

THE TRUE COST OF CUTS:

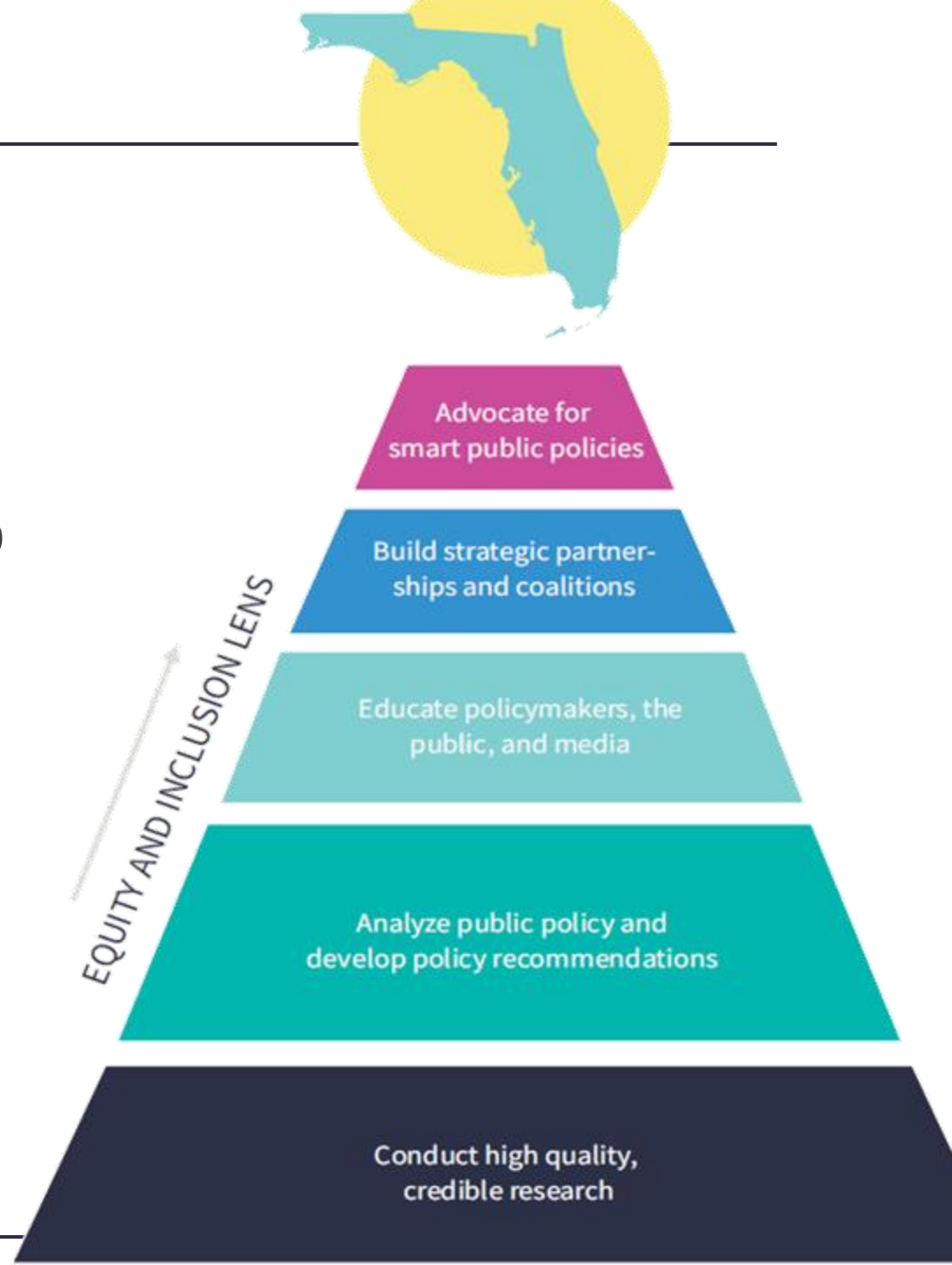
HOW THE US HOUSE RECONCILIATION BILL WOULD CAUSE
WIDESPREAD HARDSHIP IN FLORIDA

ABOUT US

- ▶ **Florida Policy Institute** is committed to advancing state policies and budgets that improve the economic mobility and quality of life for all Floridians.
- ▶ Analyze state budget and revenue trends; propose common-sense policy options with the aim of encouraging broad public education, discussion, and informed action.

ABOUT US

Shaping policy to
build a brighter
future for all
Floridians



SPEAKERS

- ▶ **Holly Bullard**, chief strategy and development officer, FPI
- ▶ **Carl Davis**, research director, ITEP
- ▶ **Esteban Leonardo Santis, PhD**, policy analyst
- ▶ **Erica Monet Li, MPH, CHES®**, policy analyst, FPI
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HEALTH PROVISIONS IN THE RECONCILIATION BILL

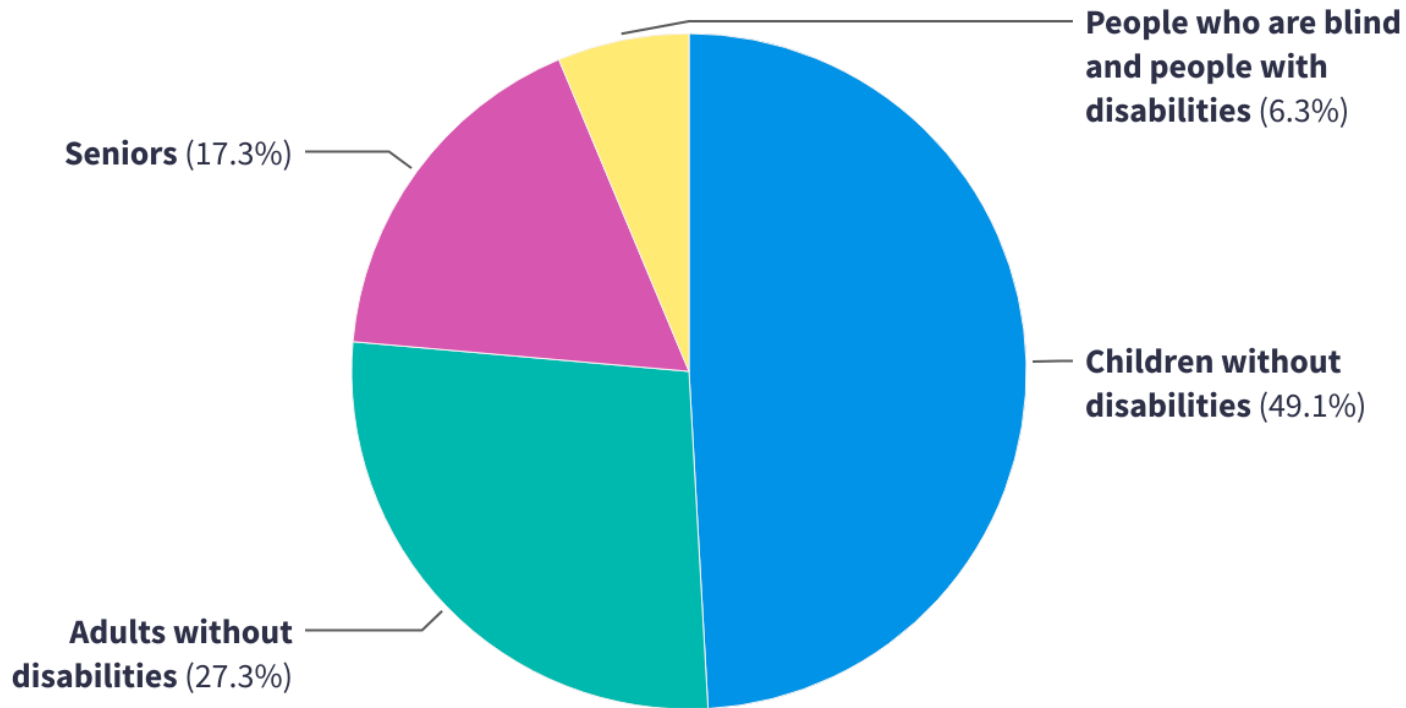
FLORIDA-SPECIFIC IMPACTS

- ▶ **Provider Rate Taxes**
 - **(Hospitals and care in rural areas)**
- ▶ **Seniors who rely on Medicaid and Medicare**
- ▶ **Impacts on Lawfully residing immigrant populations**
- ▶ **Floridians who rely on enhanced ACA Marketplace to keep the cost of health care affordable**

A MAJORITY OF ENROLLEES IN FLORIDA ARE CHILDREN, INDIVIDUALS WITH DISABILITIES AND SENIORS

Roughly Half of Medicaid Enrollees are Children

Share of Medicaid enrollees by age/eligibility group (August 2024)



VALUE OF MEDICAID

Medicaid plays an important role in health coverage. In Florida, Medicaid covers:



1 in 9 adults, ages 19-64



2 in 5 children



4 in 7 nursing home residents



2 in 7 people with disabilities

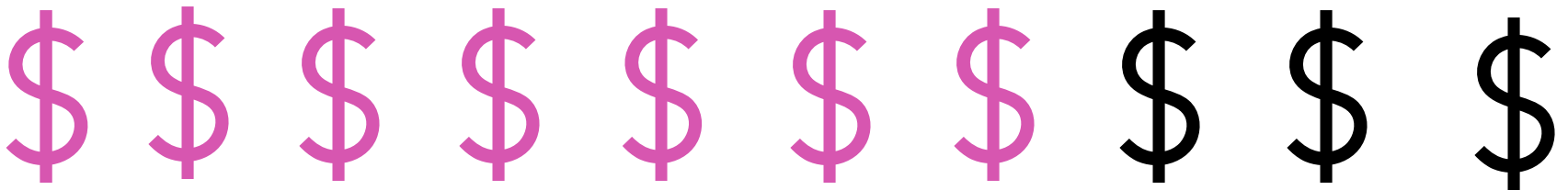


1 in 6 Medicare beneficiaries

FLORIDA'S MEDICAID BUDGET

► FY 24-25

- Total Health and Human Services Budget was \$46.5 Billion.
- Florida's Medicaid Program, administered by the Agency for Health Care Administration (AHCA) accounted for roughly \$33.4 Billion, or about 7 out of every 10 dollars.
- Approximately 68% of the Medicaid budget is financed through federal funding.
- 4.1 million Floridians enrolled in Medicaid as of April 2025



Medicaid Dollars

PROVIDER RATE TAXES

- ▶ Reconciliation bill prohibits the increase of provider taxes and prohibits new provider taxes
- ▶ These help finance the state's share of the Medicaid Program
- ▶ In 2018, \$2.4 billion of Florida's total Medicaid payments were financed with provider taxes and local government funds.
- ▶ Creates challenges for the state to close this financing gap:
 - Cutting eligibility, reducing payment rates to providers, etc.



FLORIDA'S SENIORS

► Manatt Health Analysis:

- 120,000 Florida's low-income seniors would have to pay more for their Medicare Benefits.

► Florida ranks 2nd in the nation for total 65+ Populations

► Dually eligible Medicaid and Medicare Beneficiaries:

- Medicaid covers the cost of Medicare premiums, deductibles, copayments and co-insurance



FLORIDA'S LAWFULLY RESIDING IMMIGRANTS

Who Would Largely Still Qualify	Who Would No Longer Qualify
<ol style="list-style-type: none">1. Lawful Permanent Residents (LPRs a.k.a. "Green Card" Holders)2. Cubans admitted under the Cuban Family Reunification Parole Program3. Compact of Free Association (COFA) migrants (i.e., citizens of Micronesia, the Marshall Islands, and Palau)	<ol style="list-style-type: none">1. Refugees2. Asylum Seekers3. Migrants granted humanitarian parole to the U.S4. Survivors of human trafficking, domestic violence, or other violent crimes5. Temporary Protected Status (TPS) recipients6. People granted Deferred Action who have been in the U.S since they were children (DACA recipients)7. People granted Deferred Enforced Departure (DED) (i.e., citizens of Hong Kong, Palestine, Lebanon, Liberia)8. People granted Withholding of Removal who fear persecution in their home countries9. Cubans and Haitians protected under the Refugee Education Assistance Act of 1980

FLORIDA'S LAWFULLY RESIDING IMMIGRANTS

► House Reconciliation Bill Eliminates:

- SNAP Coverage for most
- Access to Affordable Care Act Marketplace tax credits for most
- Marketplace tax credits for DACA recipients
- ACA marketplace coverage for those who are below 100% FPL
- Medicare eligibility

► Florida's Populations

- Over 5 million immigrant residents (22.1% of the population)
National percentage at 14.3%
- Miami-Dade 1.4 million residents are foreign-born, over 53% of the total population here.

FLORIDA'S AFFORDABLE CARE ACT MARKETPLACE

- ▶ Florida has more people who receive Affordable Care Act (ACA) Marketplace insurance than any other state.
- ▶ House Reconciliation Bill neglects to extend enhanced ACA Marketplace premium tax credits.
 - Subsidies that help pay for the costs of insurance.
 - Over 4 million Floridians rely on these subsidies
 - Average increase from \$588 - \$1116 per year, about 90%



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SAFETY NET PROVISIONS IN THE RECONCILIATION BILL

WHY SNAP MATTERS

- ▶ SNAP helps roughly [3 million vulnerable Floridians in need](#)
 - Over 707,000 [seniors](#)
 - Over 1,097,000 [children](#)
 - Over 296,000 [people have a disability](#) — not counting seniors
 - [99,000 veterans](#)

- ▶ SNAP helps to create jobs and stabilize the state's economy
 - Each SNAP dollar has at least a \$1.50 impact during economic downturns.
 - SNAP retailers include over 15,000 grocery stores and farmers markets in Florida.

COST SHIFTS TO STATES

► **Current Law:**

- States pay 50% of admin costs and feds pay 100% of grocery assistance

► **Proposed Cut:**

- Force states to pay between 5 and 25% of the cost of SNAP benefits that are provided to eligible households beginning in 2028
- Require states to pay 75% of admin. costs

► **Impact on Florida:**

- Unless the state lowers its error rate, Florida would owe [\\$1.6 billion](#) in 2018 for grocery benefits (or 25% of the cost of benefits). From past data, Florida would owe [admin. costs](#) of over \$205 million a year

EXPANSION OF TIME LIMITS WORK REQMT.

► **Current Law:**

- Most adults aged 18 through 54 without children in their homes must comply with SNAP work requirements.
- People living with children also qualify for an exemption to the time limit.

► **Proposed Cut:**

- Would [extend work requirements](#) to include seniors through age 64 and adults living with school-aged children (over age 7)

► **Impact on Florida:**

- [Over 550,000 people](#) could lose at least some of their SNAP benefits if the expanded work requirements are implemented.

FREEZING THRIFTY FOOD PLAN BENEFIT UPDATES

► **Current Law:**

- 2018 Farm Bill requires USDA to re-evaluate the Thrifty Food Plan (TFP) every 5 years beginning in 2022 — and make appropriate adjustments to benefits. Prior to this requirement, the TFP, which was introduced in 1975, was updated in 1983, 1999, and 2006.

► **Proposed Cut:**

- Would block increases in SNAP, except for inflation adjustments

► **Impact on Florida:**

- All SNAP participants would see a cut in benefits over time.
 - Based on the 2021 update, USDA estimated that Floridians received an average increase in their SNAP benefits of \$1.20 a day — for a total of over [\\$1.4 billion in 2022](#). Even though the increase was modest, the updated benefit [reduced poverty](#) nationwide by lifting over 2 million participants in the program above the FPL, particularly Black and Latino people.

ENDING ELIGIBILITY FOR MANY LAWFUL IMMIGRANTS

► **Current Law:**

- No person without a documented immigration status is eligible for SNAP. Also, even many people with lawful status are ineligible (e.g., adults with LPR status are generally ineligible until they have lived in the U.S. for 5 yrs).

► **Proposed Cut:**

- Would mostly end eligibility of many immigrants who are victims of domestic violence, people who have survived labor/sex trafficking, refugees, and people granted asylum (e.g., people who have been vetted by the government as having fled their homes to seek safety from persecution and violence).

► **Impact on Florida:**

- [180,000](#) in FL would lose assistance. This is over 41% of all immigrants poised to lose SNAP nation-wide and [over half](#) of all immigrants currently participating in SNAP in FL.

CUTS THREATEN BROAD-BASED CAT. ELIGIBILITY

► **Current Law:**

- Broad-based categorical eligibility (BBCE) allows states to waive asset limits and raise gross income limits to above 130% of the FPL.
- FL waives assets limit for most and allows most households to have *gross* income up to 200% (but few households with income that high ultimately qualify for monthly assistance).
 - Unless their *net* income is at or below 100% of the poverty line BBCE SNAP applicants are still ineligible for food assistance.
 - About 75% of FL SNAP households have income at/below 100%.

► **Proposed Cut:**

- Although not included as a specific cut, some in Congress hope that cuts in federal funds will pressure states to end BBCE.

► **Impact on Florida:**

- Ending BBCE in [FL could result in](#) over 195,000 children, 203,000 low-wage workers, 70,000 seniors, and 57,000 people with disabilities losing food assistance. (based on 2019 analysis)

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EDUCATION PROVISIONS IN THE RECONCILIATION BILL

FEDERAL TAX CREDIT VOUCHER

- ▶ **“Qualified Elementary and Secondary Education Scholarships,”** formerly called the Educational Choice for Every Child Act (ECCA), would:
 - Create a federal tax credit voucher of \$5B annually, no income limits
 - Contains an accelerator clause that would increase the amount annually if 90% of the prior year’s contributions were distributed
 - Little or no accountability
 - Would divert \$23.2 billion from federal revenue over the next 10 years
 - Creates a tax shelter from capital gains taxes for donors

FEDERAL TAX CREDIT VOUCHER

► Implications:

- Federal overreach – allows for educational vouchers in states that have clearly voted against them
- Benefits wealthy families
- Contributes to the federal deficit
- Potential for fraud and abuse - Little or no accountability
- Does not really provide choice for parents

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QUESTIONS?