

Key Provisions in the One Big Beautiful Bill Act Impacting Illinois' Low-Income Older Adults and Adults with Disabilities

Source of Coverage	New Provision	Effective Date
Medicare	<p><u>New Medicare enrollees</u> must be US Citizen OR</p> <ul style="list-style-type: none"> • Legal Permanent Resident (LPR)* • Cuban-Haitian Entrant • Residing in the US under Compacts of Free Association (COFA) <p><i>*LPRs who need to purchase Premium Part A must also have 5 years of residency</i></p>	Immediately
Medicare	<u>Existing Medicare beneficiaries</u> who do not meet the immigration eligibility requirements listed above will lose their coverage.	Eighteen months from July 4, 2025
Medicaid (applies to all categories of Medicaid)	<p>Medicaid beneficiaries must be a US Citizen OR</p> <ul style="list-style-type: none"> • Legal Permanent Resident (LPR) with 5 years of residency • Cuban-Haitian Entrant • Residing in the US under Compacts of Free Association (COFA) • Lawfully residing children and pregnant adults 	October 1, 2026
Medicaid ACA Adult	Required to spend 80 hours a month in work/community engagement activities with some exceptions and/or excluded populations (will require further CMS guidance given the vagueness of the legislative text)	Not later than Dec.31, 2026 (extensions may be granted)
Medicaid ACA Adult	Redeterminations to be completed every 6 months	Dec. 31, 2026
Medicaid ACA Adult	<p>For those at or above 100% FPL, states must set copays up to \$35 for most health care services with exemptions for primary care, behavioral health, and some additional services</p> <p>Exempt locations of service include Federally Qualified Health Centers, rural health clinics, and behavioral health clinics</p> <p>Limits prescription drug copays to small amounts</p> <p>Caps out of pocket costs at 5% of family income</p>	October 1, 2028
Medicaid AABD	<i>No additional changes beyond immigration status listed above</i>	N/A
State-funded programs	The legislation does not directly address 100% state funded health coverage programs for those who don't qualify for Medicaid such as Health Benefits for Immigrant Seniors, but those programs could be impacted in the future by the overall loss of federal funding to Illinois.	N/A
Marketplace	See this link for further information	

Based on information available as of: 7.30.25