

# 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.  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.  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