



CITY OF PHILADELPHIA

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U.S. Citizenship and Immigration Services
Department of Homeland Security
20 Massachusetts Avenue NW
Washington, DC 20529-2140

Re: DHS Docket No. USCIS-2010-0012, RIN 1615-AA22, Comments in Response to Proposed Rulemaking: Inadmissibility on Public Charge Grounds

Dear Sir/Madam:

We are writing in response to the Department of Homeland Security's (DHS) Notice of Proposed Rulemaking to express our strong opposition to the changes regarding "public charge," published in the Federal Register on October 10, 2018. We support the comments provided by Mayor Jim Kenney, and wanted to provide additional information about our concerns and the impacts of the proposed rule in Philadelphia. We urge the federal government to drop this counterproductive, overly-broad, overly-complicated proposal which will not protect the federal budget and will harm individuals and the economy. Instead, DHS should continue to follow existing long-standing public charge policy.

For decades the government has interpreted the "public charge" provision of federal law using a simple test: an individual may be determined a public charge if he is primarily dependent on public assistance. The proposed rule rejects the current test as "insufficiently protective of the public budget." At the same time, the rule contains rationale that undermines this claim. First, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) extends specific benefits to certain immigrants. The rule acknowledges the tension created by the rule, which would penalize individuals for using benefits that the government grants to them under PRWORA.

Second, although the rule is predicated on the idea that administering public benefits to immigrants compromises the public budget, the rule itself acknowledges in its preamble that it "is difficult to determine whether immigrants are net contributors or net users" of government assistance. This means that DHS has no evidence that immigrants cost the federal government more than they provide in revenue.¹ Moreover, the rule estimates savings to the federal government in \$2.27 billion in benefits forgone, but fails to quantify the additional costs—including federal costs—that will follow from the lost benefits. The rule acknowledges that it is

likely to have a detrimental effect on family stability and health but fails to quantify that impact and the economic costs it will create.

This proposed rule changes the definition and scope of the traditional “public charge” test to a very broad, highly complex and confusing test that would expand the number of immigrants in Philadelphia who may be affected by the test by over 16-fold. Today in Philadelphia we estimate that about 7,000 people are subject to the public charge test because they are in a household where someone in the household is receiving cash assistance and the household includes an immigrant.ⁱⁱ Under this massive expansion of the test, any immigrant whose income is below 250% of the federal poverty guidelines is subject to scrutiny. That means that even immigrant families with income well above the median income in Philadelphia would be at risk: 250% of poverty for a family of four is about \$62,000; household median income in Philadelphia is about \$40,000.

The proposed test would also now involve a complicated calculation applying to “monetizable” and “non-monetizable” benefits received, calculated as a percentage of the federal poverty level, totaled over a number of months. This complicated calculation appears designed to drive individuals away, out of confusion and fear, from seeking the assistance they need. 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.ⁱⁱⁱ 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.^{iv} About 37,000 of these children are in immigrant families who are currently receiving benefits; almost 90 percent of those children are citizens.^v

To estimate impacts in Philadelphia, we relied on administrative data from the Pennsylvania Department of Human Services showing the number of Pennsylvanians in households receiving benefits, where there is an immigrant in the household. We modeled scenarios where between 15-35% of households drop off benefits due to confusion and concern that accessing benefits may jeopardize their immigration states. Based on the historical experience from the enactment of PRWORA we are concerned that the 35% estimate may be most realistic.^{vi} Under that scenario, 26,000 Philadelphians may disenroll from Medicaid because of concerns about the test, and 14,000 individuals may drop from SNAP benefits.

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. 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.^{vii} Hospital payments to Philadelphia area hospitals totaling \$232 million are at risk.^{viii} Ultimately, the insured and the taxpayers will pay for the rise in unreimbursed medical care under this shortsighted, counterproductive policy.

Medicaid revenue supports employment in the health care sector. Loss of Medicaid revenue in Philadelphia will result in loss of jobs in the health care sector. Additionally, 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.

The public health impacts of individuals losing coverage and not being able to seek care are significant. Families not getting immunizations could lead to significant gaps in herd immunity, which could result in communicable disease outbreaks. If individuals fail to get flu shots, flu seasons would get progressively worse. 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.

The proposed rule requests comment on expanding the list of public benefits to include the Children's Health Insurance Program (CHIP), which would impact children in families who earn too much money to qualify for Medicaid. We strongly oppose the inclusion of CHIP in the list of public benefits subjected to the public charge test.

In addition to the impacts related to Medicaid, the loss of SNAP, Medicare Part D subsidies and housing subsidies would impact the Philadelphia economy. Every disenrollment from SNAP results in a loss of \$1,500 in annual food spending in the Philadelphia economy.^{ix} The USDA model of the SNAP "multiplier effect" estimates that a dollar of SNAP spending yields \$1.79 in additional economic activity.^x Using that model, we would expect an impact of more than \$37 million on the Philadelphia economy from the 14,000 SNAP disenrollments we project in Philadelphia. These dollars not spent at Philadelphia grocery stores would have effects on employment beyond immigrant families.

Disenrollment from Medicaid and SNAP will have ripple effects throughout the community and the economy. For example, Medicaid and SNAP participation rates are used to calculate federal Title I dollars to support public schools. Drops in Medicaid and SNAP enrollment would decrease the federal funds available to Philadelphia public schools. We are also concerned we could see an uptick in the need for homeless and child welfare services, both of which not only have profound human costs, but would lead to additional costs to federal, state and local government.

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.^{xi} Immigrants represent nearly 15 percent of all city residents and 19 percent of workers.^{xii} Expert analysis of the impacts of the rule projects that almost 70 percent of current green card holders would have at least one negative factor if reviewed under the proposed test.^{xiii} This rule would clearly endanger the growth of Philadelphia's economy.

This rule instills fear in the lives of immigrant families who are contributing members of our community and unfairly penalizes them for accessing basic needs. It will harm Philadelphia's economy and endanger the well-being of our city at large. We urge you to withdraw this proposal.

Sincerely,



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City of Philadelphia



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City of Philadelphia

ⁱ Proposed rule, page 51235

ⁱⁱ PA Department of Human Services data, 10/09/2018. Philadelphians are 33.77% of the Pennsylvanians eligible for TANF and SSI, combined, in September 2018. There are 21,501 Pennsylvanians living in immigrant families receiving a cash assistance benefit. Multiple both these numbers to yield 7,260, the number of individuals that are subject to the proposed public charge test in Philadelphia.

ⁱⁱⁱ Proposed rule, page 51228

^{iv} "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//media/assets/2018/06/pri_philadelphias_immigrants.pdf

^v Per 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/PublicChargeStateEstimates-Children.xlsx>, 167,000 children in Pennsylvania live in immigrant families who are receiving benefits. Philadelphians are 23.21% of Pennsylvanians eligible for Medicaid in September 2018 (PA Department of Health and Human Services, 10/09/2018. Multiple these two numbers to yield 38,760, the number of children in Philadelphia living in a household (receiving benefits) with a non-citizen.

^{vi} Artiga, Samantha, et. al. "Estimated Impacts of the Proposed Public Charge Rule on Immigrants and Medicaid," Kaiser Family Foundation, 2018. <http://files.kff.org/attachment/Issue-Brief-Estimated-Impacts-of-the-Proposed-Public-Charge-Rule-on-Immigrants-and-Medicaid>

^{vii} <https://www.manatt.com/Manatt/media/Media/PDF/White%20Papers/Medicaid-Payments-at-Risk-for-Hospitals.pdf>

^{viii} Ibid

^{ix} <https://www.cbpp.org/research/food-assistance/a-quick-guide-to-snap-eligibility-and-benefits>

^x https://www.ers.usda.gov/webdocs/publications/44748/7996_err103_1.pdf

^{xi} <https://www.pewtrusts.org/en/research-and-analysis/reports/2018/06/07/philadelphias-immigrants>

^{xii} Ibid

^{xiii} <https://www.migrationpolicy.org/research/impact-dhs-public-charge-rule-immigration>