CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Phillip L. Swagel, Director

October 2, 2024

Honorable Jodey Arrington
Chairman
Committee on the Budget
U.S. House of Representatives
Washington, DC 20515

Re: Emergency Medicaid Services for Certain Non-U.S. Nationals

Dear Mr. Chairman:

You have asked the Congressional Budget Office to respond to questions concerning federal and state spending for emergency Medicaid services received by certain aliens (or non-U.S. nationals) present in the country from fiscal years 2017 to 2023. In that time, federal and state governments spent a total of $27 billion on emergency Medicaid services for people who were ineligible for full Medicaid coverage because of their immigration status (see Table 1).

Non-U.S. Nationals' Eligibility for Medicaid

For noncitizens, federal and state coverage of health benefits depends on immigration status. Since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), eligibility for many federal benefit programs—including Medicaid—has generally been limited to "qualified aliens," as defined by that law. That group includes lawful permanent residents (also known as green-card holders), asylees, refugees, and people who are paroled into the United States for one year or more. Those people generally are eligible to participate in comprehensive Medicaid after a five-year waiting period, which may be waived for people in some groups, such as asylees and refugees.

States also can choose to provide Medicaid to—and receive the federal share of Medicaid funding for—children and pregnant women who would qualify if they were not still within the five-year waiting period. During that

time, qualified aliens may be eligible for premium tax credits, which help subsidize the cost of health insurance purchased through the marketplaces established under the Affordable Care Act, should they meet program requirements.

Non-U.S. nationals who are not qualified aliens, including people who are in the country illegally or are here legally on a temporary basis (for example, if they have entered the country as nonagricultural workers under the H-2B program), are not eligible for comprehensive Medicaid coverage. Some states use state-only Medicaid funds to provide full benefits to low-income people regardless of immigration status.

Under section 9406 of the Omnibus Budget Reconciliation Act of 1986 (P.L. 99-509), limited Medicaid coverage for emergency medical services is available for people who would qualify for full Medicaid benefits if not for their immigration status. Under that program, people can receive care for medical emergencies that require immediate attention to prevent serious harm, disability, or death; they may also qualify for emergency labor and delivery services. Although the federal government generally defines what qualifies as an emergency medical condition, states have flexibility in determining what specific conditions qualify and which services are covered under the program. States can receive federal reimbursement for a portion of those expenditures based on their federal medical assistance percentage rate.[1]

Spending for Emergency Medicaid Services

Data from the Centers for Medicare & Medicaid Services (CMS) show that from 2017 to 2023, the federal government spent about $18 billion and state governments spent about $9 billion on emergency Medicaid services for non-U.S. nationals who were ineligible for comprehensive Medicaid by reason of immigration status or because they were still within the five-year waiting period (see Table 1).

For this analysis, CBO used data on spending from the quarterly financial reports, called CMS-64 forms, that state agencies submit to CMS to request federal reimbursement for their expenditures.[2]

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1. The share of Medicaid costs paid by the state's federal government for medical services used by most Medicaid enrollees is specified by the federal medical assistance percentage rate, which is determined by a formula that provides a higher rate of federal reimbursement for states with lower per capita income relative to the national average and a lower rate for higher-income states.

2. See Medicaid.gov, "Expenditure Reports From MBES/CBES" (accessed October 1, 2024), https://tinyurl.com/mr2ce359.

Table 1.

Federal and State Spending for Emergency Medicaid Services, 2017–2023

Millions of dollars

Fiscal Year	Federal	State	Total	Average Federal Share (Percent)
2017	900	635	1,535	59
2018	1,630	977	2,607	63
2019	1,992	1,118	3,110	64
2020	2,058	1,018	3,076	67
2021	4,896	2,154	7,050	69
2022	3,816	1,585	5,401	71
2023	2,746	1,029	3,775	73
Total	**18,038**	**8,516**	**26,554**	

Source: Congressional Budget Office using data from the Centers for Medicare & Medicaid Services' forms CMS-64.

a. States received a temporary increase in the federal medical assistance percentage for certain Medicaid expenditures, including emergency Medicaid services, from January 1, 2020, through December 31, 2023.

Based on the available data, CBO cannot distinguish how much of the total spending is attributable to any of the following groups:

- Qualified aliens who have not completed the five-year waiting period,
- Qualified aliens who were granted parole by Customs and Border Protection's Office of Field Operations through one of several processes created by the Administration since 2021 under section 212(d)(5) of the Immigration and Nationality Act (P.L. 82-414) and who have not yet completed the five-year waiting period, and
- Non-U.S. nationals who are lawfully present on a temporary basis, or non-U.S. nationals who are in the country illegally.

I hope this information is helpful to you. Please contact me if you have further questions.

Sincerely,

Phillip L. Swagel
Director

cc: Honorable Brendan Boyle
Ranking Member
House Committee on the Budget