

STATE OF HAWAI'I KA MOKU 'ĀINA O HAWAI'I

DEPARTMENT OF THE ATTORNEY GENERAL

KA 'OIHANA O KA LOIO KUHINA

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ATTORNEY GENERAL LOPEZ TAKES ACTION TO PROTECT AFFORDABLE CARE ACT ACCESS FOR DACA RECIPIENTS

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HONOLULU – Attorney General Anne Lopez and attorneys general from 13 other states are joining together to defend health insurance access for Deferred Action for Childhood Arrivals (DACA) recipients—known as Dreamers—from court challenges.

The motion to intervene comes as the incoming presidential administration is expected to halt federal efforts to legally defend the U.S. Department of Health and Human Services (HHS) and Center for Medicaid and Medicare Services' (CMS) Final Rule granting access to Affordable Care Act (ACA) exchanges for recipients from a legal challenge brought by a coalition of States led by the State of Kansas.

Established in 2012, DACA enables certain young people, who came to the United States as children and have lived here continuously since 2007, to avoid immediate fear of deportation for revocable two-year periods. Separate regulations establish that individuals who have received grants of deferred action may work lawfully in the country.

According to the <u>Migration Policy Institute</u>, as of September 2024, Hawai'i had 340 active DACA recipients. The Migration Policy Institute further estimated in 2023 that there were approximately 7,000 individuals who would be immediately eligible for DACA.

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Last year, the Biden Administration issued a regulation that expands healthcare access to DACA recipients by making them eligible to purchase health insurance through ACA exchanges. Other states sued HHS and CMS in the U.S. District Court for the District of North Dakota in August 2024 and asked the court to delay implementation of the Final Rule, pending judicial review. The district court prevented implementation in some states, but left the Final Rule in place in most states—including in Hawai'i.

The Final Rule, Clarifying the Eligibility of Deferred Action for Childhood Arrivals (DACA) Recipients and Certain Other Noncitizens for A Qualified Health Plan through an Exchange, Advance Payments of the Premium Tax Credit, Cost-Sharing Reductions, and a Basic Health Program, took effect on November 1, 2024, providing crucial public health and economic benefits not only for DACA recipients, who have been in the United States since at least 2007, but also for the wider community.

The motion explains that because the incoming presidential administration will likely stop defending the rule, these 14 states are stepping in to defend it. President-elect Trump criticized the Final Rule during his 2024 campaign, and his previous administration declined to defend both DACA and the ACA. The states' motion explains that they have a right to step in where the federal government will stop defending this critical policy.

Attorney General Lopez is the chief legal officer and chief law enforcement officer for the state of Hawai'i. Attorney General Lopez, in intervening, seeks to uphold the rule of law by defending a lawful federal rule. While Plaintiff states argue that the Final Rule is contrary to law, it was well established prior to the passage of the ACA that "lawfully present" included those who had received revocable grants of deferred action, such as DACA recipients.

"All immigrants residing in Hawai'i, as it is throughout the nation, are entitled to legal and constitutional protections afforded to them," said Attorney General Lopez. "As Attorney General, it is my duty to uphold the rule of law, and I intend to do so on behalf of all Hawai'i residents."

"The Final Rule was promulgated in full accordance with the law and has the force and effect of law," said Solicitor General Kaliko'onālani Fernandes and Special Assistant to the Attorney General Dave Day, who are leading Hawaii's efforts in this matter, in a joint statement. "The Department of the Attorney General will fight for Hawaii's DACA recipients against this lawsuit."

The states' motion explains the many ways they will be harmed if a court eliminates the rule. In general, DACA recipients contribute an estimated \$6.2 billion in federal taxes and \$3.3 billion in state and local taxes each year and provide critical financial support to their families, including their over 250,000 U.S.-citizen children. They are employed by companies, nonprofit organizations, and government agencies and institutions, work in crucial roles in the medical profession and the U.S. military, are enrolled in public and

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private universities, and have even started their own businesses that employ other residents, including U.S. citizens.

According to data in the Final Rule, DACA recipients are three times more likely to be uninsured than the general U.S. population. Uninsured populations drive up healthcare costs overall and worsen public health, resulting in increased premature deaths, uncompensated care costs, increased medical debt, reduced spending power, lost productivity, and absenteeism from work and school. The Final Rule, by expanding insurance access to DACA recipients, helps this population and aids the states generally.

In addition to Hawai'i, other jurisdictions joining <u>the filing</u> include New Jersey, Arizona, California, Colorado, Delaware, Illinois, Maryland, Michigan, Minnesota, New Mexico, Nevada, Oregon, and Vermont.

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