HR1 Forecasted Impact on Pennsylvania Budget

Key Implementation Dates & Fiscal Effects

ENACTMENT
Immediate Changes

- Prohibition on new provider taxes
- Payment limit for state-directed payments

Impact: ~$2B reduction

OCTOBER 1, 2026
Major Funding Shifts

- Administrative cost sharing shift (+$120M cost to PA)
- End of SNAP-Ed (-$29M lost grant funds)
- Emergency Medicaid FMAP reduced ($24M+ loss annually)

2027
Additional Fiscal Impact

Jan. 1, 2027
- Retroactive coverage reduced

Oct. 1, 2027
- SNAP cost-sharing (+$660M cost to PA)
- Provider tax limit reduction ($20B loss over 10 yrs)

Estimated cumulative fiscal impact to Pennsylvania reaches billions of dollars beginning in FY 2026–27.