

### August 13, 2025

Robert F. Kennedy, Jr.
HHS Secretary
U.S. Department of Health and Human Services (HHS)
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Re: Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA): Interpretation of "Federal Public Benefit"

Dear Secretary Kennedy,

The Oregon Primary Care Association represents 34 Community Health Centers (CHCs) who treat more than 471,000 Oregonians and employ more than 7,000 workers. We appreciate the opportunity to provide comment on the interpretation of "Federal Public Benefit" under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), as published in the Federal Register on July 14, 2025 (Document No. 2025-13118, 90 FR 31232).

## WE ASK YOU TO SUPPORT ONGOING POPULATION HEALTH IMPROVEMENTS IN OREGON AND BEYOND BY EXEMPTING CHCS FROM THE "FEDERAL PUBLIC BENEFIT" DESIGNATION

We oppose the proposal to designate the Health Center Program as a "Federal Public Benefit." This designation would damage the public health mission and cost-saving role of CHCs. Our members and their counterparts across the nation are the backbone of the nation's primary care safety net. Nationally, CHCs provide lifesaving care to more than <u>32 million people each year</u>, consistent with federal law and Congressional mandate.

Federal statute requires CHCs to serve all individuals in their service area, regardless of ability to pay. Designating the Health Center Program as federal public benefit would directly conflict with this statutory directive and force health centers to violate the law by turning patients away or diverting resources to intrusive verification systems.

HISTORICALLY, PRWORA INTENTIONALLY EXCLUDED CHCS FROM THE "FEDERAL PUBLIC BENEFIT" CLASSIFICATION TO MAXIMIZE CHCS' ABILITY TO TREAT ILLNESSES AND HEALTH NEEDS ACROSS WHOLE COMMUNITIES.

Since 1996, the Department of Justice (DOJ), Department of Health and Human Services (HHS), and other agencies have interpreted the definition of "Federal Public Benefit" under 8 U.S.C. § 1611(c)(1)(B) as **not** encompassing programs like the Health Center Program, which provide "regularly, widely available services" not contingent on individual eligibility units. The July 2025 reinterpretation of PRWORA departs from nearly three decades of consistent federal agency guidance.

This longstanding interpretation was reaffirmed in multiple agency notices and guidance documents, including HHS's 1998 clarification that the Health Center Program is not subject to PRWORA. These interpretations formed the basis of the agreement under which States and health care providers accepted billions in federal funds and structured their delivery systems accordingly.

# RECLASSIFYING CHCS WILL INCREASE ADMINISTRATIVE BURDENS, DECIMATE ALREADY-TIGHT BUDGETS, AND REDUCE ESSENTIAL SERVICES FOR ALL PATIENTS

Designating the Health Center Program as a federal public benefit would have devastating consequences for all patients, including U.S. citizens. Requiring compliance with PRWORA would force health centers to redirect scarce resources from clinical care to compliance and documentation systems. This bureaucratic burden will reduce appointment availability, shrink care teams, and increase wait times and undermine access to care for everyone.

Health centers operate under a team-based model designed for cost-efficiency and accountability. Imposing complex eligibility screens runs counter to the Health Center Program's statutory structure and will ultimately cost more—not less—in Medicaid, Medicare, and uncompensated care.

## OUR NEIGHBORS' HEALTH IMPACTS OUR OWN HEALTH, OUR FAMILIES, AND OUR CHILDREN'S

Classifying the Health Center Program as a federal public benefit is not only counter to longstanding interpretation of PRWORA, but would also have harmful impacts to community members, from children to seniors. Health centers are a pillar in their communities, providing everything from critical health care services, transportation services to and from appointments, and access to healthy and nutritious food.

Without maintaining preventative and primary health care for immigrants, more people of all backgrounds and citizenship statuses will be sicker and require more expensive treatment. We know from the most recent global health emergency that when one member of the community is unhealthy and lacks access to essential health care services, the entire community, and, indeed, all communities, are at risk. This proposal will make our communities less healthy, less safe, less stable, and less able to thrive.

# CHCS' FOCUS ON PREVENTIVE HEALTH CARE STRATEGIES SAVE THE UNITED STATES MONEY - BUT THESE STRATEGIES ONLY WORK IF THE SERVICES ARE AVAILABLE TO EVERYONE. THE FEDERAL PUBLIC BENEFIT DESIGNATION RUNS COUNTER TO THE COST SAVING METHODS OF CHCS.

The Health Center Program is one of the most efficient federal programs. The administrative and logistical requirements needed to comply with being designated as a federal public benefit runs counter to efficiency and, instead, cost the system, the federal government, and the health centers more money.

Community health centers have a strong track record of delivering substantial savings to the health care system, including Medicaid, by providing affordable, effective primary care and reducing the use of higher-cost services like emergency departments and specialty care (Nocon RS, et al., *Health Affairs*, 2016). HHS has also highlighted that CHCs save \$1,411 per adult and \$741 per child enrolled in Medicaid and cited \$11.4 billion in gross budget savings to Medicaid, as estimated by the Congressional Budget Office (accessed December 6, 2024).

If health centers are designated as a federal public benefit, they would be forced to redirect resources toward compliance rather than the cost saving and quality patient centered care they currently provide.

#### **CONCLUSION**

We urge HHS to reverse course and exclude the Health Center Program from the definition of "Federal Public Benefit" under PRWORA. Doing so is consistent with long-standing legal interpretations and the urgent need to protect access to life and safety in America's communities.

We greatly appreciate the opportunity to comment on this proposed interpretation and stand ready to work with the Administration to ensure that all people in our communities can access the primary care they need to thrive.

Should you have any questions about our comments, please feel free to contact OPCA Executive Director Joan Watson-Patko at <a href="mailto:jwatson-patko@orpca.org">jwatson-patko@orpca.org</a> or OPCA Director of Public Affairs and Development Talbot Eckweiler at <a href="mailto:teckweiler@orpca.org">teckweiler@orpca.org</a>.

Sincerely,

The Oregon Primary Care Association