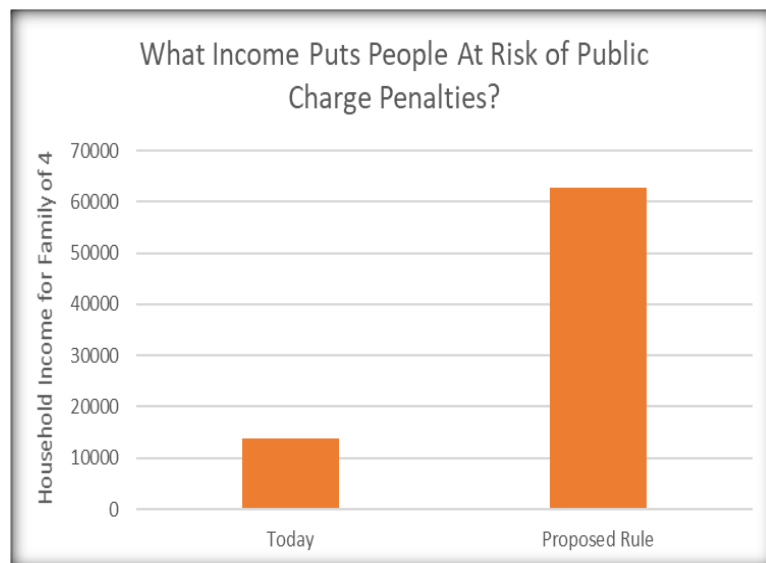


Proposed Public Charge Rules Will Harm Pennsylvania's Children, Seniors, Working Families, and Economy At-Large

The Department of Homeland Security has proposed new “public charge” rules that, if put into effect, will upend long-standing federal immigration policy and put many middle- and low-income people applying for visas and green cards at great risk of being denied the visas and green cards they need to be able to live with their families in the U.S. Immigrants who use federal Medical Assistance, SNAP, housing subsidies and/or Medicare Part D subsidies would be harshly penalized under the proposal, forcing many hardworking families to make the impossible choice between keeping their families together or accessing health care, nutritious food, or affordable housing. Many immigrants are exempt from public charge rules, but even among those who are exempt, the proposed rules will create a devastating “chilling effect” in a wide range of public benefits programs, resulting in potentially tens of thousands of immigrant families in Pennsylvania forgoing vital health, nutrition and housing assistance they are eligible to receive, and causing widespread economic harm to Pennsylvania communities.

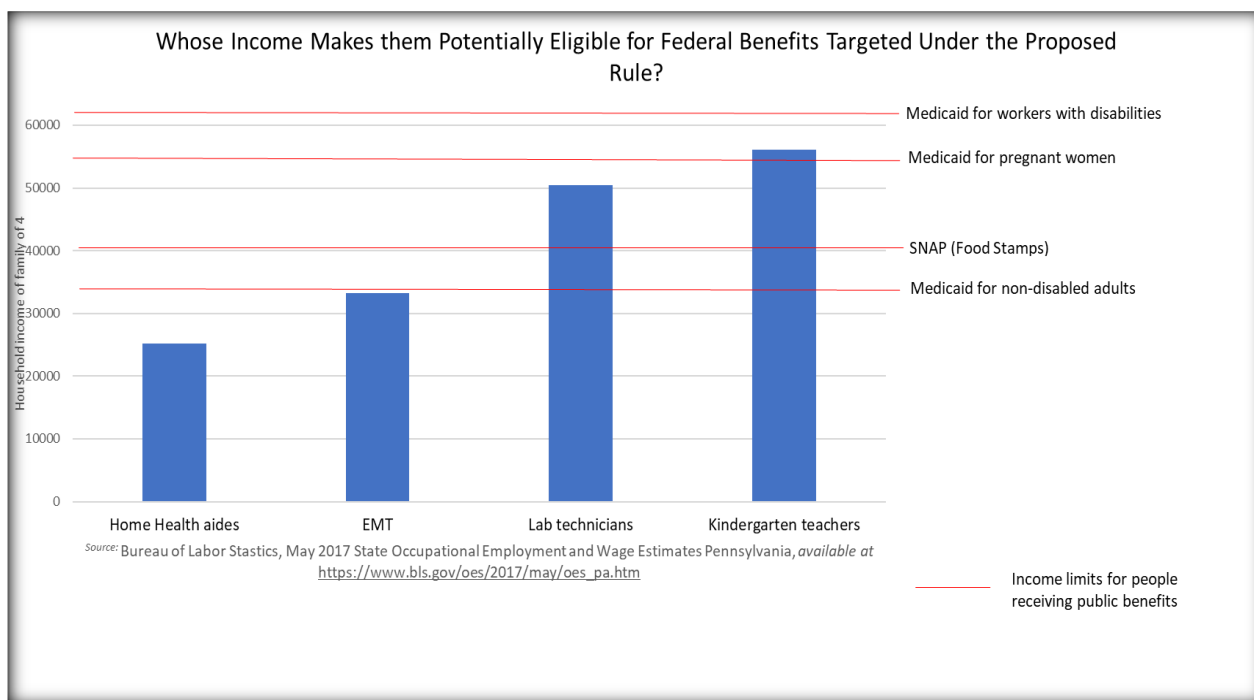
The proposed rules would put middle-income families who are subject to public charge tests at risk of being denied the ability to live with their families in the U.S. simply because their income is not high enough.

Under the proposed rules, an immigrant with household income under 250% of the Federal Poverty Level (FPL) will be highly scrutinized during the public charge test just because of their income level. Even an immigrant in a family of four making \$62,000/year (about \$7,000 more than the median income in PA)ⁱ would be at risk under the proposed rules.ⁱⁱ This is a drastic change from current policy, which defines “public charge” as someone whose primary income source is likely to come from a cash assistance program. Pennsylvania families who use cash assistance (TANF, GA, SSI) as their primary income source generally have income of no more than 55% FPL, or about \$14,000/year for a family of four, and many have less than that.ⁱⁱⁱ In effect, the proposed rule will increase the public charge income threshold by almost 500%.



The proposed rules harshly penalize recipients of benefits like Medical Assistance and Food Stamps, which are primarily used by working families.

Workers of all types rely on these benefits programs for health insurance coverage their employers do not provide or to help make ends meet during tough times. By targeting benefit programs vital to the nutritional and healthcare needs of working families, and raising the income threshold to 250% FPL, the proposed regulation targets the health and safety of many valuable members of our Pennsylvania communities—from home health aides to kindergarten teachers.

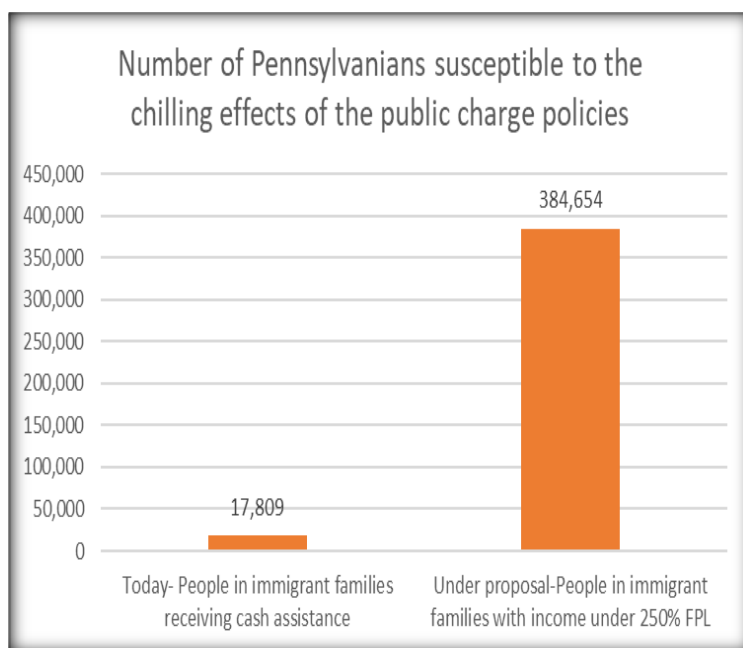


Many immigrants can safely receive benefits without public charge consequences, but fear and confusion are very likely to cause immigrants of all statuses who are under 250% FPL to forgo benefits they or their family members are eligible to receive.

Refugees, asylees, and others, are exempt from public charge and will remain exempt even if the proposed public charge rules are implemented as currently written.^{iv} Under the proposed rules, the only person whose benefits receipt will create a public charge risk is the person who is applying for a green card or visa and who is subject to the public charge test; receipt of benefits by family members will not be considered during the public charge determination. However, even people who are exempt from public charge or who can receive benefits without creating public charge risks are

likely to forgo benefits either because they have misunderstood these very complex rules or because they fear that the rules could be changed. These chilling effects have historical precedent. In the late 1990s, there was confusion and fear following a change to public charge laws. As a result, refugee benefit enrollments decreased as much as 37% from 1994 to 1997, even though refugees were eligible for benefits and were, and still are, exempt from public charge.^v

The proposed rule will add 366,000 Pennsylvanians to the group of people at risk of forgoing benefits.



There are 384,654 Pennsylvanians living in immigrant families with income under 250% FPL.^{vi} In contrast, there are 17,809 Pennsylvanians living in immigrant families receiving a cash assistance benefit.^{vii} By targeting immigrants under 250% FPL, and expanding the definition of “public charge” to include not just people who are likely to use cash assistance as their primary income source, but also people likely to use benefits like SNAP and Medical Assistance, the proposed public charge rules will

subject an additional 366,000 people to public charge chilling effects.

The proposed rules are likely to result in more than 55,000 Pennsylvania families losing access to health care and nutrition assistance.

Experts estimate that the chilling effects of the proposed public charge regulation will result in 15-35% reductions in benefit enrollment rates among immigrant families of all statuses, even among those who are exempt from public charge or otherwise have no public charge risk.^{viii} A 35% reduction in immigrant family benefit enrollments in Pennsylvania would result in 37,489 families losing health insurance access and 17,640 families losing nutrition assistance.^{ix}

The proposed rule creates great risks of benefit enrollment reductions of 35% among immigrant families of all statuses, which would leave more than 55,000 families without access to MA and SNAP.

Children are at risk under the proposed rules.

There are 167,000 children in Pennsylvania who live in immigrant families that receive benefits- more than 80% are U.S. citizens.^x A 35% reduction in immigrant family benefit enrollments would mean almost 60,000 Pennsylvania children suffering without access to vital health or nutrition benefits they need to stay healthy and strong.

60,000 children in Pennsylvania are at risk of losing access to health care and nutrition assistance if the proposed rule goes into effect.

Seniors and people with disabilities are at risk under the proposed rules.

The proposed rule penalizes people over age 62, making it more difficult for these immigrants to pass a public charge test simply because of their age. Moreover, the proposed rule penalizes seniors and people with disabilities who qualify for Medicare Part D subsidies to help them pay for prescription co-pays and deductibles. More than 5,500 immigrant seniors and people with disabilities are eligible for Medicare Part D subsidies.^{xi} A 35% reduction among immigrants enrolling for Medicare Part D subsidies would cause more than 2,000 elderly and disabled Pennsylvanians to lose access to prescription medications.

More than 2,000 Pennsylvania seniors and people with disabilities are at risk of losing access to medicine under the proposed rule.

The proposed rules will harm state and local economies by draining federal resources from Pennsylvania communities.

A 35% reduction in immigrant families enrollments in Medical Assistance, SNAP, and Medicare Part D subsidies will result in over \$270 million in lost federal funds needed to support Pennsylvania families. Each federal dollar that is spent in these programs spurs economic activity and leads to economic growth in Pennsylvania. A loss of \$270 million in federal MA, SNAP, and Medicare Part D subsidies will lead to an additional \$514 million loss to the Pennsylvania economy at-large.^{xii}

The loss of federal MA, SNAP, and Medicare Part D funds will put Pennsylvania at risk of more than \$784 million in economic losses annually if the proposed public charge rule goes into effect.

The proposed rules put Pennsylvania’s most vital support systems at risk.

As immigrants are denied the ability to live in the U.S., families will be separated and destabilized. As families lose access to health insurance and assistance to buy food and housing, hospitals, health clinics, grocery stores, and housing markets will suffer. Pennsylvania hospitals, for example, are at risk of losing \$214 million per year.^{xiii} As funding to support

Pennsylvania hospitals are at risk of \$214 million in financial losses as a result of the chilling effects of the proposed rule.

Pennsylvania families decreases, state, local, and charitable resources will strain to meet the needs of all Pennsylvanians.

The proposed rules are not in effect now, and if strongly opposed, they may never take effect.

Go to www.regulations.gov and click on “Inadmissibility on Public Charge Grounds” to submit comments in opposition to the proposed rule before December 10.

Questions? Contact Maripat Pileggi at 215-227-4738 or MPileggi@clsphila.org.

ⁱ PA Median household income in 2016 was \$54,895. See <https://www.census.gov/quickfacts/fact/table/pa/INC110216#viewtop>.

ⁱⁱ The proposed rule details the negative and positive factors that would be weighed during a public charge determination. There are numerous negative factors related to age, health, family status, resources and financial status, education and skills, and benefit receipt. There is just one positive factor: having household income over 250% FPL.

ⁱⁱⁱ A family of four with one SSI and three TANF family members will have income of \$14,100 per year. A family of four who receives TANF only will have income of \$5,964/year.

^{iv} Public charge tests are applied during the visa and lawful permanent residence application processes for some individual applicants. Refugees, asylees, Special Immigrant Juveniles, VAWA petitioners, and U- and T-visa holders, are not subject to public charge tests when applying for any of these statuses or when applying for lawful permanent residence. The Department of Homeland Security’s proposed public charge regulation lists individuals exempt from public charge tests at 83 Fed. Reg. 51,292-51,293 (Oct. 10, 2018). Lawful permanent residents cannot be denied U.S. Citizenship because of a public charge determination because there is no public charge test during the U.S. Citizenship application process.

^v Michael Fix & Jeffery Passel, Trends in Noncitizens’ and Citizens’ Use of Public Benefits Following Welfare Reform, March 1999, available at <https://www.urban.org/research/publication/trends-noncitizens-and-citizens-use-public-benefits-following-welfare-reform>.

^{vi} Manatt, Public Charge Proposed Rule: Potentially Chilled Population Data Dashboard, <https://www.manatt.com/Insights/Articles/2018/Public-Charge-Rule-Potentially-Chilled-Population>

^{vii} PA Department of Human Services data on file with CLS.

^{viii} See, e.g., Kaiser Family Foundation, Estimated Impacts of the Proposed Public Charge Rule on Immigrants and Medicaid, October 2018, *available at* <http://files.kff.org/attachment/Issue-Brief-Estimated-Impacts-of-the-Proposed-Public-Charge-Rule-on-Immigrants-and-Medicaid>

^{ix} PA Department of Human Services data on file with CLS.

^x Migration Policy Institute, MPI National and State-Level Estimates of Children in Benefits-Receiving Families, by U.S. Citizenship Status of the Child, 2018, *available at* <http://www.migrationpolicy.org/sites/default/files/datahub/PublicCharge-StateEstimates-Children.xlsx>

^{xi} PA Department of Human Services data on file with CLS show that 5,502 non-citizens are enrolled in Medicare Part B buy-in benefits. All Medicare Part B buy-in benefit enrollees are eligible for Medicare Part D subsidies. The income limits for Medicare Part D subsidies are higher than the income limits for Medicare Part B buy-in benefits. There are therefore very likely more than 5,502 non-citizens enrolled in Medicare Part D subsidies.

^{xii} See Appendix for full accounting. Notably, these figures exclude losses to housing subsidy programs. With housing subsidy losses included, the total impact of the proposed rules to Pennsylvania's economy would be greater.

^{xiii} Cindy Mann, April Grady, & Allison Orris, Medicaid Payments at Risk for Hospitals Under the Public Charge Proposed Rule, November 2018, p. 13, *available at* <https://www.manatt.com/Insights/White-Papers/2018/Medicaid-Payments-at-Risk-for-Hospitals-Under-Publ>

APPENDIX

PA Chilling Effect Impacts of Proposed Public Charge Rule in MA, SNAP, and Part D Subsidy Programs

	Immi- grant families enrolled ¹	Estimated value of benefit received per family, annual federal dollars	Federal dollars per year in PA	PA economy gain from federal dollars received	35% reduction- families who will lose benefits	35% reduction- direct loss of federal funds	35% reduction- Loss to PA economy
Federal MA	107,114	\$5,907 ²	\$632.7 M	\$1.26 B ³	37,489	\$221,447,523	\$442,895,046
SNAP	50,400	\$2,249 ⁴	\$113.3 M	\$202.8 M ⁵	17,640	\$39,672,360	\$71,013,524
Pt. D Subsidies	5,502 ⁶	\$4,900 ⁷	\$27.4 M	N/A	1,925	\$9,432,500	N/A
					Total: 57,054	Total: \$270.5 Million	Total: \$513.9 Million

¹ PA Department of Human Services data on file with CLS.

² Average cost per federal MA enrollee in 2017 was \$7,950. See U.S. Department of Health and Human Services, 2017 Actuarial Report on the Financial Outlook for Medicaid, available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/MedicaidReport2017.pdf>. The federal government pays 52.25% of federal MA costs in Pennsylvania, or \$3,965 out of the \$7,950 average annual expense per federal MA enrollee. See U.S. Department of Health and Human Services, FY 2017 Federal Medical Assistance Percentages, available at <https://aspe.hhs.gov/basic-report/fy2017-federal-medical-assistance-percentages>. According to PA Department of Human Services data on file with CLS there are at least 1.49 people on average in each immigrant family enrolled in federal MA whose immigration status would make them potentially eligible for federal MA. $\$3,965 \times 1.49 = \$5,907$.

³ Every dollar in MA spending is estimated to produce two dollars in economic growth. See Fiscal Policy Institute, Only Wealthy Immigrants Need Apply, p. 8, available at <http://fiscalpolicy.org/wp-content/uploads/2018/10/NY-Impact-of-Public-Charge.pdf>

⁴ In September 2018, there were 1,797,176 SNAP recipients in Pennsylvania and \$218,890,482 in SNAP benefits issued, for an average monthly SNAP grant amount of \$121.70 per person. See PA Department of Human Services MA-TANF-GA-SNAP-Sept 2018 data table, available at <http://listserv.dpw.state.pa.us/Scripts/wa.exe?A2=ind18&L=ma-food-stamps-and-cash-stats&F=&S=&P=7714>. PA DHS data on file with CLS indicates that at least 1.54 people in immigrant families enrolled in SNAP have a citizenship status that would make them potentially eligible for SNAP. $\$121.70 \times 1.54 \times 12 = \$2,249$.

⁵ Every one dollar in SNAP spending creates \$1.79 in economic growth during economic downturn. See U.S. Department of Agriculture, Supplemental Nutrition Assistance Program Linkages with the General Economy, available at <https://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-snap/economic-linkages/>

⁶ PA Department of Human Services data on file with CLS show that 5,502 non-citizens are enrolled in Medicare Part B buy-in benefits. All Medicare Part B buy-in benefit enrollees are eligible for Medicare Part D subsidies. The income limits for Medicare Part D subsidies are higher than the income limits for Medicare Part B buy-in benefits. There are therefore very likely more than 5,502 non-citizens enrolled in Medicare Part D subsidies.

⁷ The Social Security Administration estimates that Medicare Part D subsidies have an annual value of about \$4,900. See Social Security Administration, Apply Online for Extra Help with Medicare Prescription Drug Costs, p. 1, available at <https://www.ssa.gov/pubs/EN-05-10525.pdf>