



# Impact of Federal Budget Reconciliation Bill on Wisconsinites

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The budget reconciliation bill (the One Big Beautiful Bill Act) takes food and health insurance coverage away from Wisconsin's working families. It increases red tape for FoodShare and Medicaid members and will force 270,000 Wisconsinites to lose their health insurance by taking away necessary support for Wisconsinites to afford health care coverage.

## Medicaid

Wisconsin's Medicaid programs are an essential part of our state's health care system and economy. Wisconsin's Medicaid programs cover 20% of Wisconsinites overall (approximately 1 million), including 40% of births, 40% of kids, and 60% of people in nursing homes. Anyone with a ForwardHealth card has Wisconsin Medicaid, including members of:

- BadgerCare Plus
- Children's Long-Term Support Program
- Family Care
- Family Care Partnership
- Family Planning Only Services
- IRIS
- PACE

Over the next 10 years, the U.S. Congress [Joint Economic Committee](#) estimates that a total of 276,175 Wisconsinites will lose health care coverage under both the Affordable Care Act (ACA) and Medicaid under this new law.

## Overview: Medicaid Provisions

- **Creating barriers to coverage:** Many Wisconsinites with Medicaid work in jobs that don't offer health insurance, and many others can't work because of a health condition. Under the new law, adults ages 19 through 64 without dependents will have to report 80 hours per month of work, training, or volunteering. This requirement will put an estimated 63,000 adults without dependents at the highest risk of losing coverage.
- **Losing out on \$1.3 billion in additional federal funding for expanding Medicaid:** The federal government shares the funding responsibility for Medicaid with states, generally covering 60 cents out of every dollar spent on health care services in Wisconsin's Medicaid program. If Wisconsin were to expand its Medicaid program to cover adults up to age 64 with incomes up to 138% of the federal poverty level, this match rate would go up to 90 cents for every dollar. However, if Wisconsin does not expand Medicaid before January 1, 2026, the state loses out on

an additional \$1.3 billion in federal funds made available under the American Rescue Plan Act of 2021 (ARPA).

- **Limiting Wisconsin’s ability to finance the Medicaid program sustainably by putting a moratorium on new or increased provider taxes:** Hospitals are an essential part of our health care system, providing life-saving care to people across the state. The state’s hospital assessment is one important source of funding to support Medicaid payments to hospitals. Under the new law, states are prohibited from creating new or increased provider taxes, locking them into the current rates. Gov. Evers signed the 2025-2027 state budget into law in time to secure a final increase to Wisconsin’s hospital tax rate before the federal law was signed.
- **Changing eligibility for retroactive coverage:** Under this new law, new Medicaid enrollees will be eligible for retroactive coverage two months prior to application. Previously, new enrollees were eligible for coverage of services up to three months prior to application. These restrictions are effective January 1, 2027.
- **Reducing access to reproductive health care:** Many Wisconsinites rely on community providers who primarily provide family planning services, reproductive health, and related medical care, such as Planned Parenthood, for their medical care. This new law prohibits Medicaid payments for one year to such providers if they provide for abortions other than those provided if the pregnancy is the result of an act of rape or incest or to save the life of the pregnant woman. This prohibition on payments could lead to clinics closing or to financial instability of these clinics for years to come. On July 7, 2025, a temporary restraining order was issued, pausing this provision from going into effect with respect to Planned Parenthood, but does not address other providers who may be subject to this ban.

## Supplemental Nutrition Assistance Program

The Supplemental Nutrition Assistance Program (or “SNAP,” known as “FoodShare” in Wisconsin) helps nearly 700,000 Wisconsinites put food on their tables so they don’t end the day with empty stomachs. Anyone with a Wisconsin QUEST card has FoodShare. SNAP is good for Wisconsin’s families and good for Wisconsin’s farmers, grocers, and local economies. For every \$1 in SNAP benefits, working families across Wisconsin generate \$1.50 for our state’s economy by shopping at local stores and farmers markets.

The budget reconciliation passed by Congress and signed by the president breaks the federal government’s long-standing commitment to ensuring that, in our country, basic needs such as food are available to everyone.

### Overview: SNAP Provisions

- **Increasing red tape for basic food assistance:** This bill makes it harder for parents, kids, and older adults to get food assistance by increasing work requirements to include adults up to age 65. Previously the requirements applied to adults ages 54 and below. It also now applies to parents with children ages 14-17 who were previously exempt from the requirement.

- **Eliminating cost-saving education programs:** SNAP provides states with funding to help people receiving food assistance benefits get the best information possible about healthy eating, physical activity, and thrifty shopping. The state shares this education funding with UW-Extension, federally recognized Tribes, and other community partners. In 2024, SNAP-ed programs provided 145,733 people with education about healthy eating, physical activity and thrifty shopping. This bill eliminates this SNAP education (SNAP-Ed) funding entirely, with Wisconsin losing \$12 million annually starting October 2025. For every \$1 spent providing this program, \$10 is saved in long-term health care costs. The elimination of this program will result in a great reduction of policy, system, and environmental change work that supports healthy lifestyles and healthy choices.

The Department of Health Services will continue to provide updates to partners, providers, and the public as we receive further guidance from the federal government about how to fully implement these policy changes.