



Impacts of Federal Budget Cuts

Recently adopted federal budget cuts present significant threats to services and programs that serve our entire community.



H.R. 1 was a budget bill signed into law by President Trump on July 4, 2025. The bill included major cuts to Medicaid and food assistance, putting at risk health care and food for millions of Americans. Medicaid provides healthcare access for 1 in 5 Americans and nearly half of all children in the United States.

Due to these federal decisions, the **County of Santa Clara will lose more than \$1 billion in federal funding per year.**

Critical funding for safety net services is at risk.

The County of Santa Clara receives about \$3.5 billion in federal funding each year. Medicaid is the single largest source of federal funding.

Federal funding supports the delivery of medical and behavioral healthcare, food assistance, social services, public health programs, child welfare services, housing, public safety, and many other critical services.

The County operates the second largest public hospital system in California, which receives a majority of its funding from the federal government through Medicare and Medicaid. Our public hospital and healthcare system serves everyone in our community, regardless of insurance status, and provides critical trauma and emergency care. Federal funding cuts put critical health care and safety-net services at risk.



The County receives more than **\$2.3 billion** in Medicaid funding.

Federal cuts will impact thousands of families in our community.



465,000

Santa Clara County residents rely on Medicaid for access to healthcare



133,000

Santa Clara County residents are enrolled in the Supplemental Nutrition Assistance Program (SNAP) and receive food assistance



72,000+

Santa Clara County adults are enrolled in state-only Medi-Cal for their healthcare coverage

What does H.R. 1 do and how will it impact our community?

H.R. 1, also known as the "One Big Beautiful Bill Act," makes **\$1 trillion in cuts to Medicaid** and **\$186 billion in cuts to the Supplemental Nutrition Assistance Program (SNAP)** over the next ten years.

Starting in December 2026, the bill will **require certain Medicaid enrollees to work** in order to be eligible for healthcare coverage. It will also **require enrollees to prove their eligibility more often**. This will increase barriers to enrollment and cause people to lose their coverage.

The bill also makes it **harder for families to access food assistance** and requires SNAP program enrollees to work in order to receive assistance. This change is expected to impact more than half of all SNAP enrollees in Santa Clara County.

Nearly **12 million** Americans will lose Medicaid coverage, including an estimated **3.4 million** Californians.



When will changes to Medi-Cal and SNAP go into effect?

July 4

H.R. 1 is signed into law. SNAP work requirements begin.

January 1

State-only Medi-Cal enrollment freeze goes into effect for undocumented adults.

December 31

New work requirements for Medicaid enrollees begin.

July 1

New \$30 monthly premiums go into effect for state-only Medi-Cal enrollees.



What can we do to protect our social safety net?

Federal cuts to safety net programs will make it harder for thousands of families in our community to access critical care and benefits.

Since Medi-Cal and SNAP are joint federal/state programs, the **State of California will play a key role in deciding what happens next** now that H.R.1 has become law. The County is committed to working in direct and close collaboration with our State leaders to explore every opportunity to mitigate impacts on our community. We will need to come together as a community to protect and preserve social safety net services for those who need them most.

Learn more:

scc.info/federalfunding



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