U.S. MIGRATION METRICS

HHS Agreement to Share Medicaid with Immigration Enforcement

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Main Takeaways

- Federal agencies significantly expanded coordination in 2025 to use Medicaid-related data for immigration enforcement purposes.
- T-MSIS immigration categories are imprecise, creating risk of misidentifying lawfully present non-citizens as enforcement targets.
- Courts partially blocked the policy on privacy and procedural grounds but later allowed limited data sharing under a preliminary injunction.
- Even with technical and legal uncertainty, the policy is likely to produce chilling effects on Medicaid enrollment among immigrant families.

About the Authors

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Medicaid - ICE Data Sharing Policy

In May 2025, pursuant to Executive Order 14218, the Centers for Medicare and Medicaid Services (CMS) announced investigations of certain Medicaid enrollees to ensure federal funds were not used to cover individuals with "unsatisfactory immigration status." Shortly afterward, on June 10, the Department of Health and Human Services (HHS) stated it was prepared to share relevant data—particularly information received from California, the District of Columbia, Illinois, and Washington—with Immigration and Customs Enforcement (ICE). On June 14, 2025, ICE supplied HHS with spreadsheets containing biographical data for more than 7 million individuals drawn from the ENFORCE Alien Removal Module, a database used to process and remove detainees and others whose immigration status is questioned. ICE requested additional contact information from HHS where available in the Transformed Medicaid Statistical Information System (T-MSIS). The information obtained from HHS was subsequently uploaded into ICE systems to support immigration enforcement activities. This interagency collaboration deepened on July 15, 2025, when ICE and HHS formalized an agreement granting ICE direct access to T-MSIS.

Data Limitations and Classifications Issues

T-MSIS contains only limited indicators of Medicaid enrollees' immigration status, categorizing individuals broadly as "qualified" or not. Importantly, a designation of "not qualified" for Medicaid does not necessarily mean a person is undocumented; many lawfully present non-citizens hold valid immigration statuses that nonetheless make them ineligible for Medicaid coverage. Because of this coarse categorization, it remains uncertain whether CMS can reliably isolate data specifically pertaining to individuals who are unlawfully present in the United States. This ambiguity creates technical and legal complications for enforcement agencies seeking to use Medicaid data for immigration purposes and raises concerns about potential misidentification of lawful residents.

Legal Challenges and Court Rulings

Following the data-sharing agreement, a coalition of states filed suit against the Trump Administration, arguing that the arrangement violated privacy protections under the Health Insurance Portability and Accountability Act (HIPAA) and threatened the integrity of the Medicaid program. On August 12, 2025, Judge Chhabria of the Northern District of California issued a temporary block preventing ICE from using Medicaid data for immigration enforcement and barring HHS from sharing coalition-state data with ICE for that purpose. The court required federal agencies to undertake reasoned decision-making that weighed privacy, health care access, and enforcement goals. In December 2025, a new preliminary injunction permitted data sharing in non-plaintiff states and allowed limited sharing in plaintiff states, enabling ICE to access data about individuals "not lawfully residing in the United States." In September 2026, the court clarified the scope of the injunction, stating that individuals with valid, nonexpired visas are in the country lawfully. As of this writing in October 2026, the extent to which ICE has used Medicaid data for immigration enforcement remains unclear; however, the agreement has likely discouraged eligible noncitizens from enrolling in Medicaid nationwide.