

Yes, Senate Democrats Have Shut Down the Government Over Giving Health Care to Illegal Aliens

THE ISSUE

To vote for a continuing resolution (CR), the Senate Democrats are demanding in part that Congress resume Medicaid, Medicare, and Affordable Care Act premium subsidy policies that open the door for illegal aliens to receive government benefits. These loopholes were terminated in the [One Big Beautiful Bill Act](#) (OBBBA) that was signed into law this July. The OBBBA limited eligibility for health benefits to U.S. citizens, lawful permanent residents, Cuban and Haitian entrants, and lawful residents under the Compact of Free Association, thereby stopping eligibility for illegal aliens and other aliens here on a temporary basis. The Senate Democrats' CR bill would repeal these changes made by the OBBBA.

KEY PROVISIONS

Division B, Subtitle E, Sec. 2141 of [S.2882](#), the Democrat CR, would repeal these key sections in Subtitle B of Title VII in the OBBBA that directly curbed access to government health care benefits:

- **Sec. 71109, Alien Medicaid Eligibility.** This provision changed immigration terminology that is used to determine whether an individual is eligible for Medicaid benefits. The change narrowed eligibility to U.S. citizens, lawful permanent residents, certain Cubans/Haitians in the U.S., and residents via the Compact of Free Association (Federated States of Micronesia and the Republic of the Marshall Islands). Previously, benefits

were available to a broader set of “qualified aliens,” including immigration parolees and asylees.

- **Sec. 71110, Expansion of Federal Medicaid Match Rate (FMAP) for Emergency Medicaid.** This provision reduced the FMAP for emergency services provided to unlawfully present aliens in states that expanded Medicaid under the Affordable Care Act (ACA) from a federal enhanced match rate of 90 percent to the standard federal match rate for each state.
- **Sec. 71201, Limiting Medicare Coverage of Certain Individuals.** This provision applied the same Medicaid eligibility restrictions to the Medicare program, again narrowing Medicare eligibility to “lawfully permanent residents” rather than the previous, broader category of “qualified aliens.”
- **Sec. 71301/71302, Permitting Premium Tax Credit Only for Certain Individuals and Disallowing Premium Tax Credit During Periods of Medicaid Ineligibility Due to Alien Status.** Similar to the Medicaid and Medicare changes, these provisions narrowed eligibility for the ACA premium tax credits to those who are lawfully present and would prohibit an alien who is found to be ineligible for Medicaid from also qualifying for a premium tax credit.

This paper, in its entirety, can be found at <https://report.heritage.org/fs283>

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OTHER PROVISIONS

Other provisions in OBBA that Democrats want to repeal would strengthen and improve Medicaid's eligibility and enforcement rules by:

- Rolling back Biden-era rules that encouraged continuous coverage (Sec. 71101/71102); requiring states to cross-check for duplicative enrollment (Sec. 71103);
- Requiring states to conduct more frequent eligibility redeterminations (Sec. 71107);
- Adding work requirements to Medicaid (Sec. 71119);
- Strengthening income verification for premium tax credits, including immigration status (Sec. 71303); and
- Disallowing certain special enrollment periods (Sec. 71304).

These provisions, aimed at ensuring that only those who qualify for the program are enrolled, might not be directly linked to immigration status but have the potential to capture ineligible immigration populations as well.

CONCLUSION

Such welfare and other benefits given to illegal aliens facilitate and prolong illegal immigration in the U.S. at great cost to the American taxpayer. The OBBA properly limited the health benefit eligibility to those who are here lawfully and more permanently. These changes should not be repealed.