

## One Big Beautiful Bill Act (OBBBA)

### Frequently Asked Questions on health care

July 2025

#### What is the One Big Beautiful Bill Act (OBBBA)?

On July 4, President Trump signed the One Big Beautiful Bill Act (OBBBA), a large budget reconciliation bill, into law. The Senate and House of Representatives narrowly passed this version of [HR 1](#) on July 1 and July 3, respectively.

The OBBBA makes sweeping changes across the U.S. immigration system on enforcement, work authorization, fees, and access to services like Medicaid and SNAP.

#### Medicaid

##### What is Medicaid?

Medicaid is a joint federal and state program that helps cover medical costs for some people with limited income and resources. [It differs from Medicare](#), which is health care coverage for people 65 years and older (discussed on the next page of this FAQ).

Medicaid has traditionally served a diverse low-income population including children, pregnant women, adults, individuals with disabilities, and people ages 65 and older.

##### What populations have been eligible for Medicaid?

Prior to the enactment of the OBBBA, U.S. citizens and certain lawfully present non-citizens have been eligible for Medicaid if they meet its other requirements for the program. Some [qualified groups](#) have been prohibited from receiving Medicaid for the first five years after entry or the grant of a status, such as **certain lawful permanent residents, parolees, and abused spouses and children**. Others have been exempt from this five-year ban, including **refugees, asylees, Cuban-Haitian entrants, and Compact of Free Association (COFA) citizens from the Marshall Islands, Micronesia, and Palau**.

##### What were the changes to Medicaid eligibility for refugees and immigrants under the OBBBA?

Under Section 71109 titled “Alien Medicaid eligibility,” the OBBBA amends federal law to shorten the list of eligible populations for Medicaid. The only groups who remain eligible for Medicaid are:

- U.S. citizens
- Certain U.S. lawful permanent residents
- Cuban and Haitian entrants
- COFA citizens from the Marshall Islands, Micronesia, or Palau

This rewritten text excludes previously eligible populations from Medicaid eligibility moving forward, including refugees, asylees, parolees, and abused spouses and children.

##### When will the changes take effect?

October 1, 2026. This is the date included in OBBBA’s Section 71109 governing future Medicaid disbursements to states under the new eligibility requirements.

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## **Medicare**

### **What is Medicare?**

Medicare is federal health insurance for people 65 or older, and some people under 65 with certain disabilities and conditions.

### **How has Medicare eligibility been changed under the OBBBA?**

Under Section 71201 titled “Limiting Medicare Coverage of Certain Individuals,” the OBBBA amends federal law to shorten the list of eligible populations for Medicare. The only groups who remain eligible for Medicaid are:

- U.S. citizens
- Certain U.S. lawful permanent residents
- Cuban and Haitian entrants
- COFA citizens from the Marshall Islands, Micronesia, and Palau

This rewritten text excludes previously eligible populations from Medicare eligibility moving forward, including refugees and asylees.

### **When do the Medicare changes go into effect?**

Individuals entitled to Medicare or enrolled in Medicare at the time of enactment of the OBBBA can remain on Medicare for another 18 months. The new eligibility requirements will then apply to these individuals in 18 months, or in January 2027.

## **Children Health Insurance Program**

### **What is CHIP?**

The [Children Health Insurance Program](#) (CHIP) provides health insurance coverage to low-income, uninsured children in families with incomes above applicable Medicaid standards, as well as to certain pregnant women.

### **How has CHIP eligibility changed under the OBBBA?**

Non-citizens have been subject to many of the [same eligibility requirements for CHIP as Medicaid](#).

Section 71109 on “Alien Medicaid Eligibility” makes the same eligibility changes as Medicaid for CHIP, meaning that refugees, asylees, parolees who have been present at least one year, and others will lose eligibility for CHIP, effective October 1, 2026. Only U.S. citizens, certain LPRs, Cuban and Haitian entrants, and COFA citizens will remain eligible for CHIP.

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### **Impact**

#### **What will the broader impact of these changes be?**

The OBBBA changes on health care will restrict access to health care for lawfully present immigrants like refugees and asylees. Taken in tandem with other changes like reduced [Refugee Medical Assistance eligibility](#), federal policy changes in the OBBBA dramatically cut the safety net for immigrant communities to the detriment of their health and well-being.

#### **What can be done?**

The loss of access to federal mainstream benefits cannot be easily substituted or undone with other policy changes. That said, Congress can continue to support other programming that serves these populations with critical support.

Join our advocacy in support of Refugee and Entrant Assistance (REA) appropriations in Fiscal Year 2026. Use [this script](#) to call your member of Congress in support of Refugee Support Services and Transitional and Medical Services, which are important Office of Refugee Resettlement (ORR) programs to support eligible immigrant populations.