

September 23, 2024

The Honorable Phillip Swagel, PhD Director
Congressional Budget Office
Ford House Office Building
Washington, D.C. 20515

Dear Director Swagel:

Since President Biden and "Border Czar" Vice President Harris took office, U.S. Customs and Border Protection (CBP) has reported an annual average of over 2,284,000 encounters nationwide, an increase of over 280 percent compared to the annual average of 600,000 encounters under the leadership of President Trump. In total, the Biden-Harris Administration has overseen 10.1 million encounters with illegal migrants nationwide. Crossings at the Southwest Border alone have skyrocketed to more than 8.2 million under the Biden-Harris Administration, an increase of over 161 percent compared to the Trump Administration.¹

As Chairman of the House Committee on the Budget, I remain concerned with the human cost of this crisis, which has led to spikes in violent crime and fentanyl overdoses, but also the tremendous cost to taxpayers from the overwhelming increase in illegal immigration under this Administration. That is one of the reasons why on May 8, 2024, the House Committee on the Budget held a hearing entitled "The Cost of the Border Crisis," to investigate the fiscal consequences of mass illegal migration on federal, state, and local budgets. Members specifically highlighted the impact of increased illegal migration on federal health care spending, namely Medicaid.

In response to the hearing and a subsequent letter requesting analysis of the impact of increased illegal immigration on the federal budget, the Congressional Budget Office (CBO) published a report entitled "Effects of the Immigration Surge on the Federal Budget and the Economy," detailing the fiscal toll the Biden-Harris border crisis has taken on our nation.² The report found that "the surge adds about \$40 billion to total federal spending for Medicaid and [the Children's Health Insurance Program (CHIP)] over the 2024-2034 period," in part driven by the fact "300,000 of the people who are part of the immigration surge receive emergency Medicaid benefits per year."

Increases in border-related federal Medicaid spending poses profound concerns regarding the fiscal security of the nation given the fact that federal health care spending is already the primary driver of our unsustainable and growing \$35 trillion national debt. Federal outlays on Medicaid alone have increased by 33 percent since 2020, growing from \$458 billion in 2020 to \$607 billion in 2024.

¹ July 2024 Border Crisis Startling Stats (House Committee on Homeland Security / Updated August 16, 2024)

² Effects of the Immigration Surge on the Federal Budget and the Economy (Congressional Budget Office / July 23, 2024)

Moreover, Medicaid spending is projected to increase further over the next ten years, reaching \$933 billion in 2034, a staggering 129 percent increase from pre-pandemic levels.³

To remove incentives for illegal migration and safeguard taxpayer dollars, President Clinton signed into law the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("PRWORA") [P.L. 104-193], which barred "non-qualified aliens" from accessing most federal benefits, including Medicaid.⁴ Notably, PRWORA included a statement of national policy that there "is a compelling government interest to remove the incentive for illegal immigration provided by the availability of public benefits."

Under the law, "non-qualified aliens" are individuals that do not fall within nine enumerated categories of eligibility. Illegal aliens without documentation are considered "non-qualified aliens" under PRWORA and thus statutorily barred from receiving most federal benefits.

Despite PRWORA's limitation on illegal aliens receiving federally funded Medicaid benefits, such aliens may receive Medicaid benefits for emergency services. Specifically, the Omnibus Budget Reconciliation Act of 1986 [P.L. 99-272] requires Medicaid to cover treatment for illegal aliens who would otherwise qualify for Medicaid if not for their immigration status provided such services are necessary to treat an emergency medical condition.⁵

To help Congress better understand the fiscal cost of the border crisis that has developed under the failed leadership of the Biden-Harris Administration, I respectfully request that CBO produce an analysis of the following:

- 1) Annual federal Medicaid outlays for emergency services for illegal aliens for Fiscal Year 2017 through Fiscal Year 2023; and
- 2) Estimates of total state outlays for emergency services for illegal aliens for Fiscal Year 2017 through Fiscal Year 2023.

Please provide responses no later than October 15th, 2024. Thank you for your attention to this important matter. I look forward to your response.

Sincerely,

Jodey Arrington

Chairman

House Committee on the Budget

³ <u>Details About Baseline Projections for Selected Programs</u> (Congressional Budget Office / Updated June 2024)

⁵ <u>42 CFR § 440.255 – Limited Services Available to Certain Aliens</u> (Accessed August 12, 2024)