

How Cuts to Basic-Needs Programs Affect College Students and Employees

Cuts to the Supplemental Nutrition Assistance Program and Medicaid harm college students and contingent on higher education workers. The freezing of funds deepens financial insecurity and reduces access to basic needs. Many students, adjunct faculty and campus staff already face low wages, unpredictable hours and limited benefits, making them reliant on these programs for food and healthcare. Eligibility for these programs helps cover basic needs, freeing up limited resources for tuition, books and housing. When funding or eligibility is reduced, students are forced to choose between buying groceries and paying tuition, while adjunct instructors may skip medical care or struggle to feed their families. These cuts not only threaten individual well-being but also undermine academic success, workforce stability, and the overall quality of life for students and workers.

Students

Healthcare coverage

The Affordable Care Act made it possible for states to expand Medicaid coverage to people living at 138 percent of the poverty line; as of 2025, 40 states and Washington, D.C., have expanded coverage. In 2022, the Government Accountability Office reported that an estimated 1.6 million college students were uninsured. These students came from certain historically disadvantaged racial and ethnic groups, were nonworking and/or lived in states that hadn't expanded Medicaid eligibility.¹ In 2023, an estimated 3.5 million college students (18.9 percent) received health coverage through Medicaid. The expansion of the ACA was a direct result of this rise.¹ Students on Medicaid are more likely to stay enrolled and complete college when they can afford access to healthcare, including mental health services.² This reduces emergency room debt, allowing students to focus on academics.³

Under the One Big Beautiful Bill Act's new work requirement, Medicaid recipients must work 80 hours per month. Those attending school at least half time would still qualify, however a significant population of students who are Pell Grant recipients attend college less than part time and would have to meet the 80-hour-per-month work requirement. Cuts to or loss of healthcare coverage could

¹ Peter Granville, "Beyond Health: Medicaid Cuts Could Put College Dreams on Life Support," The Century Foundation, March 26, 2025, <https://tcf.org/content/commentary/beyond-health-medicaid-cuts-could-put-college-dreams-on-life-support/>

² Benjamin Cowan and Zhuang Hao, "Medicaid Expansion and the Mental Health of College Students," *Health Economics* 30, no. 6 (2021): 1306-1327, <https://doi.org/10.1002/hec.4256>.

³ Priyanka Anand and Dora Gicheva, "The Impact of the Affordable Care Act Medicaid Expansions on the Sources of Health Insurance Coverage of Undergraduate Students in the United States," *Medical Care Research and Review* 79, n. 2 (2022): 299-307, <https://doi.org/10.1177/10775587211015816>

make students unable to afford medical costs, driving more students into the workforce and forcing those already employed to work longer hours, diminishing their ability to take on a full course load or making school unaffordable altogether.

Food assistance

SNAP helps eligible students stay enrolled in college programs by reducing hunger and stress. About 41 percent of college students in the United States face food insecurity, according to Temple University's Hope Center for Student Basic Needs. According to the Government Accountability Office, 59 percent of food-insecure students who were potentially eligible for SNAP benefits didn't report receiving benefits, meaning many go without the nutrition needed to fuel their minds and bodies for studying. Food-insecure students are 3.5 times more likely to drop out than their food-secure counterparts.⁴

Under the One Big Beautiful Bill Act, SNAP recipients between 18 and 54 years old, who are considered able to work and do not have a dependent under 18, must now work at least 20 hours a week. Those who are enrolled in a work-study program, participating in on-the-job training, or self-employed and earning at least \$145 a week are exempt from this requirement.

Another big change under the new law is a shift in payment that forces states to foot 75 percent of the bill instead of 50 percent. This increase in cost-sharing of these programs will cause states to alter budgets, which will decrease the amount of funds available for SNAP recipients. In addition, funds will be shifted from areas such as higher education, potentially resulting in increased tuition and fees. According to the American Council on Education, nearly three-quarters of all college students in the U.S. are nontraditional college students, including people over age 24 who have dependents or who make later-in-life career changes and require upskilling; veterans; and refugees and asylum-seekers. Due to the responsibilities most of these students have, many are unable to work full time as required, which often prevents enrollment in full-time higher education programs. Colleges and universities have moved to support students with food pantries, swipe donation programs, emergency aid grants and subsidized campus dining to address these shortfalls; however, the need far exceeds the resources institutions can provide.

⁴ Erica Phillips, Anne McDaniel, and Alicia Croft, "Food Insecurity and Academic Disruption Among College Students," *Journal of Student Affairs Research and Practice* 55, no. 4 (2018): 353-372, <https://doi.org/10.1080/19496591.2018.1470003>.

Contingent Workforce

The UC Berkeley Labor Center, in 2015, calculated that 1 in 4 families of part-time college faculty were enrolled in at least one public assistance program. Many contingent faculty lack access to employer-provided health insurance. The AFT's 2020 report "An Army of Temps: AFT 2020 Adjunct Faculty Quality of Work/Life" found that nearly 25 percent of the higher ed contingent workforce relied on the public safety net and additional public assistance to survive. Nearly 20 percent relied on Medicaid. A follow-up survey conducted by the AFT in 2022 concluded that nearly a quarter of the workforce had an annual salary below the federal poverty line, and that 38 percent accessed some form of government assistance. The same survey revealed that 1 in 5 adjuncts relied on Medicare or Medicaid for healthcare.

ⁱ Government Accountability Office, "Supplemental Nutrition Assistance Program: Estimated Eligibility and Receipt among Food Insecure College Students," GAO-24-107074, June 24, 2024, <https://www.gao.gov/products/gao-24-107074>.