

# Key differences between the **House** and **Senate** versions of the ‘One Big Beautiful Bill’

| ISSUE   | HOUSE BILL   | SENATE BILL <i>(Final as passed by House on 07.03.25 and signed into law on 07.04.25)</i>   |
|---|--|---|
| <b>Medicare Physician Payment</b>                         | Inflationary update to the Medicare physician fee schedule in 2026 that is 75% of the Medicare Economic Index (MEI). Beginning in 2027 and onward, the update would be based on 10% of MEI.  | 2.5% increase to the Medicare Physician Fee Schedule for one year (Jan. 1, 2026-Dec. 31, 2026).   |
| <b>Medicaid Provider Tax</b>                              | Caps tax rate at existing rates.   | Gradually reduces by 0.5% annually, the tax rate to 3.5% by fiscal year 2032. Applies to states that have adopted the ACA expansion.  |
| <b>Medicaid Work Requirements</b>                         | Requires states to condition Medicaid eligibility for individuals ages 19-64 applying for coverage or enrolled through the ACA expansion group (or a waiver) on working or participating in qualifying activities for at least 80 hours per month.<br><br>Exempts certain adults, including parents with dependent children and those who are medically frail. | Applies to parents with children over 14.   |
| <b>Medicaid Retroactive Coverage</b>                      | Modifies when states can provide retroactive Medicaid and CHIP coverage from 3 months to 1 month preceding the month in which an eligible patient submits their application for assistance under the program.  | Limits retroactive coverage to 1 month prior to application for coverage for Medicaid expansion enrollees and 2 months prior to application for coverage for traditional enrollees.<br><br>Provides \$15 million in implementation funding for FY 2026. |
| <b>Medicaid Eligibility Determinations</b>                | Requires states to conduct eligibility redeterminations at least every 6 months for Medicaid expansion adults.   | Same  |
| <b>Rural Health Care Access</b>                           | Not included   | \$50 billion fund to support rural hospitals over five years, starting in 2026.   |
| <b>AI Moratorium</b>                                      | 10-year moratorium on state AI regulations   | Not included  |
| <b>ACA Exchange Enrollment</b>                            | Shortens the open enrollment period to 45 days, rather than the current 75-days.   | Not included  |
| <b>Grad PLUS Loans</b>                                    | Eliminates federal graduate PLUS loans for new borrowers starting in the 2026-2027 academic year and for existing borrowers 2029-2030.   | Effective date for elimination is July 1, 2026.   |
| <b>Federal Direct Unsubsidized Loan Cap</b>               | \$100,000 cap for graduate education and \$150,000 for professional programs (e.g., MD, DDS, JD).  | \$100,000 cap for graduate education and \$200,000 for professional programs.   |
| <b>Student Loan Repayment</b>                             | Elimination of the current income-driven repayment (IDR) plan, replaced by a new Repayment Assistance Plan requiring a borrower to remain in repayment for 30 years (instead of 20 or 25 years),   | Repayment terms under a new Repayment Assistance Plan will be tied to the size of the loan, ranging from 10 to 25 years. Effective July 1, 2026.  |
| <b>Public Service Loan Forgiveness (PSLF) Eligibility</b> | Removes time spent in residency as a public service job, making residents ineligible for for the PSLF.   | Not included  |
| <b>SNAP Changes</b>                                       | 5% cut in federal funding across states; requires proof of work from adults with children over the age of 6  | Conditional funding cuts based on states' error rates; requires proof of work from adults with children over the age of 14.   |
| <b>Debt Ceiling Increase</b>                              | Raises limit by \$4 trillion   | Raises limit by \$5 trillion  |