California Primary Care Association

NPRM Proposing Changes to Public Charge Determinations:

Dept. of Homeland Security
8 CFR Parts 103, 212, 213, 214, [237], and 248
[CIS No. 2499-10; DHS Docket No. USCIS-2010-0012]
RIN 1615-AA22

Fiscal Impact to California Health Centers

Our Ask

It is clear from the analysis outlined below that the proposed changes to how public charge is determined would have a significant financial impact on California's community health centers (CHCs) – likely far greater than $100 million per year.

For this reason, we request that the Office of Management and Budget (OMB) comply with Executive Order 12866 and complete the required detailed analysis (see attached **"Analyses that Must Accompany any NPRM Proposing Major Changes to Public Charge"**) .

Impact to Community Health Centers

California's community health centers (CHCs) provide high-quality comprehensive care to 6.5 million people, or 1 in 6 Californians. In the event that the public charge changes are implemented, the expected impact on California's CHCs is:

- **132,000 to 397,000 patients will disenroll from Medicaid** and become uninsured
- The growth in uninsured and loss of Medicaid revenue will create a **financial loss of $74 million to $221 million per year in California's CHCs**

This analysis solely considers the financial loss in Medicaid reimbursements and does not take into account the loss of other reimbursement from county health insurance programs. The fiscal impact for health centers is likely to be much greater than the Medicaid losses estimated in this document.

Fiscal Impact Analysis

If the changes to the public charge determination are implemented, health centers will experience a financial loss of $74 to $221 million in Medicaid reimbursements based on the following estimates:

# Medicaid patients at CA CHCs	Est. 17.4% are non-citizens	Ave Annual spending per patient at CHCs	Scenario 1: 20% Projected Disenrollment	Scenario 1: Financial loss	Scenario 2: 60% Projected Disenrollment	Scenario 2: Financial loss
3,806,812	662,385	$558	(132,477)	($73,922,198)	(397,431)	($221,766,594.42)

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Background and Methodology

California CHCs treated 6.5 million patients in 2016. According to California's Office of Statewide Health Planning and Development (OSHPD), 3.8 million of those patients were enrolled in Medicaid, equaling approximately fifty-nine percent of the CHC patient mix. Utilizing OSHPD data on reimbursement by payer, we determined that federally qualified health centers (FQHCs), rural health clinics (RHCs), and FQHC look-alikes receive an average of $189 per patient visit from Medicaid and average three visits per year, equaling $567 per patient per year. Community and free clinics average a reimbursement rate of $183 per Medicaid patient visits and average two visits per year, equaling $366 per patient per year. Aggregating those figures, we determined that the average annual revenue for Medicaid patients at a California's CHCs is $558 per year.

According to the California Department of Health Care Services, approximately 17.4 percent of Medicaid enrollees are non-citizens[1], which they define as 'individuals who are not citizens or nationals of the United States.' Assuming this is true for the CHC patient mix, which is a conservative assessment, we estimate that approximately 662,385 CHC patients are non-citizens.

In 1996, the Illegal Immigration Reform and Immigrant Responsibility Act along with the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) (Public Law 104-208) amended the public charge doctrine. This law expressly authorized consular agents to deny immigrant visas on the grounds that applicants were likely to become dependent on the government - and therefore be deemed a public charge - if they used 'federal public benefits'.

PRWORA did not define what constituted a 'federal public benefit,' causing confusion and panic within the immigrant community and discouraging many people from obtaining any public benefits for fear of deportation. The Migrant Policy Institute found that during this time period there was a sharp decline of immigrants ceasing use of public benefit programs, like Medicaid & CHIP[2].

For the purpose of this analysis, we used the Migration Policy Institute's evidence-based numbers to assume that 20 - 60 percent of CHC non-citizen patients would disenroll from Medicaid should there again be changes to the Public Charge determination.

For more information, please contact Liz Oseguera at loseguera@cpca.org.

[1] DHCS. 2015. Medi-Cal Statistical Brief: Medi-Cal's Non-Citizen Population, A Brief Overview of Eligibility, Coverage, Funding, and Enrollment. <http://www.dhcs.ca.gov/dataandstats/statistics/Documents/noncitizen_brief_ADAfinal.pdf>

[2] Batalova, Jeanne, Michael Fix, and Mark Greenberg. 2018. Chilling Effects: The Expected Public Charge Rule and Its Impact on Legal Immigrant Families' Public Benefits Use. Washington, DC: Migration Policy Institute.

*Migration Policy Institute (MPI) estimates based on analysis of American Community Survey pooled data, 2014-16. *The term "Non-citizen" as used by MPI includes people who are refugees and asylees, visa-holders, green-card holders, undocumented.