The Colorado Health Foundation™

Comments on Notice: Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA); Interpretation of "Federal Public Benefit", Docket Number AHRQ-2025-0002

August 13, 2025

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

Submitted electronically via Regulations.gov

RE: Comments on Notice: Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA); Interpretation of "Federal Public Benefit", Docket Number AHRQ-2025-0002

Dear Secretary Kennedy,

The Colorado Health Foundation (CHF or the Foundation) appreciates the opportunity to provide comments in response to the U.S. Department of Health and Human Services (HHS) Notice (hereinafter "the HHS Notice" or "the Notice") published in the Federal Register on July 14, 2025, regarding the Administration's new interpretation of the term "Federal public benefit" as used in Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

As a nonprofit and nonpartisan private foundation, CHF works statewide to advance our mission to improve the health of Coloradans. Through community engagement, grantmaking, research, and private sector investments, our work aims to ensure that everyone in Colorado has what they need to be healthy.

The Foundation strongly opposes the expanded definition of "Federal public benefit" contained in the HHS Notice. The Department's broadened interpretation will restrict access to essential health, social, and educational programs for Colorado families, impede the ability of local providers to serve their community members, and undercut the very health and wellbeing HHS is charged to promote. We urge HHS to withdraw this Notice and instead advance policies that make public benefit programs accessible to all residents, regardless of immigration status. Colorado's immigrant communities are vital to the health and economic vitality of our state, and at the Foundation we believe community health is strongest when systems of care and support are truly inclusive.

Background and Policy Change

For nearly three decades, federal agencies, including HHS, have interpreted PRWORA to allow continued access for immigrants to a range of community- and prevention-focused programs. These included mental health and substance use treatment at Community Behavioral Health Clinics, Head Start preschool

services, Title IV-E services that help children stay with their families rather than entering foster care, and more. Investments in each of these programs have yielded broad public health and safety benefits.[1]

The July 14th HHS Notice marks a drastic departure. The new interpretation newly designates at least 13 additional programs as “Federal public benefits” thus rendering many immigrant communities ineligible for them. Newly designated programs include Head Start, Community Health Centers, Title X Family Planning, and the Community Services Block Grant. This reversal could bar many Coloradans, including those with Deferred Action for Childhood Arrivals (DACA recipients), asylum applicants, Temporary Protected Status (TPS), and others granted work authorization or deferred action, from services that have been accessible based on community need rather than immigration status for decades.

Under PRWORA, nonprofit charitable organizations that provide Federal public benefits are not required to conduct eligibility verifications. HHS asserts that nonprofit organizations will still not be required to verify immigration status but the Notice fails to clarify how eligibility verification will be handled in practice. This lack of guidance creates confusion, operational burdens, and uncertainty for service providers and clients alike, threatening health care and human services across Colorado. Organizations may interpret the Notice to have a broader meaning, overriding the protections under PRWORA and diverting critical resources and staff to paperwork costs.

Colorado is home to a vibrant immigrant community, making up approximately 10 percent of our state’s population. By expanding the scope of programs considered “Federal public benefits,” the Notice exposes immigrant families to new barriers and administrative burdens to prove their eligibility. Decades of research show that when policy changes increase ambiguity, even eligible individuals avoid vital services out of fear for themselves or family members. Policy changes that occurred during the 2016 to 2019 time period including

changes to public charge illustrate this impact: health care participation among citizen children in noncitizen households dropped at twice the rate of children in citizen-only households.

The Notice also burdens Colorado's nonprofit providers of vital community services. Complex, unclear, and shifting eligibility requirements would divert staff from delivering care and require time-consuming verification and documentation. This is particularly problematic in rural parts of our state, where provider capacity is already stretched and nonprofit community-based organizations play an outsized role in delivering services critical for health and well-being. The financial and operational implications are real: additional administrative requirements redirect scarce resources from service delivery to compliance.

State and local government agencies in Colorado face intensified challenges under the HHS Notice. PRWORA already requires state agencies to verify eligibility for programs like Medicaid or the Supplemental Nutrition Assistance Program (SNAP), creating costly, time- and labor-intensive processes. The expansion of verification requirements to a newly broadened list of programs represents a likely unfunded mandate which is damaging unto itself and is promulgated at a moment when state budgets are already strained by cuts in federal aid and rising costs. Prior to the passage of H.R. 1, the One Big Beautiful Bill Act, state budgets were already facing increasing fiscal stressors and the state of Colorado already faced a deficit. H.R. 1 includes deep cuts to federal funding for Medicaid and SNAP, and also shifts costs to states that have previously been born by the federal government. New requirements from the HHS Notice would put further strain on state and local government budgets.[2] HHS's own research has found that each additional in documentation and verification increases program complexity and administrative costs while discouraging participation among those who are eligible.[3]

Threats to Colorado Communities

Restricting access to Head Start, health centers, behavioral health, family planning, and other preventive programs comes at an enormous cost. It undermines children's development, public health, and community stability. In Colorado, nonprofit community health centers (CHCs) serve over 850,000 patients annually, more than one-sixth of the state's population. 4 Head Start and early childhood programs lay the foundation for lifetime learning and health, including a 39 percent increase in college completion and 29 percent decrease in long term benefit use.[5] [6] [7] Restricting access to these programs will drive up uncompensated care costs, increase preventable health crises, and undermine readiness for school and success in the workforce.

Particularly concerning, the HHS Notice directly conflicts with Section 330 of the Public Health Service Act and longstanding statutory requirements. Section 330 requires CHCs to support primary health services for "all residents of the area served by the center." Nowhere does the statute restrict access or define eligibility in a way consistent with treating CHC services as "Federal public benefits" under PRWORA.[8] CHCs are not legally permitted to create eligibility restrictions, and adding such requirements would put them at odds with their explicit statutory purpose, expose them to medical malpractice and patient abandonment risk, and risk civil rights violations, especially given state and federal anti-discrimination laws. Many CHCs in Colorado are currently in the midst of their Section 330 grant periods; abruptly changing core requirements mid-period also contradicts the Supreme Court's 1981 decision in Pennhurst State School & Hospital v. Halderman, which prohibits retroactive, "post-acceptance" federal conditions during active funding cycles.[9]

Immigrants comprise 18 percent of Colorado's workforce in key sectors of the economy, including agriculture, hospitality, construction, and health services.10

Restricting access to care and support will make it harder for these Coloradans to remain healthy and contributing to the state economy, and will create unnecessary public health risks that ripple statewide. We agree with comments submitted by the Colorado Community Health Network that good public health work is based on supporting the health of an entire community without eligibility barriers, and when those barriers are introduced it comprises the health of the entire community.

Limited Comment Period for Public Input

The HHS Notice was issued with an immediate effective date, allowing just 30 days for public input on sweeping changes affecting dozens of programs and potentially millions of people nationwide. This extremely abbreviated process is neither adequate for substantive public engagement nor consistent with the magnitude of the policy reversal. The Notice fails to consider direct public health risks and operational complications and is out of step with established policy. Furthermore, the Regulatory Impact Analysis presented by HHS in the Notice is incomplete; despite adding thirteen HHS programs to its list, it offers cost-benefit analysis for only one, and assumes without evidence that verification costs are negligible – an assumption at odds with operational reality, especially for CHCs and other safety-net providers who may now be required to verify every patient. Colorado service providers, advocates, and community leaders require additional time and transparency, including detailed program-by-program impact analyses and operational guidance, to weigh in on changes that will directly affect their ability to serve our state’s diverse communities.

Conclusion

The Colorado Health Foundation strongly urges the Department to withdraw this Notice and refrain from undertaking any further reinterpretation or expansion of the definition of “Federal public benefit” under PRWORA. While pursuing a full withdrawal, HHS should immediately pause implementation to mitigate the damaging affects and allow meaningful public engagement and thorough assessment of health, operational, and fiscal impacts. Colorado’s communities are strongest, and our health system most effective, when every person, regardless of where they were born, can access the care and support they need. Policy should reflect our values of inclusion, opportunity, and dignity for all. We welcome the opportunity to work with the Department toward solutions that build, rather than erode, healthy foundations for everyone in our state. Thank you again for the opportunity to provide input to this notice. If you have any questions, please contact Kyle Rojas Legleiter, The Colorado Health Foundation Senior Director of Policy Advocacy, at Show email or Show phone.

Sincerely,
Kyle Rojas Legleiter
Senior Director of Policy Advocacy
Colorado Health Foundation

For a downloadable version of this letter, click here.

[1] https://www.govinfo.gov/content/pkg/FR-1998-08-04/pdf/98-20491.pdf
[2] https://www.cbpp.org/research/state-budget-and-tax/roundup-state-budgets-increasingly-strained-as-house-senate
[3] https://aspe.hhs.gov/reports/barriers-immigrants-access-health-human-services-programs-0
[4] https://cchn.org/cchn-news-releases/
[5] Prep School for Poor Kids: The Long-Run Impacts of Head Start on Human Capital and Economic Security. Dec.

16, 2020. https://websites.umich.edu/~baileymj/Bailey_Sun_Timpe.pdf

[6] National Bureau of Economic Research (NBER). Evaluating the Head Start Program for Disadvantaged Children.
April 1, 2021. https://www.nber.org/digest/202104/evaluating-head-start-program-disadvantaged-children

[7] First Five Years Fund. Study Shows Head Start Reduces Likelihood of Adult Poverty. Jan. 2, 2019.
https://www.ffyf.org/resources/2019/01/new-study-shows-head-start-reduces-likelihood-of-adult-poverty/.

[8] 42 U.S.C. 254b(a)(1)(B)

[9] https://www.loc.gov/item/usrep451001/

[10] https://www.americanimmigrationcouncil.org/fact-sheet/immigrants-in-colorado/

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Announcements

POST DATE

Aug 13, 2025

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