

The One Big Beautiful Bill Act passed.

When will these  
policies affect New  
Mexico?





# Effective immediately:

- Expanded SNAP work requirements take effect.
- Immigrants with protected status (e.g., refugees and asylees) are no longer eligible for SNAP benefits.

## Impact on New Mexico:

- **54,000 New Mexicans** could lose some or all of their SNAP benefits.<sup>1</sup>
- Approximately **2,000 immigrants with lawful status** in New Mexico will lose all SNAP benefits.<sup>1</sup>

# October 2025:

- Rural Health Transformation Program grants become available for the next five years, before most of the health care cuts take effect.

## Impact on New Mexico:

- New Mexico could receive at least \$100M per year for five years.
- These grants will only offset **37% of the estimated extra costs** rural communities will face over the next ten years.<sup>2</sup>

# January 2026:

- Enhanced premium tax credits (EPTC) expire, making health insurance more expensive throughout the marketplace.

## Impact on New Mexico:

- New Mexicans that previously received an EPTC could now face **4.3% higher premiums on average<sup>3</sup>**, and many may become uninsured due to increased costs.
- **25% of marketplace enrollees in New Mexico** are small business owners or self-employed workers.<sup>4</sup>



# October 2026:

- Most categories of immigrants with lawful status will lose access to Medicaid.
- New Mexico's cost burden for SNAP administrative costs will increase from 50% to 75%.

## Impact on New Mexico:

- New Mexico will have to pay an additional **\$21.3M** to administer SNAP benefits.<sup>4</sup>

# December 2026:

- Medicaid eligibility checks are increased to every six months, instead of once a year.
- Additional paperwork and bureaucracy will cause many to lose health insurance coverage.

## Impact on New Mexico:

- New Mexico will pay an initial administrative cost of **\$32.7M**, and **\$6.5M annually** to run additional eligibility checks.<sup>5</sup>



# January 2027:

- New, strict work and reporting requirements for Medicaid go into effect.
- Individuals ages 19 to 64 must report 80 hours of work or other “community engagement activities” (or receive a qualifying exemption) to maintain eligibility.

## Impact on New Mexico:

- Up to **187,000 New Mexicans** could lose health insurance.<sup>6</sup>

# October 2027:

- The reduction of provider taxes begins, decreasing from 6% to 3.5% by 2032.
- States must pay a share of SNAP benefits based on their benefit error rates.

## Impact on New Mexico:

- Provider tax revenue funds New Mexico's portion of directed payments for hospitals.
- New Mexico will have to pay up to **\$153M** to keep SNAP benefits funded at current levels.<sup>6</sup>



# January 2028:

- Phase down of state-directed payment rates begins.
- State-directed payments help boost payment rates for providers that accept Medicaid reimbursement, and prevent hospital closures.

## Impact on New Mexico:

- This phase down, in addition to reduced provider rates, could mean **6-8 New Mexico hospitals are forced to close.**<sup>7</sup>
- Rural communities in New Mexico will have to travel further for life-saving care.

# October 2028:

- Cost sharing for people on Medicaid who are part of the expansion population (i.e., have incomes above 100% of the federal poverty level) take effect.

## Impact on New Mexico:

- **254,000 New Mexicans** enrolled in Medicaid will be subject to copays, and will see their health care costs increase.<sup>7</sup>



# Sources:

1. “Harmful Republican Megabill Fails New Mexico Families, Children, and Communities,” Center on Budget and Policy Priorities, August 1, 2025.
2. “A Closer Look at the \$50 Billion Rural Health Fund in the New Reconciliation Law” KFF, August 4, 2025.
3. *Re: The Effects of Not Extending the Expanded Premium Tax Credits for the Number of Uninsured People and the Growth in Premiums*, Congressional Budget Office, December 5, 2024
4. “Harmful Republican Megabill Fails New Mexico Families, Children, and Communities,” Center on Budget and Policy Priorities, August 1, 2025.
5. “One Big Beautiful Bill Act: Nutrition Provisions Affecting States,” Federal Funds Information for States, July 10, 2025.
6. “‘More paperwork for everyone’: NM Medicaid program braces for more churn,” *Source NM*, August 5, 2025.
7. “Harmful Republican Megabill Fails New Mexico Families, Children, and Communities,” Center on Budget and Policy Priorities, August 1, 2025.
8. “Federal Budget Reconciliation Overview,” New Mexico Legislative Finance Committee, August 2025.