Impact of Proposed Federal Immigration Rule Changes on Boston:

Public Charge Test for Inadmissibility

boston planning & development agency

Section 1

Overview

Currently, under Section 212(a)(4) of the Immigration and Nationality Act (INA), a person seeking admission to the United States or seeking to adjust his or her immigration status to lawful permanent resident (i.e. green card) or a nonimmigrant visa is considered "inadmissible" (i.e. barred from entry or denied adjustment of status) if that person is likely to become a "public charge." For the purposes of determining inadmissibility, a "public charge" refers to an individual who is likely to become primarily dependent on the U.S. government for subsistence. This is currently determined by either (a) the receipt of public cash assistance for income maintenance or (b) institutionalization for long-term care at the government's expense. The public charge grounds of inadmissibility exclude refugees, asylees, Special Immigrant Juveniles, U & T visa beneficiaries, and those who are self-petitioning through the Violence Against Women Act, among others. Public charge is also not a factor in applications for naturalization.

The public charge grounds of inadmissibility are currently determined by a totality of the circumstances test. This means that the U.S. Citizenship and Immigration Services (USCIS) or Consular officer adjudicating the merits of an application for adjustment of status or admission to the United States must consider both positive and negative factors when determining the likelihood that an applicant becomes a public charge. These factors include, but are not limited to, family status, age, financial status and education/skills. Factors and attributes are weighted differently in this calculus, with certain factors representing heavily weighted strikes against an applicant and others representing factors that, in most cases, will override unfavorable elements of an application.[1]

The proposed changes to the Public Charge test will (a) enlarge the scope of benefits programs considered in making public charge determinations and (b) alter the "totality of circumstances" calculus, heavily weighting use of public benefits and other income-based factors as strikes against an applicant.

Whereas currently USCIS officers can only consider use of cash assistance programs such as Temporary Assistance for Needy Families (TANF) when determining inadmissibility on public charge grounds, the new rules would allow officers to consider an individual's use of a wider array of means-tested benefits programs in this determination, including:

- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- Non-emergency Medicaid benefits
- Medicare Part D Low Income Subsidy
- Supplemental Nutrition Assistance Program (SNAP)
- State Children's Health Insurance Program (CHIP)
- Certain housing assistance, including Section 8.

Whereas current U.S. Department of Homeland Security practice allows properly-filed, non-fraudulent Affadivit of Support to be normally sufficient to overcome negative public charge considerations, the proposed changes do not afford the Affidavit any special weight. Additionally, the proposed changes specify the following factors are to be heavily weighted negatively:

- Current receipt of any public benefit
- Receipt of public benefits within last 36 months of filing application
- A costly medical condition absent proof of unsubsidized insurance or prospect of obtaining non-governmental means to pay for treatment
- Lack of employment, employment history, or reasonable employment prospect despite having work authorization and being of employable age
- Being the accompanying spouse or child of an individual previously found inadmissible based on public charge ground

In addition to these heavily weighted negative factors, statutory negative factors considered in the totality of circumstances calculus include limited English proficiency or age less than 18 or greater than 61.

We examine the potential effects of these changes in two different scenarios:

Scenario A: Immigrants who are subject to the public charge test and have one or more heavily-weighted negative factors are not able to take action (such as disenrollment from public benefits) sufficient to prove to immigration officials that they are not likely to become public charges.

The immediate effects of these changes may include:

- Immigrants falling out of status and thus becoming deportable, having been denied an adjustment of status on public charge grounds.
- Immigrants being detained and deported, due to being out of status as result of being denied an adjustment of status.

The long-term consequences/costs of Scenario A may include:

- Loss of workers and associated costs
- Loss of income to the city of Boston
- Loss of talent and associated costs
- Separation of families

Scenario B: Immigrants who may be subject to the public charge test and are currently using public benefits programs choose to disenroll from those programs.

The long-term consequences/costs of Scenario B may include:

- Uncompensated care costs to Boston hospitals from the loss of health coverage
- Increased health expenditures associated with food insecurity
- The loss of purchasing power from the loss of SNAP benefits
- Reluctance amongst immigrants, including those not directly affected by the rule change, to access any form of healthcare, emergency or otherwise, including programs not considered in the proposed rule change, due to confusion and risk aversion.

This analysis attempts to quantify the aforementioned costs, as well as potential adverse health outcomes that might result from large-scale disenrollment from benefits programs.

It is important to note that the above mentioned scenarios represent hypothetical outcomes at opposite ends of spectrum spanning from, on one end, the large-scale disenrollment of directly affected individuals from public benefits programs and, on the other, the deportation of all directly affected individuals, assuming they are unable to take action sufficient to prove that they are not likely to become public charges. The actual outcome will likely fall somewhere in between these two extremes, with some directly affected individuals choosing to disenroll from public benefits programs for fear of being denied an adjustment of status, and others opting to remain enrolled in those programs, at the risk of being denied an adjustment of status and deportation.

Section 2

Methodology for Calculating Impacted Population

Approximating the economic cost of deportations (Scenario A) and the adverse health outcomes of benefit disenrollment (Scenario B) that will possibly result from the proposed changes requires that we identify the population directly impacted by the changes, i.e. non-citizens who may be eligible for an adjustment of status and do not fall into the categories of exemption. The Boston Planning and Development Agency (BPDA) estimated the size of this population using 2012-2016 American Community Survey (ACS) data:

Approximately 97,322 non-citizens live in Boston according to the 2012-2016 5-year American Community Survey. The ACS provides data on citizenship, but not other immigration statuses, so indirect estimates are required. Some non-citizens in Boston already have Lawful Permanent Resident (LPR) status (aka "Green Card"). These residents would not be directly affected by the proposed rule change so we need to take them out of the pool of affected non-citizens. According to the U.S. Department of Homeland Security, there are 340,000 Green Card holders in Massachusetts.[2] This is about two-thirds of the non-citizens in the state.[3]

However, simply applying this ratio (2/3) to the total non-citizen population of Boston would result in an undercount of the affected population. This is because Boston has a higher share of non-citizens on temporary student or employment visas than does Massachusetts as a whole. As a result, lawful permanent residents will make up a comparatively smaller share of Boston's total non-citizen population. Therefore, we isolate the temporary student and employment visa holders and remove them from Boston's total non-citizen population before applying the ratio (2/3). The total number of Boston residents with temporary immigration status will be the sum of the student visa holders, the temporary employment visa holders, and one-third of the remaining non-citizens.

First, some of the non-citizens in Boston have student visas to attend college or university. For example, Northeastern University and Boston University have a combined 17,692 international students on F-1 visas.[4] The ACS estimates that there are 18,161 non-citizens who live in Boston and are enrolled in college or university. These two data sources are consistent, so we use 18,000 as the number of Bostonians with student visas.

Some non-citizens in Boston have temporary employment visas such as H-1B visas. The U.S. Department of Labor estimates that there are 15,515 H-1B positions in Boston.[5] H-1B visas are

awarded to highly-skilled foreign workers, so to find potential H-1B visa holders in the ACS we look at non-citizen Boston residents who have at least a Bachelor's degree, are employed and are not currently enrolled in school. We find 14,285 of these workers, a number consistent with the US Department of Labor's Bureau of Labor Statistics, so we use 14,285 as the number of Bostonians with temporary employment visas.

After subtracting those Boston residents on student or H-1B visas (approximately 32,000) from the total non-citizen population of Boston, we are left with 65,000 non-citizens for whom the ACS, has no good proxy information. We apply the Massachusetts share of non-citizens who are Green Card holders (2/3) to this population. We are then left with almost 22,000 non-citizens who do not have Green Cards, are not college students, and are not college-educated workers. These non-citizens may include undocumented immigrants as well as immigrants with other types of temporary immigration status or who are otherwise lawfully present. We then add the estimated 32,000 H-1B and F-1 student visas back to this group, yielding an estimated 54,000 non-citizens in Boston who are not lawful permanent residents, and thus may need to pass the public charge test under the increased scrutiny proposed in the rule change. We then remove those non-citizens in households with an income over 250% of the poverty threshold, for whom their economic status would be considered as a heavily weighted positive factor under the proposed changes. Further, the proposed rule change would require a potential applicant for LPR status or visa extension to demonstrate that they are not likely to become a public charge, with the following being considered heavily weighted negative factors in the new totality of circumstances calculus:

- Receipt of certain public benefits
- Not working or going to school
- Age below 18 or over 61
- Limited English Proficiency

We find that 19,392 affected Boston residents fall below 250% of the poverty line and are either currently receiving certain public benefits or have one of the negative factors that may indicate that they are likely to become a public charge in the future.

Section 3

Economic Impact of Affected Workers and Consumers

Scenario A looks at the economic impact of the affected immigrants and the potential losses if these immigrants become subject to deportation. We model the economic impact of the proposed rule change using a Regional Economic Models Inc. (REMI) model; we look only at receipt of Medicaid and SNAP benefits because these data are available in the ACS.[6] We use industry of employment to model the economic impact of the approximately 9,500 affected Boston residents who are currently employed as well as the 5,700 affected non-Boston residents who work in Suffolk County. We also model the economic impact of consumption by the 8,600 affected Boston residents who are not currently employed based on their aggregate income (from non-earned income or prior employment).

Implications for Boston

Loss of Workers

Boston employers could lose approximately 12,000 workers if affected immigrants lose employment authorization, are detained and deported, including workers who are Boston residents and those who commute into jobs in the city. These workers support the jobs of an additional 5,600 workers.

Loss of Consumer Demand

The Boston economy would also lose the purchasing power of the 11,800 affected Boston residents who are not currently employed or who work outside of Boston.

Loss of Income for the City as a Whole

The affected immigrants who live in Boston or commute into Boston contribute $500 million annually to the income of Boston residents through direct, indirect, and induced economic impacts.

Loss of Talent

Of the 19,400 Boston residents who would possibly fall out of status and face deportation, 3,973 are college or university students, and another 1,822 are college-educated workers.

Break-up of Families

Of the 19,400 Boston residents who would possibly face deportation, 1,882 are minor children, 5,896 are married, and approximately 6,000 are caring for minor children.

Public Health Impacts

Public benefits such as food stamps and Medicaid are important safeguards to public health in Boston. Almost 13,165 adults and 1,614 children currently receiving Medicaid may disenroll for fear of jeopardizing their immigration status. Almost 7,695 adults and 1,021 children who currently receive food stamps may be reluctant to accept these public benefits for the same reason.

Section 4

Health-related Cost Analysis

Evidence suggests that immigrants are increasingly hesitant or avoiding participation in vital health and nutrition assistance programs for the fear of being identified as a "public charge," and thus forfeiting their ability to adjust or renew their immigration status in the future.[7]

Scenario B looks at potential health-related consequences of the proposed changes to the public charge test of inadmissibility including (1) reduced enrollment in public insurance programs among immigrants which will increase the financial burden of uncompensated care to local hospitals; (2) decreased participation in nutrition assistance programs that will likely increase the overall cost of health care to the economy, and likely result in delayed negative shock to maternal and childhood health and associated long-term costs to the economy and finally (3) the spread of communicable diseases as a result of discontinuations of treatment, especially amongst those individuals with health conditions that require long-term medically-assisted management such as HIV/AIDS.

It is worth noting that these "chilling effects" are not necessarily limited to those non-citizens who are directly impacted by the proposed policy changes; rather, the perceived threat of deportation may compel non-citizens who are not otherwise impacted by the changes to discontinue use of certain public benefits, including those not included in the public charge test.

Evidence in public health literature and research

Having established these anticipated outcomes, we turn to existing public health literature and research to benchmark the cost of uncompensated care and decreased participation in nutrition assistance programs, in this case SNAP specifically.

Outcome 1: Disenrollment from public insurance will result in increased uncompensated care costs to the local hospitals and increased use of emergency care.

The Emergency Medical Treatment & Labor Act (EMTALA) of 1986 ensures public access to emergency medical service regardless of ability to pay.[8] As a result, public hospitals often act as insurers of last resort by providing uncompensated care to patients who are uninsured and cannot afford the cost of care. [9]

In 2013, uncompensated care in the US totaled $84.9 billion, of which 65% was offset by government payments: Medicaid and Medicare provided $13.5 billion and 8.0 billion, respectively, with state and local entities providing the difference of $19.8 billion.[10]

A study of state-wide Medicaid disenrollment Missouri and Tennessee in 2005 concluded that each newly uninsured person cost local hospitals $900 in uncompensated care.[11] We use this figure as a point of departure for calculating the costs of the proposed changes to local health providers.

Outcome 2: Decreased participation in nutrition assistance program will increase the overall costs to the economy by increasing the health care expenditure per person.

SNAP enrollment is associated with $1,409 lower annual health care expenditure per person among lower income adults,[12] according to a study published in the JAMA Journal of Internal Medicine.

The same study found that food insecurity among lower income adults was associated with $1863 higher healthcare expenditures, and 43-47% higher risks of ED visits and inpatient hospitalization.[13]

A study conducted by Children's Health Watch and published in 2018 estimates that food insecurity and hunger is associated with $2.4 billion in avoidable health-related costs in Massachusetts in 2016 alone.[14]

SNAP participation is associated with 12-19% reduced incidence of severe food insecurity.[15] Additionally, childhood access to food stamps has been associated with improved economic sufficiency and health outcomes as adults: 18% higher high school completion, 6% less stunted growth, 5% less heart disease, and 16% less obesity.[16]

Food insecure children are twice more likely to be fair/poor health, and 1.4 times more likely to have asthma.[17]

Health-related cost methodology

We project the total cost to the local economy by multiplying the estimated number of affected immigrants (see Section 2) by the estimated per adult and per child costs associated with disenrollment from the Medicaid/CHIP and SNAP. The Department of Homeland Security has not yet determined if CHIP will be included in the list of public benefits, use of which would be considered in administered the public charge test. DHS has requested public comments on whether to include CHIP in the final rule.

The number of affected immigrants (adults and children) for Medicaid/CHIP and SNAP was provided by the BPDA. Per adult costs associated with disenrollment from Medicaid/CHIP and SNAP were obtained from the respective sources provided in the Table Notes.

The per adult costs for the Medicaid/CHIP and SNAP disenrollment were extended to children using the assumption that children cost approximately 51% and 100% of adult health care and food costs, respectively, based on the finding from the published figures cited in the Table Notes.

We caution that these projections are highly dependent on the stated assumptions and other factors, such as the extent of disenrollment and unidentified overlaps in the health and nutrition services. Although we assumed independence in qualifying for the public services, an immigrant receiving SNAP may be more or less inclined to apply for Medicaid/CHIP at the same time.

Health-related cost discussion

The proposed changes to the public charge grounds of inadmissibility will likely encourage disenrollment of the directly affected non-citizen population (and potentially non-citizens more broadly), from public assistance programs, which will likely harm public health and impose economic burden to the city beyond the cost savings to the federal government.

Based on preliminary analysis, we estimate that the economic burden to the City of Boston could between $14 and $57 million per year (assuming 20% to 80% disenrollment). These figures represent a composite of the three specific cost categories described below:

- The costs associated with loss of Medicaid/CHIP coverage for impacted population to the local economy ($10 to $38 million per year), of which the uncompensated care costs to the Boston hospitals from the loss of reimbursements accounts for $3.8 to

$15 million per year.

- The increased health expenditure associated with the loss of SNAP ($2.3 to $9.3 million per year).
- The loss of purchasing power from the loss of SNAP ($2.6 to $10 million per year).

Furthermore, disenrollment from immunization services (influenza, mumps, rubella, etc.) as well as other preventive services against communicable diseases (diphtheria, cholera, HIV, etc.) will have incalculable implications to the local economy as well as potentially severe health consequences for both those disenrolling and the population at large. Loss of productivity and/or missed work due to health issues may also result in lost earnings.

Incalculable health impacts

Beyond the direct impact of large-scale disenrollment from the aforementioned public benefits programs on the local economy, there are both individual, community and population level health implications of the proposed changes to the public charge rule.

As argued above, disenrollment from programs that provide nutrition assistance (i.e. SNAP) may prove burdensome to the local economy because of increased health expenditures associated with food insecurity. Implicit in this thesis is the relationship between food insecurity and adverse health conditions, identifiable in empirical food security research literature published in peer-reviewed academic journals and reports.

Food insecurity is likely to exacerbate particular health conditions including:[18]

- Depression (in adults)
- Arthritis, gout, lupus and/or fibromyalgia (in adults)
- Iron deficiency (in children)
- Diabetes (in adults)
- Obesity (in adult women)
- Asthma (in adults and children)
- Chronic obstructive pulmonary disease (in adults)

Thus, the impact of poor health outcomes is not sufficiently described in monetary cost alone. On the contrary, the proposed changes to the public charge grounds of inadmissibility are likely to have adverse effects on the health and wellbeing of individuals, families and communities, whose quality of life deteriorates as a result of decreased access to health services and programs. Moreover, delayed treatment for communicable diseases, lowered vaccination rates, and higher rates of unwanted pregnancy and sexually transmitted infections pose population health risks.

Likewise, reduced care for serious psychiatric illnesses could result in higher rates of suicide and substance use with consequences for both those suffering acutely from mental health conditions as well for the population broadly.

Projections

	Public insurance (Medicaid & CHIP)	Nutrition assistance (SNAP)	Total Cost to Local Economy
Total number of affected residents	14,779	8,716	
Adults	13,165[1]	7,695[1]	
Children	1,614[1]	1,021[1]	
Total cost per adult	$3,372[7]	$2,880	
Uncompensated cost to hospital	$1,363[3]		
Other costs associated with the loss of Medicaid coverage	$2,009[8]		
Increased health care expenditure		$1,409[4]	
Substitute food spending		$1,471[5]	
Total cost per child	$1,720	$2,190	
Uncompensated cost to hospital	$695[2]		
Other costs associated with the loss of Medicaid coverage	$1,025[2]		
Increased health care expenditure		$719[2]	
Substitute food spending		$1,471[6]	
Total projected costs per year:			
at 20% disenrollment	$9,433,602	$4,879,434	$14,313,036
at 50% disenrollment	$23,584,004	$12,198,586	$35,782,590
at 80% disenrollment	$37,734,406	$19,517,737	$57,252,144

Table Notes

1. Based on the estimates provided by the BPDA.
2. Based on Centers for Medicare & Medicaid Services (CMS) estimate that the average health care expenditure for children is approximately 51% of adult.[10,19]
3. Estimated $900 cost in 2005 was adjusted for inflation using an annual medical cost inflation of 3.06%, based on BLS "Medical care in U.S. city average, all urban consumers, not seasonally adjusted" for 2008-2017.[20]
4. Based on a published figure from a peer-reviewed journal The Journal of the American Medical Association (JAMA) Internal Medicine.[21]
5. Based on the United States Department of Agriculture (USDA) estimated average SNAP benefits of $122.62 per person in January 2018[22]
6. Based on USDA SNAP figures that shows the benefits received by children under 18 could be more or less than the average adult benefit, depending on the age group.[23]
7. Based on the published estimate for the Commonwealth of Massachusetts by the Kaiser Family Foundation.[24]
8. Calculated as the difference between the estimated total Medicaid expenditure per adult and the estimated uncompensated cost to hospital per adult.

Endnotes

[1] *U.S. Citizenship and Immigration Services: Public Charge. https://www.uscis.gov/greencard/public-charge*

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[12] *Ibid*

[13] *Ibid*

[14] *Cook, J.T. and A. Poblacion, An Avoidable $2.4 Billion Cost: The Estimated Health-Related Costs of Food Insecurity and Hunger in Massachusetts. 2018, Children's Healthwatch, and The Greater Boston Food Bank.*

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[17] *Gundersen, C. and J.P. Ziliak, Food Insecurity And Health Outcomes. Health Aff (Millwood), 2015.34 (11): p. 1830-9.*

[18] *Cook, J.T. and A. Poblacion, An Avoidable $2.4 Billion Cost: The Estimated Health-Related Costs of Food Insecurity and Hunger in Massachusetts. 2018, Children's Healthwatch, and The Greater Boston Food Bank.*

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[21] *Berkowitz, S.A., et al., Supplemental Nutrition Assistance Program (SNAP) Participation and Health Care Expenditures Among Low-Income Adults. JAMA Intern Med, 2017. 177 (11): p. 1642-1649.*

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