

## MEMO

TO: Interested Parties  
DATE: June, 4 2025

### **RE: Effects of Republican Actions on Americans' Health Care**

On June 4, 2025, the non-partisan, independent Congressional Budget Office (CBO) released [revised estimates](#) related to the [Republican bill](#) passed in the U.S. House of Representatives on May 22, 2025. To inform the public about how Republican health care cuts will affect health care access and affordability for American families, this memorandum summarizes this [new CBO data](#) and other independent analyses.

#### **From CBO: Effects on Americans' Health Care**

- [16 million Americans](#) will become uninsured because of Republican health care cuts.<sup>1</sup>
  - [10.9 million](#) Americans will become uninsured because of the Republican bill.
- The Republican bill includes over [\\$1T in health care cuts](#).
  - This includes [over \\$800B](#) in Medicaid cuts and [almost \\$300B](#) in ACA cuts.
- The Republican bill would trigger [more than \\$500 billion](#) in Medicare cuts.
- Since CBO has revised its [initial estimates](#), coverage loss has increased by 2.3 million.
- Republicans' refusal to extend ACA premium tax credits is [another \\$350 billion](#) cut.

#### **From Independent Analyses: Effects on Americans' Health Care**

- The Republican bill includes the largest [Medicaid](#) and [SNAP](#) cuts in history.
- The Republican bill will **cause over [51,000 preventable deaths](#)** each year. [More than 11,000](#) of those deaths will be due to the loss of Medicaid and ACA health coverage. Another [more than 8,800 deaths](#) will result from Republicans' choice to end ACA premium tax credits not extended in the Republican bill.
- Medicaid cuts will harm seniors, people with disabilities, children, and families:
  - [Almost 600,000](#) children will lose Medicaid coverage.
  - [300,000](#) seniors and people with disabilities will lose Medicaid coverage.
  - [More than 200,000](#) pregnant women, parents, and caretakers will lose coverage.
- A [\\$344B](#) cut (mandating so-called "work requirements") will terminate Medicaid coverage for [about 5.2 million](#) Americans. The [vast majority of people](#) who would lose Medicaid coverage

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<sup>1</sup> This CBO estimate [requested by](#) House and Senate Democratic Committee leadership reflects health care cuts included in the House-passed bill [and](#) Congressional Republicans' refusal to extend ACA premium [tax credits](#) in their multi-trillion dollar [tax](#) bill. According to KFF, [more than 90%](#) of people enrolled in the ACA Marketplaces depend on these tax credits to purchase affordable health coverage. CBO estimates coverage loss under current law (inclusive of a Trump Administration proposed ACA rule and expiring ACA premium tax credits) and Medicaid and ACA policies included in the House-passed bill.

would meet the so-called “work requirement” or qualify for an exemption, but their insurance would be terminated anyway. The bill prohibits Americans who fail to meet these red tape requirements from buying affordable ACA coverage.

- A **\$167B** cut (undoing new enrollment rules) will terminate Medicaid coverage for [400,000 children](#) and increase Medicare premiums for [more than 1 million seniors and people with disabilities](#). Because these low-income Americans will no longer be able to afford their medications, [18,200 more](#) will die each year.
- A **\$23B** Medicaid cut (undoing staffing rules) will take nurses out of nursing homes, leading to the deaths of [13,000 seniors and other nursing home residents](#) each year.
- When faced with Medicaid cuts, [CBO assumes](#) states will cut payment rates to health care providers, limit optional benefits, and reduce enrollment. Home-based care for seniors and people with disabilities – including children – is among the first benefits states will cut. From 2010 - 2012, with reduced federal funding, [40 states](#) served fewer people who needed home-based care and [47 states](#) spent less on this care per person.
- A **\$101B** cut (making Trump-proposed red tape rules permanent) will force states and consumers to spend [over 6 million hours](#) at a cost of [over \\$230 million](#) annually in order to navigate new, arbitrary verification requirements to enroll in coverage through the Marketplaces and secure ACA premium tax credits.<sup>2</sup>
- An **\$82B** cut<sup>3</sup> would impose new enrollment and re-enrollment red tape on *every consumer* looking to buy or renew coverage each year, limit enrollment opportunities, and delay access to premium tax credits. Insurance regulators in [all 50 states](#)—red and blue—say these ACA cuts “would introduce barriers to enrollment and worsen individual market risk pools, which will serve to increase premiums for the rest of the market.”
- A **\$33B** cut (altering cost-sharing assistance for low-income Americans) would decrease ACA premium tax credit availability and raise average premiums by more than [\\$1,400 per person for 10.6 million](#) Americans who buy their own health insurance.
- A **\$350B** cut (ending premium tax credits) would [more than double premium costs](#) for tens of millions of Americans who use such credits to buy their own health insurance.
- Combined cuts to Medicaid and the ACA will increase uncompensated care costs for health care providers by [\\$278B over](#) as millions more Americans become uninsured; this includes [\\$83B](#) in uncompensated costs for hospital care.

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<sup>2</sup> [Proposed rulemaking by the Trump Administration](#), codified in the Republican bill, estimates the effects of its red tape and verification requirements. The Republican bill makes this rule permanent. The estimated hours of burden and costs are the Trump Administration’s own estimates.

<sup>3</sup> Sections 112201 and 112202.

| FALSE CLAIMS   | FACTS ABOUT THE BILL  |
|--|---|
| <p>"We're not doing any cutting of anything meaningful...The only thing we're cutting is waste, fraud and abuse. ... We're not changing Medicaid and we're not changing Medicare...."</p> <p><a href="#">-Donald Trump</a></p>   | <p>The Republican bill cuts <a href="#">over \$1 trillion</a> from Medicaid and the Affordable Care Act (ACA), which will cause 10.9 million Americans to become uninsured. <b>As a direct result</b> of the bill, these Americans will have no meaningful access to preventive care to stay healthy and to get treatment when they are sick.</p> <p>The Republican bill triggers <a href="#">more than \$500 billion</a> in Medicare cuts and increases Medicare premiums for <a href="#">more than 1 million low-income seniors</a>.</p>  |
| <p>The Republican bill "...preserves and strengthens Medicaid for children, mothers, people with disabilities and the elderly—for whom the program was designed."</p> <p><a href="#">-Chairman Guthrie, U.S. House Energy &amp; Commerce Committee</a></p>   | <p><a href="#">Hundreds of thousands</a> of children, mothers, people with disabilities, and seniors who are eligible will be kicked off and locked out of Medicaid and Children's Health Insurance Program (CHIP) coverage <b>as a direct result</b> of the Republican bill.</p> <p><a href="#">Millions</a> of children, mothers, people with disabilities who do not have Medicaid, and adults ages 50+ eligible for help paying out-of-pocket costs will be unable to afford ACA coverage <b>as a direct result</b> of the Republican bill.</p>   |
| <p>The Republican bill includes "...corrections of overpayments of people that have not been eligible by law, as it is currently written... illegals receiving benefits... 1.4 million, they are not eligible, so they will be coming off."</p> <p>"Well, we all are going to die...we are going to focus on those most vulnerable, those that meet the eligibility requirements for Medicaid, we will protect. We will protect them."</p> <p><a href="#">-Senator Joni Ernst (R-IA)</a></p> | <p><b>As a direct result</b> of the Republican bill, Medicaid coverage will be terminated for <a href="#">millions</a> of working and middle-class Americans who are currently eligible under the law.</p> <p>Under current law, no federal taxpayer dollars pay for health insurance for undocumented immigrants. The Republican bill terminates Medicare, Medicaid, and ACA coverage for lawfully-present immigrants. The bill also penalizes states that use state-only taxpayer dollars to offer health coverage to undocumented immigrants.</p> <p><b>As a direct result</b> of the Republican bill, more than <a href="#">51,000 Americans</a>, many who are vulnerable seniors, <b>will die each year</b>.</p>   |
| <p>"We're not cutting Medicaid... I've seen the proposals. There is no proposal I've seen, in fact, in fairness, that doesn't increase spending on Medicaid."</p> <p><a href="#">-Administrator Oz, Centers for Medicare &amp; Medicaid Services</a></p>   | <p>The Republican bill <b>cuts federal spending</b> on the Medicaid program by <a href="#">over \$800 billion</a>, according to the non-partisan, independent Congressional Budget Office (CBO). CBO is the neutral arbiter that definitively determines how much legislation costs or saves the federal government.</p>  |
| <p>"We are talking about finding efficiencies in every program, but not cutting benefits for people who rightly deserve them... you don't want able-bodied workers on a program that is intended, for example, for single mothers with two small children who is just trying to make it, that's what Medicaid is for, not for 29-year old males sitting on their couches playing video games..."</p> <p><a href="#">- Speaker Johnson, U.S. House of Representatives</a></p>                 | <p>Nearly all people (<a href="#">92%</a>) with Medicaid work or face circumstances that prevent them from working, like caring for an aging or disabled person, living with a chronic illness, or attending school. Of non-working Medicaid enrollees who are not experiencing these circumstances, <a href="#">4 out of 5 are women</a> who are an average age of 41, have no income of their own, and live in poor families; most worked in the last year and left the workforce due to family caregiving responsibilities.</p> <p>Red tape requirements implemented in Arkansas and Georgia ensnare single mothers, family caregivers, people with disabilities and chronic mental health conditions, and other working adults in bureaucratic hurdles that block them from enrolling in Medicaid benefits they are eligible for.</p> |