

If we deny health care to undocumented immigrants, can we save money?

By Samuel Metz, MD, 13 July 2013

Let's break this into specific questions.

Does the cost of immigrant health care exceed what they pay?

Immigrants subsidize care for native-born Americans. Medicare receives more in payments from immigrants than it spends on immigrant care, an annual excess of \$16 billion [[Zallman 2013](#)]. For Social Security, immigrants generated an excess of \$12 billion in payroll taxes for benefits they are ineligible to enjoy [[Goss 2013](#)].

Is immigrant health care more expensive than that of native-born Americans?

The total cost of providing health care to all immigrants is estimated at \$39 billion annually [[Mohanty 2005](#)]. This figure is less than 2% of the \$2.6 trillion spent by all Americans. Of the approximately 12 million undocumented immigrants in the US, nearly 40% were covered by private insurance [[Preston 2011](#)]. The six million undocumented immigrants who were uninsured consumed \$4.3 billion in health care, a mere \$716 per person annually [[Camarota 2009](#)]. This is less than one tenth that consumed by native born Americans [[Keehan 2011](#)].

All studies looking at this issue determined that immigrants, both documented and otherwise, consumed less health care per person per year than native born Americans [[Goldman 2006](#), [Berk 2002](#); [Mohanty 2005](#); [Ku 2009](#); [Stimpson 2010](#)].

Does providing health care to undocumented immigrants encourage illegal immigration to the US?

Immigrants come here for jobs, not health care. Undocumented Latino immigrants, for example, primarily sought out states with employment opportunities. Secondary considerations were family and housing. In contrast, readily accessible public health care played a negative role: those states with the least generous public health care benefit programs show the most rapid rise in immigrant population. [[Passel 2001](#)].

To our shame, almost no one travels to the US, legally or otherwise, seeking affordable health care. Of medical tourists around the world who leave their home country to find affordable health care, 99% of them are Americans seeking care elsewhere [[Ehrbeck 2008](#)]. In fact, all other industrialized countries provide better care to a larger proportion of their residents at much lower cost than we do. [[Schoen 2006](#)].

If we exclude undocumented immigrants, will our health care spending go down?

As demonstrated above, the absolute amount potentially saved in refusing health care to those without residency documentation is small, less than 2% of total health spending.

Additionally, even this small savings disappears when we include the cost of enforcing such a policy. The Government Accounting Office found that state efforts to exclude immigrants without documentation from Medicaid were expensive – very expensive: states on average spent \$100 on administration to save 14 cents in health care [[Government Accounting Office 2007](#)].

Worse, these efforts to verify residency resulted in delay or denial of Medicaid to US citizens who could not provide required documentation.

Is it legally right to reward immigrants who arrive illegally with free health care?

Some advocate the US should punish criminals (i.e., people who enter the US illegally) by denying health care unless they pay for it themselves. This position runs contrary to an interesting legal principle: The only people in the US constitutionally entitled to medical care at public expense are convicts in jail [[FindLaw.com](#)]. Shockingly, we find stories of native born Americans who commit

crimes specifically to get the health care they could not afford as free citizens but they would receive as convicted felons [[Mezrich 2013](#); [Herbeck 2012](#); [ANO 2013](#)].

It would take convoluted legal maneuvering to determine that undocumented workers who pay more in taxes than they receive in public benefits should be excluded from universal health care while convicted felons who pay no taxes are included..

Are there still reasons to deny health care to undocumented immigrants?

Many people may still have personal reasons for denying health care to undocumented immigrants. However, there are no financial reasons supporting such a stand and many financial reasons why providing health care to undocumented immigrants makes everyone's health care less expensive.

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