

## Proposed Rule: Inadmissibility on Public Charge Grounds

**Medicaid and CHIP Payment and Access Commission** 

Martha Heberlein



#### **Overview**

- Immigrant eligibility for Medicaid
- Background on public charge
- Proposed changes
- Potential effect on Medicaid
- Possible areas for comment

### **Immigrant Eligibility for Medicaid**

- To qualify for full Medicaid benefits, individuals must be citizens or nationals of the U.S. or qualified aliens
- Lawful permanent residents (LPRs) entering the U.S. after August 22, 1996, are generally barred from receiving full Medicaid for five years, after which coverage becomes a state option
- Non-qualified aliens and qualified aliens subject to the five-year bar who meet all other eligibility criteria can only receive emergency Medicaid

## **Background on Public Charge**

- Individuals seeking admission or a change to LPR status are not admissible if "at the time of application for admission or adjustment is likely at any time to become a public charge"
- Public charge has been defined as primarily dependent on the government for subsistence
  - Use of cash assistance or long-term care institutionalization at government expense
  - Non-cash benefits, including Medicaid and CHIP, are considered to be supplemental

### **Proposed Changes**

- Proposed rule released on October 10, 2018 would:
  - change the definition of who may be considered a public charge to someone who receives one or more public benefits
  - expand the list of public benefits that can be considered in a determination of public charge to include Medicaid and other benefits
  - exclude certain Medicaid benefits (e.g., emergency Medicaid) and CHIP from the consideration

### **Potential Effect on Medicaid**

# Potential Effect on Medicaid: Beneficiaries

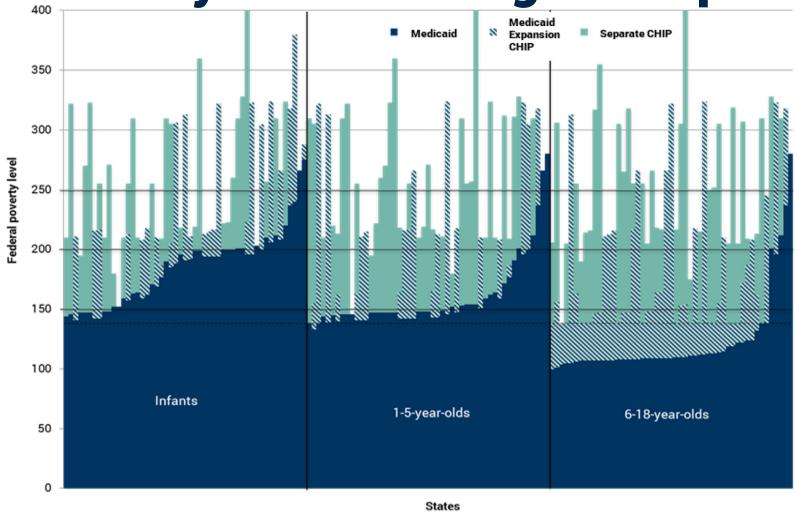
- Direct effect on individuals awaiting a decision on their application to either enter or stay in the U.S.
- Chilling effect for individuals who are legally entitled to coverage but choose to disenroll or not enroll out of concern for their immigration status
- Following welfare reform, declines in enrollment ranged from 20 to 60 percent
- Estimates of proposed rule (using a range of 15 to 35 percent) suggest 2.1 million to 4.9 million enrollees disenroll

Artiga, S., R. Garfield, and A. Damico. 2018a. Estimated impacts of the proposed public charge rule on immigrants and Medicaid. Washington, DC: Kaiser Family Foundation.

# Potential Effect on Medicaid: Providers and States

- To the extent that the proposed rule creates a barrier to coverage, it is likely to result in increases in uncompensated care, as providers see more uninsured patients
- Implementation of the proposed rule would also affect states:
  - Administrative burden: track individual's use of public benefits, ensure proper notice and education, additional possible outreach
  - Fiscal implications: loss in federal Medicaid funds, and increased costs for uncompensated care and for other state services

### **Medicaid and CHIP Eligibility Levels by State and Age Group**



#### **Possible Areas for Comment**

- Potential coverage losses
- Fiscal and administrative implications for providers and states
- Inclusion of CHIP



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