



Federal reconciliation law introduces significant changes to health care and nutrition policy

Policies in the federal reconciliation law (H.R. 1) will roll out over the next decade, making harmful cuts and significant changes to how millions of people get health care, food assistance, and other basic needs services. These changes will leave families and communities across the nation and Minnesota turning to nonprofits to fill the gap in essential services that they rely on.

ONCE FULLY IMPLEMENTED, NATIONALLY, THE CHANGES WILL:¹

Take away health coverage and raise care costs

- Take coverage away from 15 million people.
- Raise premiums for 20 million people who buy insurance through ACA marketplaces.
- Cut Medicaid and ACA marketplace funding by over \$1 trillion.

Take food assistance away and raise cost of groceries

- Cut \$187 billion from SNAP.
- Could end SNAP in some states by forcing unaffordable costs onto states.
- Increase poverty and hunger.

Give tax cuts to the wealthy while increasing the deficit

- \$4.5 trillion in tax cuts for the wealthiest households and big corporations.
- An average tax break of about \$100,000 per year for millionaires.
- A ballooning federal deficit of \$3.4 trillion.

Once implemented, these federal changes will cost Minnesota **at least \$2.5 billion every two years** — resources that families and communities need to stay healthy and secure.

Impacts to Minnesotans' health care and keeping families healthy

Medicaid, known as Medical Assistance in Minnesota, has helped ensure people of all ages who do not get health insurance from their employers and cannot afford to pay for private health insurance can get the care and services they need, when they need them. These are babies, pregnant people, children, students, adults living on low incomes or who are between jobs, people with disabilities, and older adults in nursing homes or getting care supports at home.

Impacts to food security and nutrition across Minnesota communities

Each month, the Supplemental Nutrition Assistance Program (SNAP) helps more than 440,000 Minnesotans get the food they need to stay healthy and secure. It supports children, working families, older adults, and people with disabilities all while strengthening Minnesota's economy by bringing federal dollars back into local communities, rural grocers, and farmers.

IMPACTS OF FEDERAL RECONCILIATION LEGISLATION ON MINNESOTA:²

Loss of health care coverage

- More than 140,000 Minnesotans will lose health care coverage.
- \$1.4 billion lost in federal funding to Minnesota in the first four years.
- Uncompensated care will sharply rise at hospitals and clinics.
- Adds hundreds of millions in administrative costs for counties.

Loss of food assistance

- \$125 million in new state costs from admin cuts and error penalties.
- Roughly 29,000 Minnesotan adults face new work requirements.
- SNAP-Ed nutrition education eliminated.

Loss of private health insurance including ACA marketplace plans

- Over 62,000 Minnesotans expected to drop their health coverage.
- Monthly premiums will rise for at least 89,000 Minnesotans by an average of 54 percent.
- New administrative barriers will make coverage harder to get and maintain.

¹ Center on Budget and Policy Priorities. "Extreme Republican Agenda." <https://www.cbpp.org/charts/extreme-republican-agenda-big-win-for-the-wealthy-deeply-harmful-for-everyone-else>

² Minnesota Department of Human Services, Impact of Federal Reconciliation Legislation on Minnesota, July 2025



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