NEW JERSEY HUMAN SERVICES

H.R.1: What New Jersey Needs to Know

Impacts, common questions and how to partner with New Jersey Human Services

H.R. 1 or “One Big Beautiful Bill Act”

- H.R. 1, or OBBBA, is signed by President Trump on July 4, 2025
- Congressional Budget Office scores national savings at nearly $1 Trillion for Medicaid and $186.7 Billion for SNAP and other food assistance programs over 10 years
- Major changes to policy to accomplish this
- Savings spent in a variety of areas in the law – this money has already been spent and committed



H.R. 1 NJ Impact Overview

What H.R. 1 Does:

Decrease Funding



Up to $6 billion annually

Increase Administrative Burden



Doubled workload for some cases

How Changes Impact NJ:

Lost Coverage



150,000 – 300,000 people

Lost Benefits



Tens of thousands losing food assistance

Other Federal Impacts:

Increased Scrutiny



Pressure from Feds on programs

Unclear Regulations



Shifting regulations with little clarity

H.R.1: The Human Impact

NJ FAMILYCARE

MEDICAID / NJ FAMILYCARE

- Between 165,000 and 300,000 New Jerseyans could lose access to Medicaid coverage*
- Increased paperwork and more frequent eligibility redeterminations
- Some asylees, refugees, and human trafficking victims are no longer eligible

*Based on Urban Institute projections

NJ SNAP food assistance

SNAP

- About 45,000 New Jerseyans have more requirements to meet to keep their food benefits
- SNAP participation decreased by about **71,000 individuals** between June 2025 and June 2026.
  - Roughly 49,500 of this reduction can be attributed to H.R. 1
- Asylees, refugees, and human trafficking victims are no longer eligible
- Recertifications are done by household, not individual

Most individuals who lose health coverage or benefits may still be eligible.

Key Medicaid and SNAP Provisions

		When It Goes Into Effect
Eligibility Changes	Mandatory and expanded “Community Engagement Requirements” (**Work Requirements**)	July 4, 2025 for SNAP, Jan. 1, 2027 for Medicaid
	Increased **frequency of eligibility checks**	Jan. 1, 2027 for Medicaid
	Elimination of eligibility for many categories of **documented immigrants**	April 10, 2026 for SNAP, Oct. 1, 2026 for Medicaid
Financing Changes	Restrictions on **Provider Taxes**	July 4, 2025, reductions every Oct. 1, 2028-2032
	Restrictions on **State-Directed Medicaid Payments**	July 4, 2025, reductions every Oct. 1, 2028-2032
	Stricter “**budget neutrality**” requirements for Medicaid Section 1115 demonstrations	At New Jersey’s renewal in 2028
	SNAP **administrative cost** sharing shifts	Oct. 1, 2026
	SNAP **benefit cost** sharing shifts	Oct. 1, 2027
Other Changes	Mandatory **cost-sharing** (co-pays) for certain NJ FamilyCare members	Oct. 1, 2028
	Could be consideration for **Public Charge**	Sept. 18, 2026

NJ FamilyCare: New Community Engagement Requirements Beginning January 1, 2027

- Adults covered through the ACA expansion ages 19–64 will need to meet a **community engagement requirement** to maintain or qualify for NJ FamilyCare.
- The requirement may be met through 80 hrs/month of:


Work


Volunteering


School

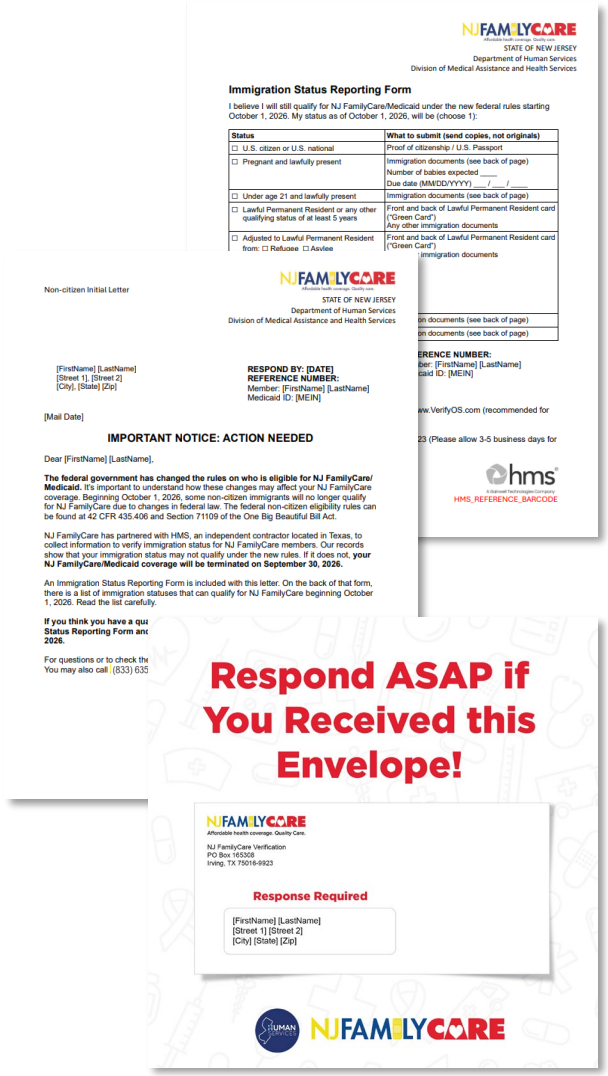
These requirements affect roughly 30% of NJ FamilyCare members, or 540,000 people.

- NJ FamilyCare coverage must be renewed every **6 months** for affected adults. Requirements will be checked at application and renewal.
- Some individuals are exempt; we will share more information on the implications of the Oct. 30, 2026, federal court decision on medical frailty when available
- Resulting coverage losses will start appearing in April 2027, ramping up by July 2027.

NJ FamilyCare: Changes to Eligibility for Certain Noncitizens

Effective October 1, 2026

- NJ Human Services identified **approximately 24,500 potentially impacted adult non-citizen members** whose statuses no longer qualify for federally funded Medicaid/CHIP coverage.
- Outreach letters were sent to members whose qualifying status could not be verified. DHS did not hear back from **8,500** potentially impacted members who were sent letters.
- In total,**10,200** members were disenrolled (those who did not respond + **1,700** who did respond but were found ineligible
- After October 1, members who received a letter and believe they may still be eligible are **urged to respond** to allow NJ FamilyCare to determine whether they can regain coverage.



Key SNAP Provisions

- H.R. 1 expands the Able-Bodied Adults Without Dependents (ABAWD) work requirement to **more than 45,000 additional New Jersey residents.**
- Per CBO projections, NJ expects approximately **1,800 non-citizens per month**, on average, to become ineligible for SNAP.
- State and county administrative costs are expected to increase by approximately $100 million *annually*.
- State costs associated with SNAP benefit payment errors could reach $300 million *annually*.



State Supervised, County Administered

- The County Social Services Agencies are the “front door” to Medicaid, SNAP, and other NJDHS programs and services.
- With increased documentation and renewal requirements, County staff may see their case workload double, creating delays and financial concerns.
- Additionally, SNAP cost shifting primarily impacts County budgets, up to $100 Million each year.
- County Fact Sheet available at: **nj.gov/humanservices/home/medicaidsnapcuts.html**

What is DHS Doing?

- ☑ Updating our systems to be more efficient and complete as much paperwork behind the scenes
- ☑ Advocating for repeal or delay of the H.R. 1 impacts, co-leading a multistate legal challenge to CMS interim regulations on medical frailty.
- ☑ Training County staff to be prepared for the increased workload
- ☑ Gov. Sherrill included $71 Million in the FY26 State Budget to offset some of this budget year's administrative cost shift onto Counties
- ☑ Communicating with members, stakeholders, providers, and the public as often as possible, providing the most up-to-date information

NJ FamilyCare Resources

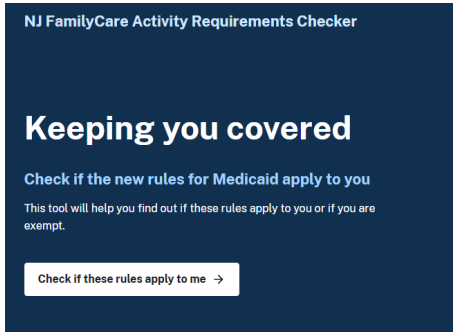
NJFAMILYCARE

To Apply for NJ FamilyCare or to Check Status on an Existing case:

www.NJFamilyCare.org
1-800-701-0710

Federal Medicaid changes:

http://federalmedicaidchanges.nj.gov



Check Community Engagement Requirements:

www.njfcchecker.nj.gov

Find low-cost or free care: nj.gov/health/findcare/

SNAP Resources

To apply for food, cash or childcare assistance or to check case status or submit changes/documentation:

www.MyNJHelps.gov

Federal SNAP changes:

www.nj.gov/humanservices/dfd/news/federalchanges

Find County Social Services Agency

www.nj.gov/humanservices/dfd/counties

For food banks and other food assistance: nj.gov/humanservices/dfd/resources

Moving forward for everyone who needs care and everyone who delivers care

For too long, **health care has been unaffordable and inaccessible** for too many in New Jersey.

Providers and insurers are also under significant fiscal pressure.

Federal changes mean we can no longer kick this can down the road.

We can **forge a new path** for more accessible primary care, increased health coverage, and contained cost growth.

Thank You!

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