

A collage of medical supplies and money. In the upper left, there are several blister packs of white, oval-shaped pills. Below them are blister packs of small, round, pink pills and one blister pack with a single orange pill. In the lower right, there is a stack of US twenty-dollar bills, with the top bill clearly visible, showing the number '20' and the name 'JACKSON'. The background is a plain, light-colored surface.

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## United States Health Insurance and Health Policy

Health insurance and health policy in the United States are undergoing significant changes with wide-ranging consequences for patients, providers, and communities. Health insurance offers financial protection for medical expenses through employer-sponsored plans, Medicare, Medicaid, and the Affordable Care Act marketplaces, while health policy encompasses governmental decisions and regulations that shape how care is delivered and accessed, including landmark laws such as the Affordable Care Act and Health Insurance Portability and Accountability Act, HIPAA. Despite these structures, millions of Americans remain uninsured, and even those with coverage face obstacles such as high deductibles and cost-sharing that discourage both necessary and routine care, particularly among low-income adults with chronic illnesses. Recent legislative action intensifies these longstanding challenges. Health policy remains essential for establishing equity and protecting the right to health and well-being for all people, regardless of employment or medical condition, while each administration continues to shape its own approach to achieving these goals.



The U.S. healthcare system often provides patients with limited access to care at higher costs. With recent changes to health policies, disruption in the structure and delivery of health care is expected to be seen. Health policy and health insurance are often intertwined with one another. For example, there has been a strong push against mandated vaccine requirements across the United States. As of September 2025, Florida became the first state to cancel all vaccine requirements for school-aged children. This decision could also impact whether the cost of vaccines is covered by insurance companies. In July 2025, House Resolution 1 (H.R.1), the One Big Beautiful Bill Act, was signed into law. This new act aims to cut over \$1 trillion in funds for health programs, resulting in nearly 10 million individuals losing health insurance. Supplemental Nutrition Assistance Program (SNAP) benefits are also included in these funding cuts, with losses of about \$120 billion of food assistance for low-income families. These healthcare funding cuts will primarily target Medicaid, a healthcare program that is funded jointly by the state and federal governments for low-income families and individuals. The Affordable Care Act marketplace will also be affected, leading to ~5 million Americans losing their health insurance. The U.S. healthcare system already had significant flaws regarding accessibility and cost. These funding cuts will, unfortunately, only exacerbate these issues.



The passing of H.R. 1, has severe impacts on patients' access to healthcare services. The nearly \$1 trillion reduction in Medicaid spending will present difficulties for patients who retain their coverage and those disenrolled from the Medicaid program. Enrolled patients can expect longer wait times for appointments with medical specialists, while disenrolled patients may lose critical access to health services such as behavioral health. This lack of preventive and specialty care can lead patients to over utilize the emergency department for their healthcare needs, leading to increased costs on the healthcare system and frontloading healthcare professionals in these departments.

States that heavily rely on federal funding for Medicaid will face increased issues with access to healthcare for their residents. Anticipating these federal cuts, some states, such as New Mexico, have created funds to support the continuation of healthcare benefits for their residents. In the 2025 New Mexico Legislative session, Senate Bill 88 was passed, approving the formation of a \$2 billion Medicaid Trust Fund to support the New Mexico Medicaid Program. While this trust fund was intended to be saved for a start date in 2029 to match federal dollars, verbiage included a clause to begin early in the event of loss of federal funding such as with H.R. 1. As the state with the highest per capita medicaid enrollment in the United States at 38.1%, New Mexico highlights how the loss of federal funding will impact states across the nation.

Already impacted in access to healthcare due to limited healthcare providers and specialists, patients residing in rural areas will be even more affected. The loss of federal funding through Medicaid especially puts rural hospitals at risk of financial distress, leading to reduced healthcare services available to patients. For example, in New Mexico, 15 rural hospitals are at risk of closure due to federal budget cuts to Medicaid. An alarming number, as 40% of New Mexico's medical enrollees are living in designated rural areas. Recognizing the impact of H.R. 1 on rural health care access, Senators Jeffery A Merkley, Edward J Markey, Ron Wyden, and Charles E. Schumer directed a letter on June 12th to President Donald Trump, Speaker of the House Mike Johnson, and Majority Leader John Thune to highlight these critical issues across our nation.

Current changes in the U.S health insurance and policy continue to shift between Medicaid expansion, Marketplace coverage subsidies, and outreach efforts, with significant variation depending on the presidential administration and state-level decisions. Real-life impacts mean fluctuations in insurance coverage rates, affordability, and access to care, making it essential for physicians and healthcare providers to be knowledgeable about these shifts. Enhanced subsidies and outreach under the Biden administration led to increased Marketplace enrollment and coverage gains, while new cuts to navigator funding and stricter eligibility under the Trump administration are projected to reverse these gains and increase the number of individuals being uninsured. Medicaid remains the largest insurer for low-income and minority populations, yet equity and access vary as states adapt federal funding differently. For example, Florida has not expanded Medicaid, leaving a coverage gap for many low-income adults, while New Mexico not only expanded Medicaid but also enacted state-level reforms such as the No Behavioral Health Cost-Sharing law, which reduces out-of-pocket costs for mental health and substance use treatment.

Physicians and healthcare providers can learn from these changes by closely monitoring federal and state policy developments, understanding the implications for patient coverage and access, and adapting practice workflows to support patients navigating insurance transitions. Additionally, healthcare providers should anticipate more patients without insurance, increased barriers to care, and greater reliance on emergency Medicaid for undocumented immigrants, which only covers true emergencies and not ongoing or preventive care. Ultimately, physicians and other healthcare providers play a vital role in advocating for patients facing coverage gaps, engaging with professional organizations, and ensuring equitable, reliable care for all.



## Reflection Questions

- In what ways can healthcare providers stay informed about changes to healthcare policies?
- How can healthcare providers engage with local legislators to voice their experiences and concerns with the changing healthcare policies?
- How can physicians and healthcare providers respond to the continued shift in U.S. health insurance and health policy changes?
- As health policy continues to evolve, how can physicians and communities work together to ensure that equity and the right to health remain central to future reforms?
- How can American citizens advocate for health policy changes?

## Helpful Links

- [AMA | Changes to Medicaid, the ACA, and other key provisions of the One Big Beautiful Bill Act](#)
- [AMA | Federal Advocacy](#)
- [Letter on Rural Hospitals](#)
- [Center for Healthcare Strategies | A Summary of Federal Medicaid Work Requirements](#)
- [KFF | ACA Marketplace](#)
- [KFF | Medicaid](#)
- [American Public Health Association | Health Reform](#)

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