



August 13, 2025

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

Re: Notice: Personal Responsibility and Work Opportunity Reconciliation Act of 1996; Interpretation of "Federal Public Benefit" [Docket ID Docket: AHRQ-2025-0002]

Dear Secretary Kennedy:

I am writing to you on behalf of New Jersey Appleseed Public Interest Law Center ("NJA") and the New Jersey For Health Care Coalition ("NJFHC") in opposition to the Department of Health and Human Services ("HHS")'s new, but harmful, interpretation of the definition of a "Federal public benefit" under the Personal Responsibility and Work Opportunity Reconciliation Act ("PRWORA"). NJA is a nonprofit, legal advocacy center that represents low- and moderate-income households and communities in the State of New Jersey with respect to improving their quality of life; in particular, we take actions that holding corporate and government actors accountable with respect to consumer financial justice issues, voting rights, health care and housing affordability. Specifically, we have been active in health care reform issues since our inception in 1998, and we are a founding member of the NJFHC.

NJFHC came together in 2008 to address the crisis of a lack of quality, affordable and accessible health coverage for our residents. Since its inception, the coalition has distinguished itself as the leading voice for consumers in federal and state health care reform efforts. Our 75+ member organizations represent over two million New Jerseyans and include allied patient advocates, community and faith-based groups, labor, racial justice advocates, research and policy organizations, child, senior and women's advocacy groups, and social service providers. Together, the Coalition has accomplished important victories that have expanded coverage, increased protections and helped lower costs for consumers.

After nearly 30 years, HHS is adopting a new legal interpretation of the term "Federal

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Email: renee@njappleseed.org Website: www.njappleseed.org public benefit" that will adversely impact millions of immigrants and their families' ability to access critical health and other safety-net programs funded by individuals. In 1998, HHS issued a Notice¹ that identified 31 programs, such as Medicare, Medicaid, Temporary Assistance for Needy Families, and a range of cash-assistance programs that were required to exclude documented and other lawfully present but "not qualified" immigrants from access to such programs. At the same time, HHS, employing a reasonable interpretation of the statute, identified several other programs not as "Federal public benefits," because they were deemed to service the broader community.

On July 14, 2025, the HHS disavowed its 1998 interpretation and went on to identify 13 additional programs as restricted Federal public benefits (2025 Notice).² These programs include Head Start, the Title X Family Planning Program, and the Health Center Program (*e.g.* federally qualified health centers funded by the Health Resources and Services Administration) among others. These programs have been providing critical services to a relatively large population in New Jersey that has been residing and working in the State for years, and limiting access to them will have negative effects on the health and welfare of not only our immigrant population, but also New Jersey's communities as a whole.

Immigrant Families and Communities Already Face Burdens Under the Existing Structure

HHS' unnecessary reinterpretation of the definition of "Federal public benefit" in PRWORA will certainly cause harm to the health and well-being of immigrant families who already have limited access to essential programs and services. Indeed, the barriers that immigrant families have faced in securing services that are essential to health, safety, and economic security and mobility have harmed not only persons directly barred from these programs, but also mixed-status families and the communities in which they live.

With one in four children in the U.S. living with at least one immigrant parent, including those with qualified and nonqualified statuses, its impact will reach beyond those newly excluded from specific programs.³ Under PRWORA, millions of non-qualified immigrants are already excluded from the full scope Medicaid, Medicare, Temporary Assistance for Needy Families (TANF) and a host of other anti-poverty and social welfare programs. Even qualified immigrants, such as green card holders, who are just one-step removed from U.S. citizenship, face a five-year bar here in New Jersey before they can access such federal benefits. This structure has made it difficult if not impossible for many immigrant families, though working and paying taxes, to access higher education and health care.

Existing restrictions in PRWORA and accompanying regulations create a chilling effect that deters **eligible immigrants and citizen family members** from seeking essential programs. For example, when parents are barred access from federal health care programs, they are less likely to enroll eligible children in health care programs. From 2016-2019, participation in programs such as Medicaid, CHIP, and the Supplemental Nutrition Assistance Program among

¹ 63 Fed. Reg. 41658 (Aug. 4, 1998).

² 90 Fed. Reg. 31232 (July 14, 2025).

³ Drishtii Pilla, Akash Pillai, and Samantha Artiga, *Children of Immigrants: Key Facts on Health Coverage and Care*, KFF. (January 15, 2025), https://www.kff.org/racial-equity-and-health-policy/issue-brief/children-of-immigrants-key-facts-on-health-coverage-and-care/

citizen children with noncitizen household members fell twice as fast as those with only U.S. citizen households due to fear and uncertainty caused by changes in immigration policy.⁴ This new rule will only exacerbate these chilling effects, causing harm to families across this country.

This new policy follows closely on the heels of the recently passed reconciliation bill, which includes sweeping rollbacks to public benefit eligibility generally, deep cuts to Medicaid and Supplemental Nutrition Assistance Program (SNAP) and expanded immigration enforcement mechanisms. Together, these actions constitute a coordinated and deeply troubling attack on immigrant communities, who are making a significant contribution to our economy and the vitality of our communities. We condemn these exclusionary policies as inhumane and note that we believe that they are designed to deliberately inflict fear and suffering on individuals due to their race, income and immigration status. They fail to promote either equity or fiscal responsibility, but instead codify exclusion, marginalization, and fear that is antithetical to the founding principles of this country.

Many immigrants impacted by this new "policy of fear" contribute to our economy, pay taxes, and hold essential jobs. In New Jersey, nearly 30% of the workforce are immigrants (64% are software developers and 30% are registered nurses).⁵ Forty-five (45) percent of business owners are immigrants. Collectively, immigrant workers and business owners generate \$194 \frac{\text{billion}}{\text{billion}} in economic output in the state. Additionally, undocumented immigrants in New Jersey pay \$1.3 \frac{\text{Billion}}{\text{billion}} in taxes.^{5,6} By declaring this policy to be in effect immediately, before collecting public comment or providing clarity to program administrators, HHS has not only undermined government transparency and accountability, but also has shown a profound disregard for states such as New Jersey that have taken the health, welfare and safety of their residents seriously as well as the hard-working immigrants themselves.

Verification Requirements would Burden State and Local Governments

While PRWORA exempts nonprofit charitable organizations from verification requirements, it does not exempt state and local governments that already expend extraordinary resources on verifying eligibility for programs like Medicaid and the Supplemental Nutrition

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⁴ Samantha Artiga and Drishti Pillai, *Expected Immigration Policies Under a Second Trump Administration and Their Health and Economic Implications*, KFF. (November 21, 2024). https://www.kff.org/racial-equity-and-health-policy/issue-brief/expected-immigration-policies-under-a-second-trump-administration-and-their-health-and-economic-implications/. See also Randy Capps et al., *Anticipated "Chilling Effects" of the Public-Charge Rule Are Real: Census Data Reflect Steep Decline in Benefits Use by Immigrant Families*, Migration Policy Institute (Dec. 2020), https://www.migrationpolicy.org/news/anticipated-chilling-effects-public-charge-rule-are-real.

⁵ New Jersey Policy Perspective, Immigrants Are A Vital Part Of New Jersey's Future. (November 26, 2024), https://www.njpp.org/publications/explainer/immigrants-are-a-vital-part-of-new-jerseys-future/

⁶ Nieto-Munoz, Sophie, Undocumented immigrants in N.J. pay \$1.3B in state and local taxes, new study says, New Jersey Monitor. (July 30, 2024), https://newjerseymonitor.com/2024/07/30/undocumented-immigrants-in-n-j-pay-1-3b-in-state-and-local-taxes-new-study-says/

Assistance Program (SNAP). Any new requirements for state and local governments to verify eligibility for programs now deemed to be Federal public benefits would be an unfunded mandate and force them to develop new policies, technology, and training procedures for each one. Prior to the enactment of H.R. 1, state budgets were already facing increasing fiscal stressors. Now that the Administration's policies have slashed federal funding to states and will shift further costs to states for Medicaid and SNAP, any new requirements would pose insurmountable problems.⁷

Excessive documentation already is a major barrier to effective utilization of federally funded programs by all who want to participate. Low-income families utilizing the programs targeted by HHS already face "time poverty" driven by inordinate amounts of paperwork that stem from federal regulations like the ones that this notice may create. Federal paperwork already costs 10 billion hours and \$276.6 billion annually. Instituting even more requirements by requiring funding recipients of these programs will lead to less time and money for their core missions.

Nonprofits Should Not Be Coerced into Spending Resources on Verification

As the Notice acknowledges, PRWORA does not require nonprofit charitable organizations that administer Federal public benefits to conduct eligibility verifications. This provision ensures that nonprofits and their clients are not subject to the paperwork costs borne by government agencies described above. However, the Notice also indicates that, despite this important exception, the agency expects that they, "should pay heed to the clear expressions of national policy," under President Trump's anti-immigrant executive orders.

This statement of expectation is vague, amorphous and is certain to confuse nonprofit organizations. They may be concerned about adverse actions against them, particularly given this administration's attempts to force private actors to comply with its demands without a statutory basis, such as its abuse of the college accreditation system and threats to cut transportation funding for cities that do not facilitate mass deportations. ¹⁰ **HHS should clarify that no**

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⁷ Wesley Tharpe, Roundup: State Budgets Increasingly Strained as House, Senate Republican Plans Would Impose Major Costs, Center on Budget and Policies Priorities. (June 24, 2025), https://www.cbpp.org/research/state-budget-and-tax/roundup-state-budgets-increasingly-strained-as-house-senate

⁸ Celestine Rosales, *Can We Afford to be Time Poor? The Hidden Tax of Time Poverty*, The Decision Lab. June 18, 2024. https://thedecisionlab.com/insights/society/can-we-afford-to-be-time-poor

⁹Dan Goldbeck, The Hidden Cost of Federal Paperwork, American Action Forum. (October 27, 2021), https://www.americanactionforum.org/insight/the-hidden-cost-of-federal-paperwork/

¹⁰ See Bauer-Wolf, Jeremy, "The Trump Administration Is Wielding Accreditation as Political Weapon Against Columbia University," *New America*. (June 5, 2025), https://www.newamerica.org/education-policy/edcentral/the-trump-administration-is-wielding-accreditation-as-political-weapon-against-columbia-university/; ; Badger, Emily, "Trump Raises New Threat to Sanctuary Cities: Blocking Transportation Dollars," *The New York Times*. (January 31, 2025) https://www.nytimes.com/2025/01/31/upshot/sanctuary-cities-trump-transportation-funds.html

nonprofit will be adversely affected if they, as is their legal right, do not divert funds and staff time to force their clients to fill out paperwork.

This Change Will Harm Our Health, Delivery Systems, and Economies

Expanding the definition of "Federal public benefit" to include essential health programs, such as Title X and the Health Center Program, threatens public health, delivery systems, and the broader economy. Title X is the only federal program dedicated to providing individuals with low-incomes access to affordable family planning care. In many areas, it is the only available source of essential health care. Restricting these services will significantly reduce access to contraception, STI testing, cancer screenings, and prenatal care. 12

Similarly, Community Health Centers (CHCs) provide primary and preventive care services, which are crucial for managing chronic conditions and promoting overall health. Confusion about eligibility and fear of immigration consequences may discourage even eligible individuals, including U.S. citizen children, from accessing needed care. Limiting access to these health centers will further isolate underserved families from the health care system they depend on.¹³

Federally Qualified Health Centers (FQHC) are often the primary or only source of care for immigrants in underserved areas. New Jersey has twenty-three FQHCs with 138 sites that serve over 600,000 residents regardless of the ability to pay. 14 Denying access to these facilities would further isolate families from the healthcare system they rely on to survive and will create enormous strain on hospital emergency rooms as the provider of last resort.

https://pub.njleg.gov/publications/budget/governors-budget/2026/03252025/Cintron M.pdf

¹¹ Managi Lord-Biggers and Amy Friedrich-Karnik. Factsheet: Features and Benefits of the Title X Program, The Guttmacher Institute (February 2025), https://www.guttmacher.org/fact-sheet/features-and-benefits-title-x-program.

¹² See Sarah D. Compton et al., (2025). Assessing the Impact of Federal Restrictions to the Title X Program on Reproductive Health Service Provision Between 2018 and 2022 in the United States, *Contraception*, (142),

https://www.sciencedirect.com/science/article/abs/pii/S0010782424004335; Amy Friedrich-Karnik & Rachel Easter, *Restricting Title X Results in Cascading Harms*, Guttmacher Institute. (August. 2024), https://www.guttmacher.org/2024/08/restricting-title-x-results-cascading-harms.

When sick, lawfully present immigrants, undocumented individuals, and those with limited English proficiency are more likely to access care at clinics or community health centers. Data from the 2023 KFF/LA Times Survey of Immigrants shows that three in ten immigrant adults say a CHC is their usual source of care, with this share rising to about four in ten among likely undocumented immigrant adults (42%) and those with limited English proficiency (39%). *See:* Drishti Pillai & Samantha Artiga, KFF, *New Policy Bars Many Lawfully Present and Undocumented Immigrants from a Broad Range of Federal Health and Social Supports* (July 21, 2025), https://www.kff.org/policy-watch/new-policy-bars-many-lawfully-present-and-undocumented-immigrants-from-a-broad-range-of-federal-health-and-social-supports/.

¹⁴ Clintron, Marilyn, Testimony to the New Jersey Assembly Budget Committee, New Jersey Primary Care Association. (March 25, 2025),

Denying access to preventive care does not eliminate peoples' need for services, it shifts the burden to hospital emergency departments and, ultimately, to state systems and taxpayers. People who are unable to access preventive health care inevitably enter the health care system at more complex and expensive points. Delayed treatment leads to worse health outcomes, including rising STI rates, increase in late-stage cancer diagnoses, and poor maternal and infant health, all of which require more intensive, costly interventions.

Consequently, New Jersey hospitals will absorb more uncompensated care, threatening their financial viability. Additionally, those with advanced health issues are less likely to be able to continue working and supporting their families. This will have a broader impact on New Jersey communities, given immigrants' essential role in the workforce. There is little doubt that when patients don't get the care they need, they experience negative health outcomes. An example of how important it is to maintain access to care comes from a New Jersey glaucoma patient who missed over a year of care because of a laps in benefits, is now blind in one eye, because she could not get the treatment she needed to save her sight.

Moreover, restricting access to critical health care programs not only contradicts HHS' commitment to health equity and public safety, but also threatens to destabilize the broader health care system, especially in a state such as New Jersey where hospitals, regardless of nonprofit/for-profit status, must serve all patients regardless of their income and insurance status.

A 30-Day Comment Period and No Delay in Implementation is Insufficient

HHS has made this Notice effective immediately and has only provided 30 days for comments. To force the public to comment on such a significant revision, with nearly 30 years of precedent and potential impact on hundreds of recipients of federal funding across many programs, in only 30 days is deeply inadequate. Together, these programs represent over \$27 billion in federal funding. HHS should pause implementation of this reinterpretation immediately, and allow for a full stakeholder engagement process including a proper notice and comment period.

Conclusion

NJA and NJFHC urge you to withdraw this Notice and not proceed with any further guidance, regulations or other changes in interpreting PRWORA. Further, we would like our comment, including any articles, studies, or other supporting materials that we have included in our comment as an active link in the text, to be included as part of the formal administrative record for the proposed rule for the purposes of the federal Administrative Procedure Act.. If you have any questions about anything in the comments or the materials, please contact Renée

¹⁵ Drishti Pillai & Samantha Artiga, *Employment Among Immigrants and Implications for Health and Health Care*, KFF (June 12, 2023), https://www.kff.org/racial-equity-and-health-policy/issue-brief/employment-among-immigrants-and-implications-for-health-and-health-care/.

¹⁶ Fiscal Year 2025 combined funding for Health Start, Community Mental Health Services

Block Grant, Community Services Block Grant, Community Health Centers, Mental and Behavioral Health Programs, Projects for Assistance in Transition from Homelessness, Substance Use Prevention, Treatment, and Recovery Services Block Grant and Title X funding.

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