Safeguarding Medicaid and SNAP in the Wake of H.R. 1

Briefing for Economic Opportunity Funders

November 10, 2025

Briefing Goals

1. Share findings on state support needs around HR1 implementation, likely impacts, and targets for reduced beneficiary and state budget impacts.

2. Identify funding and other opportunity areas to support states in HR1 implementation.

Our Partners

FINANCIAL SECURITY PROGRAM aspen institute

Center for Civic Futures

GEORGETOWN UNIVERSITY | beeckcenter social impact + innovation

civilla

PUBLIC POLICY LAB

CODE for AMERICA

US DIGITAL RESPONSE

Center on Budget and Policy Priorities

TECH TALENT PROJECT

NEW PRACTICE LAB

Better Government Lab — GU McCourt School of Public Policy, Georgetown University | M Ford School of Public Policy, University of Michigan

OUR COLLECTIVE

11 organizations formed out of the Digital Benefits Leadership Council.

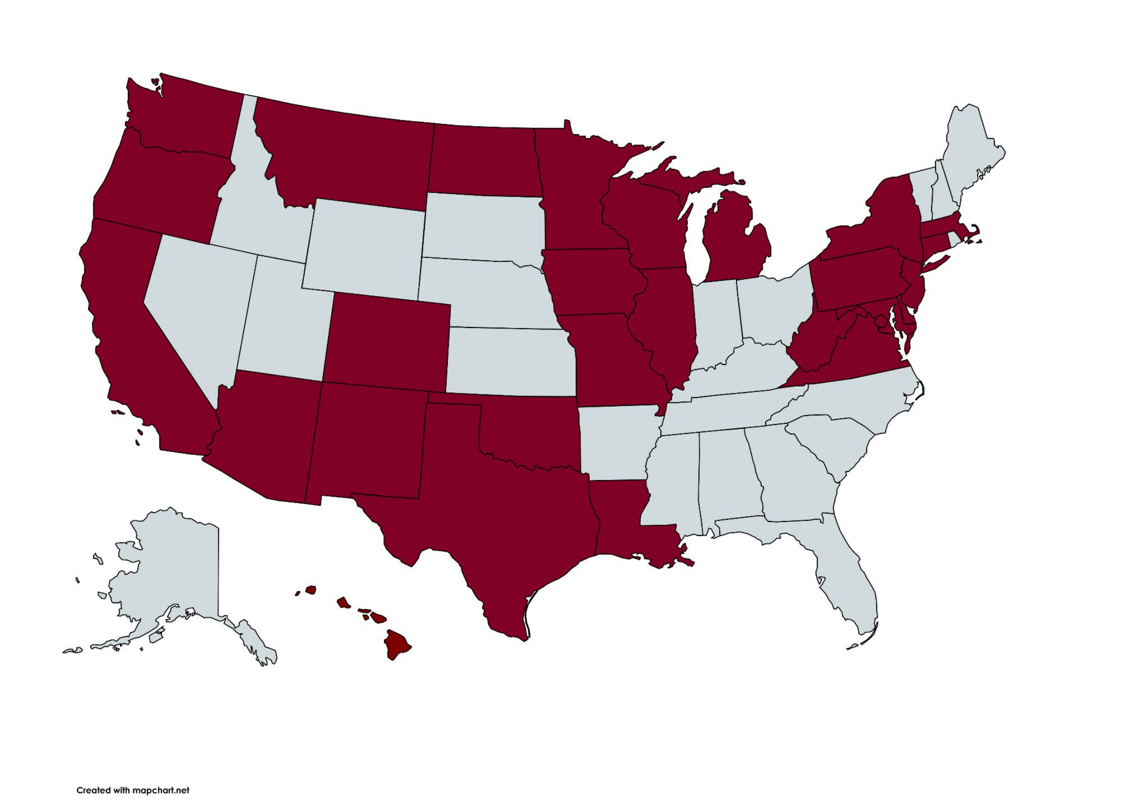
Ranging from policy research and advocacy, to software development and technical implementation assistance.

Not-for-profit delivery beyond the RFP: 501(c)(3), think tanks + academic centers

OUR APPROACH

We partner and deliver directly with states, while coordinating across state and organizational lines in service of an ecosystem play to prioritize high-need Americans facing lockout from health and SNAP benefits. We are one team spread out over space in service of a clear north star.

Our Footprint: State Partners



Participating Organizations have established partnerships in 26 states and DC.

HR1 Overview - Medicaid

What's happening, major changes, and impacts

Key Medicaid Provisions

- Creates work requirement for expansion population, including at application (80 hours per month of "community engagement" requirements)
- 6 month renewals for expansion population (currently annual)
- Reduced retroactive coverage, cost sharing for participants, repealed streamlining rules, increased penalties for errors

HR1 Overview - SNAP

What's happening, major changes, and impacts

Key SNAP Provisions

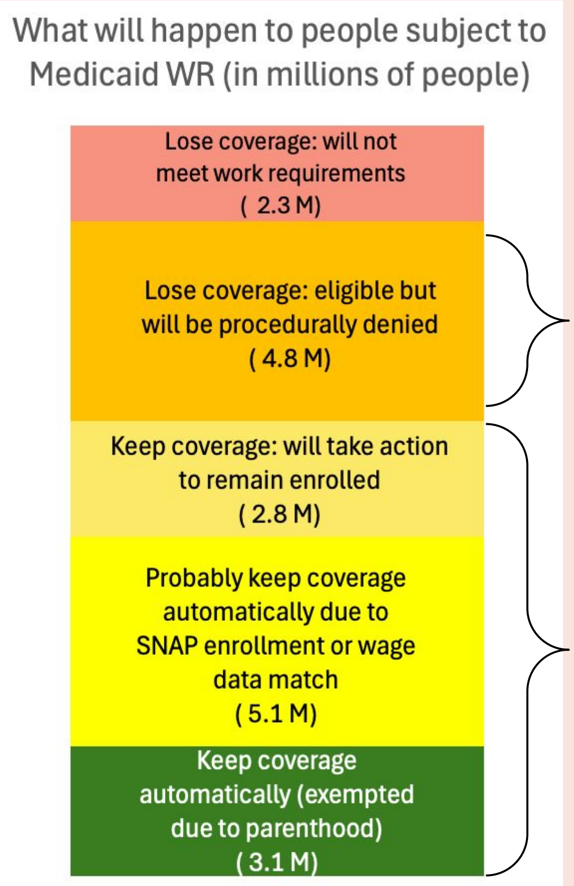
- For the first time in history, states will be required to pay a portion of benefit costs, depending on "payment error rates" (starts in FY 28 but based on FY 25 or FY 26 rates), ranging from 5 to 15 percent of benefits
- State administrative cost share increases from 50% to 75% of administrative costs
- Expands work requirements to to include adults with children 14 and older, older adults 55-64, and others
- Eliminates eligibility for people granted refugee, asylum, and other immigration statuses

State Impact Summary

What's happening, major changes, and impacts

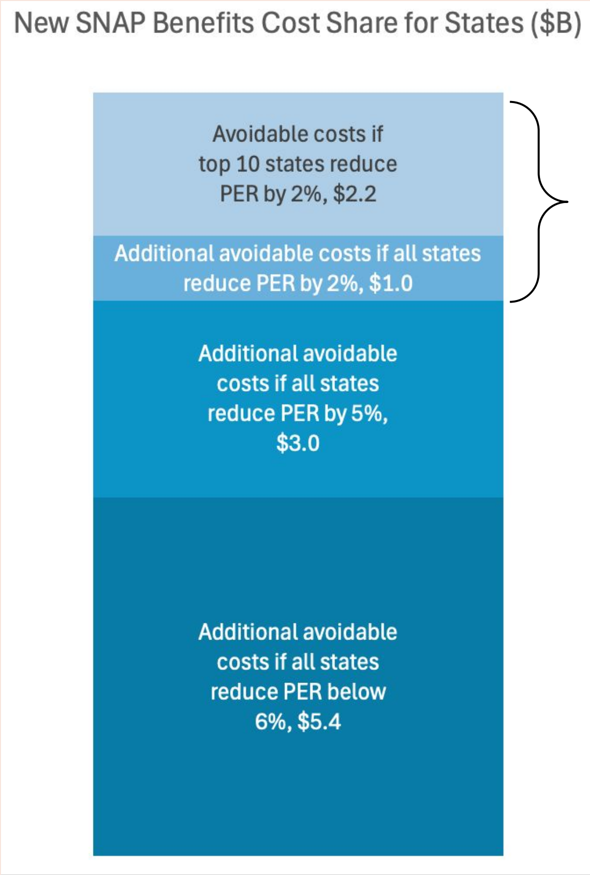
- **Medicaid**
  - Doubles the redetermination work needed for Medicaid eligibility
  - Implements a new requirement to track work and community engagement hours that has never been effectively implemented
- **SNAP**
  - Increases State portion of administrative costs by 50%
  - Imposes state benefits payment costs for the first time based on payment error rates that dwarf existing expected state budget increases
  - Expands work requirements to new populations
- **Timelines are Nearly Impossible with Existing Resources**
  - The window to impact SNAP error rates for FY26 (started 10/1/25) is already closing due to how cases are sampled.
  - Full federal guidance on work requirements are unlikely to be released before June 1 2026, with full implementation required by January 1, 2027

Estimated Magnitude of HR1 Impacts



Better implementation could retain many of the 4.8M people expected to meet requirements but lose coverage

Even retaining the 10.9M people anticipated to comply or be exempt will require good data matching and implementation by states



Helping just 10 states reduce payment error rates by 2% would save them $2.2B. Helping all states reduce PER by 2% would save states a total of $3.1B

Investment Can Reduce Harm & Modernize Benefits Infrastructure

There are two key opportunities for significant impact that could benefit economic security and benefits access infrastructure:

Reduce Benefits Loss for Millions

- Support states in rapid diagnostics and deployment of SNAP error rates solutions, reducing spillover impacts and incentives to opt out of SNAP
- Pilot and scale new income and work verification technologies and ex parte exemption data sources that reduce lost coverage through Medicaid by millions and avoid huge SNAP backlogs

Leveraging the Moment for Revitalizing Benefits Delivery Infrastructure

HR1 response by states will require significant systems change that can be leveraged for broader reforms:

- Loosened procurement for technology modernization, streamlined applications and business processes, and AI/automation
- Opportunity to infuse new tech talent into states
- Openness to new, mission-aligned partners
- Opportunities for national or multistate solutions

Components of effective HR1 response

- Diagnostic + process improvement
- Policy
- Data (quality data and data sharing between agencies)
- IT systems
- Forms, notices, and applications
- Client support
- Caseworkers
- AI and tech tools

Enabling factors:

- Strong leadership prioritizing this work
- Effective implementation teams
- Budget
- Clear, aligned goals
- Expedited procurement, legal review
- Budget
- Peer learning

HR1 Response: Funding options

- Fund a key **role in a state's HR1 response team** (i.e., a technical lead, implementation lead, AI process redesigner, data engineer) [$250k, 1 year]
- Fund a single-state **diagnostic and implementation sprint** [$150-500k, 2-4 months]
- Fund the **pilot of a new intervention or tool** (i.e., plain language beneficiary outreach comms material development on work requirements; SNAP case file error checker tech tool; new data verifications source integration and data hierarchy) [$200-500k, 3-6 months]
- Join with other funders to collectively support a **multi-state peer learning and intervention development cohort** (i.e., state working group on medical frailty policy and data, with SME support) [4 states @ $50K, 1 year]

HR1 Response: Partnerships and Communication

- **Sharing state needs with us** so we can provide information and partnership offerings
- Convening and communicating with your local CBOs, advocates, and elected officials about the **urgency of this work** and state policy and budget opportunities to mitigate harms
- Using your local partners to share and amplify **timely messages for beneficiaries on HR1**
- **Connecting states to CBOs** to align and collaborate around implementation

Join us for **regular updates and dialogue about the status of HR1 implementation** to receive updates on the evolution of HR1 implementation and emerging opportunities to support response

Supports we are already providing

- User-research informed model workflows and communication materials
- State-specific discovery and technical assistance (DC, TX, NY, AZ, MD)
- Digital service diagnostic + tech talent hiring sprints
- National tech tool market research and procurement advising
- Accelerating new tool R&D for key data and tech challenges
- State information gathering and sharing
- Response coordination infrastructure and communication

HR1 Implementation TA Offerings

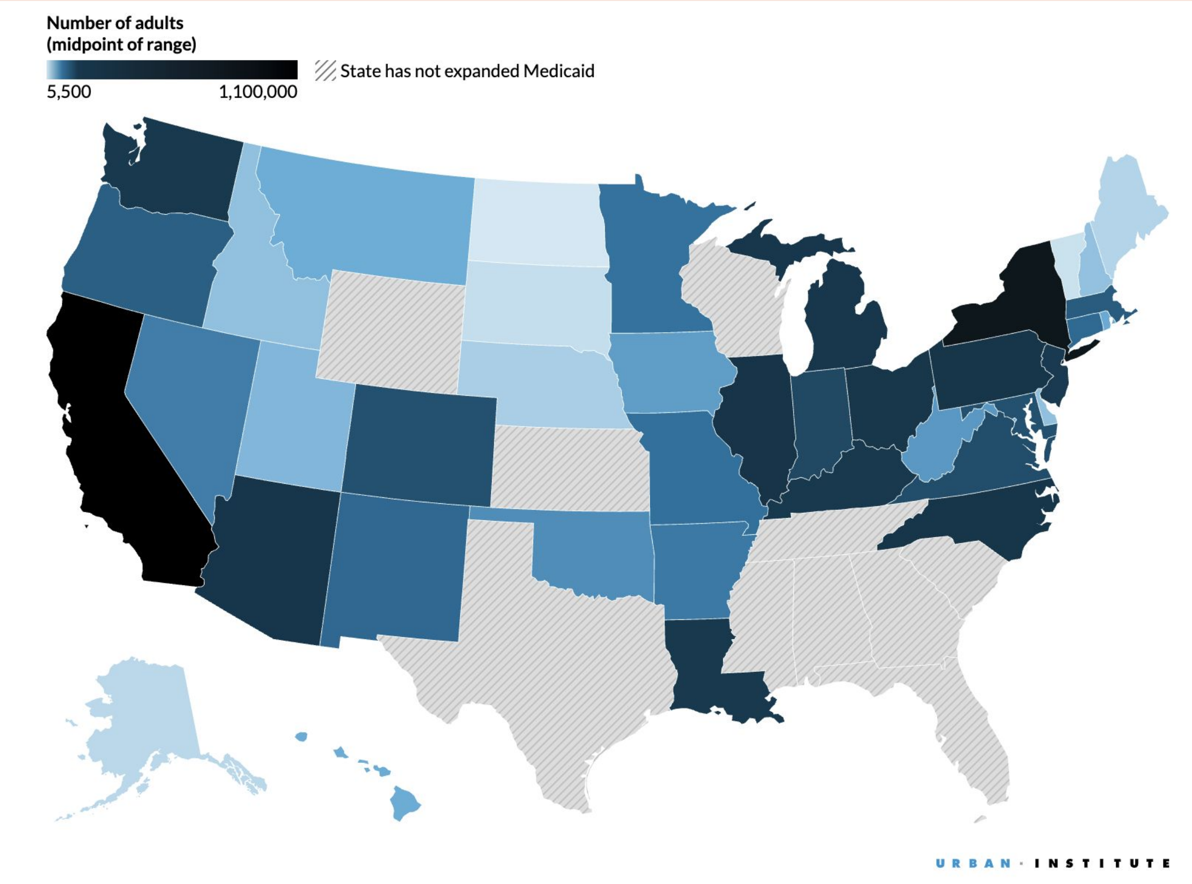
Support Offering	Organizations
State TA on Medicaid Work Requirements and SNAP Error Rates	
Root cause analysis, process improvement, and technical capacity	*U.S. Digital Response, Civilla, Public Policy Lab, Code for America, Tech Talent Project*
Staff Capacity and Training	*U.S. Digital Response, Civilla, Tech Talent Project*
Tech Market Information + Vendor Connections	*Aspen FSP, Center for Civic Futures*
Policy Guidance, Interpretation, and Implementation	*Center on Budget and Policy Priorities (CBPP), New Practice Lab, Public Policy Lab*
Procurement and Vendor Management Support	*U.S. Digital Response, Aspen Institute FSP*
HR1 Networks and Partnership for Solutions + Research	
Ecosystem Coordination + Solutions Matchmaking	*Aspen FSP, Beeck Center, Center for Civic Futures*
Talent, Capacity Building + Training	*Beeck Center, Civilla, Tech Talent Project, U.S. Digital Response, Public Policy Lab*
Policy	*Center on Budget, New Practice Lab*
Research, Data Analytics + Impact Measurement	*Aspen FSP, Beeck Center, Better Government Lab, CBPP, Civilla, Public Policy Lab*
Federal Engagement + Guidance	*Aspen FSP, CBPP*

Appendix: Additional data

Preliminary Findings from State Outreach

- Implementation timelines for both SNAP error rates and Medicaid work requirements require **tight implementation timelines**, requiring rapid response to maximize impact opportunities:
  - The window to impact SNAP error rates for FY26 (started 10/1/25) is already closing due to how cases are sampled. This will be an recurrent issue in upcoming fiscal years.
  - Full federal guidance on work requirements are unlikely to be released before June 1 2026, with full implementation required by January 1, 2027
- There is significant interest in **new tech tools data solutions, and business operations/customer outreach** to meet HR1 requirements
- There is **high demand for solutions sharing on HR1 implementation**, with hundreds of applications for existing funding vehicles (PBIF) and state working groups (APHSA)
- States are at the beginning of shaping strategies on a tight timeline, requiring **immediate support to explore options, additional technical talent in agencies and leadership,** and **responsive, longer term partnerships for implementation**

Work requirements impacts vary by state



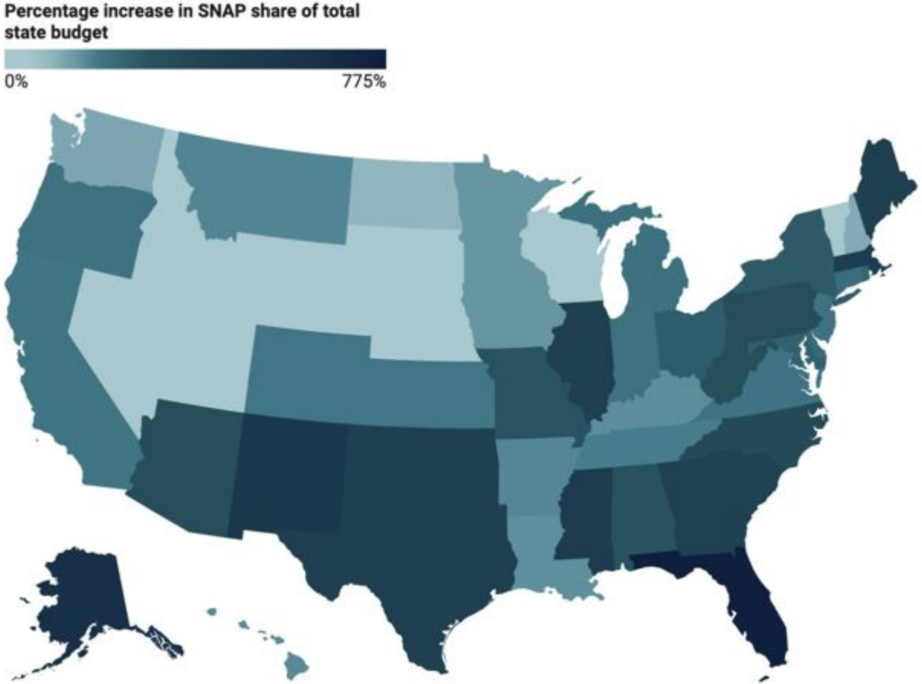
Nationally, 5 million people are projected to lose Medicaid due to work requirements and another 5M will lose coverage due to other HR1 provisions. Impacts vary by state populations and expansion status.

Note: *Work Requirements will also affect Wisconsin and Georgia, despite not being expansion states.*

SNAP Admin + PER budget impacts vary by state

Figure 1: SNAP State Budget Costs Will Rise Sharply in All States

Percentage increase in state budgets allocated to SNAP due to OBBA's new matching funds requirement and administrative cost share increase.



Note: *Percent increases in state budgets allocated to SNAP are calculated by comparing pre- and post-OBBBA state cost shares of SNAP-related expenditures, divided by the National Association of State Budget Officers FY 2024 estimates of total general fund expenditures for each state. Estimates are rounded to the nearest whole number or percentage. Estimates of state matching funds are calculated based on 2024 state error rates. The estimates are not adjusted for inflation. While FY 2023 administrative costs included ARPA funds, we do not include them in our estimations.*

Source: Georgetown Center on Poverty and Inequality, 2025.

States have very different SNAP PERs, so will face very different fiscal impacts

Over 13% (Cost share = 15%, delayed to 2029+)

- AK (24.7%)
- DC (17.4%)
- GA (15.7%)
- FL (15.1%)
- NM (14.6%)
- NJ (14.3%)
- MA (14.1%)
- NY(14.1%)
- OR (14.1%)
- MD (13.6%)

10-13% (Cost share = 15%)

- DE (12.4%)
- RI (12.3%)
- IL (11.6%)
- VA (11.5%)
- CA (11%)
- OK (10.9%)
- PA (10.8%)
- MS (10.7%)
- ME (10.3%)
- CT (10.3%)
- NC (10.2%)

8-10% (Cost share = 10%)

- KS (10%)
- CO (10%)
- Guam (9.7%)
- AR (9.6%)
- MI (9.5%)
- IN (9.5%)
- TN (9.5%)
- WV (9.4%)
- MO (9.4%)
- SC (9.3%)
- KY (9.1%)
- OH (9%)
- MN (9%)
- MT (8.9%)
- AZ (8.8%)
- TX (8.3%)
- AL (8.3%)

6-8% (Cost share = 5%)

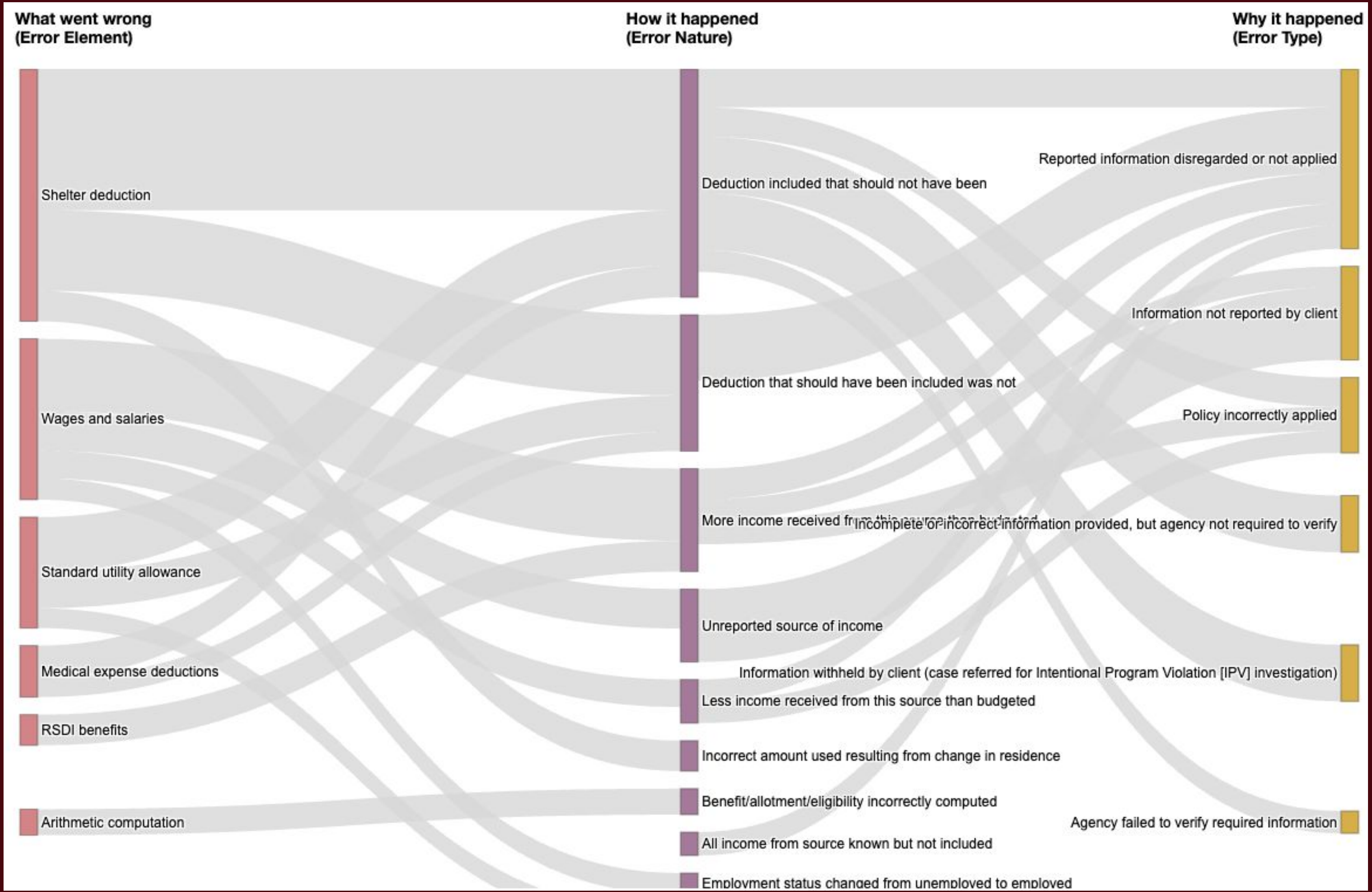
- ND (7.9%)
- NH (7.6%)
- HI (6.7%)
- LA (6.6%)
- IA (6.1%)
- WA (6.1%)

<6% (Cost share = 0%)

- NV (5.9%)
- UT (5.7%)
- NE (5.5%)
- VT (5.1%)
- WY (5.1%)
- WI (4.5%)
- ID (3.6%)
- US VI (3.5%)
- SD (3.3%)

These are based on 2024 PERs. Actual cost share will be based on 2025/2026 data, which many states are unable to calculate today.

Major sources of error



BGL SNAP CQ Data analysis, 2017-2023, all error sources with >1000 occurrences

Major error types by source

Source	Error Type	Number of Errors	Percent of error type
Agency	Reported information disregarded or not applied	10051	33%
	Policy incorrectly applied	6730	22%
	Agency failed to verify required information	3393	11%
	Agency failed to follow up on inconsistent or incomplete information	3170	11%
	Agency failed to follow up on impending changes	1418	5%
	Acted on incorrect Federal computer match information not requiring verification	205	1%
Client	Information not reported by client	7957	26%
	Information withheld by client (case referred for Intentional Program Violation [IPV] investigation)	5370	18%
	Incomplete or incorrect information provided, but agency not required to verify	4584	15%
	Inaccurate information reported by collateral contact	224	1%
Technical	Arithmetic computation error	1839	6%
	Computer programming error	1777	6%
	Computer-generated mass change	1775	6%
	Data entry and/or coding error	1648	5%
	Computer user error	197	1%

BGL SNAP CQ Data analysis, 2017-2023 (single cases may appear more than once if involves multiple error types)

Work requirements impact projection

	Must take manual compliance action, at risk of coverage loss				
	w/ more ex parte (in thousands)	w/ less ex parte (in thousands)	Likely coverage losses w/ AR-like rates (in thousands)	% losses w/ AR-like rates	Won't meet WR
California	2,329	3,545	1,677	43%	15%
New York	1,353	1,994	974	49%	19%
Illinois	473	714	341	48%	14%
Pennsylvania	375	576	270	33%	9%
North Carolina	349	523	251	36%	11%
Michigan	342	536	246	34%	10%
Ohio	319	493	230	38%	11%
Washington	296	442	213	36%	11%
Arizona	269	383	194	43%	14%
Virginia	261	405	188	34%	9%
Top 10 Total	6,366	9,611	4,584		
US Total	**9,871**	**14,921**	**7,107**	**39%**	**13%**

CBPP analysis based on Arkansas work requirements implementation

State prioritization list

State	Tier	CBPP estimated Medicaid losses	SNAP PER	SNAP Pop
California	Tier 1A	1.7M	11%	5,405,423
New York	Tier 1A	974k	14.1%	2,958,608
Illinois	Tier 1A	341k	11.6%	1,943,480
Pennsylvania	Tier 1A	270k	10.8%	2,013,612
North Carolina	Tier 1A	251k	10.2%	1,397,364
Michigan	Tier 1B	246k	9.5%	1,469,577
Ohio	Tier 1B	230k	9%	1,396,225
New Jersey	Tier 1B	173k	14.3%	838,368
Oregon	Tier 1B	170k	14.1%	766,874
Massachusetts	Tier 1B	162k	14.1%	1,118,906
Maryland	Tier 1B	144k	13.6%	695,859
Washington	Tier 2	213k	6.1%	887,954
Arizona	Tier 2	194k	8.8%	921,343
Virginia	Tier 2	188k	11.5%	829,227
Louisiana	Tier 2	170k	6.6%	830,334
Kentucky	Tier 2	150k	9.1%	605,342
Colorado	Tier 2	138k	10%	584,416
Wisconsin	Tier 2	135k	4.5%	705,173
Connecticut	Tier 2	132k	10.3%	391,861
Indiana	Tier 2	102k	9.5%	601,132
Oklahoma	Tier 2	89k	10.9%	684,213
Florida	SNAP Only	N/A	15.1%	2,897,553
Georgia	SNAP Only	N/A	15.7%	1,381,904
Texas	SNAP Only	N/A	8.3%	3,158,658