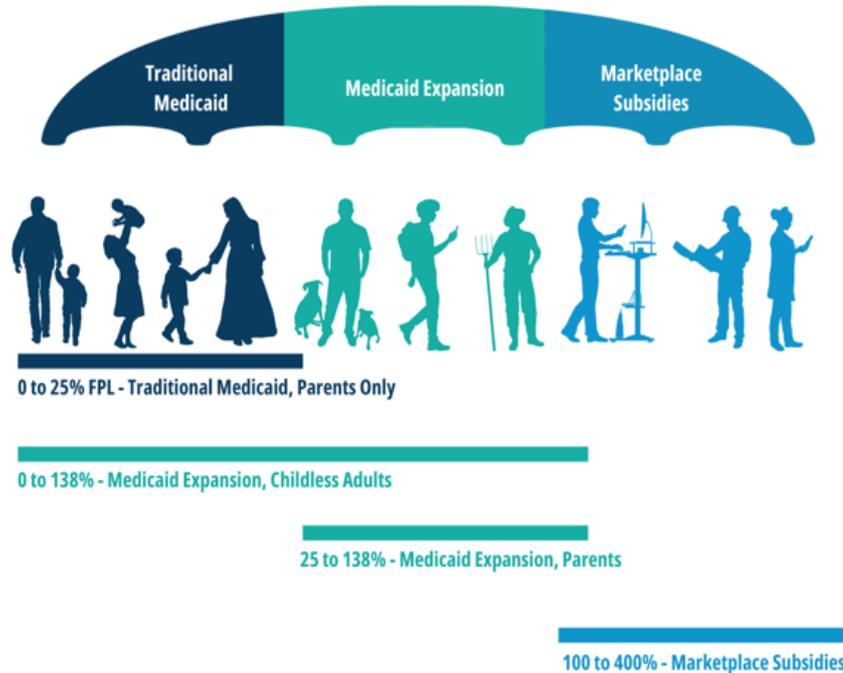




What Does the “Big Beautiful Bill” Mean for the Big Sky?

Heather O’Loughlin, Montana Budget & Policy Center

Medicaid Coverage



Montanans Enrolled in Medicaid and Marketplace Coverage

| | |
|-------------------------------|----------------|
| Traditional Medicaid Children | 78,775 |
| Traditional Medicaid Adults | 44,041 |
| Medicaid Expansion Adults | 74,693 |
| CHIP | 15,030 |
| Total Medicaid | 212,539 |
| ACA Marketplace | 77,221 |

HOUSE-PASSED RECONCILIATION BILL

- On May 22nd, the U.S. House passed the “One Big Beautiful Bill Act” by a vote of 215-214.
- The bill cuts Medicaid and SNAP to pay for continuation of tax cuts aimed at the wealthy and large corporations.

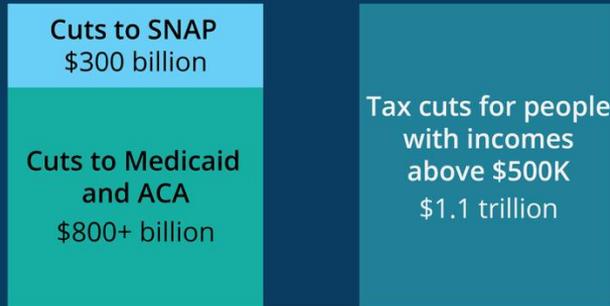
OVERALL IMPACT

- Roughly **13 million** Americans will **lose health care coverage** due to burdensome reporting requirements and other barriers to coverage.
- Roughly **3 million** Americans, including seniors and children, will lose SNAP food assistance.
- States will pick up the costs of **increased red tape and administrative requirements**.

BUT WHY IS CONGRESS CUTTING MEDICAID AND RAISING HEALTH CARE COSTS?

House Republican Plan Would Take Health Care and Food Assistance Away from People to Pay for Tax Cuts for Wealthy

Plan would cut health coverage by at least \$800 billion and SNAP by roughly \$300 billion while giving the wealthy \$1.1 trillion in tax cuts



Note: ACA (Affordable Care Act). All estimates are through 2034. Households with incomes over \$500k make up 2% of total households in 2027.

Source: CBPP calculation using JCT tables JCX-22-25R and JCX-23-25 and preliminary estimates from the Congressional Budget Office (subject to change).



House Reconciliation Bill Will Give Significant Tax Cuts to Wealthiest in the U.S.

Average change by income group



| | Income Range | | | | | | |
|----------------|----------------|---------------------|---------------------|----------------------|-----------------------|-----------------------|---------------------|
| | \$0 - \$26,900 | \$26,900 - \$53,300 | \$53,300 - \$92,100 | \$92,100 - \$153,500 | \$153,500 - \$361,700 | \$361,700 - \$920,200 | \$920,200 and above |
| | Poorest 20% | Second 20% | Middle 20% | Fourth 20% | Next 15% | Next 4% | Richest 1% |
| Average change | -\$130 | -\$730 | -\$1,690 | -\$2,570 | -\$5,330 | -\$18,290 | -\$70,320 |

Source: Institute on Taxation and Economic Policy, May 2025

INCREASED RED TAPE AND ADMIN. COSTS

| Section | What it would do | Montana impact |
|--|---|--|
| 44108 – Increasing frequency of eligibility redeterminations for certain individuals | Beginning December 31, 2026 , states must conduct eligibility redetermination every six months , rather than once a year, for those enrolled in Medicaid expansion. | <p>Montana currently conducts redetermination on an annual basis.</p> <p>Roughly 120,000 Montanans were disenrolled during 2023 redetermination, 64% of whom lost coverage due to procedural reasons.</p> <p>Montana had one of the worst rates of coverage loss in the country, especially among children.</p> |

MONTANA'S MEDICAID REDETERMINATION STORY

Medicaid Expansion has Provided Thousands of Montanans with Health Care Coverage

Medicaid expansion enrollment by month



■ Procedural disenrollments

- Lack of communication
- Difficulty accessing Public Assistance Help Line
- Website errors

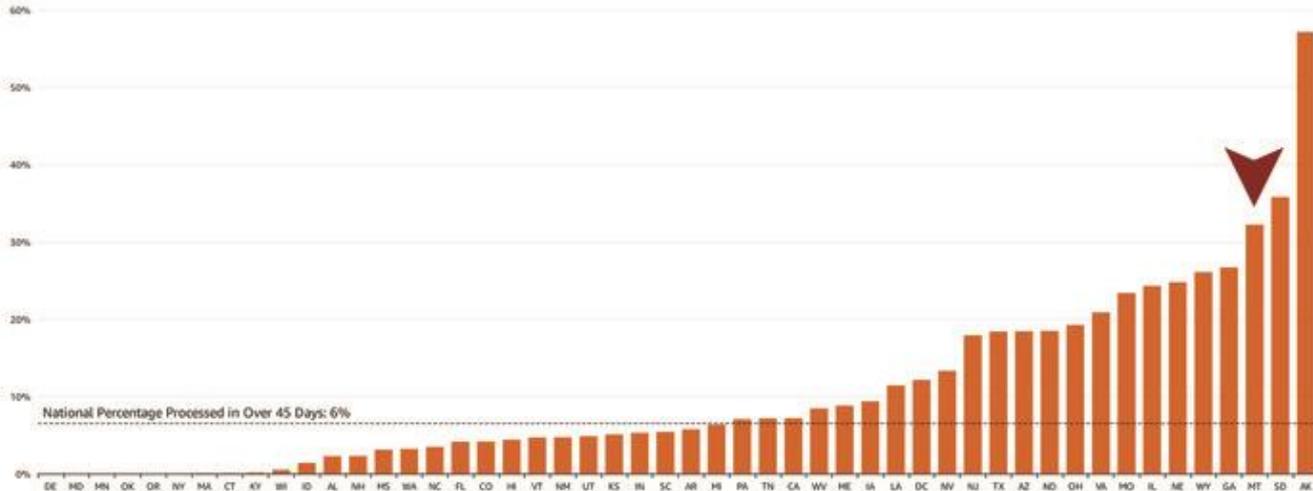
■ Pending renewals

- Slow processing time
- Rushed process
- Over 30% renewals taking more than 45 days to process, the 3rd highest rate in the country

INCREASED BARRIERS ADDING TO AN ALREADY STRESSED SYSTEM

January 2025: Percentage of MAGI Applications States Processed in Over 45 Days

- In January 2025, nationally, **6 percent** of MAGI determinations at application were processed in over 45 days, the regulatory standard for determining eligibility on a basis other than disability, including MAGI-based determinations. **23 states** were at or above this national percentage.



CUT IN RETROACTIVE COVERAGE

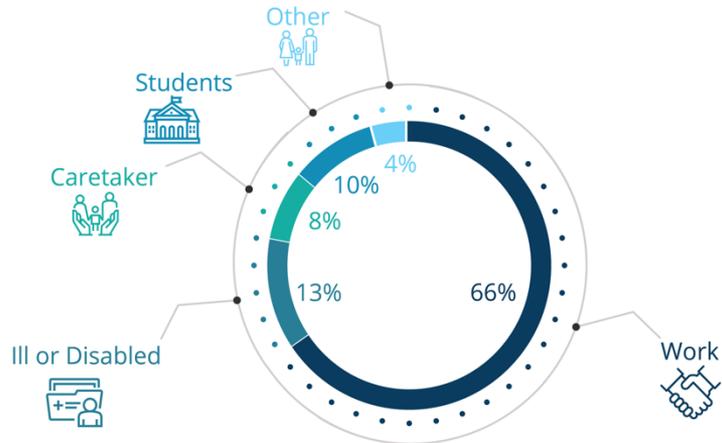
| Section | What it would do | Montana impact |
|--|--|---|
| <p>44122 – Modifying retroactive coverage under the Medicaid and CHIP programs</p> | <p>Beginning December 31, 2026, states must reduce retroactive coverage for Medicaid and CHIP to one month (currently three months).</p> <p>Retro coverage provides a safeguard for new enrollees and allows providers to be reimbursed for medical expenses prior to official Medicaid enrollment date.</p> | <p>Retro coverage has been important in Montana with significant application processing delays.</p> <p>Retro coverage is critical for people experiencing new life events, such as pregnancy or childbirth, in getting important health care services.</p> |

FEDERALLY-MANDATED WORK REPORTING REQUIREMENT

| Section | What it would do | Montana impact |
|---|---|--|
| <p>44141 – Requirement for states to establish Medicaid community engagement requirements for certain individuals</p> | <p>Starting Dec. 31, 2026, states must enact work reporting requirements for Medicaid expansion population.</p> <p>Failure to meet requirements will be disenrolled and blocked from getting Marketplace premium credits.</p> | <p>Federal requirements will supersede Montana’s exemptions in statute (enacted in 2019 but not implemented).</p> <p>Those exempt from work requirements will likely have to submit documentation to verify status.</p> <p>~29,000 Montanans risk loss of coverage. (Center on Budget & Policy Priorities)</p> |

WHO ARE MEDICAID EXPANSION ENROLLEES?

96% of Medicaid Enrollees Either Work or Face a Barrier to Work Employment Status of Adult Medicaid Enrollees in Montana



Source: <https://montanabudget.org/report/medicaid-expansion-in-montana>



MANDATE COST SHARING (COPAYS) FOR CERTAIN EXPANSION ENROLLEES

| Section | What it would do | Montana impact |
|--|--|--|
| 44142 – Modifying cost sharing requirements for certain expansion individuals under the Medicaid program | <p>Starting Oct. 1, 2028, states would be required cost-sharing for Expansion enrollees with incomes over 100% FPL.</p> <p>Cost-sharing must be greater than \$0 but cannot exceed \$35 for individual service rendered. Aggregate limit on cost sharing of 5% of family income.</p> | <p>Montana eliminated copays in 2019.</p> <p>When MT imposed premiums, one in four subject to premiums (approx. 7,000 MT'ns) lost coverage.</p> <p>Cost sharing leads to reduced coverage, worse access to care, increased financial burden.</p> |

PROHIBIT MEDICAID REIMBURSEMENT TO CERTAIN HEALTH CLINICS

| Section | What it would do | Montana impact |
|---|--|---|
| 44126 – Federal payments to prohibited entities | Effective immediately (and for the next 10 years), bans Medicaid payments to entities that provide reproductive health and that provide abortion services, including Planned Parenthood. | <p>Current law <i>already</i> prohibits Medicaid dollars from covering abortion services, but this proposes to eliminate <i>all Medicaid reimbursement</i> for these entities, including cancer screenings, prenatal and postpartum care for mothers.</p> <p>Over 2,800 Montanans on Medicaid accessed preventative services at Planned Parenthood health centers, and 3 of these clinics are in medical provider shortage areas.</p> |

PROHIBIT MEDICAID COVERAGE FOR GENDER-AFFIRMING CARE

| Section | What it would do | Montana impact |
|--|---|---|
| 44125 – prohibiting Federal Medicaid and CHIP funding for gender transition procedures | <p>Prevents Medicaid/CHIP FMAP financing of “specified gender transition procedures” for those accessing Medicaid coverage.</p> <p>Behind closed doors, midnight changes expanded this provision to ban these health services for all enrollees, not just those under age 18.</p> | <p>Extremist attack on transgender Montanans and their ability to access essential health care services.</p> <p>Language also amends the ACA’s essential health benefit (EHB) provisions, would <i>could</i> have broader applicability in the health care market.</p> |

FREEZE ON STATE PROVIDER TAXES

| Section | What it would do | Montana impact |
|---|--|--|
| 44132 – Moratorium on new or increased provider taxes | <p>Prevent states from increasing provider taxes after date of enactment (increasing either the amount or the rate of the tax).</p> <p>If a provider tax is increased, state risks reduced federal reimbursement for Medicaid.</p> | <p>Montana increased Medicaid provider taxes in 2019 to help cover the costs of expanded Medicaid coverage.</p> <p>This change hamstrings Montana's ability to raise new revenue to respond to increased health costs, putting greater pressure on the state and individual taxpayers.</p> <p>HB 56, new fee on ambulance services – unclear about impact</p> |

RECAP: IMPACT ON MEDICAID

- Estimated 25k – 30k Montanans risk loss of health care coverage, because of increased barriers to applying and keeping coverage.
- Loss of federal health funding and increased costs to the state.
- Direct attack on Montanans on low wages and marginalized communities access health care.

FAILS TO EXTEND ENHANCED MARKETPLACE PREMIUM TAX CREDITS

| Section | What it would do | Montana impact |
|---|---|---|
| Enhanced Premium Tax Credits expire at the end of 2025 (like the other tax measures the bill <i>does</i> extend). | <p>Marketplace enrollees would no longer receive these enhanced premium tax credits.</p> <p>These subsidies, enhanced and extended in past years, and are based on income and eligibility, with the goal of making health care more affordable for families.</p> <p>Loss of enhanced APTCs will impact small business and self-employed. Est. 4.2 million left uninsured (Urban Institute).</p> | <p>77,000 Montanans access coverage on the Marketplace, of which 68,700 (89%) receive premium tax credits.</p> <p>For a 60-year-old couple with \$82,000 income would see their annual premiums increase from \$6,970 to over \$28,236.</p> <p>Est. 7,000 Montanans could lose health care coverage altogether, due to high premium costs. (CBPP)</p> |

BARRIERS TO MARKETPLACE ENROLLMENT

| Section | What it would do | Montana impact |
|---|---|--|
| 44201 - Limits open enrollment period | States must enact an open enrollment - Nov 1 - Dec 15 | MT open enrollment period would be reduced by 30 days . Younger, healthier people tend to enroll later. |
| Elim. certain special enrollment period (SEP) | Prohibits states from setting SEPs based on income level; bars access to subsidies if enrolled through income SEP | In MT, one in six (16%) of Marketplace enrollees had income less than 150% FPL. |
| 112201 - Requires enrollees to prove eligibility prior to enrollment | This effectively ends auto-renewals. | 34% of Montanans enrolled on the Marketplace were automatically reenrolled, reducing loss of coverage and lowering admin costs. |

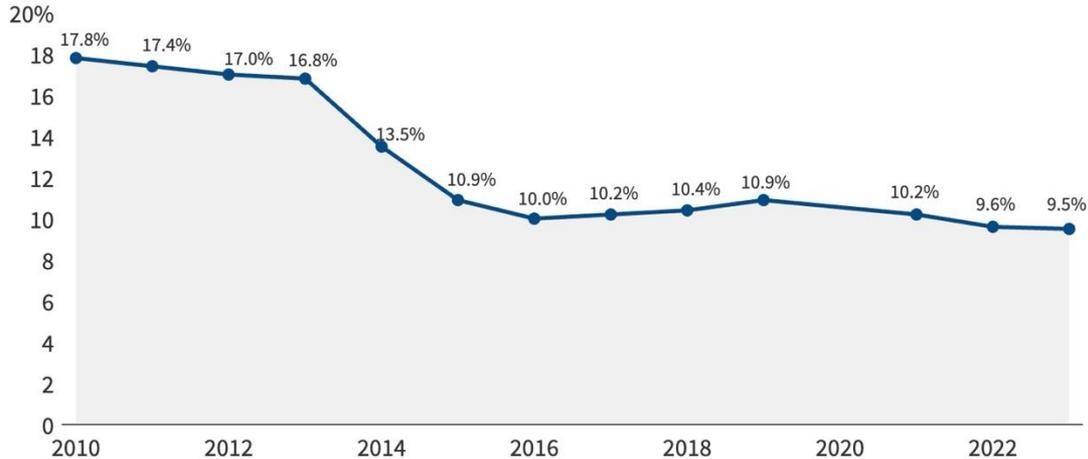
A COMPLETE BACKTRACK: 16 MILLION MORE PEOPLE UNINSURED

Uninsured Rate for the Population Ages 0-64, 2010-2023

Select an option:

Number of Uninsured

Uninsured Rate



Note: Due to disruptions in data collection during the first year of the pandemic, the Census Bureau did not release ACS 1-year estimates in 2020. Includes individuals ages 0 to 64

Source: KFF analysis of 2010-2023 American Community Survey, 1-Year Estimates • [Get the data](#) • [Download PNG](#)

KFF

PANEL: MEDICAID IN MONTANA

- **Rachel Arthur, Executive Director**
Indian Family Health Clinic
- **Dr. Atty Moriarty, MD**
Missoula Pediatric Assoc, MT Chapter of American Academy of Pediatrics
- **Sierra Riesberg, Executive Director**
Behavioral Health Alliance of Montana