

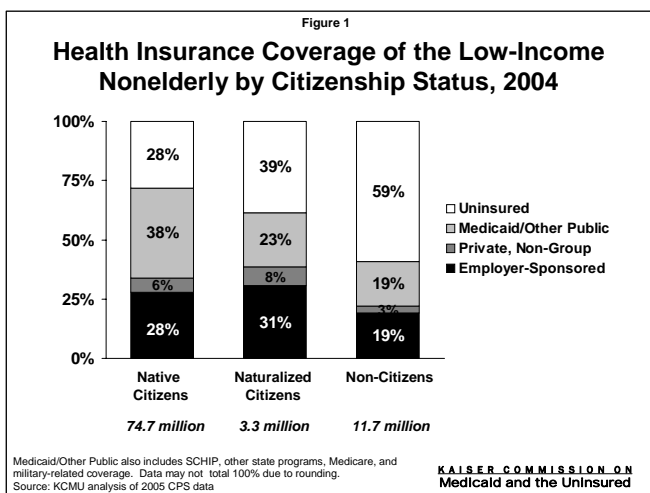
MEDICAID AND SCHIP ELIGIBILITY FOR IMMIGRANTS

Immigrants in the U.S. face increasing challenges securing health care coverage. They have less access to employer-sponsored insurance than native citizens and face tighter restrictions on their eligibility for Medicaid and SCHIP, the nation's major public health coverage programs for low-income children and families. As a result, immigrants, particularly non-citizens, are more likely to be uninsured than native born citizens.

There were 35.2 million immigrants in the U.S. in 2004, representing 12 percent of the total population. Nearly 40 percent were naturalized citizens, and just over 60 percent were non-citizens. Of the total foreign-born population, an estimated 30 percent were undocumented.ⁱ

IMMIGRANT HEALTH INSURANCE STATUS

Immigrants are more likely to be uninsured than native citizens. Overall, they have lower rates of employer-sponsored insurance and are less likely to rely on publicly-sponsored coverage programs. Although over 80 percent of immigrant families have at least one full-time worker, they are more likely to work in low-wage jobs and in industries and firms that do not offer health insurance. Non-citizen immigrants are less likely to have insurance and account for 21 percent of the nation's nearly 46 million uninsured. The disparities in insurance coverage are even more evident when comparing low-income residents (Figure 1).

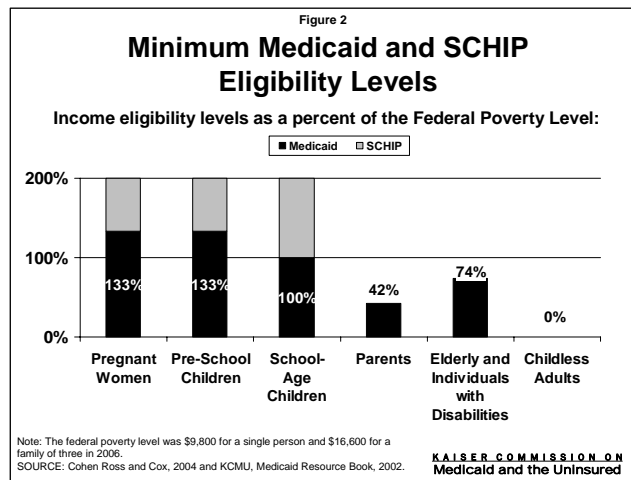


Not having health insurance leads to disparities in access to health care. Immigrants are less likely than citizens to have a regular source of care, to visit a doctor in a given year, or to obtain preventive care.ⁱⁱ Not having health insurance can also place significant financial strain on low-income families.

MEDICAID AND SCHIP ELIGIBILITY RULES

To qualify for Medicaid and SCHIP, an individual must meet both income and categorical eligibility requirements. Federal

Medicaid law establishes minimum eligibility levels for certain populations, but also permits states to extend coverage beyond the minimum levels. SCHIP covers children and a very limited number of parents above the Medicaid eligibility levels. Non-disabled childless adults are generally excluded from Medicaid and SCHIP coverage (Figure 2).



MEDICAID AND SCHIP ELIGIBILITY RULES FOR IMMIGRANTS

The passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 changed the eligibility requirements for immigrants, making it more difficult for immigrants, especially those newly arrived in the U.S., to obtain Medicaid coverage. For the first time, the 1996 law tied legal immigrants' eligibility for Medicaid to their length of residency in the U.S. These restrictions also applied to SCHIP, which was established in 1997. The following summarizes Medicaid and SCHIP eligibility rules for immigrants today.

Most immigrants are subject to a five-year bar on eligibility. Legal permanent residents (immigrants with green cards) are ineligible for Medicaid or SCHIP during their first five years in the U.S. After five years, they become eligible for Medicaid and SCHIP if they meet the programs' other eligibility requirements. Some immigrants are exempt from the bar and are eligible for Medicaid and SCHIP regardless of their length of residence. These include refugees and most other humanitarian immigrants as well as active-duty members or veterans of the U.S. Armed Forces and their families. In 2004, 22 states and the District of Columbia used state funds to provide coverage to some immigrants ineligible for Medicaid and SCHIP.

Undocumented immigrants and immigrants in the U.S. on a temporary basis (e.g., have temporary work visa or student visa) are generally ineligible for Medicaid and SCHIP. Regardless of their length of residence in the U.S.,

undocumented and temporary immigrants are ineligible for Medicaid and SCHIP. This restriction was in place prior to PRWORA and remains in place today.

States can use SCHIP funds to provide prenatal care to pregnant women, regardless of their immigration status.

In 2002, the Centers for Medicare and Medicaid Services, which administers the SCHIP program, amended the SCHIP regulations to provide states with the option of providing SCHIP-funded prenatal care without applying an immigration test. The rule extends SCHIP eligibility to a pregnant woman's fetus, which does not have an immigration status and is not subject to the restrictions. Currently, seven states provide SCHIP-funded prenatal care to pregnant immigrant women.

Emergency treatment is available to all immigrants, regardless of their status. Legal and undocumented immigrants who meet all eligibility requirements except for the immigrant eligibility restrictions are eligible for Emergency Medicaid, which covers the costs of emergency medical treatment. Additionally, the Emergency Medical Treatment and Labor Act (EMTALA) requires hospitals to screen and stabilize all individuals, including immigrants, who seek care in an emergency room.

ADDITIONAL RESTRICTIONS ON MEDICAID AND SCHIP ELIGIBILITY FOR LEGAL IMMIGRANTS

In addition to the eligibility restrictions described above, federal law permits further limitations on Medicaid eligibility for legal immigrants.

Sponsor deeming. Many legal immigrants, especially those who come to the U.S. to be reunited with family members, have sponsors who pledge to support them during their transition to the U.S. Federal law requires that a portion of the sponsor's income and resources be included in determining Medicaid eligibility for the immigrant regardless of whether the sponsor shares any income with the immigrant.ⁱⁱⁱ In effect, sponsor deeming can push an immigrant over a state's income or asset limits for Medicaid, even when they are very poor and have insufficient resources to pay for care.

Additional state restrictions. Federal law permits states to further restrict Medicaid and SCHIP eligibility to legal permanent residents beyond the five-year bar (although they are prohibited from applying these restrictions to refugees and asylees). States may extend the bar on eligibility for Medicaid and Medicaid-expansion SCHIP programs until immigrants have worked continuously for 40 quarters or become naturalized citizens, whichever occurs first. States cannot, however, impose these additional limits on eligibility for SCHIP programs that are operated independently of Medicaid.

Seven-year limit on receipt of Social Security Income for refugees and asylees. Refugees and other humanitarian immigrants are eligible to receive SSI benefits for their first

seven years in the U.S. After seven years, they lose SSI unless they become naturalized citizens. Because SSI eligibility is a pathway to Medicaid eligibility for most of these immigrants, the loss of SSI also often means loss of Medicaid coverage. These immigrants can, however, maintain Medicaid eligibility if they qualify under a different eligibility category.

New citizenship documentation requirements for naturalized citizens. New requirements included in the Deficit Reduction Act of 2005 will require U.S. citizens, including naturalized citizens, to submit documents, such as birth certificates or passports, verifying citizenship to retain Medicaid coverage. Those naturalized citizens unable to produce the required documentation will lose Medicaid coverage. The citizenship verification requirements do not apply to immigrants who are not citizens, although they must continue to provide proof that they are legal U.S. residents.

IMPACT

The 1996 restrictions on Medicaid and SCHIP eligibility for immigrants exacerbated the disparity in health coverage between immigrants and native citizens and contributed to the increasing uninsured rates among immigrants, particularly non-citizens. Much of the decline in Medicaid coverage among non-citizens occurred immediately following implementation of the restrictions. Although immigrant enrollment in Medicaid has stabilized in recent years, it remains below that of native citizens.

The withdrawal of federal support for immigrant health coverage shifted the burden of covering this population to states and local safety net providers. While a number of states, especially those with large immigrant populations, provide state-funded coverage, the lack of federal funding makes this coverage vulnerable to cuts during economic downturns. As the number of immigrants living in the U.S. continues to increase, and as these immigrants increasingly move into states that do not provide such coverage, the problem of uninsurance among immigrants can be expected to worsen. In light of these trends, a continued focus on the health coverage and health status of immigrants is needed.

Additional copies of this publication (#7492) are available on the Kaiser Family Foundation's website at www.kff.org.

ⁱ Jeffery Passell, *The Size and Characteristics of the Unauthorized Migrant Population in the U.S.*, Pew Hispanic Center, Washington, DC: March 2006.

ⁱⁱ Leighton Ku and Sheetal Matani, "Left Out: Immigrants' Access to Health Care and Insurance," *Health Affairs* 20 (1) 2001: 249.

ⁱⁱⁱ Certain immigrants, including those who become U.S. citizens, those who have worked continuously for 40 quarters, certain victims of domestic violence, and those unable to obtain food or shelter after taking into account the sponsor's income, are exempt from sponsor deeming.