

## IMPROVE LEGAL IMMIGRANTS' ELIGIBILITY FOR HEALTH SERVICES SUPPORT BUDGET ITEM 313 XXX

**The Governor's Budget (Item 313.XXX) eliminates a Medicaid eligibility restriction that adversely affects qualified legal immigrants (e.g. Legal Permanent Residents (LPRs), Green Card Holders) who have already lawfully resided in the U.S. for more than five years.**

**Why is the current rule a problem?** Virginia is one of only six states\* that requires LPRs to also establish a 40-quarter (ten-year) work history before qualifying for Medicaid. While the work quarters of spouses/parents can be included in the calculation, the rules are very complicated for the Department of Social Services (DSS), and the applicants are often denied coverage because they cannot document the required work history – even long after they have been in the U.S. for the required five years. Older legal immigrants who arrive in the U.S. later in life may never satisfy the 40-quarter requirement and therefore are permanently disqualified from receiving Medicaid.

**Who is affected?** In addition to denying new applicants, the 40-quarter work history rule can also abruptly terminate immigrants who already had time-limited Medicaid coverage such as legal immigrant children who are eligible until age 19, legal immigrant pregnant women who are eligible until 60 days post-partum, and refugees/asylees who are eligible for seven years.

**What does it cost?** The budget includes \$4.46 million in general funds, which draws down over \$16 million in federal funds.

**What does it save?** Ending this coverage restriction can help to fulfill the expectations of Medicaid expansion-related cost savings for the CSBs and the Department of Corrections. In addition, the rule change will offset the costs DMAS currently incurs for expensive, emergency-only services, which federal law requires the state to cover for these same individuals. Full coverage that provides preventive care and services for chronic conditions will be more cost effective for the state – and healthier for the individuals.

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\* The other five states with the 40-quarter work history rule for LPRs are Mississippi, N. Dakota, South Carolina, Texas and Wyoming.