

# One Big Beautiful Bill Act Update

**August 6, 2025**

**Mecklenburg County Board of Commissioners**

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Consolidated Human Services Agency



**MECKLENBURG COUNTY**  
North Carolina

# Agenda

- **One Big Beautiful Bill Act (OBBBA): Brief Overview**
- **Implications for Mecklenburg County**
  - Medicaid
  - Supplemental Nutrition Assistance Program (SNAP)
  - Timeline
- **Next Steps**



# One Big Beautiful Bill Act Overview

**On July 4, President Trump signed the Senate version of H.R. 1, the One Big Beautiful Bill Act**

- Permanently extends lower tax rates from the 2017 Tax Cuts and Jobs Act and creates other tax benefits

**The Congressional Budget Office anticipates the bill will increase the federal deficit by approximately \$3.4 trillion over 10 years**

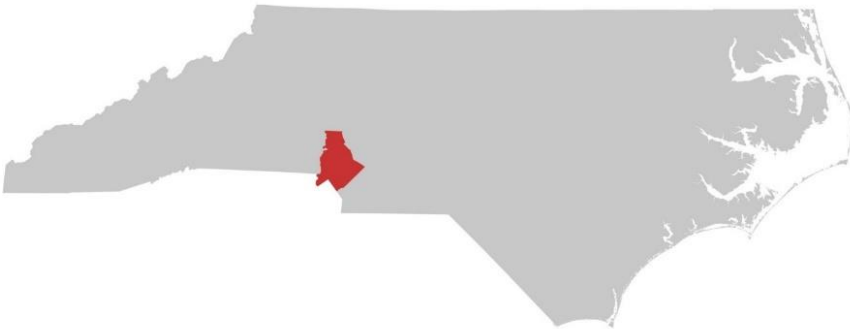
**Reduces federal spending on Medicaid and SNAP by approximately \$1.2 trillion**

- Projected to cause a loss of health insurance and food resources for millions of people nationwide



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# Implications for Mecklenburg County's Medicaid and SNAP Programs



# Medicaid and SNAP Overview

**Medicaid:** Provides health insurance coverage for individuals and families with low income and people living with disabilities

**SNAP:** Provides financial assistance for food to households with limited income and resources

Mecklenburg County has the largest number of Medicaid and SNAP recipients in NC

- Approximately 416,000 residents receiving Medicaid and 137,000 residents receiving SNAP\*

The programs are funded jointly by the federal and state governments

- Certain administrative costs are pushed to NC counties, but counties cannot fund the benefit costs
- Policy is established primarily at the federal level

\* Latest Available Data



# Medicaid Policy Changes Under OBBBA

Current Policy	OBBBA* Policy Change	Effective Date	Potential Local Impact
Refugees, asylees, and other lawfully present immigrants may be eligible for coverage	Removes eligibility for many humanitarian statuses aside from certain Cuban and Haitian nationals	10/01/2026	<u>TBD</u>
No work requirement	Work requirement: 80 hours monthly for recipients ages 19 to 64	01/01/2027	<u>Up to 31,000</u> residents may lose Medicaid benefits
Annual eligibility reviews	6-month eligibility reviews for Medicaid Expansion population	01/01/2027	Increased workload for DCR staff; benefit delays for residents
States can tax hospitals and other healthcare providers up to 6% (a key Medicaid funding source)	No new provider taxes allowed; existing taxes lowered to 3.5% by 2032	10/01/2027	<u>Up to 80,000</u> residents at risk of losing benefits if NC can't sustain funding for Medicaid Expansion

**\*OBBBA: One Big Beautiful Bill Act**

# SNAP Policy Changes Under OBBBA

Current Policy	OBBBA* Policy Change	Effective Date	Potential Local Impact
Refugees, asylees and other lawfully present immigrants may receive benefits	Removes eligibility for many humanitarian statuses aside from certain Cuban and Haitian nationals	07/04/2025 (pending State guidance)	<u>TBD</u>
Work requirements for SNAP recipients ages 18-54 without children	Expands work requirements to include recipients ages 55 to 64; parents of kids ages 14 and up	07/04/2025 (pending State guidance)	<u>Up to 17,000</u> residents may lose SNAP benefits
Administrative costs split 50/50 between federal and state/county governments	Increases administrative cost share to 75% for states (pushed to counties)	10/01/2026	<u>Estimated +\$7.5M</u> in annual cost
Food benefit costs paid entirely by federal government	Implements food benefit cost sharing for states based on their SNAP payment error rates	10/01/2027	<u>Estimated +\$46M</u> in annual cost: <u>Places NC SNAP program in jeopardy;</u> <u>137,000 local residents affected</u>

**\*OBBBA: One Big Beautiful Bill Act**

# Policy Effective Date Snapshot

**Jul. 4,  
2025**

- SNAP Work Requirement
- SNAP Immigrant Eligibility

*\*Pending State Guidance*

**Oct. 1,  
2026**

- Medicaid Immigrant Eligibility
- SNAP Administrative Cost Share

**Jan. 1,  
2027**

- Medicaid Work Requirements
- 6-Month Eligibility Reviews for Medicaid Expansion Population

**Oct. 1,  
2027**

- Healthcare Provider Tax Cap Begins to Decrease
- SNAP Food Benefit Cost Share



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# Summary

- Up to 31,000 County residents may lose Medicaid benefits under work requirements
  - *This number could be as high as 80,000 residents if Medicaid Expansion is terminated*
- Up to 17,000 County residents may lose SNAP benefits under work requirements
  - *This number could be as high as 137,000 residents if NC chooses to withdraw from the SNAP program*
- Expanded work requirements and recertifications will lead to increased workload for DCR staff and processing challenges for Medicaid and SNAP cases
- An estimated additional annual expense of +\$53M for the County due to SNAP funding changes
- Changes to administrative requirements and program funding structure could impact County staffing
- Additional economic impacts to businesses, non-profits, and healthcare providers are expected with coverage losses



# Next Steps

- Maintain engagement with NCDHHS and State associations regarding policy interpretation and implementation
- Convene local partners on September 10 (across healthcare and food sectors) to assess and plan for broader community impacts
- Develop clear communication strategy for staff and community regarding changes and impact
- Monitor data on program enrollment and utilization
- Partner with associations to further advocate for policy changes or delays to minimize impact on community

# Questions

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