



REPORT

The One Big Ugly Bill:

Senate Republicans' Proposal to Kick More Than 2 Million Californians Off Health Insurance, Cut Food Assistance for Children and Families, and Risk Hospital Closures Throughout California

Prepared by the office of Senator Adam Schiff
June 2025

Executive Summary:

On May 21, Republicans in the House of Representatives passed their so-called “One, Big, Beautiful Bill Act,” a budget bill which, according to Republicans, is supposed to “cut spending and reform welfare.” In reality, this bill would gut infrastructure that Americans across the country rely on to raise a family, pursue a career, and fulfill the American Dream. The more accurately named “One Big Ugly Bill” is now being considered by the U.S. Senate where it only needs 51 votes to pass under a process known as reconciliation. If passed, this bill would cut health care and slash food assistance for millions of Americans while providing massive tax cuts to President Trump’s millionaire and billionaire friends. California and its working families would be especially hard hit.

More specifically, Republicans plan to slash funds to Medicaid and the Affordable Care Act – historic legislation that established a foundation of quality, affordable health care and access to health care across the United States. **More than two million Californians could lose their health care.** As the state with the highest number of Medicaid enrollees – California has the most to lose. Senate Republicans’ policies will cut tens of billions of dollars in health care funding for California, putting hospitals and health centers across the state at serious risk of closure. Under Senate Republicans’ bill, **more than 1.5 million Californians would lose Medi-Cal coverage, and more than 700,000 Californians are estimated to lose coverage through Covered California.** This bill jeopardizes Medi-Cal funding that provides home-based care for constituents like 77-year-old Carol Crooks, who lives in Oakland, California and relies on a walker or wheelchair to move about her house. The federal funding cuts that Republicans are pursuing will force states to cut optional benefits for Medi-Cal enrollees, like in-home support services. This puts Crooks – and more than 800,000 other Californians – at risk of losing the home-based care that enables their independence and would likely force many into institutional settings. This example is a small fraction of the devastation that Senate Republicans will unleash on our health care system if their bill becomes law.

Senate Republicans are also advocating to cut \$300 billion in funding to critical food assistance through the Supplemental Nutrition Assistance Program (SNAP). SNAP — also known as CalFresh in California — is the largest federal food assistance program for pregnant women, working families and children from low-income households. On average, nearly 5 million Californians received CalFresh benefits each month. These cuts would not only hinder parents’ ability to provide nutritious food for their children, but it would also make it more difficult for people to qualify for the program in the first place. Second Harvest Food Bank of Silicon Valley serves half a million people in Santa Clara and San Mateo counties, but the food bank and the federal funding it relies on will be slashed by the Republican budget bill.

The “One, Big, Beautiful Bill” will send health care in the United States into critical condition. Hospitals closing, increased barriers to coverage, and the elimination of food assistance will have catastrophic consequences. Put simply: Americans who are already suffering will suffer more. All to fund tax cuts for billionaires. That is unacceptable.


Who Is at Risk of Losing Health Insurance Under Republicans' Reconciliation Bill?

According to the Congressional [Joint Economic Committee](#), cuts to Medicaid and the Affordable Care Act would **result in over 2 million Californians losing health insurance**, including 1.5 million covered under Medi-Cal and nearly 700,000 Californians who receive their health insurance through Covered California.

Medi-Cal Coverage Loss

Medi-Cal – California's Medicaid program – provides health care coverage to **14.9 million Californians**, or 38% of the state's population. This includes **half of all children** in California and 40% of people with disabilities. Under Senate Republicans' bill, more than **1.5 million Californians would lose Medi-Cal coverage**.

- The Republican bill would take Medi-Cal coverage away from those who are not able to meet new strict work reporting requirements. This would threaten the coverage of millions of people with disabilities and chronic conditions, and their caregivers, who are currently are eligible for Medi-Cal.



**“AS PHYSICIANS, WE ARE
SOUNDING THE ALARM:
CALIFORNIANS WILL DIE IF
THIS BILL IS ENACTED.” –DR.
SHANNON UDOVIC-
CONSTANT, PRESIDENT OF THE
CALIFORNIA MEDICAL
ASSOCIATION**

- The bill imposes a penalty on 14 states, **including California**, for providing state-funded health care coverage to undocumented residents by cutting nearly \$100 billion in federal Medicaid funding. Over the next ten years, California's federal Medicaid funding is estimated to be cut by **\$30 billion dollars** as a result of the penalty.
- Starting December 31, 2026, the bill would require California's Medi-Cal program to double the frequency of eligibility checks for Medi-Cal expansion enrollees, from the current annual renewal requirement to once every 6 months. This increase in paperwork to stay enrolled would impact approximately **5 million Medi-Cal enrollees – causing additional barrier to enrollment, increased burdens on sick patients to fill out lengthy forms, and generally more delays in receiving care.**

700,000 Californians will lose coverage through Covered California

Covered California is California's state-based health insurance exchange, established under the Affordable Care Act. Covered California provides health insurance to **nearly 2 million Californians** who don't qualify for Medi-Cal and aren't offered health insurance through their employer. Under Senate Republicans' bill, nearly 700,000 Californians – accounting for **more than one-third of people who get their health insurance through Covered California** – **would lose their coverage**. Here's how:

- Cuts California's open enrollment period in half. The window of time for Californians to choose and enroll in a plan will be **shortened from the current 90-day window to a mere 45-day enrollment window**. If this policy change was in place this past year, it would have **prevented over 100,000 Californians** from being able to enroll in health coverage.
- Imposes new and onerous paperwork requirements to verify eligibility for premium tax credits and cost-sharing support. This provision would likely **lead to many people who are eligible for plans through Covered California going uninsured** as they likely could not afford to enroll in a plan or to keep their existing coverage while they deal with the new paperwork requirements.
- Ends the longstanding process of automatic renewal in health insurance marketplaces – like that used in employer coverage and Medicare. Instead, the Republican bill will **require all enrollees to reapply for coverage every year** to continue receiving tax credits and cost-sharing support. In 2025, nearly 11 million marketplace enrollees — that is, 45% of total enrollment — were auto enrolled in their plans. Eliminating auto enrollment will place a significant burden on enrollees and likely result in many dropping out of coverage.
- Eliminates eligibility for federal tax credits for lawfully present immigrants. The bill would eliminate eligibility for lawfully present immigrants who are now able to receive tax credits and cost-sharing support, including those with work visas and student visas, refugees, asylees, and victims of trafficking. In California, this would impact approximately **112,000 current Covered California enrollees**, likely rendering their coverage unaffordable and spurring them to become uninsured.

How Will Republicans' Bill Harm Access to Health Care in California?

Senate Republicans' reconciliation bill will cut tens of billions of dollars in health care funding for California, putting hospitals and health centers across the state at serious risk of closure.

Guts Federal Funding to Hospitals



Under the bill, Senate Republicans impose new caps on supplemental federal payments that health care providers rely on – also known as State Directed Payments and provider taxes. Over the next ten years, these caps are estimated to cut **between \$45-\$60 billion in federal funding for California’s private and public hospitals**. These cuts would come at a time when providers throughout California are already struggling. According to a 2023 [report](#) by the California Hospital Association, **one in five California hospitals are already at risk of closure** due to financial strain. California’s rural hospitals are particularly vulnerable. California’s 37 critical access hospitals — those that serve communities located at least 35 miles from another medical facility, and which are included among rural hospitals — have seen their operating margin drop by a frightening 8% from 2019 to 2023. Hospitals across the state are losing more and more money every day that they need to deliver care — nearly two-thirds are in the red — and the scant reserves to cover the shortfall are dwindling.


Restricts Access to Reproductive Health and Primary Care Services

- The bill effectively defunds Planned Parenthood by barring Medi-Cal enrollees from receiving non-abortion health care services – such as access to birth control and cancer screenings – from health care providers at Planned Parenthood locations. In California, over 80% of people who seek care at Planned Parenthood health centers are enrolled in Medi-Cal. In many communities, Planned Parenthood health centers are the only affordable provider with expertise in sexual and reproductive health. Blocking Medi-Cal enrollees from getting care at these trusted health centers would devastate access to health care services across the state.
- The bill also makes it harder for all Americans to obtain private insurance coverage for abortion care. This provision, which would impose financial penalties on Covered California health plans that provide abortion coverage, will make it much more difficult for insurers to offer those plans at all and will significantly disrupt coverage of abortion care. It will ultimately put abortion care even further out of reach for countless Americans at a time when we are still dealing with the fallout of *Dobbs* and the public health crisis it has unleashed.

How Will Republicans' Bill Make Health Care More Expensive?

Senate Republicans' bill increases out-of-pocket costs for millions of Californians, including families, individuals with disabilities, and Medicare enrollees.

Increase to Covered California Monthly Premiums



FIND OUT HOW MUCH YOUR
MONTHLY PREMIUM THROUGH
COVERED CALIFORNIA WILL
INCREASE [HERE](#).

The Republican reconciliation bill fails to extend Enhanced Premium Tax Credits for health care plans through Affordable Care Act Marketplace and state-based exchanges, including Covered California. This will dramatically increase premiums for most Americans enrolled in these plans – **with an annual increase of \$387 to \$2,914 per person, depending on income**. Currently, Covered California helps nearly 90% of enrollees mitigate high costs by offering state and federal subsidies based on income, with many families paying little or nothing. Approximately **1.7 million Covered California enrollees** would face substantial premium cost increases, jeopardizing their ability to maintain coverage.

Increase Co-Pays for Low-Income Individuals

The bill requires California to impose cost-sharing on Medi-Cal expansion enrollees with **annual incomes between \$15,650 and \$21,597** (100% and 138% of the Federal Poverty Line (FPL), respectively) for most health care services. This means Medi-Cal enrollees in this income bracket could be **charged as much as \$35 for each Medi-Cal covered service**, such as a health care provider visit. All Medi-Cal expansion enrollees have extremely low incomes and decades of research has shown that even low copays substantially reduce access to needed care and could create a huge financial burden on low-income Medi-Cal enrollees.

How Will Republicans' Bill Undermine Families' Ability to Afford Food?

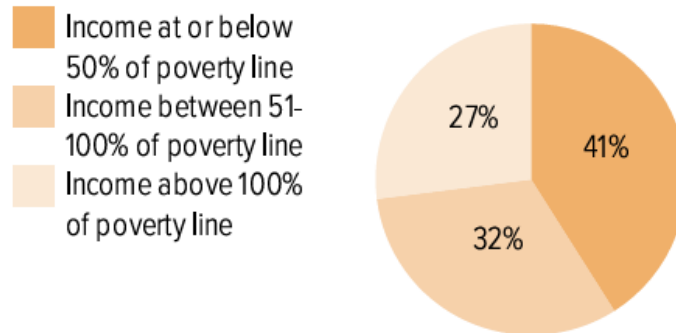
The bill would cut billions in federal funding for CalFresh, putting nearly 1 million Californians at risk of losing CalFresh benefits.

In addition to threatening access to health care for millions of Californians, Senate Republicans' bill would slash essential food assistance programs, including the Supplemental Nutrition Assistance Program (SNAP) -- known as CalFresh in California. Over 5 million Californians, roughly 14% of the state, rely on SNAP to put food on their tables. More than 55% of participants in CalFresh are families with children and over 36% are families with older adults or people with disabilities. The Republican bill abandons the federal government's longstanding commitment to ensuring families with low incomes can afford food.

- Senate Republicans' bill would shift hundreds of billions of dollars in food benefit costs onto states. Based on recent trends, estimates found that California would need to spend about **\$3.1 billion annually to maintain current benefit levels**. As a result, the state would then have to backfill for those cuts or take steps to cut back the number of people participating in CalFresh or cut benefits to reduce state costs.
- The bill would expand already restrictive time limits for food assistance to caretakers of school-age children and older adults between the ages of 55 and 64, putting a total of **888,000 Californians** who live in households with impacted adults, **including 286,000 adults with school-age children**, at risk of losing part of their household benefits.
- Programs that provide food to school-age children could be directly impacted as a result of the SNAP cuts. Increased costs and limits on benefit increases under Senate Republicans' bill **puts funding for the state's summer EBT program, SUN Bucks, at risk**. SUN Bucks is a critical safety net program providing modest assistance to families during the summer breaks to help when school meals are not an option.
- Senate Republicans' bill also **threatens California's universal school meal program** for school-aged kids.

Most SNAP Participants in California Have Incomes Below the Poverty Line

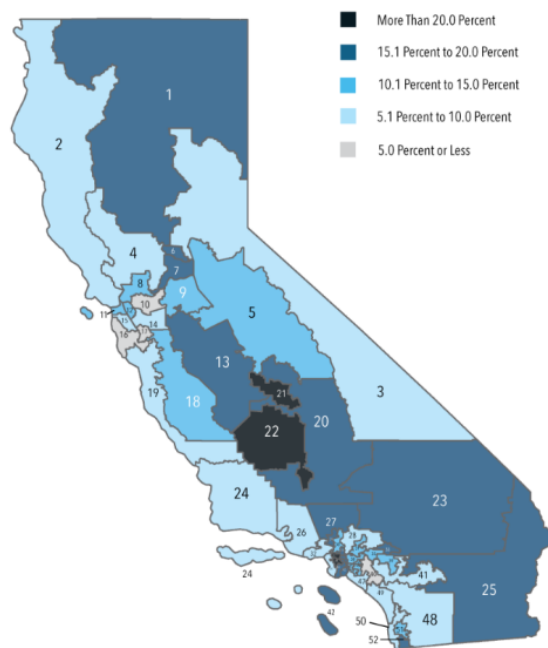
Share of participants by household income, fiscal year 2022



Source: CBPP analysis of data from USDA Food and Nutrition Service.

CalFresh Helps Feed Families in Every Congressional District

Estimated CalFresh Participation as a Share of the Population, 2022



Note: Congressional district estimates are based on zip code-level data of CalFresh recipients. Data are for individuals receiving federal SNAP benefits and do not reflect individuals receiving state-funded assistance through the California Food Assistance Program.
Source: California Budget & Policy Center analysis of data from the Department of Social Services and US Census Bureau, American Community Survey



California Budget
& Policy Center

Who Will Be Impacted by Senate Republicans' Bill?

Senate Republicans' bill takes aim at families, seniors, immigrants, and other vulnerable populations.

Medicare Enrollees

- Due to the massive deficit increase under Senate Republicans' reconciliation bill, **more than \$500 billion in Medicare cuts** would be triggered between 2026 and 2034. The funding cuts would impact payments to hospitals, physicians and health care providers, Medicare Advantage plans, and standalone prescription drug plans.
- Cuts to federal Medicaid spending would likely force states to cut services for the **1.6 million Medicare enrollees in California who are dually eligible for both Medicare and Medi-Cal**. Because Medicare beneficiaries who qualify for Medicaid typically have very low incomes and little to no savings, the loss of Medicaid payment for the costs of Medicare's premiums and cost sharing could make their Medicare coverage unaffordable.
- The Republican bill would prevent low-income Medicare beneficiaries from enrolling in the Medicare Savings Program, which covers Medicare premiums and often other out-of-pocket costs through Medicaid. The rule would simplify the process and require states to automatically enroll people who receive SSI. **Blocking this change would leave many Medicare enrollees without critical financial assistance.**
- Critical services among dual-eligibles, such as Home and Community Based Services (HCBS), are among the services most at risk of cuts if the Senate Republican bill is enacted. According to a recent analysis, federal Medicaid cuts could force up to 3 million people aged 50 or over to seek institutional care rather than being able to get the HCBS they would otherwise receive in their homes.
- Keep unsafe nursing home conditions in place, putting seniors and people with disabilities at risk. The House bill would block implementation of a new federal rule finalized in May 2024 that requires nursing homes to increase staffing levels and report more information about worker pay.

Children

- As of July 2024, more than half (53%) of all Californians under age 21 were enrolled in Medi-Cal.
- Research has shown that children are more likely to be covered when their parents receive Medicaid, so reductions in adult eligibility will also reduce children's access to health care.
- 43% of Californian children (under 18) with a disability or other "special health care need" are covered by Medicaid, which provides essential services not only for health care but also for setting children up for long-term success and independence: critical medical services, therapies, specialized care, and early intervention programs to prepare children with disabilities for success in kindergarten and throughout life.

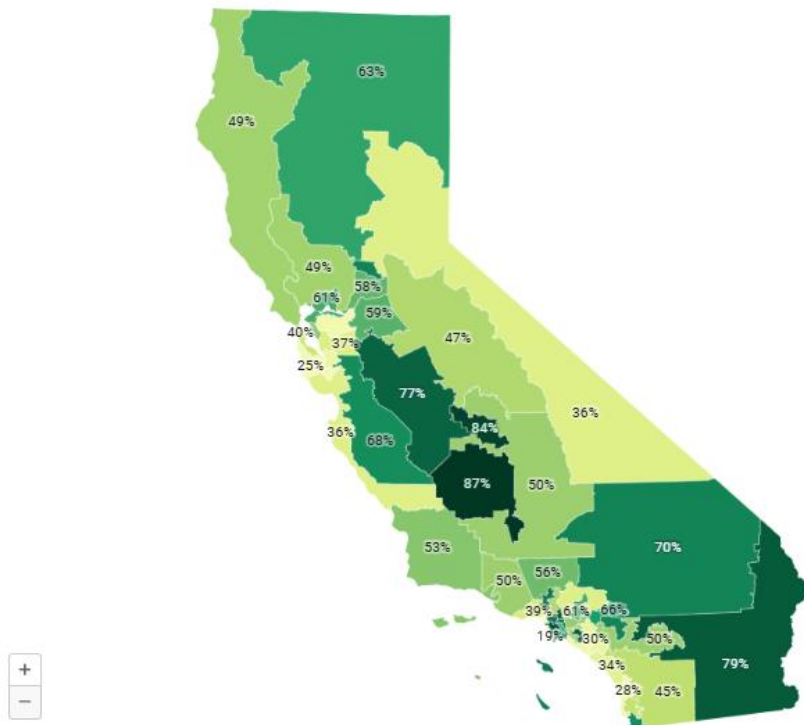
Medi-Cal enrollment among children and teens by U.S. congressional district, 2024

The map shows the percentage of each congressional district's children and teens ages 0-19 enrolled in Medi-Cal. For example, 87% of children and teens in Congressional District 22 are enrolled in Medi-Cal. Darker green signals a higher rate of Medi-Cal enrollment while lighter yellow signals lower enrollment. On a statewide basis, 55% of children and teens are enrolled in Medi-Cal.



Scroll over a district on the map to also see the number of children and teens enrolled in Medi-Cal.

Percentage in Medi-Cal
19% 87%



Sources: DHCS, Medi-Cal Certified Eligible Counts by Legislative Districts and Aid Category (Ages 0-19) - July 2024 Month of Enrollment (Updated February 2025). Authors' analysis of enrollment as a percentage of population using American Community Survey 1-Year population estimates by Congressional District, 2023.
Map: UC Berkeley Labor Center • [Get the data](#) • [Embed](#) • [Download image](#) • Created with [Datawrapper](#)

LGBTQ+

- Senate Republicans' bill bans Medi-Cal coverage of gender affirming care services, cutting off access to critical health care services for the 36,000 transgender, gender expansive, and intersex Californians with low incomes who qualify for Medi-Cal.
- Out-of-pocket costs for gender-affirming care can range from \$72 to \$3,792 per year, meaning that without Medi-Cal, many LGBTQ+ Californians would be unable to afford out-of-pocket expenses for this critical care.
- The bill removes an extensive list of specific medical services (e.g., hysterectomies, mastectomies, vasectomies, and puberty-blocking drugs) from the ACA's Essential Health Benefits if they are used for gender transition by people of any age, which would reduce coverage for marketplace enrollees and many Medicaid enrollees, as well.
- The bill codifies in statute that the only two sexes are male and female, attempting to legislate transgender, gender expansive, and intersex people out of existence.

People with Disabilities

- In California, more than 8.1 million adults and 1.3 million children have a disability.

- Cuts that impact Medi-Cal will disproportionately impact people with disabilities. Even carve outs for people with disabilities will create additional administrative burdens and uncertainty while simultaneously cutting the overall Medicaid budget, thus doubly impacting people with disabilities.
- People with disabilities would face higher out-of-pocket costs for essential care if Medicaid funding is cut, an additional financial burden for many families struggling to make ends meet.

Immigrant community

- Under the bill, Medi-Cal coverage for certain immigrants, including roughly 218,000 children and 1.4 million adults in California, would be in jeopardy.
- It would cut federal Medicaid funding to California as a penalty for providing health care to certain groups of immigrants — including people who are undocumented, refugees, asylees, and survivors of domestic violence and sex trafficking — which would result in the state losing \$27.5 billion in federal funding from 2028 to 2034 unless California ends this coverage.
- The bill also restricts which categories of immigrants would qualify for these insurance programs, stripping eligibility from all lawfully present immigrants except for people with lawful permanent resident status (LPR or green card holders), Cubans paroled into the U.S. under a specific family reunification program, and people living in the U.S. from the nations in the Compacts of Free Association (COFA).