

The Budget Reconciliation Bill Will Cause Harm to the Health Care System

The One Big Beautiful Bill Act (Pub. Law No. 119-21) makes sweeping changes to the Medicaid program, the Marketplace plans, and private insurance. The impacts of this law will extend throughout our entire health care system – beyond people who receive their coverage through Medicaid and the marketplace.



People will lose their health insurance coverage. [CBO estimates](#) that almost 12 million will be uninsured due to this law in 10 years. We know that having health insurance coverage is [one of the most important factors](#) in surviving cancer.



Bureaucracy and paperwork requirements will grow – and block access. Some of the people that get kicked off Medicaid will still be eligible – they are working, they have income or other factors that qualify them for Medicaid – but they will be unable to navigate the new bureaucratic requirements to prove they are eligible, or don't know they have to until they show up at a doctor's office or emergency room and discover they've lost their insurance. This happened when Arkansas [implemented work requirements](#) in Medicaid.



People will be locked out of coverage. The law eliminates opportunities for some people to enroll in Marketplace plans and ends auto-enrollment (10.8 million people, or 44% of Marketplace enrollees, were autoenrolled in Marketplace plans in 2025). Combined with significant cuts to enrollment navigator funding [announced](#) earlier this year, it means that people will have less information about their health insurance options and less time in which to make a decision. This will be particularly harmful to cancer patients who often need additional time to review plan options to ensure the plan covers their clinicians and hospitals.



Health care costs will increase. Many will see their health care costs go up. Anyone on Medicaid making income over the poverty line (\$15,650 for an individual) will see [new copays](#) for services. People who receive tax credits for Marketplace coverage would see their premiums go up.



Hospitals will struggle and some will close. Uncompensated care costs in hospitals will increase by an [estimated](#) \$42.4 billion in 2034. [More than 300 rural hospitals](#) are at “[immediate risk](#)” of closure because they have suffered multiyear financial losses or have very low financial reserves. This will mean that cancer patients will have to travel even further to obtain treatment.



People will lose their jobs. [An earlier analysis of Medicaid and SNAP cuts](#) showed that about 1.03 million jobs would be lost nationwide in health care, food-related industries, and other sectors.



State economies will suffer. Cutting \$1 trillion from the Medicaid program will force states to find room in already-tight budgets – forcing them to cut Medicaid, or cut something else. An [earlier analysis](#) estimated that cutting Medicaid and SNAP would cause state and local governments to lose \$8.8 billion in state and local tax revenues.

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