.

Audio Settings ^



Chat



Raise Hand



Q&A

# About the National Health Law Program

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- National non-profit committed to improving health care access, equity, and quality for low-income and underserved individuals and families
- Federal, State & Local Partners in 50 states, D.C., and P.R.
  - Poverty & legal aid advocates
  - [Health Law Partnerships](#)
  - Disability rights and justice and sexual and reproductive health, rights, and justice advocates
- Bluesky: @nhelp.bsky.social | Facebook: @NHeLProgram | [Linkedin](#)
- Sign up for NHeLP's [Health Advocates Listserv](#) at [www.healthlaw.org](http://www.healthlaw.org)

# NHeLP's Equity Stance

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Health equity is achieved when a person's characteristics and circumstances — including race and ethnicity, sex, gender identity, sexual orientation, age, income, class, disability, health, immigration status, nationality, religious beliefs, language proficiency, or geographic location — do not predict their health outcomes.

<https://healthlaw.org/equity-stance/>

# What We'll Cover Today

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- Brief Overview of HR 1 changes
- Work Requirements and Disability-Related Exemptions
- Other Provisions Impacting Disabled People
  - New Waiver Authority
  - Additional cuts, freezing regulations, targeting immigrants, restricting eligibility, etc.
- Implementation Updates/Concerns

# Magnitude of the Cuts

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- Nearly \$1 trillion in cuts to Medicaid
- Elimination of health care coverage for 10 million people by 2034
- With expiration of enhanced premium tax credits and other changes, at almost 15 million losing health care.
- Unprecedented—biggest cut in Medicaid history
- Theme: Extra hurt for Medicaid expansion states
- Cruelly targets immigrants



# What is NOT in H.R. 1/OBBBA?

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- No per capita caps or block grants.
- No ban on gender affirming care coverage.
- No bans on telehealth.



# Work Requirements for Medicaid Expansion Adults (“community engagement”)

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Effective January 1, 2027, although states may implement earlier or obtain good faith effort delay

- Mandatory requirement for Medicaid enrollees/applicants aged 19–64
- At least 80 hours of qualifying activities per month
- Applies to Medicaid expansion and partial expansion
- Must show evidence of “community engagement” w/ prior month at application (up to 3 months) and renewal



# “Deemed compliant”

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- **Monthly income above \$580 (Fed min. wage x 80)**
- 6 month average monthly income above \$580
- Under 19 or Medicare eligible for part of month
- Was inmate of public institution in prior 3 months
- 80 hours of qualifying activities



# Exemptions: “Specified excluded individual”

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- **Medically frail or special medical needs**
- Parent or caregiver of dependent child under 14
- Parent, guardian, caretaker relative, or family caregiver of a disabled individual
- Veteran with “total” disability
- Participating in a drug or alcohol addiction treatment program
- In compliance with TANF requirements
- In a household that receives SNAP and is not exempt from work requirement
- American Indian or IHS eligible
- Pregnant or entitled to postpartum services
- Inmate in public institution



# More on “Medically Frail” or “Special Medical Needs”

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- Includes an individual:
  - Who is blind or SSI/SSDI disability
  - With a substance use disorder (SUD)
  - with a “disabling mental disorder”
  - with a serious or complex medical condition
  - With a disability that significantly impairs  $\geq 1$  Activity of Daily Living



# Other Exemptions

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## **Unemployment/Disaster**

County-level, where there is:

- Emergency or disaster declared by the President; or
- Unemployment rate above lesser of 8% or 1.5 times the national average (requires state request)

## **Optional Temporary Hardship**

- Receiving inpatient services or services of “similar acuity”
- Individual had to travel outside community for extended period to receive medical services not available locally (Note: such individual should be exempt by medical frailty)



# Work Requirements for Medicaid Expansion Adults

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- States cannot waive these exemptions or other requirements
- Individuals who lose or are denied Medicaid due to work requirements are locked out of Marketplace subsidies.

# Other Provisions Impacting People with Disabilities

# New 1915(c)(11) Waiver Authority

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Effective July 1, 2028

- Creates new 1915(c)(11) option– waivers for individuals who do not meet an institutional level of care.
- Any new waiver under this section cannot increase the wait time for services for people who need an institutional level of care.
- States that take this option cannot deduct standard employment benefits for direct care workers.
- Provides implementation funding and some funding to states for HCBS



# More Frequent Eligibility Redeterminations

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Effective January 1, 2027, states must redetermine eligibility for ACA expansion every 6 months (twice as frequently)

- More frequent redeterminations increase risk of procedural terminations
- Increases burden on people with disabilities
- Increases state administrative workload



# Higher Out of Pocket Costs

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Effective October 1, 2028

- States must impose cost sharing for expansion population with income  $>100\%$  of the FPL for most services, excluding:
  - Primary care services, behavioral health services, FQHC services, rural health clinic services, and certified community behavioral health clinic services
- States decide the amount  $\leq$  \$35 per service and aggregate limit of 5% of family income
- States permitted to allow providers to deny services for failure to pay cost sharing or waive/reduce cost sharing



# Fixed Home Equity Caps for Long-Term Services and Supports

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Effective January 1, 2028

- Permanent eligibility cap of \$1 million for non-agricultural homes for individuals seeking long term care
- Individuals with agricultural homes are exempt from the cap and states may set different requirements for these types of properties
  - Particularly impacts states with higher housing costs

# Nursing Facility Staffing Freeze

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Effective July 4, 2025

- Freezes implementation of key provisions of 2024 regulations that set a minimum staffing ratio for long term care facilities.
  - Required total nurse staffing standard of 3.48 hours per resident day & registered nurse 24/7
- Moratorium in effect until September 30, 2034



# Freeze of Streamlined Eligibility & Enrollment for Dually Eligibles & Medicare Savings Program, Non-MAGI Medicaid

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Effective July 4, 2025

- Freezes regulations relating to eligibility and enrollment in Medicare Savings Programs which help low-income beneficiaries who also have Medicaid
- Freezes regulations that improve Medicaid enrollment processes for non-MAGI (i.e., where eligibility rules are not based on the Modified Adjusted Gross Income) Medicaid applicants and enrollees.
- These regulations streamlined the process by requiring fewer eligibility checks and easier processes to enroll
- Moratorium in effect until September 2034.

# Shortened Retroactive Coverage

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Effective January 1, 2027

- States must reduce Medicaid retroactive coverage from three months to:
  - One month for Medicaid expansion adults;
  - Two months for all other Medicaid recipients.



# Further Limiting Coverage for Immigrants (Medicare & Medicaid & Marketplace)

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Effective July 4, 2025

- Restricting Medicare eligibility to US citizens, green card holders (after 5 years), Cuban and Haitian Entrants, and people lawfully residing under a Compact of Free Association
- Terminates Medicare for all other currently eligible lawfully present Medicare enrollees effective January 1, 2027.

Effective October 1, 2026

- Limits eligibility to the same group as Medicare above
  - States retain flexibility to cover lawfully present pregnant women and children

# Further Limiting Coverage for Immigrants (Marketplace)

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Effective January 1, 2026

- Prohibits lawfully present non-citizens with incomes under 100% FPL who are not eligible for Medicaid due to their immigration status from qualifying for Premium Tax Credits (PTCs.)

Effective January 1, 2027

- Limits non-citizen eligibility for Premium Tax Credits (PTCs) to Lawful Permanent Residents (green card holders), Cuban/Haitian entrants & COFA migrants



# Cuts to Medicaid Payments/Provider Taxes

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Effective July 4, 2025

- Caps payment rates under new State Directed Payments (SDPs) to 100% of the Medicare rate in expansion states, and 110% of the Medicare rate in non-expansion states.
- Prohibits new provider taxes in all states
- Prohibits certain existing taxes
- Current expansion states taxes reduced from 6-3.5% beginning October 1, 2027
- Will impact HCBS funding



# What can Advocates do to Prepare?

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- Build coalitions and relationships with a variety of stakeholders to get different perspectives on how to mitigate the harms, improve outreach to the community, and increase innovative ways to continue to fund programs
- Consumer Education
- Interested Parties Advisory Groups (IPAG)
- Leverage the Medicaid Advisory Committees/Beneficiary Advisory Councils (MAC/BAC) to develop recommendations to the state and to obtain necessary information ([NHeLP's MAC Best Practices](#))
- Tracking implementation of work requirements, implementation of 1915(c)(11) option, and cuts to rates and services that hurt people with disabilities
- Consider role for Managed Care Organizations (MCOs), but be aware of limitations. Data, outreach, and assistance are examples of possible collaboration
- Different stages of implementation advocacy will pull on different strengths of the advocacy community.

# NHeLP resources on OBBBA health care cuts

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- Stay informed: [Join Our Health Advocates Listserv](#)
- [Prepare. Enforce. Protect: Medicaid + ACA Defense](#)
- Fact sheets and analysis:
  - [How OBBBA Punishes Medicaid Expansion States](#)
  - [OBBBA Slashes Retroactive Coverage for Medicaid Beneficiaries](#)
  - [Celebrating 35 Years of the ADA in the Face of the OBBBA Barriers to Care](#)
  - [ACA Marketplace Rule Rolls Back Progress on Marketplace Access and Affordability](#)
  - <https://healthlaw.org/resource/unfit-to-work-how-medicaid-work-requirements-hurt-people-with-disabilities-2/>
- Implementation charts:
  - [Quick Reference on OBBBA Cuts: Medicaid Expansion vs. Non-Expansion States](#)
  - Detailed: [Implementation Dates, Funding, and Administrative Authorities](#)



# More resources on OBBBA health care cuts

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- [H.R. 1 -- Text](#)
- [KFF: Health Provisions in the 2025 Federal Budget Reconciliation Bill](#)
- [NILC: Fact Sheet on the Anti-Immigrant Policies in Trump's OBBB](#)
- CCF [slides and recording](#) and [paper](#)
- CBPP: [slides and recording of BTB Marketplace changes](#)
- FUSA section by section: [One-Big-Beautiful-Bill-Act-Provisions-Related-to-Medicaid-ACA-and-Medicare.pdf](#)
- KFF: [Recent Policy Proposals Could Weaken the Reproductive Health Safety Net as More People Become Uninsured](#)

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