

# Massachusetts federal judge blocks OBBBA provision barring Medicaid funding for abortion providers receiving \$800,000 or more in Medicaid funds

[Health Equity](#)

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The One Big Beautiful Bill Act, [signed into law](#) on July 4, included a section that bars federal Medicaid funds from being “used to make payments” to a “prohibited entity” for items and services furnished during the year following enactment of the Act. The definition of “prohibited entity” is a non-profit entity that meets certain criteria including providing abortions (other than in the case of rape or incest or where the woman’s life is in danger) and has received more than \$800,000 in Medicaid reimbursements in 2023. Medicaid beneficiaries were barred from coverage with a health care provider that also provides abortion services. Although the bill did not specifically name Planned Parenthood, the narrowly defined provision is widely viewed as an attempt to defund Planned Parenthood. On July 28, a Federal District Court judge in Massachusetts issued a [preliminary injunction](#) that stops enforcement of the funding ban against Planned Parenthood and any affiliates. In issuing the order, the court reasoned that Planned Parenthood demonstrated a “substantial likelihood” that the legislation’s exclusionary language that was targeted at Planned Parenthood was unconstitutional and “threatens an increase in unintended pregnancies and attendant complications because of reduced access to effective contraceptives, and an increase in undiagnosed and untreated STIs.” The administration has appealed the ruling and also sought to stay the preliminary injunction pending the appeal.