

Publications

One Big Beautiful Bill: The Health & Retirement Provisions

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In the early morning hours of May 22, the House of Representatives passed the *One Big Beautiful Bill Act* (H.R. 1, “BBB”), the House’s version of a budget reconciliation bill that includes most of President Trump’s legislative priorities, including extending expiring provisions of the *Tax Cuts and Jobs Act of 2017* (“TCJA”), spending reductions, Medicaid reforms, enhanced energy production incentives, and increased defense and border spending.

The key benefits-related provisions of BBB are summarized in the chart below (which can also be found here). Importantly, the bill does not change the tax incentives for retirement savings or cap the exclusion for employer-sponsored health insurance. However, it does include other benefit-related provisions, including changes to Health Savings Accounts (“HSAs”), Individual Coverage Health Reimbursement Arrangements (“ICHRA”), fringe benefits, and executive compensation. It also creates new tax-preferred “Trump Accounts” for children and provides the Office of Management and Budget with \$100 million for deregulatory activities.

The Senate will now take up its version of BBB. The White House has urged lawmakers to finish work on the bill before July 4th, however, a number of Senate Republicans have stated that they intend to seek material changes to the legislation, so it may take time for the Senate to act. Importantly, the House-passed bill includes a \$4 trillion increase to the debt ceiling, and Treasury Secretary Scott Bessent has called on Congress to increase the debt ceiling by mid-July because there is a “reasonable probability” that the federal government’s “cash and extraordinary measures will be exhausted in August.”