

Trump Tax Bill Hits \$250 Billion Health Care Roadblock in Senate

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- A Republican plan to cut \$250 billion in Medicaid and other health care spending hit a procedural roadblock in the Senate.
- The Senate Parliamentarian ruled ineligible provisions that would have limited states' ability to tax health care providers to help fund Medicaid and penalized states for using their own funding to provide health coverage to undocumented immigrants.
- The ruling could delay plans to begin votes on the legislation and exacerbate problems for GOP leaders in wooing conservatives already angry over the price tag of the bill.

Summary by Bloomberg AI

A Republican plan to cut \$250 billion in Medicaid and other health care spending hit a procedural roadblock in the Senate Thursday, complicating efforts to pass Donald Trump's massive tax and spending package.

The Senate's legislative rules-keeper judged a series of key health care provisions in the legislation ineligible for a special procedure Republicans are using to bypass the Senate's normal process so they avoid making concessions to Democrats.

Senate Republican leaders are working to re-fashion the provisions to comply with the rules and believe they will be able restore many of the cuts, according to people familiar with the effort. But the rewriting could take time and delay plans to begin votes on the legislation on Friday.

Senate Parliamentarian Elizabeth MacDonough ruled ineligible provisions that would have limited states' ability to tax health care providers to help fund Medicaid, the insurance program for low-income and disabled people, and penalized states for using their own funding to provide health coverage to undocumented immigrants.

The ruling, announced by Senate Democrats Thursday morning, is likely good news for [HCA Healthcare Inc.](#) and [Tenet Healthcare Corp.](#), as hospitals were facing potential cuts to Medicaid funding.

Ron Wyden of Oregon, the top-ranking Democrat on the Senate Budget Committee, estimated that the spending cuts ruled ineligible totaled \$250 billion and blasted Republicans for attempting to “capture ideological trophies that will leave Americans worse off.”

Republicans have said previous parliamentarian rulings on food stamps and other provisions have already threatened to strike more than \$300 billion in cuts.

The ruling could solve one problem for GOP leaders in that it would render moot objections from senators like Susan Collins of Maine, Thom Tillis of North Carolina and Josh Hawley to Medicaid

provider tax cuts. Hospitals have lobbied aggressively to stop the provisions.

But it exacerbates Thune and Johnson's problem wooing conservatives already angry over the price tag of the bill. Senator Ron Johnson had already said Wednesday his bloc of conservatives had the votes to delay the bill later into July to hammer out more cuts.

Hardline conservative House members such as Chip Roy and Ralph Norman said Wednesday they were already prepared to block the Senate bill if it did make it back to the House.

The House version of the provider tax provision, which is less aggressive than the Senate's draft, would have saved the federal government \$89 billion over a decade, according to congressional budget analysts.

— *With assistance from Jamie Tarabay*