JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

National Budget Cuts to Older Adult Programs and Services

Amber Christ, Managing Director, Health Advocacy

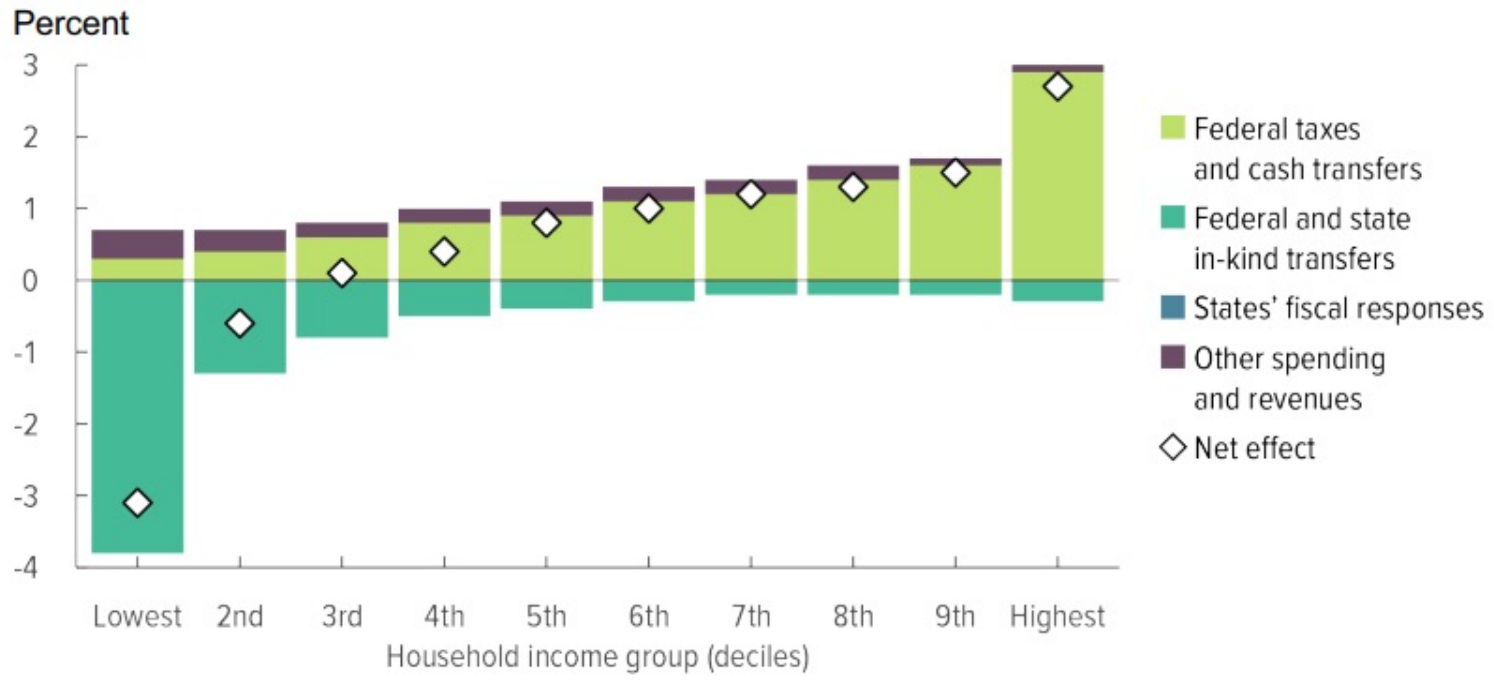
September 11, 2025

H.R. 1 Toplines

- The Budget Reconciliation Act of 2025 (H.R 1/Public Law No. 119-21) passed Congress on July 3 and was signed into law on July 4
- Redistributes resources from those with the least to those with the most by cutting public programs
- Increases the deficit by $3.4 Trillion

Those With Most Gain Most, Those With the Least Lose Most

Average Annual Change in Household Resources as a Percentage of Income in CBO's January 2025 Baseline, After Transfers and Taxes, 2026 to 2034



JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

Source: Congressional Budget Office, Aug. 11, 2025

Most Older Adults Live on Limited Resources

- Median income of older adults in 2023 was $29,740
- 70% of older adults report having income below $50,000
- 15% of older adults nationally live in poverty (per supplemental poverty rate) – **16.2% in New York**
- Poverty rates are higher for Black, Hispanic, and Asian older adults compared to white older adults
- Poverty rates higher for older women than men

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

Source: U.S. Densus Data (September 2025)

H.R. 1 Cuts Programs Older Adults Rely On

- Largest cut to Medicaid in history – $990 billion, Congressional Budget Office (CBO) estimates 15 million people expected to lose coverage
- SNAP Cuts - $250 billion – 4 million people expected to lose coverage
- Moves Up Social Security Insolvency Date
- Undermines Medicare
- Cuts Eligibility to Immigrants - leaves lawfully present older immigrants without assistance

Health Care Cuts

23% of Aging Adults 50 and Older in New York are on Medicaid

Cuts Federal Medicaid Funding: Shifts Costs to States

- Puts At-Home Care (HCBS) and other optional Medicaid benefits at risk for cuts that older adults rely on (dental, vision, hearing)
- Eligibility Expansions at risk

- Increases barriers to accessing Medicaid coverage
  - Puts in Place New Work Requirements and Cost Sharing for Medicaid Expansion Population, including those ages 50-64
  - Rolls back rules that made it easier for older adults to enroll in & maintain Medicaid eligibility
  - Other changes – home equity limit cap; reduces retroactive coverage
- Rolls Back Nursing Facility Staffing Rule
- Terminates eligibility for Medicaid, Medicare, and Marketplace tax credits for many immigrants
- Triggers $535 B cuts over 10 years in Medicare unless Congress Acts

Cuts to SNAP

- Reduces Federal Funding for SNAP: shifts costs to states
- Expands work requirements for SNAP
  - Older adults 55-64
  - Veterans
  - People experiencing homelessness
- Restricts SNAP Eligibility for Lawfully Present Immigrants

Social Security

- $6,000 Tax deduction for seniors 65 and over
  - In place 2025-2028
  - Excludes disabled people under 65
  - Phase out starts at $75k for individual/150k for married couples with complete phase out at $175k/250k
  - Tax deduction, not credit: does not benefit people who do not file taxes - benefits middle and higher income people most.
  - **Reduces Social Security trust fund solvency by one year for everyone**

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

Source: Tax Policy Center, Tax Benefit of $6,000 Deduction (Jul, 2025)

FY 2026 Budget

- H.R. 1 was a bill that impacted federal **mandatory** spending
- **Discretionary** spending is decided each year through the budget and appropriations process
- Fiscal year and government funding ends September 30
- If Congress does not pass a continuing resolution or budget agreement, Government shuts down
- Appropriations bills could cut funding of programs older adults rely on (e.g. Older Americans Act Funding; Funding for Legal Services; Funding Medicare Counseling etc.)
  - Level funding is actually a cut since need is growing
- Some funding for older adult programs from FY 2025 Budget has not been released from Administration (e.g. Senior Community Service Employment program)

Justice in Aging Resources

- The Budget Reconciliation Act of 2025 Means Harmful Cuts for Older Adults
- What's in the Budget Reconciliation Act of 2025 and What Does it Mean for Low-Income Older Adults' Access to Health and Long-Term Care?
- Section by Section of H.R. 1's Medicaid & Medicare Provisions Impacting Older Adults
- Medicaid Defense Resources
- Sign Up for Justice in Aging Resources

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

Other Resources

- Tracking the Medicaid, Medicare and ACA Provisions in the 2025 Reconciliation Bill, KFF
- Provisions on Immigrants Access to Public Benefits in the Final Reconciliation Package, Protecting Immigrant Families Coalition
- For Budget Appropriations Resources, follow USAging and National Council on Aging