



H.R. 1 (2025) Impact on Marylanders: Supplemental Nutrition Assistance Program (SNAP)

November 25, 2025

Background

SNAP is vital to America's social safety net. It makes sure families can put food on their tables when they're struggling financially.

SNAP serves over **680,000 Marylanders**, including:

- 262,248 **children**
- 128,705 **people with disabilities**
- 121,615 **seniors**
- 28,843 **unhoused persons**

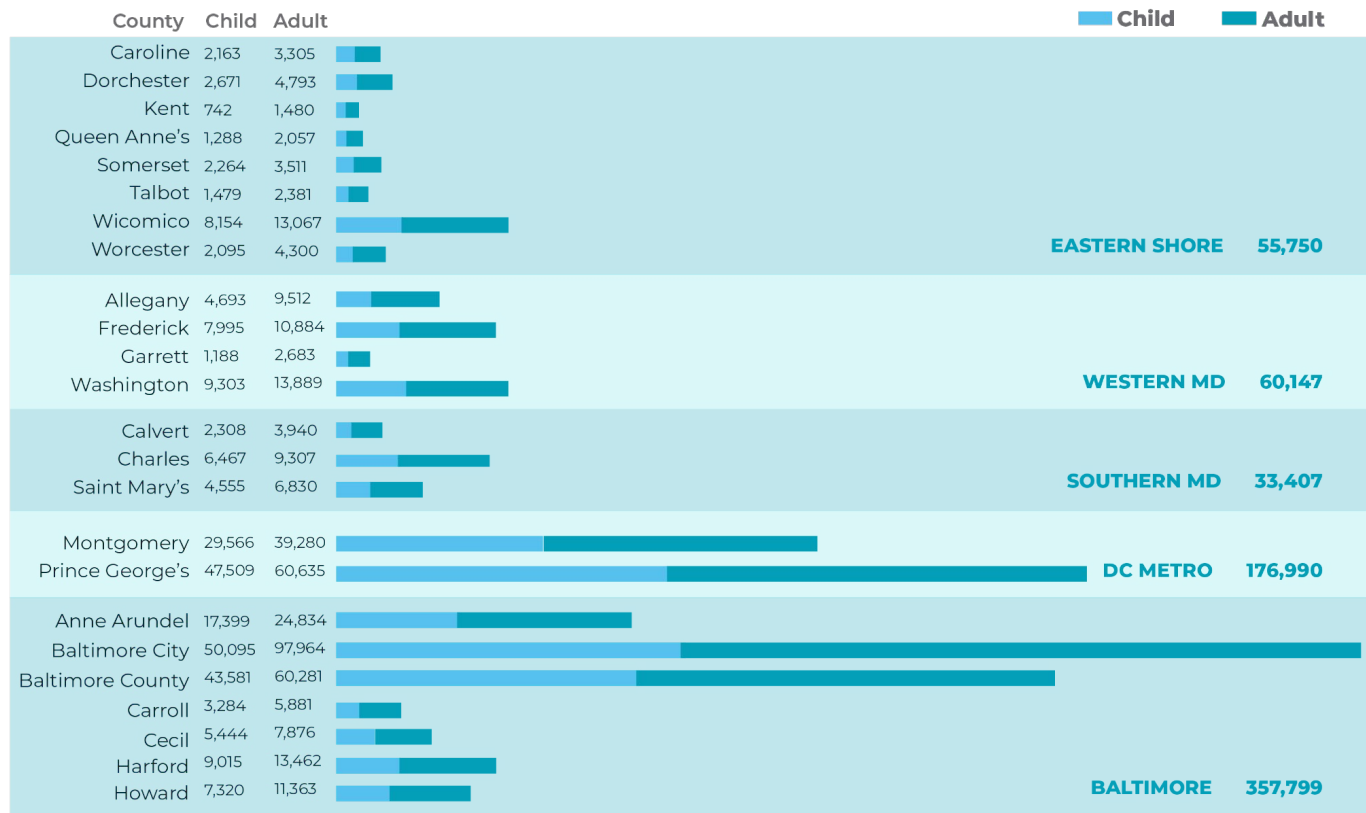
As of May 2025

\$1.6 Billion: total SNAP benefits issued to Marylanders

\$180: average monthly SNAP benefit per person

Before H.R.1, SNAP benefits were 100% federally funded and administrative costs were split 50/50 between the federal government and the states.

SNAP Customers Served Monthly Average



Total Served

Child **270,578**

Adult **413,515**

Totals represent monthly average customers served in State Fiscal Year 2025 to date (July 2024 - April 2025). Children are age 0-17.

November SNAP and Federal Shutdown Update



SNAP Update - November Benefits

- **Maryland issued 100% of federal Supplemental Nutrition Assistance Program (SNAP) benefits to customers based on the [normal benefits schedule on November 18](#).**
 - For customers who receive benefits between November 1-18:
 - In general, customers received at least half of their normal November benefit. For customers who received less than that from the federal government, Maryland issued state funds to fill the federal shortfall, pursuant to [Governor Moore's emergency order](#).
 - Customers who received a partial payment will get the remainder on November 18.
 - For more information, [please see here](#).
- 

Current State of SNAP - Additional Supports

- **On October 30, 2025, Governor Moore announced a \$10 million emergency grant to support Maryland's food banks and community food pantries**
 - \$5.5 million to the Maryland Food Bank (MFB)
 - \$3.5 million to the Capital Area Food Bank (CAFB) and
 - \$1 million to augment and fully fund Maryland Emergency Food Program (MEFP) grantees
 - Additional information here: [Food Bank Q&A](#)
- In addition, Baltimore City, Anne Arundel, Baltimore, Frederick, and Montgomery counties announced county-funded emergency food bank assistance.

Additional Shutdown Support

- On November 7, **Governor Moore announced an additional \$10 million** to continue Maryland Energy Assistance Program (MEAP), Gas Arrearage Retirement Assistance (GARA), and Winter Crisis benefits to customers. Additional information here: [MEAP Q&A](#)
- Cash assistance including TCA, TDAP, EAFC, RCA continued during the shutdown

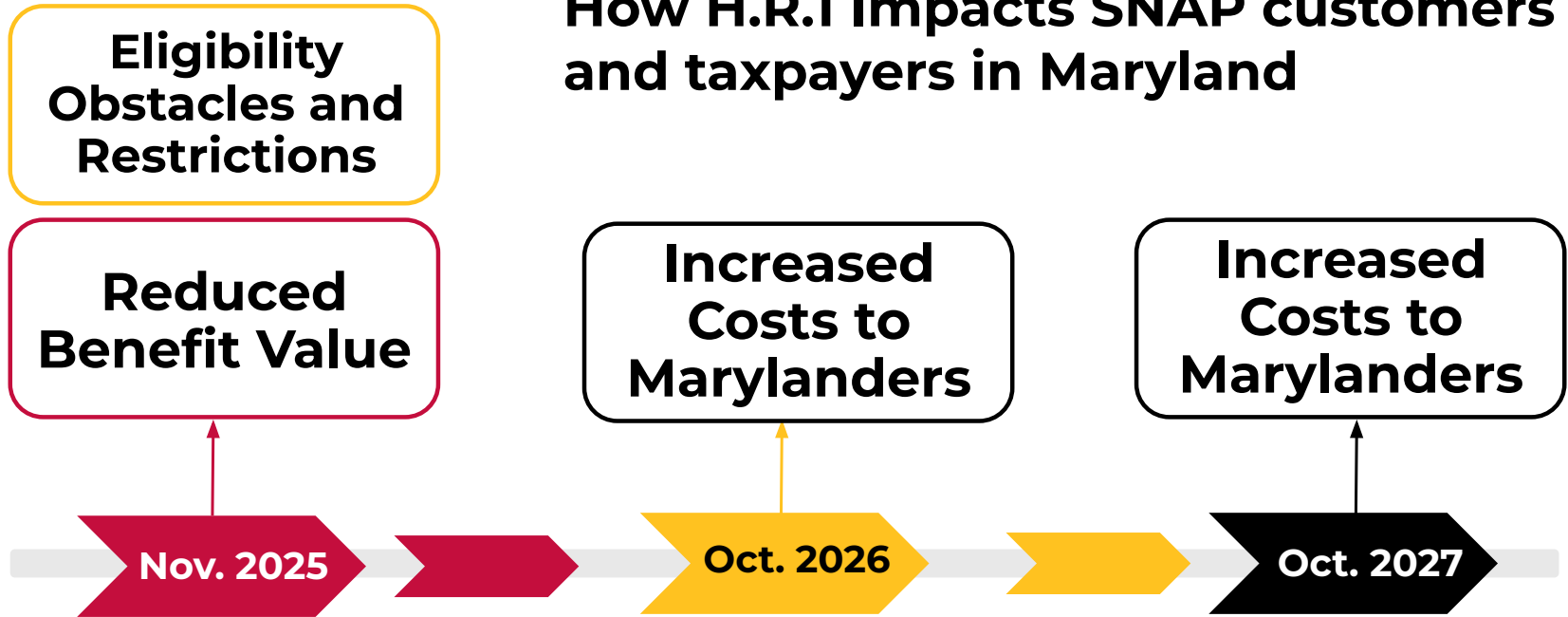
You can find a list of Available Resources for Marylanders in our 11/14 [Customer Correspondence](#) - please share.



Strategic Briefing: H.R. 1 Implementation



How H.R.1 Impacts SNAP customers and taxpayers in Maryland



November 1, 2025 H.R. 1 Changes

As of November 1, Maryland implemented the following required provisions of H.R. 1:

- Expanded ABAWD work requirements are in effect;
- Most refugees and people granted asylum are no longer eligible for SNAP unless they are also Lawful Permanent Residents; and
- Households without an elderly or disabled member no longer automatically receive the Standard Utility Allowance.

New applicants are immediately subject to these restrictions and requirements. Current participants will feel the effects of these provisions in the months ahead as they recertify their eligibility for SNAP.



Eligibility Obstacles and Restrictions

Up to 80,000 Maryland customers are newly burdened with additional red tape and barriers to access SNAP benefits:

- The Able Bodied Adults Without Dependents (ABAWD) **work requirement age range expands** from 18-54 to 18-64.
- Those under 65 responsible for a child are now only exempt from work requirement if the child is under the age of 14 (previously under 18).
- Veterans, people experiencing homelessness, and former foster youth up to age 24 are also newly subject to the work requirement.



Eligibility Obstacles and Restrictions

Further barriers: **removes SNAP eligibility from refugees and people granted asylum** unless they are also Lawful Permanent Residents (green card holders), Cuban or Haitian entrants, or individuals from the Federated States of Micronesia and the Republic of the Marshall Islands.

FNS guidance says refugees and asylees are subject to the 5-year bar on Lawful Permanent Residents accessing benefits. Refugees and asylees must have a green card for at least 5 years before they are eligible for SNAP.



Reduced Benefit Value

Households without an elderly or disabled member no longer automatically receive the Standard Utility Allowance (SUA)

- Marylanders were previously eligible for higher SNAP benefits through a \$557 SUA because they received an energy assistance payment.
- H.R.1 eliminated this flexibility for households without an elderly or disabled member. Some SNAP households will still qualify for the SUA, but will have to provide additional documentation to verify their eligibility.
- This change means **thousands of Marylanders will need to jump through additional hoops to avoid seeing lower SNAP benefit amounts each month.**



Increased Costs to Marylanders

The **state's share of SNAP administrative costs will rise** from 50% to 75% beginning in the 2nd quarter of SFY27.

- Maryland currently spends \$115 million in General Funds to administer SNAP.
- For SFY27, Maryland will spend an additional \$43.1 million, for a new state total of \$158.1 million in General Funds.
- In SFY28 and beyond, Maryland will spend an additional \$57.5 million per year, for a new state total of \$172.5 million per year in General Funds.
- This **does not** include additional funds needed for staffing, IT, employment and training, and other resources needed to comply with more onerous federal requirements from H.R. 1.



Increased Costs to Marylanders

Before H.R. 1, the federal government paid 100% of SNAP benefits. New provisions will require Maryland to pay a portion of benefit costs based on our Payment Error Rate (PER).

- On Oct. 1, 2027 **Maryland could be responsible for 15% of benefit costs, or \$240 million** in SNAP benefits based on $PER \geq 10\%$.
- Our current federally assessed FFY24 PER is 13.64%. The final cost share amount will be based on our FFY25 or FFY26 PER.



Increased Costs to Marylanders

States will pay **for a portion of SNAP benefits** based on their Payment Error Rate (PER):

PER < 6%	0% state match
PER ≥ 6% but < 8%	5% state match
PER ≥ 8 but < 10%	10% state match
PER ≥ 10%	15% state match



Overview: SFYs 26-27 Projected State Costs

SFY26 administrative costs: \$115 million

SFY26 benefits costs: \$0

SFY26 Total State Costs: \$115 million

SFY27 administrative costs: \$158.1 million (\$172.5M starting in SFY28)

SFY27 benefits costs: \$0-240 million

SFY27 Total State Costs: \$158.1-412.5 million*

*Projected ongoing annual cost beginning FY27. This does not include any new investments needed for additional staffing, IT systems, employment and training, or other costs



H.R.1 Implementation Approach

Our mission is to **minimize harm** and **preserve benefit access** as we implement this new federal law.

- **Preserve Access:** We will use every tool available to prevent procedural terminations and keep eligible Marylanders connected to benefits.
- **Be Human-Centered:** We are building user-friendly tools and using plain language, focusing on the real-world impacts on our clients.
- **Build Practical Solutions:** We are creating practical, data-driven solutions—like cross-agency workgroups—to reduce administrative burdens.
- **Work in Partnership:** We are committed to working transparently with all of you to co-design strategies for the challenges ahead.

All-Hands-on-Deck Approach

Human-Centered Tools & Support:

- Launched mobile-friendly **Maryland Benefits One Application** to more easily apply for benefits.
- Expanded our **SNAP E&T partner network** from 30 to 48 organizations to support customers.
- Created a **new ABAWD screening tool** to easily identify exemptions.
- Developed a [new webpage](#) as a central hub for all H.R. 1 information.

Cross-Agency & Data Workgroups:

- **Maryland Department of Health (MDH):** Coordinating SNAP/Medicaid policy.
- **Maryland Health Care Commission (MHCC):** Leveraging data to identify customers who may be eligible for exemptions.
- **Maryland Department of Labor (MDL):** Partnering to build an expanded E&T pipeline.
- **Maryland Department of Information Technology (DoIT):** Working to ensure Maryland Benefits is streamlined and customer-centric.
- **Payment Accuracy:** Received a new grant to implement a data-driven approach to improving payment error rate.

Call To Action

- Educate customers about the resources available to help them comply & keep their benefits.
 - [11/14 Customer Correspondence](#)
 - [DHS H.R.1 Webportal](#)
- Proactively engage customers to hear what is working for them and what supports they need.
- Build upon existing networks to ensure all necessary stakeholders are involved and aligned.



OBBBA

Maryland Medicaid and SNAP Updates

December 2025



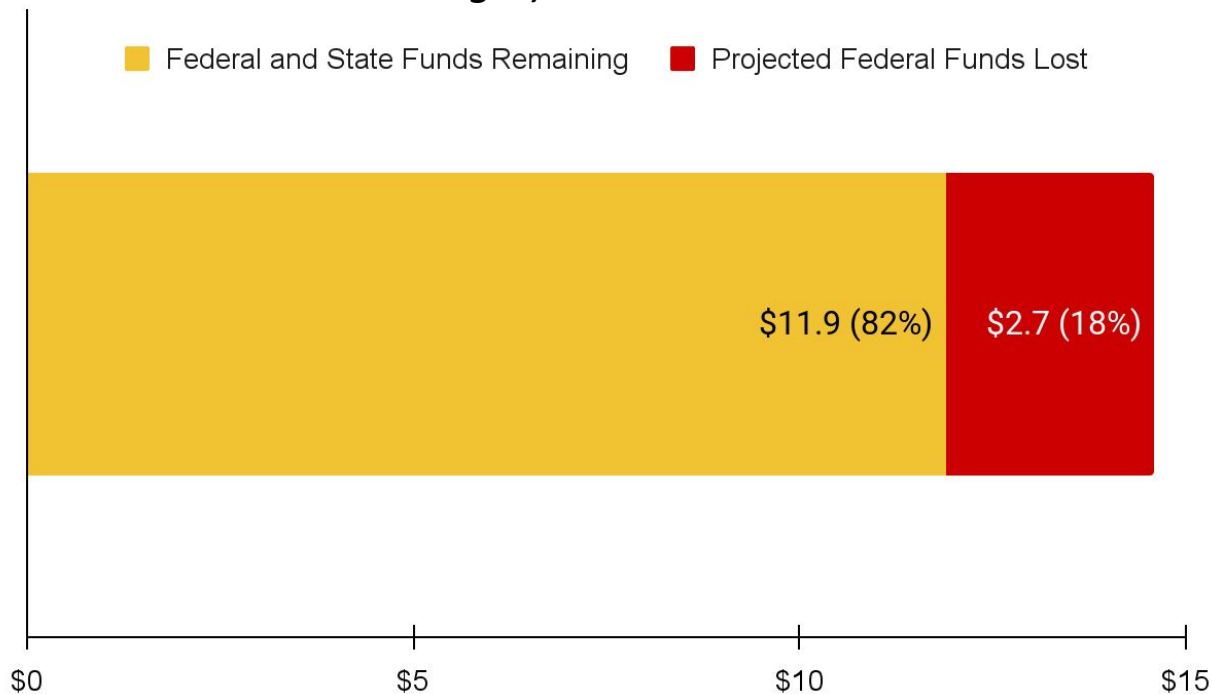
Agenda

1. Medicaid Update
2. SNAP Update
3. Discussion

Medicaid Update

\$2.7 Billion in Annual Federal Funding Potentially Lost

This is the estimate of funding lost once all bill provisions are fully implemented (based on current \$14.6 billion budget).



This represents **almost 20%** of Maryland's current Medicaid budget.

Medicaid Eligibility Provisions (1/2)

- **Changes to Immigrant Eligibility (October 1, 2026).**
 - Certain immigrants are no longer eligible for Medicaid. This includes refugees, asylees, immigrants granted parole for at least one year, and certain victims of abuse and trafficking. **Note:** Pregnant women and children are not impacted. Effective October 1, 2026.
 - **Impact:** **At least 60,000** may lose benefits in Maryland.
- **Medicaid work requirements (January 1, 2027).**
 - Requires states to implement work requirements as a condition of Medicaid eligibility for ACA expansion adults aged 19 through 64. Effective January 1, 2027.
 - **Impact:** Requirements apply to the more than **320,000 adults*** in this coverage group. **115,000** could lose coverage.

Medicaid Eligibility Provisions (2/2)

- **Increased Medicaid redeterminations (January 1, 2027)**
 - Requires states to conduct eligibility redeterminations once every six months for ACA expansion adults. (Current requirement is annual). Effective January 1, 2027.
 - **Impact:** Requirement impacts the more than **320,000 adults** eligible under the ACA Expansion.
- **Shortened Medicaid retroactive coverage opportunities (January 1, 2027)**
 - Reduces retroactive coverage from three months to one or two months depending on eligibility category. Effective January 1, 2027.
 - **Impact:** ACA expansion adults are limited to **one month of retroactive coverage**, and all other enrollees are limited to two months retroactive coverage.

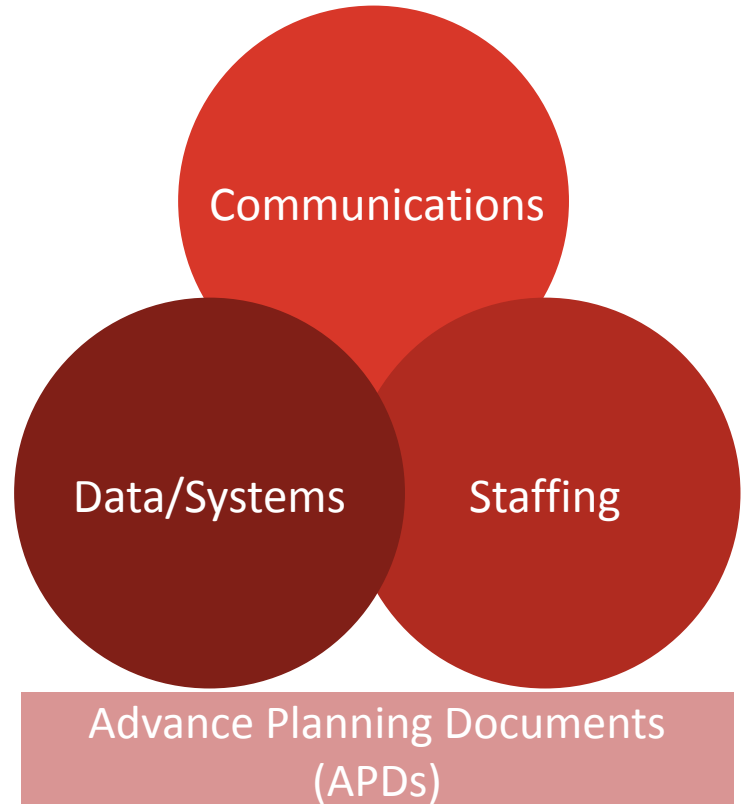
Other OBBBA Provisions

- **Payments to Planned Parenthood**
 - Sec. 71113. Federal payments to prohibited entities. (July 4, 2025)
- **Provider Taxes**
 - Sec. 71115. Provider taxes. (July 4, 2025)
 - Sec. 71117. Requirements regarding waiver of uniform tax requirement for Medicaid provider tax. (July 4, 2025)
- **State Directed Payments**
 - Sec. 71116. State directed payments. (July 4, 2025, Maryland impacted January 1, 2027)
- **Budget Neutrality**
 - Sec. 71118. Requiring budget neutrality for Medicaid demonstration projects under section 1115. (January 1, 2027)
- **Cost Sharing**
 - Sec. 71120. Modifying cost sharing requirements for certain expansion individuals under the Medicaid program. (October 1, 2028)
- **Erroneous Excess Payments**
 - Sec. 71106. Payment reduction related to certain erroneous excess payments under Medicaid. (October 1, 2029)

Implementation Workstreams

The State has established a **comprehensive cross-agency team led by the Maryland Department of Health (MDH), Maryland Health Benefit Exchange (MHBE), and Maryland Benefits** to implement OBBBA Medicaid eligibility requirements, **in partnership with providers, plans, and stakeholders.**

Our **objective** is to **protect health care coverage** for eligible Marylanders, **consistent with federal law and guidance.**



About MHBE

The Maryland Health Benefit Exchange (MHBE) serves as Maryland's State-Based Exchange

- MHBE is responsible for the administration of **Maryland Health Connection (MHC)**, the state's health insurance marketplace, under the Patient Protection and Affordable Care Act of 2010 (ACA)

MHC enrolls **~85% of (or ~1.2M) Medicaid consumers**, including ACA Expansion Adults

- MHBE significantly supports MAGI Medicaid eligibility and enrollment activities through agency special and general funds, and staffing activities that include call center, printing and mailing, consumer appeals, constituent services, and training functions in addition to technology.



Key Partners Across Workstreams

APDs



MDH
MHBE
MD Benefits
DHS

Comms



MDH
MHBE
MCOs
DHS
External Stakeholders

**Data/
Systems**



MDH
MHBE
DHS, MD Benefits
CRISP
UMBC Hilltop Institute
MHCC

Staffing

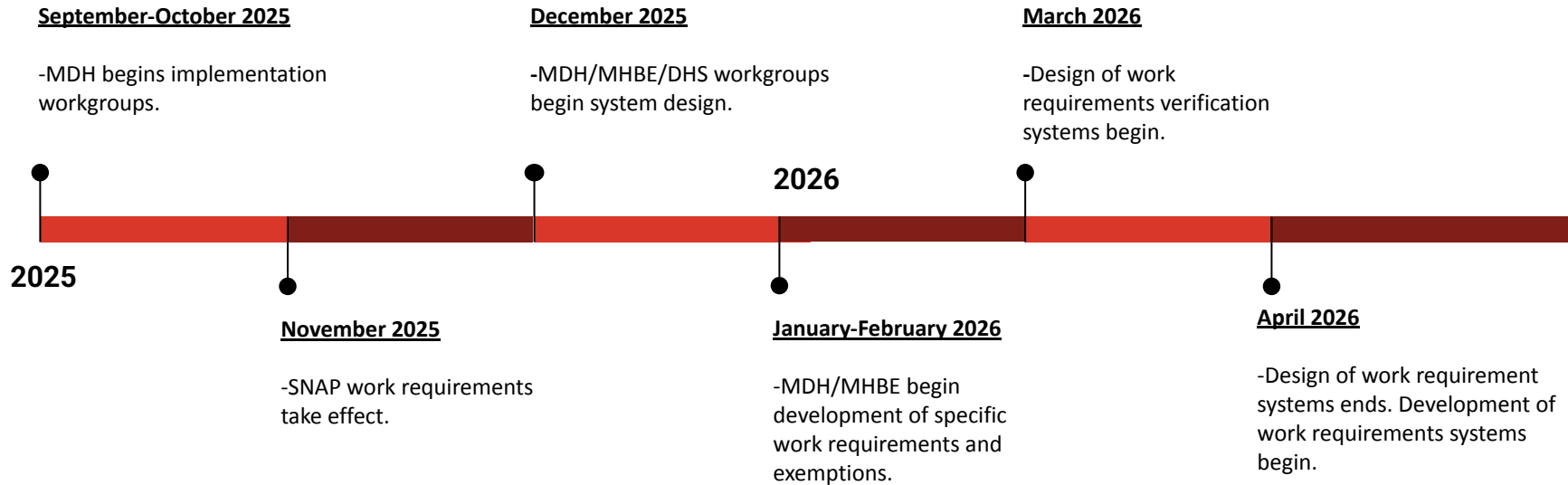


MDH
MHBE
DHS

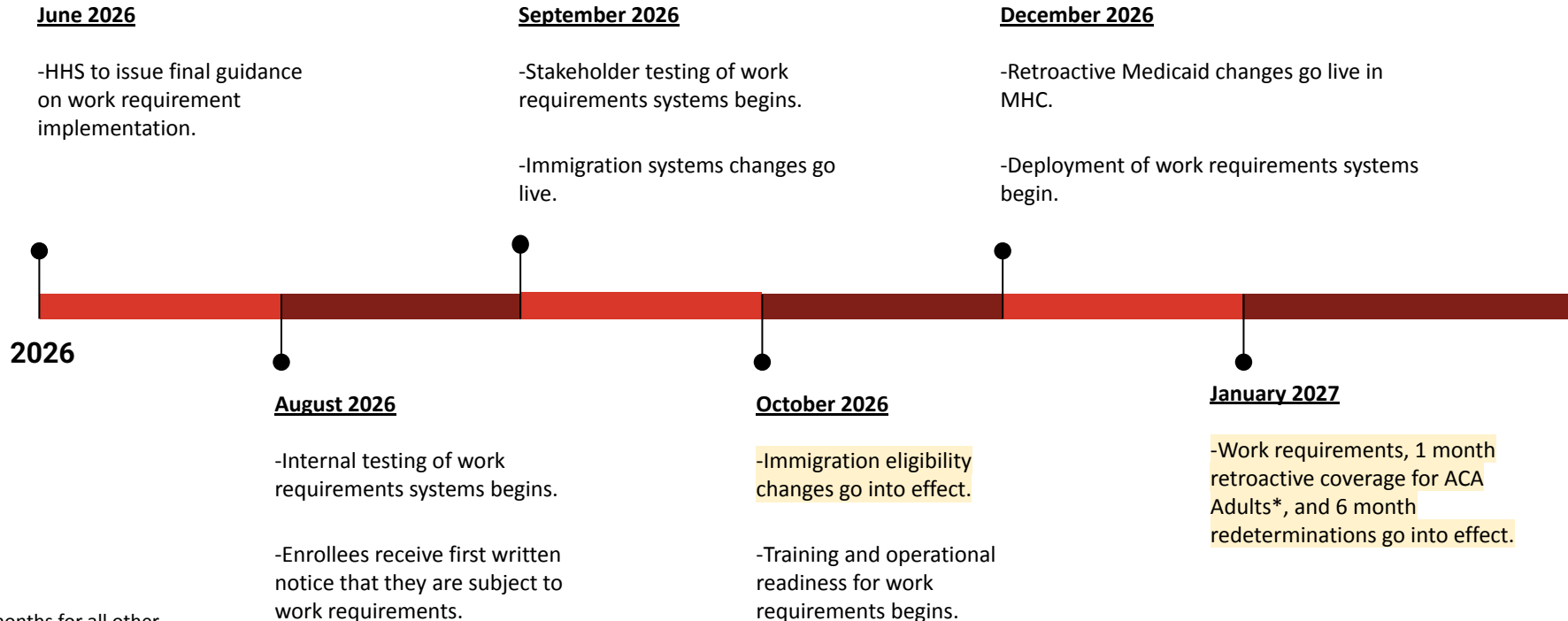
Advance Planning Documents (APDs)

- **APDs** secure **enhanced federal funding participation (FFP)** for large, complex, Health IT builds / system operations for Medicaid.
- MDH is planning to submit at a minimum **five OBBBA-related APDs**.
- CMS review can take **60-120 days at a minimum to approve an APD**, depending on the state's needs. Maryland is working with CMS to determine ways to **expedite APD federal review and approval**.

Data/Systems Timeline (1/2)



Data/Systems Timeline (2/2)



Data/System | Leveraging Data

MHBE will seek to leverage the existing data from across Maryland government to verify work requirements and exemption attestation.

- **DHS SNAP Data:** During the unwinding, MHBE used DHS SNAP enrollment data to verify income during Medicaid redeterminations, significantly increasing auto renewal rates. SNAP enrollment may be used to deem Medicaid enrollees to meet work requirements.
- **DOL Data:** Explore using Beacon wage data, FAMI wage data, and workforce development data to verify work requirements
- **CRISP Data:** Explore using CRISP data to automatically exempt eligible individuals with qualifying medical conditions from work requirements.
- **MSDE Data:** MHBE, MSDE, and DHS already partner to provide Medicaid enrollment data for use in certifying children for free and reduced lunches. Explore using MSDE data to verify work requirements.
- **Comptroller Data:** MHBE already receives data from the state tax return for individuals seeking health insurance. Explore using state tax data to verify work requirements.

Data/System | Leveraging AI

MHBE will build on existing AI technology already used by its enrollment and eligibility systems.

- MHBE has implemented numerous system enhancements to increase efficiency and reduce operational costs through strategic use of AI.
 - **The AI-powered chatbot “Flora” has responded to over 600,000 MHC consumer queries in 2024**, offering fast, accurate, and personalized assistance beyond standard business hours.
 - A conversational AI assistant embedded in the application guides users through complex eligibility questions, **cutting monthly technical support calls from 8,000 to 4,000**.
 - The AI virtual call center agent has processed **40% of the 20,000 password reset requests** so far in 2025, extending service availability from 8 hours to 18 hours a day, and reducing wait times.
 - **Robotic Process Automation (RPA) and machine learning technologies verify over 125,000 consumer documents annually**, accelerating Medicaid appl review from 5 days to 24> hours.
- Together, these initiatives are transforming service delivery, reducing operational burdens, and improving customer satisfaction and staff productivity.

Communications Approach



Key Messaging Goal



- **Message discipline** across agencies and stakeholder partners.



Overarching Strategy



- **Consumer-focused** materials
- **Provider/community stakeholder-focused** materials



Key Audience



- **ACA Adults**
- **Non-Citizens**
- **Pregnant Women & Children**



Partners



- **Sister Agencies: DHS, MHBE**
- **MCOs**
- **Stakeholders and Community Organizations**

Communications Timeline

Stakeholder Engagement and Planning

Communications internal workgroup begins with attendees from MDH, DHS, and MHBE.

Workgroup of representatives from all nine Managed Care Organizations begins.

MDH Comms Roadshow Fully Scaled

MDH gives scheduled presentations to internal and external stakeholders (gov't agencies, community organizations, etc.).

MHBE will prepare consumer notices required by statute for distribution by August*

August/November 2026

October 2025

Winter 2025-2026

June 2026

Initial Communications Released

Website, FAQs and one-pager on MDH site.

MHBE and DHS are developing coordinated communications in parallel with MDH.

Public Facing Dashboard

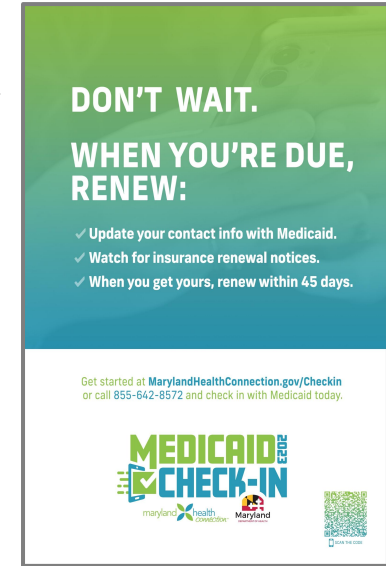
Medicaid and The Hilltop Institute will collaborate on the development of a public-facing dashboard to be published in Winter of '25/'26 demonstrating impact on ACA adult enrollment.

Targeted Public Awareness Campaigns

Targeted messaging campaigns begin at **least eight (8) weeks** prior to when immigration eligibility changes go into effect (Oct '26) and 8 weeks prior to work/community engagement changes go into effect (January '27).*

Communication Activities

- MHBE Communications campaign in partnership with MCOs, modeled on unwinding. —————→
- New MDH web page with updated one-pager, FAQ
- ACA Deep Dive Deck
- ACA Deep Dive Dashboard
- Stakeholder Roundtable



Employment & Education in the ACA Expansion Group

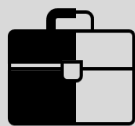
Employment and income are **NOT reported in MMIS**, but we can generate **estimates** of who is working and in school using data from the American Community Survey.*

Childless adults aged 19-64 who live in Maryland, are enrolled in Medicaid, and do not report a disability:



Working Full Time
(40+ hours/week)

34.3%



Working Part Time
(20-39 hours/week)

24.5%



Enrolled in an
Academic Program

15.9%

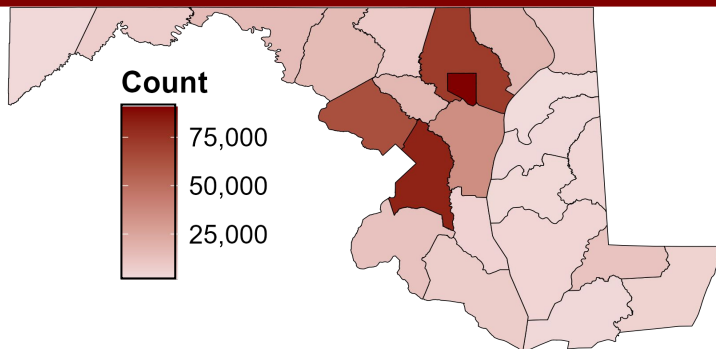
**Note: Used 2023 ACS data from respondents living in Maryland; employment and education percentages are NOT mutually exclusive.*

CY 2024 Demographic Snapshot

ACA Expansion Adults

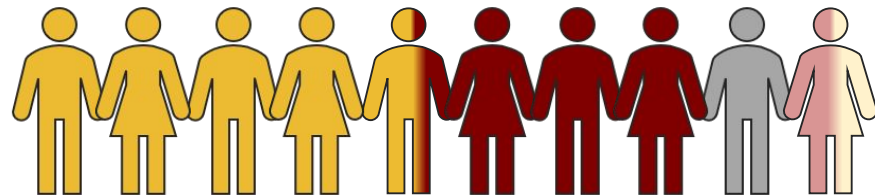
N = 495,725

Enrollees per County



Coverage Group **96%** Childless Adult (A02)
4% Parent/Caretaker (A03)

Race



Age Group (Years)

19-34 46.6%

35-49 26.6%

50-64 26.6%

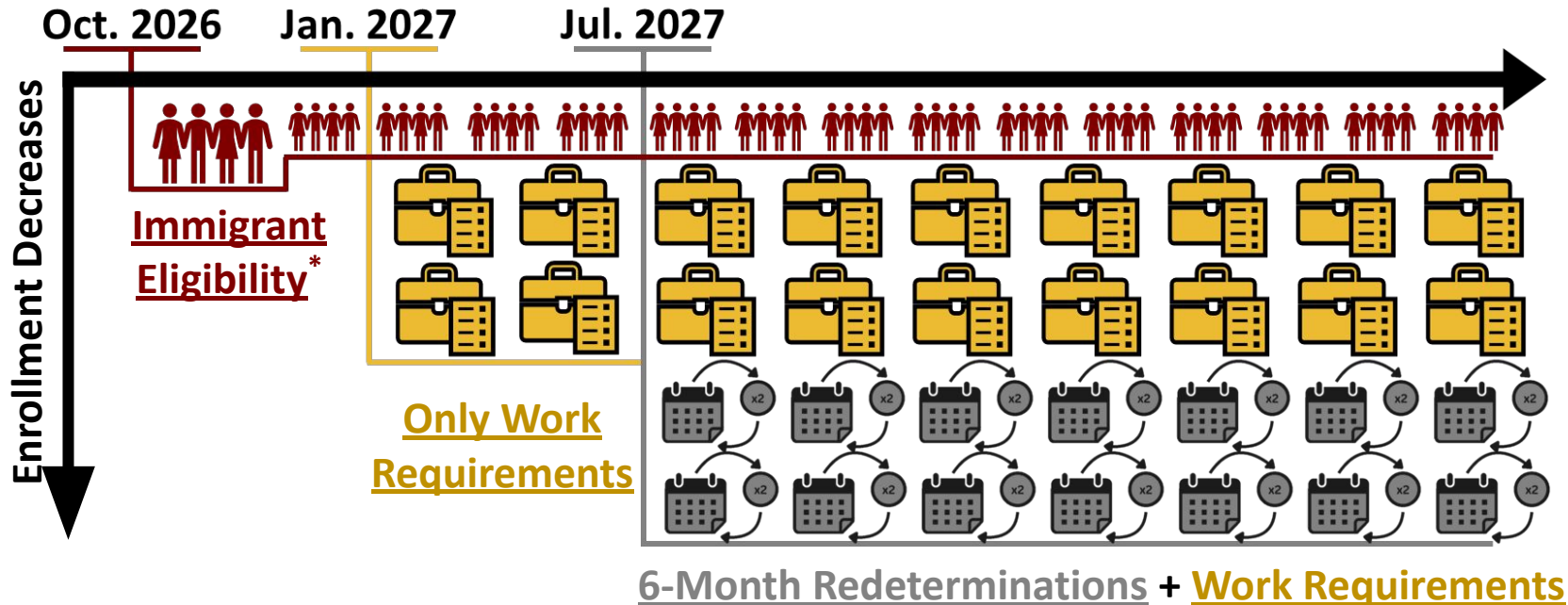
Sex

45%



55%

Big Picture of Enrollment Impacts

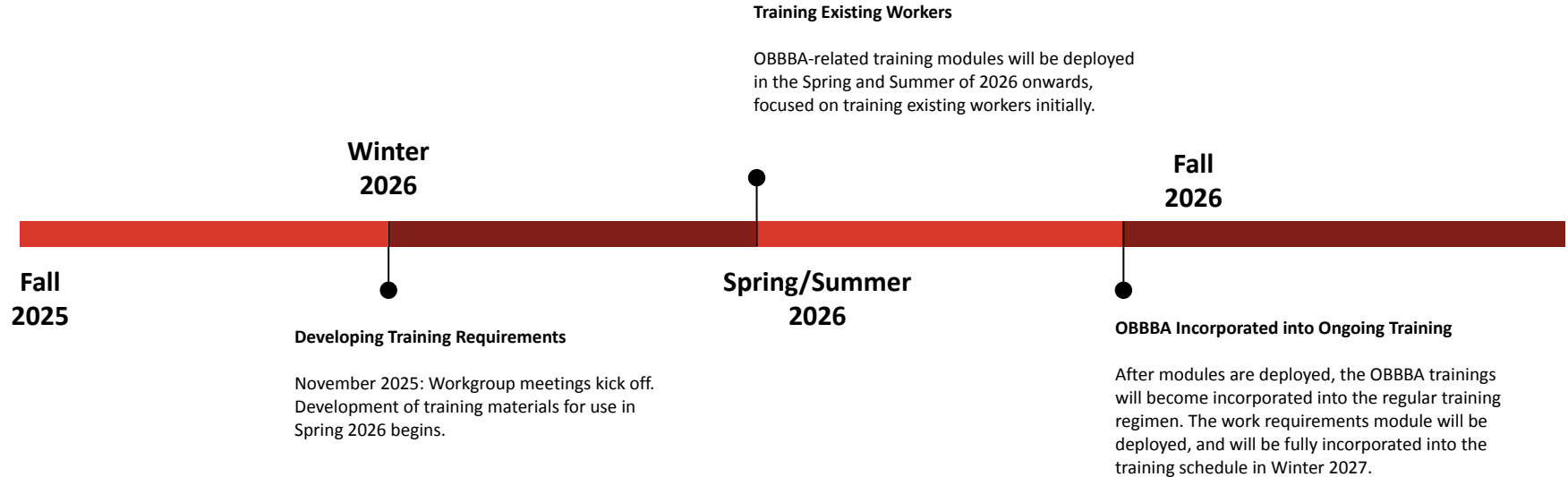


*Pending CMS guidance, the Department assumes that all immigrants who no longer qualify for coverage will lose eligibility effective October 1, 2026.

Staffing

- **Training:** Medicaid, MHBE, and the DHS are collaborating to develop new training materials to account for changes in eligibility processing.
 - Cross-agency collaboration will ensure consistent messaging and procedures to all impacted staff.
 - Includes guidance for call centers, case workers, LHDs, and other eligibility workers.
- **Hiring:** Increased redetermination frequency, work requirements, and changes to the retroeligibility period calls for increased eligibility and systems staff capacity.
 - Medicaid Office of Eligibility, LHDs, MHBE.

Staffing and Training Timeline



Work Requirement Implementation

OBBBA Work Requirements

ACA expansion adults aged 19 to 64 are subject to work requirements. *Note, there are a number of categorical and optional exemptions.*

Participants must meet at least 1 of the following criteria:

- Have income of at least \$580/month *;
- 80 hours of work per month;
- 80 hours of a SNAP-defined work program;
- 80 hours of community service;
- At least half-time enrollment in a higher education or vocational training program; or
- A combination of 80 hours of the above.

*This is based on the federal minimum wage of \$7.25 per hour multiplied by 80 hours; workers who make the State minimum wage could work less than 40 hours per month and still qualify for Medicaid.

Work Requirement Exemptions

OBBBA permits states to accept attestations from individuals related to MANDATORY exemptions.

Note, further guidance from CMS may change this flexibility.

Parents/Caretakers of
Young Children or
Disabled Individuals

Medically Frail
Individuals

Incarcerated or
Recently Released
from Incarceration

Pregnant or
Postpartum Women

Participating in SUD
Program

Entitled to Medicare
Part A or Enrolled in
Medicare Part B

Former Foster Youth
Under Age 26

American Indians and
Alaska Natives

Disabled Veterans

Subject to SNAP/TANF
Work Requirements

Core Assumptions, Pending CMS Guidance

Core Assumptions:

- States can accept self-attestation for all mandatory exemptions.
- States can use administrative data to exempt individuals, even if they do not self-attest.
- Income definition aligns with modified adjusted gross income (MAGI), and are not limited to “earned income.”
- States have significant discretion for developing their “Medical Frailty” definitions based on existing CMS guidance.

Pending CMS guidance that alters these core assumptions may require changes to our current implementation plan.

Guiding Implementation Principle

Take advantage of assumed OBBBA flexibilities offered in the statute to maximize work requirement exemptions.*

Work Requirement Decisions

1. Exemptions and Compliance Flexibilities



- A. Medical Frailty Definition
- B. Short-term Hardship Exemptions
- C. Volunteer Work

2. Design Flexibilities



- A. Look back period
- B. Verification Hierarchy
- C. Income definition interpretation

3. Implementation Flexibilities



- A. Early or delayed implementation

Medical Frailty: Example Conditions

OBBBA indicates that medical frailty should include at least five potential categories of conditions.

Blindness or Disability

E.g. Blind, coronary insufficiency, hydrocephalus

Substance Use
Disorders

E.g. Opioid use disorder, alcohol use disorder, drug overdose requiring medical care

Disabling Mental
Disorders

E.g. Delusional disorder, schizoid personality disorder, major depressive disorder

Physical, intellectual, or
Developmental Disability

E.g. Cerebral palsy, autism spectrum disorder, epilepsy

Serious or Complex
Medical Conditions

E.g. Chronic heart failure, chronic liver disease, HIV/AIDS

SNAP Update



H.R. 1 (2025) Impact on Marylanders: Supplemental Nutrition Assistance Program (SNAP)

November 12, 2025

Background

SNAP is vital to America's social safety net. It makes sure families can put food on their tables when they're struggling financially.

SNAP serves **680,000 Marylanders**, including:

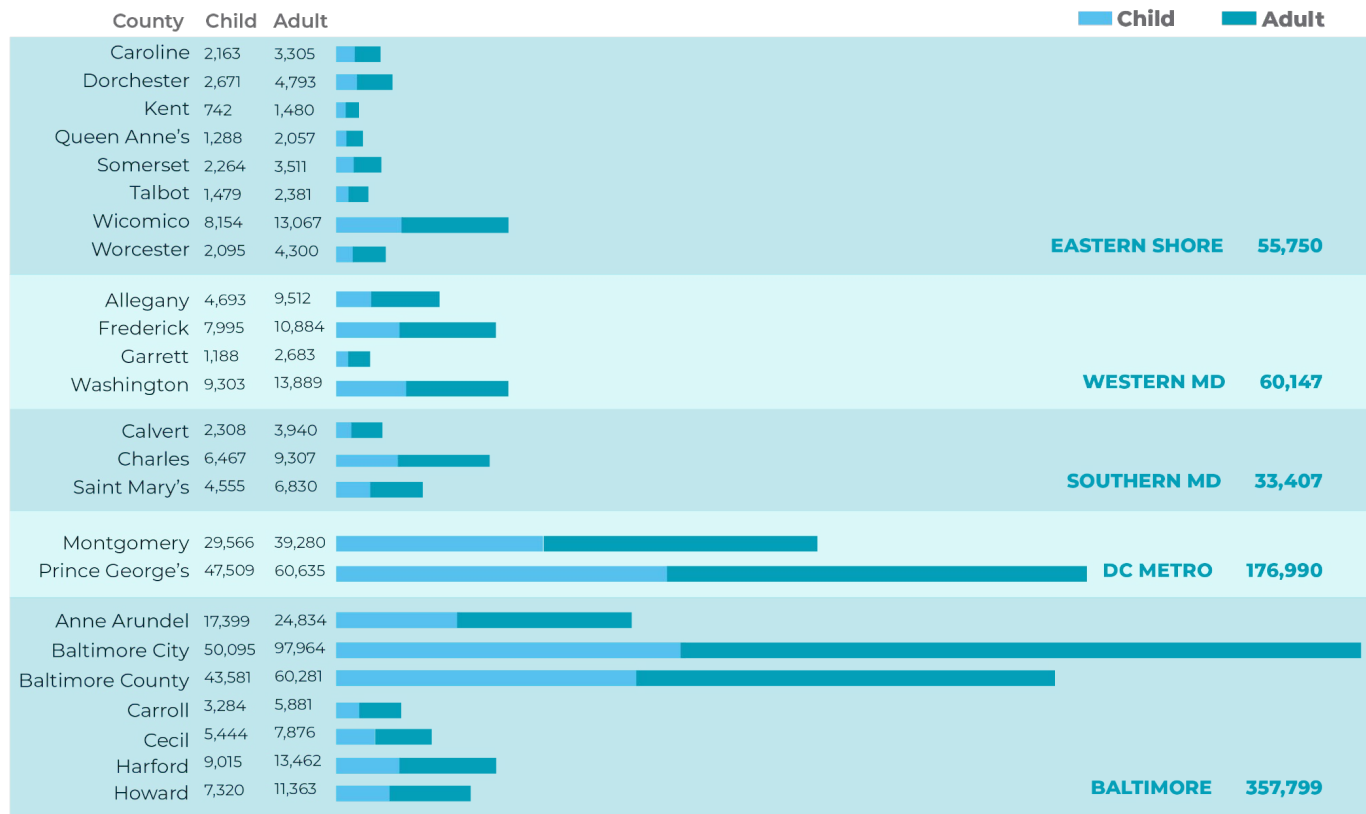
- 262,248 **children**
- 128,705 **people with disabilities**
- 121,615 **seniors**
- 28,843 **unhoused persons**

\$1.6 Billion: total SNAP benefits issued to Marylanders

\$180: average monthly SNAP benefit per person

Before H.R.1, SNAP benefits were 100% federally funded and administrative costs were split 50/50 between the federal government and the states.

SNAP Customers Served Monthly Average



Total Served

Child **270,578**

Adult **413,515**

All **684,093**

Totals represent monthly average customers served in State Fiscal Year 2025 to date (July 2024 - April 2025). Children are age 0-17.

Current State of SNAP - November Benefits

- The Trump Administration stopped funding SNAP benefits on November 1, 2025 and is refusing to comply with recent court orders to pay full November SNAP benefits.
- **On November 11th, Maryland began issuing benefits to the maximum extent permitted by the federal government.** In general, customers will receive at least half of their normal November benefit. For customers who receive less than that from the federal government, Maryland will issue state funds to fill the federal shortfall, pursuant to Governor Moore's emergency order to make funds from the State's Fiscal Responsibility Fund available to provide relief to Maryland families.
 - Additional information: [11/11 - SNAP Customer Benefits Update](#) & [State Supplement SNAP Q&A](#)
- As the federal government votes to reopen, DHS will urgently continue to issue SNAP benefits as federal funds become available.
- Maryland has been helping put food on the tables of Marylanders. **On October 30, 2025, Governor Moore declared a State of Emergency and announced a \$10 million emergency grant from the Fiscal Responsibility Fund** to distribute to over 100 eligible food distribution non-profits statewide. This includes \$9 million to the Maryland Food Bank (MFB) and the Capital Area Food Bank (CAFB) and \$1 million to augment and fully fund current state fiscal year 2026 Maryland Emergency Food Program (MEFP) grantees that serve as community pantries and emergency hunger relief statewide.
 - Additional information here: [Food Bank Q&A](#) & [MEAP Q&A](#)
- In addition, Baltimore City, Anne Arundel, Baltimore, and Montgomery counties announced county-funded emergency food bank assistance.

Available Resources for Marylanders

- Food pantries and community kitchens including the [Maryland Food Bank](#) and [Capital Area Food Bank](#); Governor Moore directed \$10 million in food assistance to food banks and pantries.
- [211 Maryland](#);
- [Support in finding a new job](#) through 33 [American Job Centers](#) and a specialized [Professional Outplacement Assistance Center](#), including individualized career guidance, résumé workshops, mock interviews, career and skills assessment, effective job search strategies, and networking support;
- [Additional career resources](#), such as information on transitioning to a teaching Career;
- [A weekly virtual workshop](#) designed specifically for former federal employees and federal contractors, and attended by more than 1,700 workers to date;
- [Job fairs and recruitment events](#);
- [Unemployment insurance](#);
- [Resources for veterans](#);
- [Legal resources](#); and
- Resources related to [health coverage](#), [housing](#), and [food, cash, and other assistance](#).

We invite customers to continue to keep their information up to date, check their eligibility, and apply for help at [MarylandBenefits.gov](#).



Current State of SNAP - H.R.1 Changes

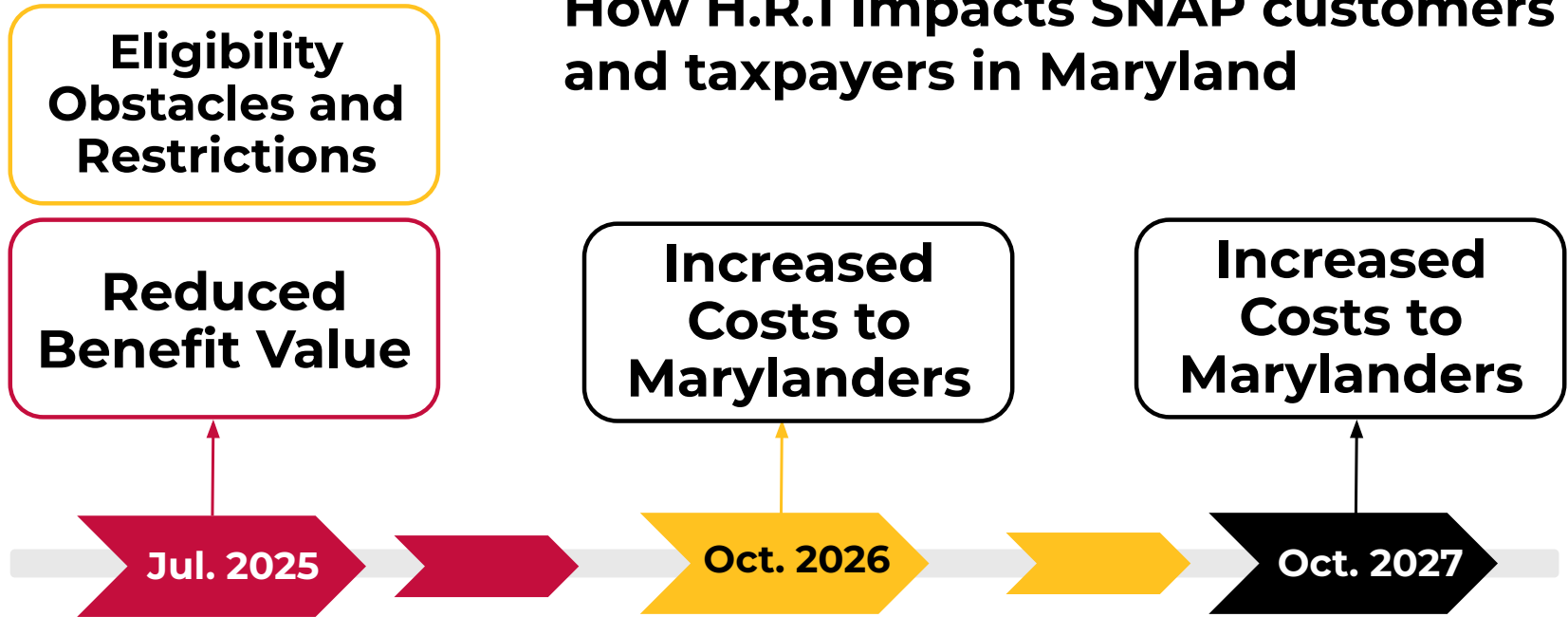
As of November 1, Maryland implemented the following required provisions of H.R. 1:

- **Expanded ABAWD work requirements are in effect.** Adults ages 55-64; those with children only 14-17; veterans; former foster youth under 24 who aged out of care; and unhoused individuals now must meet the work requirement.
- **Refugees, asylees, Special Immigrant Visa holders, Afghan and Ukrainian parolees, and other humanitarian entrants are no longer eligible for SNAP.** For those that have become Lawful Permanent Residents (green card holders), they must be in that status for five years before regaining eligibility.
- **“Heat and Eat” is eliminated except for households with an elderly or disabled member.** All other SNAP households must now prove utility expenses in order to receive the \$557 Standard Utility Allowance or see their SNAP benefits decrease.
- **SNAP-Ed funding is eliminated,** which provided 424,000 Marylanders with resources to make informed, healthy eating choices. Running limited program with carryover funding.

New applicants are immediately subject to these restrictions and requirements. Current participants will feel the effects of these provisions in the months ahead as they recertify their eligibility for SNAP.



How H.R.1 Impacts SNAP customers and taxpayers in Maryland



Eligibility Obstacles and Restrictions

Up to 80,000 Maryland customers are newly burdened with additional red tape and barriers to access SNAP benefits:

- The Able Bodied Adults Without Dependents (ABAWD) **work requirement age range expands** from 18-54 to 18-64.
- Those under 65 responsible for a child are now only exempt from work requirement if the child is under the age of 14 (previously under 18).
- Veterans, people experiencing homelessness, and former foster youth up to age 24 are also newly subject to the work requirement.



Eligibility Obstacles and Restrictions

Further barriers: removes SNAP eligibility from **refugees** and **people granted asylum**, unless they are also Lawful Permanent Residents (green card holders). FNS guidance also states that refugees and asylees are subject to the 5-year bar on Lawful Permanent Residents accessing benefits, meaning they must have a green card for at least 5 years before getting SNAP.



Reduced Benefit Value

Households without an elderly or disabled member no longer automatically receive the Standard Utility Allowance (SUA)

- Marylanders were previously eligible for higher SNAP benefits through a \$557 SUA because they received an energy assistance payment.
- H.R.1 eliminated this flexibility for households without an elderly or disabled member. Some SNAP households will still qualify for the SUA, but will have to provide additional documentation to verify their eligibility.
- This change means **thousands of Marylanders will need to jump through additional hoops to avoid seeing lower SNAP benefit amounts each month.**



Increased Costs to Marylanders

The **state's share of SNAP administrative costs will rise** from 50% to 75% beginning in the 2nd quarter of SFY27.

- Maryland currently spends \$115 million in General Funds to administer SNAP.
- For SFY27, Maryland will spend an additional \$43.1 million, for a new state total of \$158.1 million in General Funds.
- In SFY28 and beyond, Maryland will spend an additional \$57.5 million per year, for a new state total of \$172.5 million per year in General Funds.
- This **does not** include additional funds needed for staffing, IT, employment and training, and other resources needed to comply with more onerous federal requirements from H.R. 1.



Increased Costs to Marylanders

Before H.R. 1, the federal government paid 100% of SNAP benefits. New provisions will require Maryland to pay a portion of benefit costs based on our Payment Error Rate (PER).

- On Oct. 1, 2027 **Maryland could be responsible for 15% of benefit costs, or \$240 million** in SNAP benefits based on $PER \geq 10\%$.
- Our current federally assessed FFY24 PER is 13.64%. The final cost share amount will be based on our FFY25 or FFY26 PER.



Increased Costs to Marylanders

States will pay **for a portion of SNAP benefits** based on their Payment Error Rate (PER):

PER < 6%	0% state match
PER ≥ 6% but < 8%	5% state match
PER ≥ 8 but < 10%	10% state match
PER ≥ 10%	15% state match



Overview: SFYs 26-27 Projected State Costs

SFY26 administrative costs: \$115 million

SFY26 benefits costs: \$0

SFY26 Total State Costs: \$115 million

SFY27 administrative costs: \$158.1 million (\$172.5M starting in SFY28)

SFY27 benefits costs: \$0-240 million

SFY27 Total State Costs: \$158.1-412.5 million*

*Projected ongoing annual cost beginning FY27. This does not include any new investments needed for additional staffing, IT systems, employment and training, or other costs



Support for impacted families

We are taking an **all-hands-on-deck** approach to reduce harm and ensure impacted families receive the support they need.

- We launched mobile-friendly Maryland Benefits One Application for Marylanders to more easily apply for benefits.
- We expanded our SNAP E&T partner network from 30 to 48 organizations.
- We created a new ABAWD screening tool to make it easy to exempt individuals who are unable to work due to poor health or disability.
- We are in the final stages of receiving a grant to build an AI-powered interface for customers to upload employment verification documents, which will extract key information for the case file and provide real-time feedback to the customer.
- We received a grant to implement a data-driven approach to improving our SNAP Payment Error Rate (PER), including funding and technical assistance to analyze errors, improve processes, and build user-friendly caseworker tools.
- We developed a [webpage](#) to serve as a central hub of information and continue communicationg with customers and community organizations.

Cross-agency Coordination

- Key agency partners: MDH, DoIT, MDL, MHCC
 - Working with MDH to coordinate SNAP/Medicaid work requirement policy, including verification standards
 - Working with DoIT to ensure Maryland Benefits is as streamlined and customer-centric as possible, including for customers enrolled in SNAP and Medicaid.
 - Working with MDL as source of potential employment verification data as well as partner for expanded E&T pipeline; will leverage MDL's provider network to conduct training and outreach events on how SNAP customers can be served through MDL programs.
 - Working with MHCC to leverage CRISP data and other sources to identify exemptions for SNAP.
- 

Discussion

Appendix

Acronyms List (1 of 2)

ABP	Alternative Benefit Plan	DHS	Department of Human Services
ACA	Affordable Care Act	E&E	Eligibility and Enrollment
APD	Advanced Planning Document	E&M	Evaluation and Management
BMO	Budget and Management Office	EHR	Electronic Health Record
CE	Community Engagement	FFP	Federal Funding Participation
CMS	Centers for Medicare and Medicaid Services	FFY	Federal Fiscal Year
CoDel	Congressional Delegation	HHS	U.S. Department of Health and Human Services
CRISP	Chesapeake Regional Information System for our Patients	HMO	Health Maintenance Organization
DDI	Design, Development, and Implementation	HSCRC	Health Services Cost Review Commission

Acronyms List (2 of 2)

LHD	Local Health Department	MMIS	Maryland Medicaid Information System
MAGI	Modified Adjusted Gross Income	OAPD	Operational Advanced Planning Document
M&O	Maintenance and Operations	OBBBA	One Big Beautiful Bill Act
MCO	Managed Care Organization	OES	Office of Eligibility Services
MDH	Maryland Department of Health	PHE	Public Health Emergency
MGA	Maryland General Assembly	SDP	State Directed Payments
MHBE	Maryland Health Benefits Exchange	SNAP	Supplemental Nutrition Assistance Program
MHC	Maryland Health Connection	SSI	Supplemental Security Income
MHCC	Maryland Health Care Commission	TANF	Temporary Assistance for Needy Families
MHEC	Maryland Higher Education Commission		

Maryland Medicaid Overview (1 of 2)

Approximately **1.5 million** Marylanders were enrolled in Medicaid in September 2025.

Almost **a quarter of the state's population,**
or more than 1 in 5 Marylanders,
are enrolled in Medicaid.

Maryland Medicaid Overview (2 of 2)

Approximately **327,745 Marylanders** were part of the Affordable Care Act (ACA) expansion group in September 2025, **21.96% of the total Medicaid population.**

This is the coverage category that will experience the most significant changes under OBBBA .

Provider Taxes

Maryland uses three provider taxes to help fund a total of ~\$2 billion in Medicaid expenditures. The biggest risk Maryland's provider taxes face are under Sec. 71117 **limits to a waiver of the broad-based and uniform requirements.**

- Effective upon enactment, “subject to any applicable transition period determined appropriate by the Secretary of Health and Human Services, not to exceed 3 fiscal years.”
- **Additional guidance from CMS is needed to understand the impact of OBBBA on Maryland's provider taxes.**

State Directed Payments

State Directed Payments

- OBBBA Sec. 71116 lowers the payment ceiling for SDPs for Affordable Care Act (ACA) expansion states, starting January 1, 2026. SDPs are reduced from the average commercial rate (ACR) to 100% of Medicare for the following providers: inpatient hospital services, outpatient hospital services, nursing facility services, or qualified practitioner services at an academic medical center. Other provider types, including primary care providers, remain exempt.
- Maryland has three SDPs subject to annual approval by CMS, **at least one of which (M-QIP) may be at risk of payment limits due to new OBBBA requirements beginning in CY26.**