

# Talking Points for Public Charge Regulation Meeting at OMB

## Miriam

### Introduction

- Thank you for the opportunity to talk about the Department of Homeland Security Notice of Proposed Rulemaking that would, among other things, greatly expand the number of public benefits that are considered when determining whether an individual is likely to become a public charge, thereby making it more difficult for immigrants to obtain a green card.
- I am Miriam Enriquez, the executive director of the Philadelphia's Office of Immigrant Affairs. Our mission is to promote the well-being of Philadelphia's immigrant communities by recommending and developing policies and programs, which in turn provide opportunity and access to services.
- Philadelphia is the sixth largest city in the country, with a population of about 1.5 million. In recent years, immigrants have been critical to driving Philadelphia's growth and success. Between 2000 and 2016, a period in which the city's population grew for the first time in half a century, the number of residents who were born abroad increased by 69 percent. Philadelphia's immigrant communities, represent nearly 15 percent of all city residents and 19 percent of workers.<sup>1</sup> When the children of immigrants are taken into consideration, the two populations form fully a quarter of Philadelphia's residents, nearly 390,000 people.<sup>2</sup> Immigrants, just like native-born Philadelphians, require assistance to survive and thrive.
- I will provide some preliminary comments on how having three federal agencies interpreting public charge rule at different stages creates confusion and fear in immigrant communities, which is exacerbated by other massive immigration policy changes. Julia Hinckley, the Policy Director of Philadelphia's five Health and Human Services agencies, will discuss how the proposed rule would detrimentally impact family stability, public health, and the overall Philadelphia economy. Maripat Pileggi from Community Legal Services will detail the enormous administrative burden the DHS proposed rule will have on Pennsylvania county benefit agencies and already resource-strapped legal aid organizations. We strongly urge the Office of Management and Budget not to finalize the rule. Remember, most of the 266,000 comments and our comments oppose the rule.
- Three different federal agencies are at different stages of interpreting and redefining the public charge rule, which is generating mass confusion and fear in immigrant communities. The DHS proposed rule changes the definition and scope of the traditional "public charge" test to a very broad, highly complex and confusing test that alone would expand the number of immigrants in

---

<sup>1</sup> "Philadelphia's Immigrants: Who They Are and How They Are Changing the City," *The Pew Charitable Trusts*, June 2018, page 13, <https://www.pewtrusts.org/en/research-and-analysis/reports/2018/06/07/philadelphias-immigrants>.

<sup>2</sup> "Philadelphia's Immigrants: Who They Are and How They Are Changing the City," *The Pew Charitable Trusts*, June 2018, page 13, <https://www.pewtrusts.org/en/research-and-analysis/reports/2018/06/07/philadelphias-immigrants>.

Philadelphia who may be affected by the test by over 16-fold. The Department of State has made revisions to the Foreign Affairs Manual, governing public charge determinations at consular offices outside the U.S. The Department of Justice will publish a proposed rule on inadmissibility and deportability.

- Additionally, in May of 2019, President Trump issued a “Memorandum on Enforcing the Legal Responsibilities of Sponsors of Aliens,” which directs “relevant agencies to update or issue procedures, guidance, and regulations, as needed, to ensure that ineligible non-citizens do not receive means-tested public benefits.” This memorandum will inevitably impact the implementation of any of the three proposed changes, create excessive administrative burden, and would cause immigrants to disenroll from programs or forgo benefits to the detriment of their health and wellbeing.
- At the time we were submitting comments for the DHS’s proposed rule, we did not anticipate nor have the opportunity to comment on the administration’s multi-pronged approach in redefining public charge and its impact on immigrants’ access to public benefits program. OMB should not finalize the rule due to the significant harm it has and will cause to immigrant communities and the local economy. We need to wait until policies are clearer and more settled before any of these policies takes effect.

## Julia

- Public benefits programs are vital for providing immigrant families access to basic needs. Expanding the list of benefits considered under the public charge rule could cause all Philadelphia households with an immigrant to disenroll (or choose not to apply for) all public benefits. While we know not all categories of immigrant would be subject to the new rules, we believe that it is safe to assume that out of confusion or out of an abundance of caution immigrants who are not subject to the rule would also drop from benefits in large numbers. Any immigrant who does not want to harm his or her status would make a strategic decision not to enroll.
- In fact, as the rule acknowledges, even those who are not directly impacted, including U.S. citizens, are expected to forgo or disenroll from benefits because of confusion about the rules. The vast majority of these individuals who would lose access to food and health care would be children. Almost 80,000 of the individuals in Philadelphia households with an immigrant are children. About 37,000 of these children are in immigrant families who are currently receiving benefits; almost 90 percent of those children are citizens.
- A 2018 Urban Institute survey found that one in seven adults in immigrant families (14%) did not participate in a noncash government benefit program in 2018 for fear of risking future green card status. Using this national ratio as a conservative estimate and administrative data from the Pennsylvania Department of Human Services, we have put together two tables illustrating the number of people in Philadelphia receiving various non-cash benefits, the value of those benefits, the number of households with an immigrant, and some projections of the number of people we could expect to disenroll, which creates an estimate of the *first line* economic impacts—the loss of those dollars in the Philadelphia economy. The fact that

these are non-cash benefits means that the spending largely goes not to the individual but directly into the economy through payments to insurers, health care providers, utilities.

- Some highlights of our analysis:

#### Medicaid:

- If 14% of immigrant households disenroll, the impact on the Philadelphia economy from the change in Medicaid enrollment could be as high as \$31.4 million.
- Barring access to Medicaid will increase burden on the local Philadelphia health care safety net. The Philadelphia Department of Public Health operates health centers, which are essential providers of primary care. Individuals without health coverage will avoid seeking routine care but would still need emergency care if their health conditions worsened—we would expect our local hospitals to bear the brunt of this cost as uncompensated care. Increasing the number of uninsured patients will increase wait times, and negatively impact the access to care for all patients.
- When current patients lose coverage, reimbursements will decline and overall costs to the city will significantly increase. Cost of care for patients at health centers averages about \$1,500 per year. An increase of 10,000 uninsured patients at the health centers would cost the city more than \$15 million dollars a year. Statewide analysis shows that Medicaid and CHIP payments for individuals who could be impacted by the rule across Pennsylvania total \$1.2B annually. Hospital payments to Philadelphia area hospitals totaling \$232 million are at risk.
- Moreover, the costs to state and local government will be both the direct costs of making changes to the way public benefits are administered, but also the costs related to providing crisis aid to those who can no longer access the benefits that are impacted under this proposal. Ultimately, the insured and the taxpayers will pay for the rise in unreimbursed medical care under this shortsighted, counterproductive policy.
- Loss of Medicaid also significantly impacts the City's workforce. In Pennsylvania more than half of the adults who are covered by Medicaid are working, though often in jobs that do not provide health insurance. Loss of Medicaid coverage will decrease these individuals' productivity as employees. Employee absence and turnover costs employers billions of dollars per year in replacement workers, and lost productivity. Loss of Medicaid revenue in Philadelphia will result in loss of jobs in the health care sector.
- We cannot ignore the significant public health impacts of individuals losing coverage and not being able to seek care. Families not getting immunizations could lead to significant gaps in herd immunity, which could result in communicable disease outbreaks. The flu and other preventable illnesses often lead to high health care costs, hospitalizations (which for the flu cost \$18,000 on average), loss of productivity and even death.

- Pregnant women losing or forgoing prenatal care will have serious detrimental effects: newborns to mothers who do not receive adequate prenatal care are at higher risk for complications including low birth weight and prematurity. A stay in the neonatal intensive care unit averages \$40,000 to \$80,000 per child and can quickly rise above \$250,000 for extremely premature infants. These birth outcomes can also lead to developmental and educational delays throughout life and impact children's future productivity and work potential.
- Increases in the uninsured will decrease access to screening and treatment for other transmittable illnesses like HIV, syphilis, and viral hepatitis. Any increase in cases due to the lack of people being screened and treated would be of major public health consequence and economic cost.

#### SNAP:

- Another example is SNAP: we estimate that as many as 5,769 Philadelphians could disenroll from SNAP. Every disenrollment results in a loss of \$1,500 in annual food spending in the Philadelphia economy, amounting to close to \$9 million.
- These dollars not spent at Philadelphia grocery stores would have effects on employment beyond immigrant families.
- Also, without the ability to feed their families, we could expect that children would go hungry and more families would need help from the child welfare system, which would result in federal, state and local child welfare costs.
- Similarly, without assistance with their food budget, individuals would have less to spend on housing, which would drive up homelessness. The City operates a homeless system that is funded with federal, state and local dollars. We could see an uptick in spending on homelessness.