

# Trump's "Big Beautiful Bill": A declaration of war on healthcare

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When President Trump signed the "One Big Beautiful Bill" act on July 4, 2025, he set into motion legislation that will have severe consequences for Americans, particularly the working class. Not only does this act effect the largest redistribution of wealth from the poorest to the wealthiest by making permanent \$3.8 trillion in tax cuts overwhelmingly benefiting the rich, it also begins the wholesale destruction of the healthcare infrastructure through the slashing of Medicaid and the Supplemental Nutrition Assistance Program (SNAP), and by extension Medicare.

An open letter to the public titled, "A Message of Concern from the Nation's Health Professionals," with more than 6,000 signatories, warned:

We are doctors, nurses, researchers, and other health professionals alerting you that your health is in danger. The Trump Administration has taken an axe to most of the agencies and programs that protect medical care and public health in our country. It has slashed funding for health care, public health protections, and research. It has fired dedicated experts, removed health and safety regulations, and threatened medical training and scientific research. It is abandoning support for veterans, children, families, and the elderly. It is rolling back protections of the food we eat, the air we breathe, and the water we drink. The administration claims to want to "Make America Healthy Again," but these actions will do the opposite.

That these draconian attacks have come on the heels of the dismantling of public health programs during the COVID pandemic only confirms that the "Public Health Emergency of International Concern" was a trigger event in history, which has not only unearthed all the contradictions of late-stage capitalism, but also exposed the utter savagery and disdain the financial oligarchs has for working class populations across the world.

Following the COVID pandemic that saw 1.4 million Americans needlessly perish due to malign neglect, the signing of Trump's bill only confirms the malicious intent of the ruling elites to completely dismantle all democratic norms and make a mockery of the Constitution. It is no exaggeration to say that this bill will deliberately kill people who are the most vulnerable and disenfranchised. Andrew Stokes, associate professor of global health at the Boston University School of Public Health, told *JAMA Health Forum*, "These deaths reflect not individual choices, but policy neglect and deep-rooted social and health system failures."

The bill pairs trillions in tax cuts for corporations and the wealthy with deep cuts to vital health and social programs. The legislation slashes federal spending on Medicaid by well over \$900 billion over the next decade. This figure represents approximately 15 percent of total federal Medicaid spending over that period. The cuts are rooted in provisions like mandatory work and reporting requirements for Medicaid recipients,

repealing rules that simplified eligibility and renewal.

Beyond Medicaid, the bill targets Affordable Care Act (ACA) subsidies, with roughly \$125 billion in cuts. Compounding this, the bill fails to extend enhanced ACA premium tax credits, which are set to expire at the end of 2025. These enhanced subsidies currently reduce premium payments by an estimated \$705 per year for enrollees. Furthermore, SNAP, commonly known as food stamps, faces substantial reductions of nearly \$300 billion over a decade, by increasing red tape and shifting costs to states.

Analysts have also noted that the policy changes will have detrimental effects on Medicare as well, affecting both its financial stability and the access and affordability of care for its beneficiaries. The extensive tax cuts for corporations and the wealthy proposed in the bill are not fully offset by spending reductions, leading to a projected increase in the federal deficit by an estimated \$3.3 trillion over 10 years. This fiscal imbalance, under federal "pay-as-you-go" rules, is expected to trigger automatic funding cuts to Medicare totaling nearly \$500 billion from 2026 to 2034. These will result in huge across-the-board reductions in future Medicare payments.

The most direct and immediate consequence of these cuts will be a dramatic increase in the number of uninsured Americans. Presently, the sixty-year-old Medicaid program covers one in five Americans, or more than 70 million people, including 40 percent of US children and 60 percent of US nursing home residents. The Congressional Budget Office (CBO) estimates that the bill will directly cause 10.9 million people to lose their health insurance through its Medicaid and ACA provisions. When factoring in the expiration of enhanced ACA subsidies, this number swells to an estimated 16 to 17 million additional uninsured people by 2034. As the Kaiser Family Foundation noted recently, this represents "the biggest rollback of health insurance coverage ever due to federal policy changes."

Specific breakdowns paint an even starker picture:

- Medicaid: Between 4.6 million and 5.2 million adults could lose Medicaid in 2026 alone if work requirements are imposed. The CBO projects a total of 7 to 10 million fewer people on Medicaid by 2034.

- ACA marketplaces: At least 3 million current marketplace enrollees are expected to lose coverage directly because of the bill's changes. If enhanced subsidies expire, ACA enrollment is projected to drop from 22.8 million in 2025 to 18.9 million in 2026 and to 15.4 million by 2030. For example, Pennsylvania's ACA marketplace director, Devon Trolley, warned of a 30 to 50 percent enrollment loss in the individual market. On the absurd pretense of preventing fraud, the stricter verification rules and the expiration of subsidies could push four to six million eligible people out of marketplace plans, leading to a surge in the uninsured.

- Low-income Medicare beneficiaries: Nearly 1.4 million low-income individuals with Medicare (dually enrolled Medicare-Medicaid beneficiaries) are expected to lose their Medicare Savings Program (MSP)

coverage due to the rollback of simplifications. This will also increase their prescription drug costs by making them ineligible for the Part D Low-Income Subsidy (LIS)/Extra Help.

The more immediate repercussion will be felt across the entire healthcare sector, particularly emergency departments and local economies. The job losses and rising costs will only exacerbate the social misery that hundreds of millions are confronting.

As millions lose coverage, hospitals and emergency physician groups anticipate surges of uninsured patients flooding already overburdened emergency departments (EDs). This will lead to more crowded waiting rooms, longer treatment delays, and increased patient suffering.

EDs will face more severe cases, as patients without primary care delay treatment until conditions worsen. This “hidden tax” on the healthcare system will elevate uncompensated care costs for hospitals, forcing them to absorb the financial burden or pass it on to privately insured patients through higher premiums. The American Hospital Association (AHA) warns that these cuts will “strain emergency departments as they become the family doctor to millions of newly uninsured people,” impacting everyone in the community.

The massive funding cuts translate directly into job losses across the healthcare sector. Analysts project between 322,000 and 449,000 jobs will be lost in 2026 alone, with nearly half of these directly in healthcare. Hospitals and nursing facilities, anticipating steep revenue declines, are already planning hiring freezes and job cuts. For instance, the AHA estimates that for every \$1 billion in Medicaid cuts, Pennsylvania alone could lose approximately 13,352 jobs, resulting in 54,670 hospital jobs lost over a decade under current legislation. Overall, the healthcare sector could shed nearly 500,000 jobs nationwide by 2029.

For those who retain coverage, the ACA marketplace will become significantly more expensive and difficult to navigate. If enhanced subsidies expire, enrollees’ premium payments are expected to increase by over 75 percent on average in 2026. The bill also codifies stricter rules, including ending automatic re-enrollment and requiring annual re-verification for tax credit eligibility, imposing significant administrative burdens.

The longer-term impact will lead to a growing number of health deserts, broader economic decline and widening disparities. Worse, the changes brought by the bill will become structural, reshaping the US healthcare landscape and exacerbating social and economic inequities. The cuts will be particularly devastating for rural communities, which already face an acute healthcare crisis. Rural hospitals, many of which are anchors of their local economies, operate on thin margins and rely heavily on Medicaid and Medicare payments.

A study by the University of North Carolina Sheps Center for Health Services Research found that 338 rural hospitals nationwide are at risk of imminent closure under the bill’s Medicaid cuts. The National Rural Health Association predicts “deep harm” to rural patients, with many areas potentially losing their only hospital or emergency department. When a rural hospital closes, residents face average additional travel distances of 20 miles for common care and 40 miles for specialized care, significantly increasing mortality rates for time-sensitive conditions. The bill will result in large “ER deserts” across the country.

The economic stagnation brought on by these cuts will lead to a significant contraction in the healthcare sector, which accounts for one-fifth of US GDP. A recent *New York Times* article reports that over the past 30 to 40 years the healthcare industry has become the dominant sector for employment. The healthcare industry has consistently grown, becoming the nation’s top employer, expanding from 9 percent of the total workforce in 2000 to 13 percent by July 2025. This growth has been particularly notable in the past year, accounting for about one-third of all employment growth. The trend is expected to continue due to the aging population requiring more care.

The cuts to Medicaid and SNAP are projected to reduce state-level gross domestic product (GDP) by \$154 billion in 2029, a decline 18 percent greater than the federal budget savings from those cuts. This will translate into a loss of 1.22 million jobs nationwide by 2029, with roughly 40 percent of all jobs lost due to the bill.

The job losses are equivalent to a 0.8 percentage-point increase in the US unemployment rate by 2029. The impact will not be uniform. States with larger low-income populations, such as New Mexico, Louisiana, Mississippi, West Virginia, Kentucky and Arizona, are projected to experience much sharper employment declines (1.3 - 1.7 percent of their entire workforce). Local and state tax revenues are also expected to plummet by \$12.2 billion in 2029 alone.

Furthermore, the bill will exacerbate existing healthcare labor shortages, particularly for nurses, primary care physicians, and direct care workers. Medicaid cuts will worsen workforce recruitment and retention challenges in every state, potentially causing many direct care workers (nearly a third of whom rely on Medicaid themselves) to leave the field due to stagnant wages or loss of their own benefits.

Joseph R. Betancourt, Commonwealth Fund president, states that, “The ripple effect will hit the entire health care system and impact everyone—not just those with Medicaid—driving more people to emergency rooms and further straining an already overburdened system.” This will significantly reduce the healthcare system’s capacity to deliver services. Analysts anticipate a wave of hospital, clinic and nursing home closures. The remaining providers will be stretched thinner, leading to higher patient-to-staff ratios, longer ER wait times, and reduced access to critical services like preventive care, obstetrics and mental health.

In a June 25 report, the *American Prospect* wrote:

The suffering from these cuts will be concentrated among the poor and working class, including perhaps 51,000 preventable deaths per year, according to researchers from Yale and the University of Pennsylvania. That makes this bill considerably worse than Trump’s previous attempt to repeal the ACA during his first term, which would have caused “only” an estimated 24,000 to 46,000 deaths annually.

The cuts to these social programs are not isolated, but are part of the ongoing wrecking operation that has seen Department of Health and Human Services (HHS) cut over \$9.5 billion in approved grants, many for research on cardiovascular diseases, cancer treatments, Alzheimer’s and HIV. The Centers for Disease Control and Prevention is facing a \$5.8 billion cut that will end programs on chronic diseases, lead poisoning, drug overdose reduction, and maternal and childhood health.

The mortality gap has widened between Americans according to their socioeconomic status in the last two decades, underscoring the importance of public health in providing well-being and meaning to the lives of the working class. That life expectancy for many states has stagnated in the last 50 years simply demonstrates that the attack on healthcare has been at the forefront of the decades-long claw-back by the financial elite of the gains made by working people. The “Big Beautiful Bill” is an open declaration of war on the population.



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