

# What We Know and Don't Know about Upcoming Changes to Public Benefits in H.R. 1

Eva Shiffrin, Disability Rights Wisconsin

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Not for Distribution

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**SHIP**

State Health Insurance  
Assistance Program  
**Navigating Medicare**

# HR1 Names

House  
Resolution Bill  
1 (HR1)

Big Beautiful  
Bill Act

Budget  
Reconciliation  
Act of 2025

OB3

OBBBA

OBBB

P.L. 119-21

Federal Budget  
Reconciliation  
Bill

BBB

# History

- Introduced first in the U.S. House of Representatives as HR1 on May 20, 2025.
- Passed the House on May 22, 2025.
- Passed the Senate on July 1, 2025 but with amendments.
- House agreed to Senate amendments on July 3, 2025.
- Signed into law by President Trump on July 4, 2025.



# Financial impact of HR1

The Congressional Budget Office report.

- [Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline | Congressional Budget Office](#)
- Estimates a net increase in the *budget deficit of 3.4 trillion between 2025-2034*.
- Based on estimates of *decreases in spending of 1.1 trillion*, decreases in revenues of 4.5 trillion.
- This information is needed to understand why some are worried about something called sequestration, covered later in the presentation.

# HR1: Disclaimer

- This training current as of the date of the training only.
- The interpretation and implementation guidance for HR1 is neither complete nor certain. As a result, neither is this training.
- The sources used for the training include: the actual bill, laws and regulations, Congressional Budget Office reports, and analysis from the Wisconsin Department of Health Services.
- The Wisconsin Department of Health Services analysis is based the current Administration's interpretation of the bill, its estimated impact, and the best available evidence.
- The best thing beneficiaries can do to stay informed about changes is make sure their contact information is up to date.

# Links to Sources

- HR1:
- <https://www.govinfo.gov/content/pkg/PLAW-119publ21/pdf/PLAW-119publ21.pdf>.
- CBO: [Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline | Congressional Budget Office](#)
- Wisconsin's DHS Analysis of the bill: Wisconsin's Department of Health Services analysis can be found here: [Impact of Federal Budget Reconciliation Bill on Wisconsinites, August 2025](#)
- [Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)

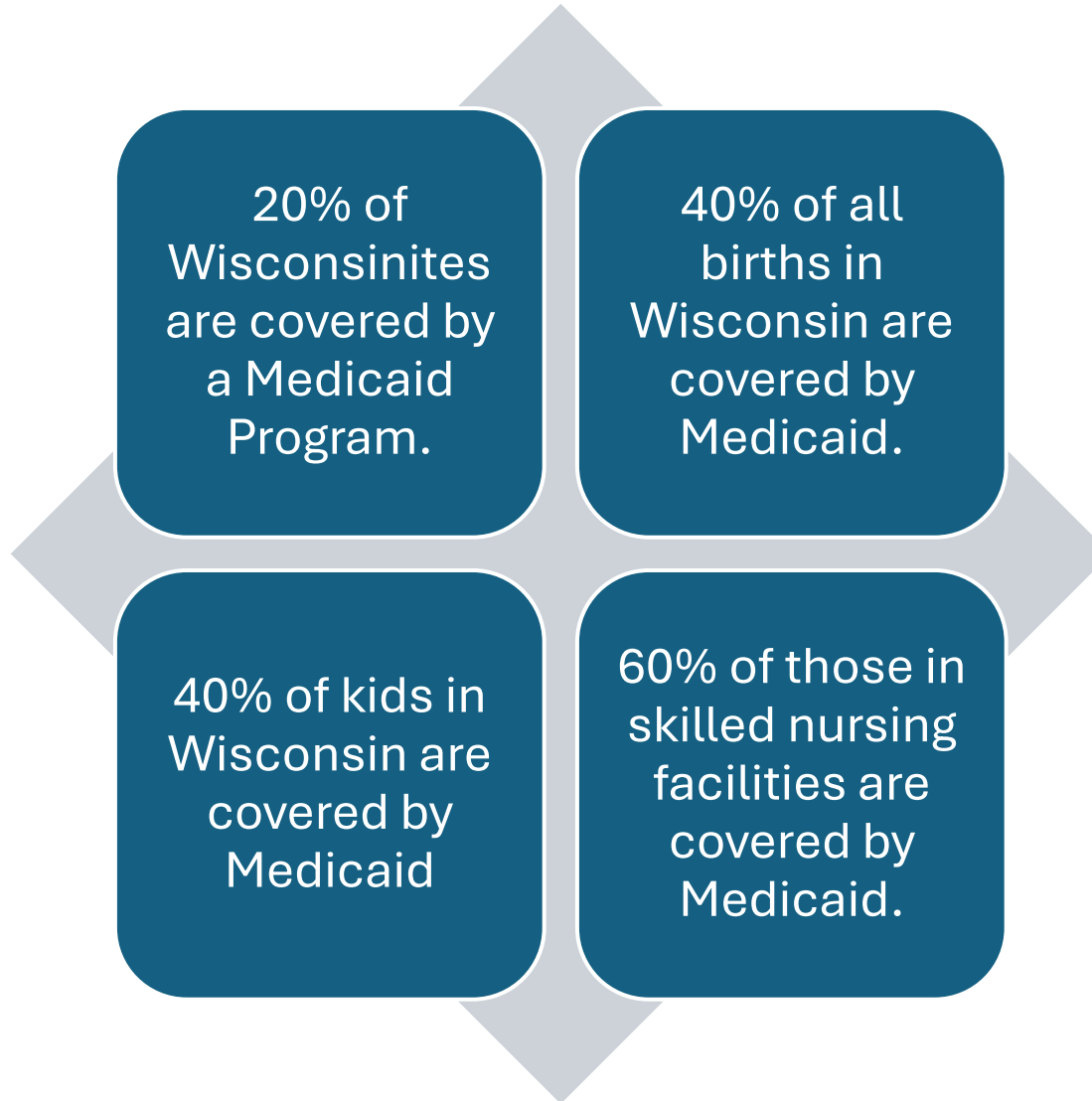
# HR1: Medicaid Provisions

# Background: Medicaid in Wisconsin has many names

- Elderly Blind and Disabled Medicaid
  - Medically needy, categorically needy, SSI- related Medicaid, Medical Assistance Purchase Plan.
  - Adult Long-Term Care Programs (Family Care, Family Care Partnership, PACE, IRIS)
  - Institutional Medicaid
- BadgerCare Plus
  - includes BadgerCare Plus for parents and caretakers
  - BadgerCare Plus for Pregnant women and children
  - Youth Leaving FosterCare Medicaid
  - BadgerCare Plus for childless adults.
- Children's Long Term Care Support Waiver, Katie Beckett, etc.
- Emergency Medicaid



# Medicaid in Wisconsin



# Medicaid Data Sept: EBD Medicaid 252,269

Institutional  
Medicaid:  
9,813

Katie Beckett:  
11,830

MAPP: 32,954

SSI: 106,759

SSI-related  
48,933

Waiver  
41,980

# Badgercare plus in Wisconsin September Data: Total 841,159

192,474 childless adults

65 express enrollments

34,685 extensions

127,436 Parents/Caretakers

1,358 Youth existing foster care

16,250 Pregnant women

468,842 children

49 express enrollment children

34,685 extensions,

16,250 pregnant women in the children BC+ category

# Other Medicaid September Data

Well-Woman:  
254

TB related:  
151

Family  
Planning  
Only: 721

Foster Care:  
7,594

Medicare  
Beneficiaries:  
16,560

Subsidized  
adoption  
9,925

# Impact on Health Insurance

- The Congressional Budget Office estimates HR1 could cause **10 million** to lose health insurance (other higher estimates include are based on changes outside of HR1). 10 million includes 7.5 million losing Medicaid and 2.1 million losing marketplace coverage. If enhanced premium tax credits expire at the end of 2025, loss of health care estimates rise to 14 million.
- CBO estimates over **\$900 billion in Medicaid cuts** over a decade.
- CBO's finding that HR1 will cause income loss to lower income household is due, in part, to loss of Medicaid and food aid to households.
- **276,175 Wisconsinites** stand to lose health care coverage through Medicaid or the Marketplace over the next decade (from CBO and WI DHS).

# HR1 Medicaid Provisions

*Work requirements*

*Changes to retroactive coverage.*

*Restrictions on immigrant access.*

*Reduced access to reproductive health care.*

*Increased frequency of eligibility redeterminations.*

*Home equity limit for LTC for Medicaid.*

*Provider tax limits.*

*Provider payment rate limits.*

**Medicaid cost sharing.**

Rescinds several rules that were not in effect or not fully in effect.

Expanded federal match rate for certain types of Medicaid.

Duplicate enrollments in multiple states.

Deceased Medicaid beneficiaries and providers.

Changes in threshold for audits triggered by inappropriate payments.

Purple= will have impact for Wisconsinites.

Green= *likely* no or low impact at present for Wisconsinites.

Orange: future impact for Wisconsinites.

Blue: impact on Wisconsin being studied.

# HR1 and Expansion States: Is Wisconsin an Expansion State?

- An expansion state is one that expanded Medicaid for certain adults with incomes up to **138%** of the federal poverty limit *pursuant to the Affordable Care Act* (the Act that created the Marketplace).
- Instead, Wisconsin used ***waiver authority*** to create BadgerCare Plus for childless adults up to **100% FPL**.
- I call this the expansion waiver population in the presentation, DHS calls Wisconsin a quasi-waiver state.
- Some Medicaid HR1 provisions apply to expansion states, others to expansion states *and* expansion waiver states, others to expansion waiver states who expanded in certain ways, and others to all Medicaid.

# HR1 Medicaid Community Engagement (Work) Requirements



# HR1 Work Requirements: History

Medicaid History of Work requirements (outside of the Medicaid Purchase Plan).

- States were previously prohibited from implementing work requirements without obtaining a Medicaid Section 1115 waiver.
- 13 States obtained a waiver to implement work requirements in the first Trump Administration.
- Since then, most of these waivers were rescinded or withdrawn, leaving Georgia as the only current state with a Medicaid work requirement.

# HR1 Work Requirement Provisions

- Found in Subsection D entitled “Increasing Personal Accountability.”
- Within Subsection D, Section 7119 is entitled “Requirement for States to Establish Medicaid Community Engagement Requirements for Certain Individuals” and contains the work requirements, starting on p. 236 of the bill.

# HRA1 Work requirements: Timelines

- June 1, 2026: HR1 requires CMS to release an interim rule by 6/1/2026 that will guide state's implementation of these provisions.
- **1/1/2027: Implementation date**
- States can ask the federal Department of Health Services Secretary for an extension but current thinking is that this is unlikely.
- States can seek a waiver to implement the requirements sooner than 1/1/2027.

# HR1 Work Requirement: To Whom does it Apply? An Applicable individual.

## Applicable Individual:

- An individual who receives Medicaid through expansion (not Wisconsin) or
- an individual who receives Medicaid through an expansion waiver. The way the expansion waiver population is described in the law, it will *very likely* apply to our BadgerCare Plus for Childless Adult population.

Wisconsin's Department of Health Services agrees that the work requirement provisions of HR1 will apply to Wisconsin's expansion waiver population.

# HR1 Work Requirements: To Whom does it Apply?

- These work requirements are limited to:
- A member of the expansion waiver group (BadgerCare Plus for childless adults) who is:
  - Between **19-65**
  - Not entitled to or enrolled in Medicare (already excluded in our expansion waiver).
  - Not pregnant (in Wisconsin, those individuals would receive BadgerCare Plus for pregnant persons).
  - ***Who is not a specified excluded individual.***

# HR1 Work Requirements Exclusions: Who is a Specified Excluded Individual?

Has Medicaid as a Youth Leaving Foster Care.

Certain Indians.

Is a parent, guardian, caretaker relative, or family caregiver of a dependent child **13 years of age** or younger or a **disabled individual**.

A veteran with a total disability rating.

A **medically frail** individual.

One who complies with TANF (W-2) requirements, including work requirements.

One who receives SNAP (FoodShare) and is meeting work requirements if subject to them.

Is participating in a drug or alcohol rehab program.

Is an inmate of a public institution.

Who is pregnant or entitled to postpartum Medicaid.

# HR1 Work Requirements Exclusions: Tribal Exclusions

- An Indian or Urban Indian as defined by law.
- A California Indian as described by law.
- An Indian eligible for Indian Health services as defined by law.

# HR1 Work Requirements Exclusions: Medically Frail Definition

This provision excludes an individual: “[w]ho is medically frail or otherwise has special medical needs (as defined by the Secretary),” and the specifically includes an individual:

- **Who is blind or disabled as defined by SSA.**
- With a substance abuse disorder.
- With a disabling mental disorder.
- With a physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living.
- With a serious or complex medical condition.



# HR1 work requirement: Work Rules

An individual subject to work requirement (applicable individual) has to meet one of these in any month in which they must demonstrate compliance:

- Work no less than 80 hours.
- Complete no less than 80 hours of community service.
- Engage in a work program for not less than 80 hours.
- Enroll in an educational program at least half-time.
- Engage in a combination of the above activities for a total of not less than 80 hours.
- Have a monthly wage not less than minimum wage multiplied by 80 hours.
- Have an average monthly income over the preceding 6 months not less than the minimum wage multiplied by 80 AND is a seasonal worker.

# HR1 Work requirement: Look Back Period

- An applicant must have complied with work requirements prior to application for at least one, but no more than three months immediately preceding application in order to be eligible.
- Wisconsin will decide whether it will be 1, 2, or 3 months. It will probably be 1.

# HR1 Work Requirements: Temporary Exclusions for Hardship Events

***HR1 allows Wisconsin to ask for*** temporary exceptions to work requirement for the following individuals:

- Individuals with short term hospital stay, nursing facility, ICF/DD, inpatient psychiatric hospital stay, or similar acute care setting.
- Individuals who need to travel outside their community for an extended period to receive medical care for a serious or complex medical need for self or dependent.
- Individuals in a county where the President has declared an emergency or disaster.
- Individuals in a county with an unemployment rate above the lesser of 8 % or 1.5 times of the national rate, AND the State requests the temporary relief from the Secretary in the manner proscribed by the Secretary (we don't know yet what that would look like). Wisconsin unemployment rate right in July, 2025 is 3.1%. US unemployment rate in August was 4.3%.

# HR1 Work Requirements: Verification

- One to 3 months before application month, state choice (look-back period).
- Applicable individuals must demonstrate compliance with work requirements for at least ***one month*** between the last scheduled redetermination and the current determination.
- If Wisconsin is not required to do redeterminations 2x/ year, and continues with its current practice, verification would occur once a year.
- HR1 also requires states to try to use reliable verification methods that do not require the individual to submit additional information. These are often referred to as ex parte renewals. Wisconsin could improve its ex parte renewal rates and processes.

# HR1 Work Requirements: Noncompliance Process

States must provide notice of noncompliance to both applicants and already eligible individuals, which must contain certain information.

Individual has 30 days after receipt of notice to show that they complied or don't have to comply with work requirements,

States must continue Medicaid during 30-day period following receipt of notice for those at risk of *losing* Medicaid.

States must disenroll a currently enrolled person **no later** than the end of the month following the month in which the 30-day calendar period ends.

State still has to determine eligibility for any other Medicaid program before disenrolling currently enrolled individuals, and

State must still provide state fair hearing rights.

# HR1 Work Requirements: Outreach to members at implementation.

- States must start informing individuals of the requirements **three months before** they start.
- Must occur before the look-back month(s).
- If Wisconsin chooses a 1/1/2027 start date, and if Wisconsin chooses a one-month look-back requirement, this means that outreach must begin in September.
- Final guidance for implementation is scheduled for 6/2026.
- Outreach forms are defined in HR1 (mail, voice mail, etc) and must include more than one method of outreach.
- This is a VERY tight timeline. Some are stating that the outreach is required starting in October (not including the look back period). I don't read the law that way, but we shall see.

# HR1 Work Requirements: Potential Difficulties

Many participants in states that tried work requirements were unaware of the work requirements.

Many participants were working and met the work requirements but found so onerous to demonstrate compliance that they lost coverage.

# Wisconsin Impact of Work Requirements

- Wisconsin's Department of Health Services has analyzed the bill. Its current analysis can be found here: [Impact of Federal Budget Reconciliation Bill on Wisconsinites, August 2025](#). It:
  - Points out that many Wisconsinites already have jobs in which the employer doesn't offer health insurance.
  - Many Wisconsinites on BadgerCare Plus for childless adults can't work due to a medical condition.
  - These folks may be ineligible for BadgerCare Plus in spite of meeting the requirements, due to what it characterizes as HR1's "red-tape" requirements.
  - Work requirements alone could potentially and immediately impact 63,000 Wisconsinites.
  - DHS estimates it will cost WI taxpayers 72.4 million to provide employment and training services to members to meet the "red tape" requirements.



# True or False? HR1 Work Requirements?

All Medicaid recipients will be subject to the HR1 work requirements.

All BadgerCare Plus recipients will be subject to the HR1 work requirements.

MAPP recipients will be subject to these work requirements.

Wisconsin did not expand Medicaid, so it is exempt from all of these new HR1 work requirements.

# HR1 Work Requirements & Marketplace

- HR1 includes a provision that a person who would otherwise have been eligible for Medicaid but for compliance with these work requirements will be ineligible for Marketplace subsidies.

# Other HR1 Medicaid Provisions

# HR1 Eligibility Redeterminations

- Section 71107 of the bill, entitled: “Eligibility Redeterminations” starts on p. 225.
- Redetermination of eligibility is required every 6 months for:
  - Expansion population individuals or individuals enrolled under ***an expansion waiver***. Wisconsin’s Department of Health services believes that the way the expansion waiver population is described EXCLUDES our BadgerCare Plus population from this requirement. This would mean that it wouldn’t apply AT ALL to anybody on Wisconsin Medicaid.
- If it is found to apply, it would only apply to BC+ for childless adults.

Effective date if it applies: 1/1/2027.

# HR1: Retroactive Medicaid

- In Section 71112 of the bill entitled: “Reducing State Medicaid Costs,” starting on page 228.
- HR1 shortens the retroactive period for Medicaid coverage months for anyone on Medicaid under Wisconsin’s state plan.
  - For anyone in the **expansion population**, it limits retroactive coverage to one month. There is **no mention of any expansion waiver population at all**.
  - **Everyone else** who receives Medicaid in a state is limited to two months retroactive coverage.
  - Where retroactive coverage is allowable, the current rule is three months.
- **The two-month** provision will apply to all Wisconsin Medicaid recipients.

Effective date: 1/1/2027.

# HR1: Impact on Medicaid for Immigrants

Included in Section 71109 entitled “Alien Medicaid Eligibility” starting on p. 227.

Federal Medicaid funding will only be available going forward to:

A resident of a US State or the District of Columbia, or a territory of the United states; who is either a

- Citizen or national of the United States or
- An alien lawfully admitted for permanent residence (legal permanent resident, sometimes knows as green card holders), or
- A Cuban or Haitian entrant admitted under a particular law, or
- An individual who lawfully resides in the US in accordance with a Compact of Free Association under the law.

As a general rule, this applies to all Medicaid except for emergency Medicaid.

Effective Date: October 1, 2026.

# HR1: Impact on Medicaid for Immigrants

Emergency Medicaid is a limited benefit program that pays for medical emergencies for individuals who can't get Medicaid or BadgerCare Plus but for their citizenship or immigration status.

HR1 limits federal match for this group to regular state match rates.

While the exact impact of this provision in Wisconsin is as yet unknown, it is likely to be small.

# HR1: Provider Taxes

- Medicaid uses federal and state funds. The federal portion is called Medicaid match. States can use provider taxes to help pay their share.
- HR1 prevents states from establishing **new** provider taxes.
- HR1 prevents states from **increasing** provider tax rates
- Implementation timeline for this provision is complex.
- Wisconsin's current budget increased provider taxes the day before HR1 was signed, securing provider taxes at a sufficient rate in the short-term.
- Wisconsin Department of Health Services currently believes that the current funding helps the current Medicaid funding situation, but “in the long term, those dollars will not keep pace with increasing health care costs.” [Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)



# HR1: Provider Payment Limitations

- Limits Medicaid payments to providers made through managed care organizations.
- Limits these payments to 110% of the Medicare payment rates.
- If already higher, states must reduce gradually to attain this rate.
- Wisconsin's Department of Health Services lists this provision as one that will impact Wisconsin, so at least some of our payments must exceed this amount. Wisconsin believes that this will put a strain on provider network adequacy due to the potential for providers to opt not to serve Medicaid members due to lower reimbursement rate. [Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)
- Full impact as yet unknown.
- Begins 1/1/2028.

# HR1: Prohibiting Federal Payments to Certain Entities

- HR1 section 71113, “Federal Payments to Prohibited Entities” starts on page 230.
- Disallows direct federal funds to health care providers who provide abortions (with exceptions for rape or incest and where the woman would be at risk of death if an abortion were not performed) and for entities that exceed certain Medicaid expenditure thresholds.
- Prohibits federal payments for one year.
- This is already in litigation in Wisconsin. Planned Parenthood sought an injunction of this provision that was granted. The injunction prohibiting enforcement was lifted in September, and Planned Parenthood halted abortions on October 1 to avoid restrictions on Medicaid funding for other services.
- Impact: full impact in Wisconsin unclear. The Wisconsin Department of Health Services believes it could disrupt health care for those who use these providers and cause health clinic closures and financial instability for providers. [Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)

# HR1: Cost Sharing

Section 7112-titled “Modifying Cost Sharing Requirements for Certain Expansion Individuals . . .” starts on page 245

- Requires states to impose cost sharing for expansion (or expansion waiver) adults. Expansion waiver is defined in a way that it likely **does not apply to** Wisconsin’s BadgerCare Population.
- If it does apply, a lot of service types are excluded from copay requirement, a 5% income cap is included, and it includes a \$35 per service max. Wisconsin already does a bunch of this, so even if it applies, it is likely the impact will be minimal

# HR1: Eliminating Duplicate Medicaid Enrollments

- Wisconsin already prohibits those enrolled in Medicaid in another state from enrolling in Wisconsin Medicaid and vice versa.
- This bill includes provisions to prevent duplicate enrollments.
- Impact unclear, but ***likely no or low impact.***

# HR1: Removal of Dead Members and Providers from Medicaid Rolls.

- HR1 contains provisions that remove deceased members and providers from the Medicaid rolls.
- Wisconsin has mechanisms to ensure no payments are made on behalf of deceased beneficiaries and already has provider anti-fraud mechanisms.
- Impact: Unclear, but likely ***low or no impact.***

# HR1 Rule Rollbacks: 3 rules impacted

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One rule streamlined the ***application and enrollment processes*** for Medicare Savings Programs in multiple ways. This rule did NOT change eligibility criteria. This rule was not yet effective. HR1 prevents implementing, administering, or enforcing this rule until 2034.

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Another rule simplified and streamlined the processes for individuals applying for and keeping Medicaid. The rule did not change Medicaid eligibility and had not yet gone into effect. HR1 prevents the implementation, administration, or enforcement of this rule until 2024.

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Finally, HR1 also prevents the implementation, administration, or enforcement of a rule requiring minimum staffing standards for nursing homes through 2034. The implementation of this rule had already been halted through litigation.

# Myths

HR1 changes the eligibility requirements for Medicare Savings Program

HR1 prevents those in SNPs from receiving Medicare Savings Program help with Medicare Part B premiums

HR1 changes EBD Medicaid eligibility

HR1 rescinded all rules and regulations that apply to nursing homes

# HR1: Home Equity Limit Revisions

- To receive Medicaid funded long term care services, most Medicaid beneficiaries have home equity limits. HR1 imposes a maximum home equity value of \$1,000,000, and freezes it at that level, prohibiting increases due to inflation.
- **Wisconsin already limits home equity to \$750,000** for individuals applying for Medicaid coverage of long-term care. Current law allowed Wisconsin to set the amount within a range, and it chose the lower end of that range.
- This provision should have no current effect on Wisconsin.



# HR1 Eliminates the Enhanced Match

- Expansion states were able to utilize a higher federal reimbursement rate for Medicaid expenses as a part of their implementation phase of expansion.
- Wisconsin expanded Medicaid, but with an expansion waiver.
- Therefore, the elimination of funds to help states that choose to expand Medicaid to 138% FPL pursuant to the ACA should not impact Wisconsin.

# HR1 Medicare Changes

Jason Klimowicz

Disability Rights Wisconsin

September 15, 2025

# HR1 Medicare Changes: Restricts Medicare for non-citizens

Prior to HR1, most lawfully present non-citizens who worked and contributed payroll taxes for required number of years were eligible for Medicare coverage on same basis as U.S. citizens.

HR1 reduces the non-citizen groups who are eligible for Medicare.

# HR1 Medicare Changes: Restricts Medicare for non-citizen new applicants

- Medicare coverage will only be available to:
  - lawful permanent residents (e.g. green card holders),
  - Cuban/Haitian entrants, or
  - individuals from certain Pacific Island nations with special agreements with the U.S. (“COFA” migrants).

# HR1: Medicare Changes – Restricts Medicare for non-citizen new applicants

- Following non-citizen groups will no longer be eligible for Medicare:
  - Refugees and people granted asylum,
  - People with Temporary Protected Status,
  - Survivors of human trafficking,
  - Survivors of domestic violence, and,
  - Individuals granted humanitarian parole.

# HR1 Medicare Changes: Restricts Medicare for non-citizen new applicants

## **IMPLEMENTATION TIMELINE**

- Immediately
  - new applications for Medicare
- January 1, 2027
  - Individuals who were enrolled in Medicare prior to HR1
  - SSA is directed to identify and notify these folks by July 2026 that they will be losing Medicare effective January 2027



# HR1: Sequestration

- Sequestration is a pre-existing law under which mandated cuts in direct federal spending are triggered by increases to the federal deficit.
  - One of those mandated cuts is to Medicare. These include cuts to providers, Medicare Advantage, and Medicare Part D plans. For Medicare, these cuts are capped at 4% annually. This amounts to \$45 billion for 2026.
  - The Congressional Budget Office estimated that this bill will increase the deficit, which could trigger these cuts.
  - Many factors can influence the federal deficit, including federal legislative action between now and then sequestration would be triggered. In other words, sequestration might happen, but it might not happen.
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# **HR1 and SNAP (FoodShare)**

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# Projected Impact Areas



Program  
Administration



Eligibility



Benefit  
Amounts



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# HR1 Impacts to Program Administration

## Administrative Cost Sharing

Currently the USDA (fed) helps pay administrative costs for states to run their respective SNAP programs, with a cap at 50% of the state's admin costs.

Effective October 1, 2026, in Wisconsin's share of administrative costs to run FoodShare will go from 50% to 75%.

The Department of Health Services estimates that this will increase costs to **\$43.5 million** each year with likely increases over time.

And, if a program's error rate exceeds certain thresholds, states will have to incur a higher portion of benefit costs. Ensuring sufficient staff to retain a low error rate will cost Wisconsin an additional 11.4 million.

[Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)

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# HR1 Food Share: Impacts to Eligibility

HR1 makes changes to non-citizen eligibility; more guidance is forthcoming

This could impact permanent US residents, citizens of US protectorates, etc.

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# HR1: Food Share: Impacts to Eligibility

## Able Bodied Working Adults (ABAWDs)

### Quick Review –

- Able Bodied Working Adults (ABAWDs) can only receive time-limited benefits unless they meet a work requirement.
- ABAWD Work Requirements currently apply to adults ages 18-54 without a child under 18 in their home.

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# HR1: Food Share Impacts to Eligibility

## Changes to ABAWD Exceptions

- Upper age exception increased from 54 → 65, implementation will begin 2/2026.
- Dependent Care exception child's age reduced to 14, implementation to begin 2/2026.
- Starting 2/2026, Wisconsin will begin implementing the *removal* of the following categorical Exceptions to the work requirement:
  - Homelessness
  - Veterans
  - Former foster care youth age 24 and under

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# HR1: Food Share: Impacts to Eligibility

## Changes to ABAWD Exceptions

- Established new exceptions for individuals who are “Indian,” “Urban Indian,” and “California Indian.” Tribal exemptions implemented starting 10/1/2025.
- States (except AK and HI), may apply for waivers for cities/areas due to unemployment only when the unemployment rate is 10% or higher

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# HR1: Food Share: Impacts to Eligibility

## Changes to ABAWD Exceptions

- Decrease in FoodShare enrollment for vulnerable individuals and families who miss paperwork deadlines or who are unable to meet the requirement.
- Decrease in revenues for Wisconsin farmers, transportation vendors, and retail outlets where FoodShare benefits are used because fewer people will use benefits.
- Increased costs to rework systems and train staff to process and monitor the influx of documentation.
- Increased costs of \$14.6 million for the FoodShare Employment and Training (FSET) program.

[Medicaid and FoodShare Partner Resources: Federal Changes | Wisconsin Department of Health Services](#)

# HR1: Food Share: Impacts to Benefits/Benefit Amount

Review: What is a  
Deduction for purposes  
of calculating  
FoodShare benefit  
amount?

Deduction Type	Amount
<b>Standard</b> For groups with 1-3 people For groups with 4 people For groups with 5 people For groups with 6 or more people	\$204 \$217 \$254 \$291
<b>Dependent Care</b>	Use the out-of-pocket amount the food unit is obligated to pay. This is the amount not paid by a third party.
<b>Utility Allowances</b> HSUA (Heating Standard Utility Allowance) LUA (Limited Utility Allowance) EUA (Electric Utility Allowance) WUA (Water and Sewer Utility Allowance) FUA (Cooking Fuel Allowance) PUA (Phone Utility Allowance) TUA (Garbage and Trash Utility Allowance)	\$538 \$375 \$151 \$103 \$47 \$30 \$27
<b>Shelter Maximum Deduction (non-EBD households)</b>	\$712
<b>Homeless shelter deduction</b>	\$190
<b>Medical Allowance</b>	Expenses over \$35



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# HR1 Impacts to Benefits/Benefit Amount

## Standard Utility Allowance Deduction and Energy Assistance

- Impacts food units without an elderly (60 or over), blind, or disabled (EBD) member, thus it applies to individuals currently in the disability determination process

## Deductions and Internet Costs

- Internet costs can no longer factor into a household's allowable shelter costs for the purposes of the excess shelter deduction. This includes a restriction on including internet costs in calculating standard utility allowances (SUAs)

[ States will need federal approval of deduction calculation methodology for FY 2026. Unclear when Wisconsin's will be written and approved so we cannot say for sure when this update will take effect ]

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**More Updates Forthcoming in  
Coming Months as Guidance  
is Released**