

Proposed Federal Medicaid and Food Assistance Cuts Will Hurt DC Residents

Congressional Republicans and the Trump administration are pushing harsh cuts to the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other programs, to pay for massive tax cuts for the wealthiest 1 percent. The cuts could be in the form of reducing federal funds and benefits, shifting a significant portion of costs to states, and imposing harsh rules that make it harder to qualify and/or maintain eligibility. Cutting these programs will lead to higher costs for groceries and health care for hundreds of thousands of DC residents, worsen racial inequities, and harm DC's economy.

Medicaid and SNAP are vital to the health and well-being of DC residents.

- More than 1 in 3 DC residents get health care through Medicaid or CHIP.¹
- One in five residents count on SNAP to afford their weekly groceries.²
- More than 54 percent of DC households enrolled in SNAP are raising kids and more than 34 percent include seniors or adults with disabilities.³
- Ten percent of veterans living in DC participate in SNAP each year.⁴

SNAP and Medicaid cuts would disproportionately harm Black DC residents due to systemic racism.

- More than 1 in 3 Black DC residents live in a household participating in SNAP, compared to 1 in 65 white residents.
- Nearly 1 in 2 Black residents are enrolled in Medicaid or CHIP, compared to 1 in 37 white residents.⁵

Republicans' Budget Would Saddle DC with Enormous Costs as DC Enters a Recession

Republicans aim to force states and the District to shoulder a larger share of the costs for Medicaid, and for the first time, to pay for a portion of SNAP benefits. Medicaid cost shifts alone could be more than \$1 billion.⁶ Maintaining current levels of health coverage and food assistance with such dramatic reduction in federal funding would be impossible, and instead DC will be forced to cut health and food benefits, eligibility, or both, deeply.

These major cuts would come on top of other federal hits to DC's economy and budget. Federal layoffs are already projected to eliminate 40,000 DC-based federal jobs by the end of fiscal year (FY) 2028, a major driver of DC's \$1 billion revenue decline over the next three years and a looming local recession in 2026.⁷ More immediately, Congress is forcing DC to significantly reduce local spending through September by an estimated \$410 million.⁸ Combined, these factors jeopardize DC's ability to fund public health coverage and food

assistance as well as critical priorities like education, affordable housing, public safety, and essential services that residents count on every day.

Key Threats Federal Budget Cuts Would Pose to DC

Upending DC's health care system.

One quarter of DC residents access health care through Medicaid, which is a major payor for doctors, clinics, and hospitals.⁹ Congress is considering reducing the percentage of DC's Medicaid costs covered by the federal government—called the federal medical assistance percentage (FMAP)—from 70 to 50 percent, costing between \$731 million and \$1.1 billion.¹⁰ In 1998, Congress uniquely set DC's FMAP at 70 percent for most Medicaid services because DC is not a state and has limited taxation authority.¹¹ This FMAP reduction would cause devastating cuts to eligibility, benefits, or payments to medical providers, which could result in layoffs at DC area hospitals that affect all patients, beyond those covered by Medicaid. It would also affect other parts of DC's budget linked to Medicaid funds, like permanent supportive housing.

Forcing DC to cover the cost of cuts to food assistance.

Congressional Republicans propose cutting \$230 billion or more from SNAP and newly requiring states to cover a portion of benefits.¹² Covering the cost of just 10 percent of SNAP benefits would cost DC \$32 million of the nearly \$320 million total cost in FY 2026—equal to the salary costs of 369 teachers. If DC could only afford half of that, however, then total benefits would drop to \$160 million.¹³ Republicans are reportedly considering phasing in a 22.5 percent cost-shift to states over the next decade, which would force DC to cover \$80 million a year by FY 2034.¹⁴

Harming working people, local business owners, and DC's economy.

SNAP cuts would shrink families' weekly grocery budgets and hit DC's 400 authorized retail locations hard.¹⁵ Every additional public dollar spent on SNAP generates \$1.50 in economic activity when households shop at local stores in their communities.¹⁶

Deepening racial inequities in DC.

SNAP and Medicaid cuts would disproportionately harm Black DC residents, who have much higher participation rates in these programs than white residents due to systemic racism. The harmful effects would be most acute for residents of Wards 7 and 8, who are predominantly Black (*Table 1*). More than 1 in 4 Ward 7 households and 1 in 3 Ward 8 households reported receiving SNAP at any point in the previous 12 months from 2019-2023. About 1 in 2 people in both Wards 7 and 8 were enrolled in Medicaid or CHIP from 2019-2023.

TABLE 1.

SNAP and Medicaid Cuts Would Harm Wards 7 and 8 the Most

Enrollment in SNAP and Medicaid by Ward

	Percentage of residents enrolled in Medicaid or CHIP	Percentage of households participating in SNAP	Percentage of Black, non-Latino residents in ward	Percentage of white, non-Latino residents in ward
Ward 1	16%	8%	22%	46%
Ward 2	8%	3%	10%	62%
Ward 3	6%	3%	9%	69%
Ward 4	24%	11%	46%	26%
Ward 5	28%	16%	58%	25%
Ward 6	14%	7%	24%	58%
Ward 7	46%	27%	81%	7%
Ward 8	52%	35%	81%	9%

Source: DCFPI's analysis of US Census Bureau American Community Survey 2019-2023, 5-year data. (Data for other races have small samples sizes and are not reliable enough to report.)

Exacerbating the consequences of DOGE actions.

The economic hit from SNAP and Medicaid cuts would come on top of federal layoffs, lease cancellations, and ending contracts for goods and services. More than 49,000 DC residents are employed by the federal government, making up about 13 percent of total resident employment.¹⁷ The harm of federal layoffs is particularly acute for Black workers, since 29 percent of federal workers in DC are Black.¹⁸ Entire families and communities feel the devastation when federal workers lose their jobs.

Offloading the costs of extreme tax cuts for the top 1 percent.

Many Congressional Republicans are pushing these painful cuts to basic needs programs to finance another round of reckless tax windfalls for the nation's wealthiest 1 percent of Americans. A substantial body of research finds that inequality hampers economic growth and mobility.¹⁹

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- ¹ Center on Budget and Policy Priorities, [Program Participation Data Dashboard](#), accessed April 30, 2025.
- ² Catlin Nchako, “[A Closer Look at Who Benefits from SNAP: State-by-State Fact Sheets](#),” Center on Budget and Policy Priorities, January 21, 2025.
- ³ Catlin Nchako, 2025.
- ⁴ Lauren Hall, “[SNAP Helps 1.2 Million Low-Income Veterans, Including Thousands in Every State](#),” Center on Budget and Policy Priorities, April 2, 2025.
- ⁵ American Community Survey 2023, 1-year Estimates.
- ⁶ Councilmember Christina Henderson, [Memorandum to DC Councilmembers re: The District’s FMAP Percentage](#), February 14, 2025.
- ⁷ Glen Lee, [Letter to Mayor Muriel Bower re: February 2025 Revenue Estimates](#), DC Office of the Chief Financial Officer, February 28, 2025.
- ⁸ Gary Fields and Ashraf Khalil, “[DC weighs layoffs and other cuts as House Republicans leave the city budget in limbo](#),” Associated Press (reported by NBC Washington), April 22, 2025.
- ⁹ American Community Survey 2023, 1-year Estimates
- ¹⁰ Councilmember Christina Henderson, 2025.
- ¹¹ Councilmember Christina Henderson, 2025; Erica Williams and Nikki Metzgar, “The High Cost of Denying Statehood to the District of Columbia,” DC Fiscal Policy Institute, January 19, 2023.
- ¹² Erica Williams and LaMonika Jones, “Cuts to Federal Food Assistance Will Hurt Residents Just as DC Enters Recession,” DC Fiscal Policy Institute, April 2, 2025.
- ¹³ Center on Budget and Policy Priorities analysis of SNAP data from US Department of Agriculture (USDA), [SNAP Data for FY 2024](#). Analysis based on average teacher salary for DC in: National Education Association, “[2025 Reports: Educator Pay in America](#),” April 29, 2025.
- ¹⁴ Analysis by Center on Budget and Policy Priorities based on projected benefit costs for FY 2034 under the Congressional Budget Office’s June 2024 baseline, assuming state’s share of the national total is the same its share in FY 2024 and US Department of Agriculture [SNAP Data for FY 2024](#).
- ¹⁵ Catlin Nchako, 2025.
- ¹⁶ *Ibid.*
- ¹⁷ These data are from Ben Zipperer, “[How many federal employees live in your state?](#),” Economic Policy Institute, March 5, 2025, and differ from DC CFO Glen Lee’s reported figures that [72,000 DC residents \(19 percent of the resident workforce\)](#) are employed by the federal government. EPI’s DC estimate is smaller because it adjusts downward state estimates from the 2023 American Community Survey so that the total nationwide estimate matches the national January 2025 Bureau of Labor Statistics Current Employment Statistics estimate of about 3 million federal employees nationwide (as compared to the overstated ACS estimate of 4.4 million).
- ¹⁸ Valerie Wilson, “[Black federal workers by state](#),” Economic Policy Institute, April 9, 2025.
- ¹⁹ Heather Boushey and Carter C. Price, “How are Economic Inequality and Growth Connected?” Washington Center for Equitable Growth, October 2014.