

August 13, 2025

The Honorable Robert F. Kennedy Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Submitted electronically via regulations.gov

RE: Opposition to New Interpretation of "Federal Public Benefit" in the Personal Responsibility and Work Opportunity Reconciliation Act (Doc 2025- 13118)

Dear Secretary Kennedy,

Families USA, the longtime national health care consumer advocacy organization, appreciates the opportunity to comment on the Centers for Medicare & Medicaid Services (CMS) and Department of Health and Human Services (HHS) notice that reinterprets the definition of "Federal Public Benefit" in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (hereinafter referred to as "the notice").

Families USA opposes the new HHS definition of "Federal public benefits" in PRWORA which expands the number of federal programs that immigrants, including immigrants with legal documentation, can no longer access, directly impacting not just them but the public health, well-being, workforce and economy of entire communities. We urge HHS to reverse this change to ensure that families are able to access important health care programs that keep our nation's workers healthy and our economy strong.

Families USA is a leading national, non-partisan voice for health care consumers dedicated to achieving high-quality, affordable, and improved health care coverage for all by promoting value, equity, coverage and giving voice to people's experiences. For over 40 years, our work has centered on advancing health access and ensuring that families do not face barriers to living a healthy life because of who they are, where they live, or how they identify. We believe that immigration status should not be a barrier for families and individuals to attain high-quality, affordable health care, and that our health system is stronger for everyone when everyone has access to primary and preventive care.

Over 45 million immigrants live in the United States. Of those, over 20 million are noncitizens, including many lawfully present immigrants as well as undocumented immigrants. These immigrant communities are fundamental to the functioning of our nation, making-up nearly 20 percent of the essential workforce, including an estimated 5.5 million undocumented essential workers. A large percentage of home health, childcare, and farm workers are immigrants, and play a key role in caring for our communities and providing a majority of our nation's food.

Despite this and the fact that immigrants annually contribute over \$300 billion in federal taxes to the U.S. economy, policy and structural barriers prevent non-citizen immigrants from accessing critical health care coverage and services. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) already restricts some immigrant workers from accessing critical federal assistance programs that help families remain healthy and working. PRWORA establishes two groups of immigrants, those who are "qualified" and "non-qualified" for eligibility for certain "Federal public benefits." Furthermore, the law imposes a five-year waiting period for "qualified immigrants" before becoming eligible for certain federal programs.

Since the passage and implementation of PRWORA, some federally funded programs, such as certain early childhood programs and health services grants, have not been defined as a "Federal public benefit" under the law. The original scope of the "Federal public benefit" definition allowed states to use federal funding to establish certain programs that could meet the health care needs of all people, not just citizens or "qualified immigrants" who've met the five-year waiting period. Because of this, programs like Head Start or substance use disorder (SUD) treatment programs could serve people and families regardless of immigration status, including many legal immigrants. Under the Administration's reinterpretation of the definition for federal public benefits, these immigrant workers and their families, including immigrants with legal documentation, will no longer be able to access these essential services directly undermining the health and financial security of the very workers and communities who serve as the backbone to the US economy. Our public health and welfare, and support for the next generation of Americans depend on these programs being able to serve everyone in these communities. This rule undermines communities overall, and our immigrant workforce that so many key services and economic sectors depend on. This will also undermine the critical tax contributions that come from immigrant workers and taxpayers that help fund the very programs these immigrants are excluded from.

For these reasons, Families USA opposes the new HHS definition of "Federal public benefits" in PRWORA which increases the number of federal programs that immigrants can no longer access, directly impacting their health and as a result, their many and needed contributions to our country. We urge HHS to reverse this change to ensure that families are able to access important health care programs that keep our nation's workers healthy and our economy strong.

The change in definition of Federal public benefit newly excludes 13 additional programs from being accessed by immigrant families and communities including Head Start, Title X, substance use disorder (SUD) and behavioral health funding, and community health grants. As a result, these key programs will need to scale back services, and millions of immigrant families will newly be prevented from accessing essential reproductive health care, early childhood health care, community health care and more. These funds provide access to basic care for families that need it the most and support programs that allow people across the country to achieve and maintain good health. Any rollback in access to these critical programs is antithetical to the Trump Administration's goals to make America healthy again.

The notice is unconstitutional and unnecessarily and improperly reverses nearly three decades of legal interpretation with insufficient notice, input, and rationale.

States rely on federal funding to operate programs that provide critical support to individuals and families. Although Congress may place conditions on federal funds to states, according to the Spending

Clause these conditions must be clearly communicated before states accept funds and such conditions may not coerce state participation in a new policy. The federal funds that support the programs impacted by this notice directly provide health care to people and subsidize safety-net systems that provide care for the entire community. States have long relied on this federal funding to build out decades long programs such as Head Start or to support community health centers that provide critical services and care for all people in their communities, regardless of citizenship status. The notice, in violation of the Spending Clause, will coerce states into altering who can qualify for these programs, or else risk losing critical funding.

The notice upends almost three decades of legal interpretation of what is considered a "Federal public benefit," upon which states, communities, and organizations depended on to build out programs and services that provide support to families across the country, regardless of citizenship status. The notice was published and became effective without input from the people and stakeholder organizations who would be impacted by the change, leaving significant questions around the administration of these programs. For example, this notice will add additional and unnecessary administrative burden and red tape for states to verify eligibility for programs that all people were previously eligible for. The change under this notice unnecessarily blocks families, workers, and members of our communities that have previously been able to access these services and programs for decades. To meet the requirements under this notice, states will now have to spend additional funds to create reporting procedures, develop databases, hire administrative staff and more to run programs like Head Start that previously served anyone without barriers or checks on immigration eligibility. These additional checks and bureaucracy will have a negative impact on state budgets, costing states additional dollars and unnecessary administrative burden to develop new systems to keep up with eligibility checks.

Given the policy's far-reaching impact on states, organizations, and communities, the 30-day comment period on a notice that immediately implements a new policy is grossly insufficient to garner and respond to public feedback and appropriately implement a new policy change. This lack of time for both public comment and implementation compromises over \$27 billion in federal funding as well as the health of the people who depend on the care it provides. HHS should pause implementation of this reinterpretation immediately. The notice sets a harmful precedent around policy process, interpretation of legal definitions, and conditions attached to ongoing federal funding.

## The HHS notice has far-reaching negative impacts on the overall economy and broader public health.

The new interpretation of PRWORA law restricts eligibility to programs and services that immigrants, including legal immigrants, rely on to ensure themselves and their families have the resources available to stay healthy and contribute to the communities they belong to, such as early education and health care for their children, access to reproductive health care, treatment for substance use disorder and other behavioral health care conditions, and access to affordable community-based care. Preventing access to these newly defined "Federal public benefits" from "non-qualified" immigrant communities undermines the health and wellbeing of an important part of our nation's workforce and their ability to continue working in their jobs and in their communities to keep our economy strong.

Immigrants make up a significant share of the essential workforce: 36% of home health aides, 29% of physicians, 31% of meat processing workers, and 48% of fast-food workers are immigrants. Of the millions of undocumented immigrants in the U.S., 74% work in the essential workforce and contribute over \$35 billion in taxes annually. X

Americans across the country depend on immigrant workers for our basic necessities and the notice's exclusion of immigrants from these important health care programs will directly impact how they can show up in the workforce. People who have chronic poor health are more likely to experience job loss or high work absenteeism. For many "nonqualified" immigrants who contribute over \$90 billion in taxes annually, and who work essential jobs in industries like health care, agriculture, and construction, their inability to work due to lack of access to basic health care affects all of us, by reducing necessary tax dollars that benefit the entire nation or workers in essential fields that we all rely on. State and local economies also thrive when immigrant workers maintain access to these essential health programs and know that their families have what they need to allow them to keep working.

In Alaska, immigrants make up 65% of the state's seafood workforce and in Nebraska 58% of meat processing workers.xiv Additionally, 15% of building and grounds maintenance workers are undocumented and temporary immigrants work overwhelmingly in IT and health care fields.xv Risking the health and wellbeing of immigrants who hold these critical roles in our communities by stripping their access to these basic health care programs impacts how everyone across the country eats, lives, and gets basic necessities. Moreover, without a healthy immigrant workforce, immigrants cannot continue to contribute valued tax dollars that go towards these and other services we all use and need as a country.

Furthermore, denying this basic care upfront in these programs means that these immigrant communities may seek care from already overburdened emergency departments, further delaying care and costing hospitals, states, and taxpayers more in uncompensated care costs. The programs impacted by this notice include Title X programs and community health funding, which immigrants rely on to access basic preventive and primary care. Without access to these programs, immigrants are likely to delay care, which leads to worse health outcomes, including unmet chronic health needs, such as diabetes and heart disease, increase in late-stage cancer diagnoses, and poor maternal and infant health, all of which require more intensive, costly interventions and gravely risk the health of all individuals living in the U.S.xvi These costs don't just affect the patient or the public's health, but also affects the financial stability of our health care system. Under current law that denies "nonqualified" immigrants access to health coverage options such as Medicaid, Medicare, or Marketplace coverage, when immigrants can't afford the care they receive, those bills often become hospital uncompensated care costs which public tax dollars cover. xvii This shifts more tax dollars into funding uncompensated care or leaving hospitals with narrower budgets, and in rural communities, this increase in uncompensated care risks the very financial viability of hospitals, threatening rural hospital closures that impact the entire community's access to quality and accessible health care.xviii

## Conclusion

Families USA strongly opposes the HHS notice on the reinterpretation of "Federal Public Benefits" in PRWORA. We urge HHS to withdraw the notice ensuring the continued access for critical, basic health care programs for immigrant communities. In ensuring "nonqualified" immigrant communities maintain access to basic child health, reproductive health, SUD and behavioral health treatment, and community-based health care, we not only maintain immigrant health, but we ensure the prosperity and well-being of all people across the United States. If you have any questions about the comments in this letter, please contact Christine Nguyen, Senior Policy Analyst, Families USA, at <a href="mailto:cnguyen@familiesusa.org">cnguyen@familiesusa.org</a>.

Thank you for your consideration.

Sincerely,

Staci Lofton
Senior Director of Health Equity
Families USA

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