

medicaid  
and the uninsured

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**Is Immigration Responsible for the Growth  
in the Number of Uninsured?**

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The number of uninsured Americans increased by four million between 1994 and 1998 (Holahan and Kim 2000). During that period, five million immigrants entered the U.S. Since immigrants have high uninsurance rates, some have wondered whether immigration was a major reason for the increase in the number of uninsured Americans. One recent analysis, for example, has suggested that immigrants who arrived between 1994 and 1998 accounted for the majority of the growth in the size of the uninsured population since 1993 (Camarota and Edwards 2000). This issue paper looks more closely at the question of the role of immigrants in the growth of the number of the uninsured.

The U.S. has always had many new recent immigrants and they have always had high rates of being uninsured. For recent immigrants to contribute to the growth in the uninsured either there must be growth in their numbers in 1998 relative to 1994 or their rate of uninsurance must have increased. This analysis finds a slight decrease in the rate of entry of new immigrants and a small increase in their uninsured rate, with the net effect

**Results in Brief**

- **Recent immigrants make up a small portion of the number of the uninsured.** In 1998, non-citizens comprised 20 percent of the total of the uninsured in the U.S. However, recent immigrants and their children who lacked health coverage (2.3 million) constituted only 5 percent of the 44 million uninsured.
- **Recent immigrants do not explain the increase in the number of the uninsured from 1994 to 1998.** The number of new immigrants entering the U.S. in recent years has declined, yielding a decrease of 100,000 in the number of recent immigrants who are uninsured. Although recent immigrants have high rates of being uninsured (46%), they are not a significant reason for the growth in the number of uninsured.
- **Native-born citizens account for most of the increase in the number of uninsured.** The largest growth in the uninsured occurred among native citizens who made up 2.7 million of 4.2 million increase (or 64%) in the number of the uninsured between 1994 and 1998.

being little change in the contribution of recent immigrants to the overall number of uninsured between 1994 and 1998. This issue paper discusses the policy environment including changes made by the welfare reform law related to immigrants and health coverage and analyzes the impact of immigration on the growth of the uninsured. Findings from the four states with the largest immigrant populations are also discussed.

## Background and Study Approach

The role that immigrants may or may not play in the growth of the uninsured is relevant because of the ongoing public policy debate about how to reduce the number of uninsured people in the country. It is also particularly timely as federal and state officials grapple with the question of whether to provide publicly-funded insurance to immigrants. In 1996, the federal welfare reform law essentially barred most recent immigrants from being eligible for federally funded Medicaid and the State Children’s Health Insurance Program (SCHIP) benefits.<sup>1</sup> Earlier analyzes have indicated that Medicaid participation fell and the rate of uninsurance climbed among immigrants after 1996 (Zimmermann and Fix 1998; Brown et al. 1999; Fix and Passel 1999; Ku and Matani 2001). The change in coverage might also have been caused by the apparent fears many immigrants held that receiving Medicaid might harm their immigration status because they might be classified as “public charges” (Schlosberg and Wiley 1998). The policy environment of the late 1990s led to a unique turbulence in the insurance status of immigrants.

Data from the March supplements to the 1995 and 1999 Current Population Surveys (CPS) are used to assess net changes in insurance coverage of nonelderly people between 1994 and 1998.<sup>2</sup> The population of nonelderly people are classified as members of four types of families: native citizens, naturalized citizens, “earlier” noncitizens (those who were in the U.S. five or more years, relative to the insurance year reported) and “recent” noncitizens (who entered four or fewer years before the insurance year reported). Children are classified based on their parents’ immigration status, so that even if a noncitizen’s child is U.S.-born and a native citizen, the child is as classified with the noncitizen family.<sup>3</sup> Other analyses have shown that citizen children in immigrant families have lower Medicaid participation and higher uninsurance rates than citizen children in native families (Brown, et al. 1999; Ku and Matani 2001).

We distinguish between “earlier” and “recent” immigrants using a question on the CPS that asks the year the immigrant entered the U.S. Thus, the 1998 insurance status of recent immigrants is based on those entering after 1994 and the 1994 insurance status is based on those entering since 1990.<sup>4</sup> The CPS does not specify immigration status more closely and the noncitizen category includes three types of immigrants who cannot be readily disentangled: legally admitted

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<sup>1</sup>The law generally barred legal immigrants who entered the U.S. after August 22, 1996, when the law was passed. There are exceptions to this general rule and states may use state-only funds to continue to provide benefits, if they choose.

<sup>2</sup>For the March 1995 CPS, we used weights developed by Jeffrey Passel of the Urban Institute that correct errors in the original weighting scheme. Since then, the Census Bureau has revised its weighting procedures to be more consistent with Passel’s method. Our analyses examine only those under 65 years old.

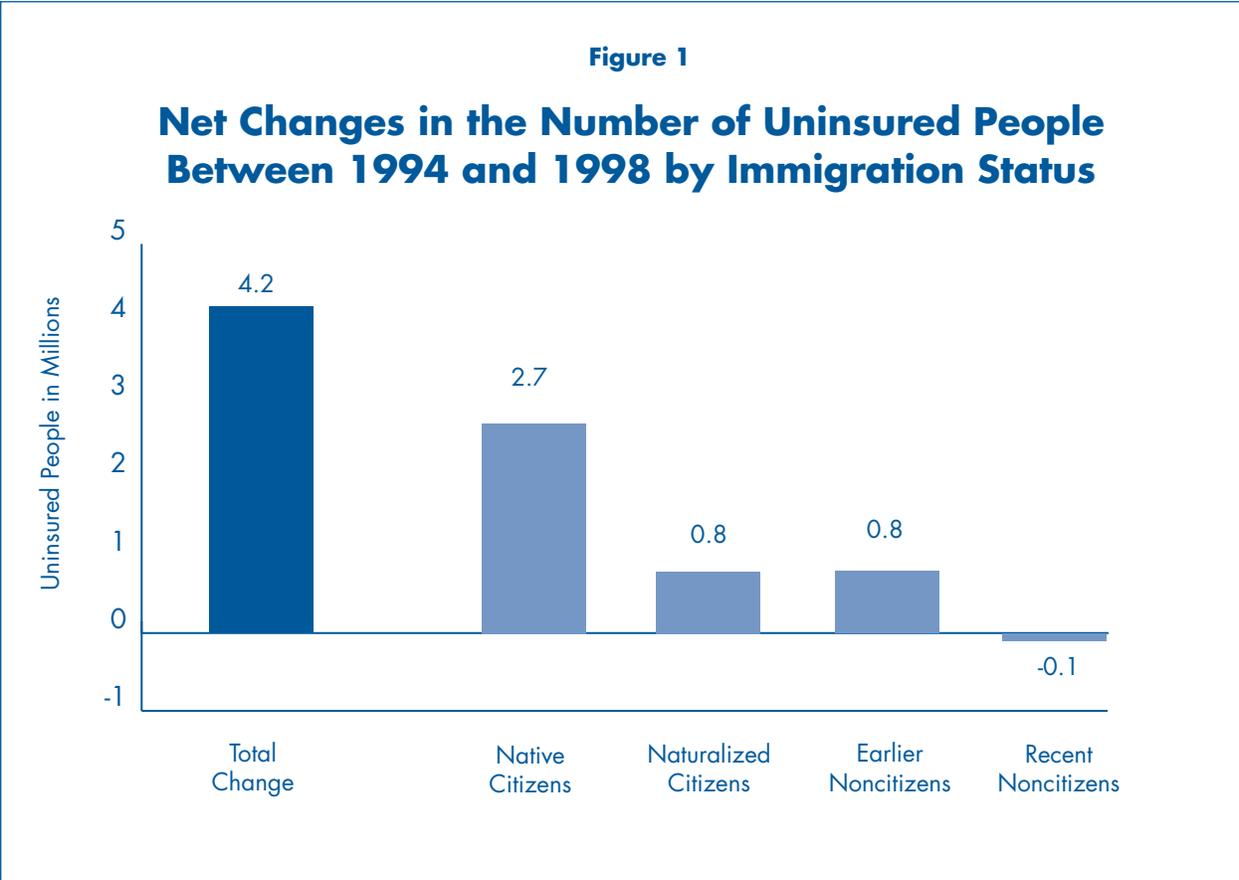
<sup>3</sup>We account for the immigration status of both parents. If two parents have mixed statuses (e.g., one parent is a naturalized citizen and one is a noncitizen), we assign the status so that noncitizen has highest priority, then naturalized citizen.

<sup>4</sup>Since the surveys are conducted in March 1999 and 1995, respectively, the date of entry is actually five or fewer years from the date of interview.

permanent residents, those legally here on a temporary basis (e.g., with student or work visas) and undocumented aliens.

### Study Findings

In 1998, there were 44 million uninsured—an increase of 4.2 million from 1994. Recent immigrants did not contribute to the growth in the number of uninsured. In fact, uninsured recent immigrants decreased by 100,000 between 1994 and 1998. The largest increase in uninsured people occurred among native citizens, who contribute 2.7 million of the total 4.2 million growth in the ranks of the uninsured. Regardless of how we choose to define immigrants, almost two-thirds of the increase in uninsurance occurred among native citizens. The overall contribution of native citizens and immigrants to net changes in the number of uninsured people is illustrated in Figure 1.



**Table 1****Changes in Health Insurance Coverage, 1994–98 by Immigration Status and Income Level**

	Members of Native Citizen Families			Members of Naturalized Citizen Families			Members of Earlier Noncitizen Families			Members of Recent Noncitizen Families		
	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People
	1994	1998	1994–98	1994	1998	1994–98	1994	1998	1994–98	1994	1998	1994–98
<b>All Incomes (millions)</b>	<b>199.0</b>	<b>204.8</b>	<b>5.9</b>	<b>8.8</b>	<b>11.4</b>	<b>2.6</b>	<b>16.5</b>	<b>17.4</b>	<b>0.9</b>	<b>5.5</b>	<b>5.0</b>	<b>-0.5</b>
Employer	66.9%	68.5%*	7.3	66.3%	64.2%*	1.5	42.7%	43.3%	0.5	31.2%	38.9%*	0.2
Medicaid	9.4%	8.0%*	-2.4	5.3%	6.8%*	0.3	17.8%	14.1%*	-0.5	17.3%	8.6%*	-0.5
Other Insurance	8.6%	7.6%*	-1.6	10.8%	8.2%*	0.0	4.8%	5.2%	0.1	7.8%	6.4%	-0.1
Uninsured	15.1%	16.0%*	2.7	17.5%	20.8%*	0.8	34.6%	37.4%*	0.8	43.6%	46.1%	-0.1
<b>Less than 200% of FPL (millions)</b>	<b>71.1</b>	<b>65.3</b>	<b>-5.8</b>	<b>2.6</b>	<b>3.7</b>	<b>1.1</b>	<b>10.1</b>	<b>10.3</b>	<b>0.2</b>	<b>3.8</b>	<b>3.2</b>	<b>-0.6</b>
Employer	34.4%	34.8%	-1.7	33.0%	32.3%	0.3	24.9%	25.8%	0.1	15.6%	22.0%*	0.1
Medicaid	25.0%	23.2%*	-2.6	16.9%	18.7%	0.3	27.1%	22.4%*	-0.4	23.9%	13.3%*	-0.5
Other Insurance	11.9%	10.8%*	-1.4	13.4%	9.8%*	0.0	4.2%	4.0%	0.0	8.0%	6.2%	-0.1
Uninsured	28.7%	31.2%*	-0.1	36.7%	39.2%	0.5	43.8%	47.8%*	0.5	52.4%	58.6%*	-0.1
<b>200 to 399% of FPL (millions)</b>	<b>63.7</b>	<b>63.6</b>	<b>0.0</b>	<b>2.9</b>	<b>3.3</b>	<b>0.4</b>	<b>3.9</b>	<b>4.2</b>	<b>0.3</b>	<b>1.0</b>	<b>1.1</b>	<b>0.1</b>
Employer	79.6%	78.3%*	-0.9	76.1%	73.0%	0.2	65.3%	62.0%	0.0	60.0%	62.0%	0.1
Medicaid	1.2%	1.5%*	0.2	0.7%	2.2%*	0.1	3.8%	2.5%	0.0	2.5%	0.8%	0.0
Other Insurance	8.1%	7.3%*	-0.5	10.5%	7.9%	0.0	5.6%	7.5%	0.1	8.7%	7.6%	0.0
Uninsured	11.0%	12.8%*	1.1	12.7%	17.0%*	0.2	25.2%	27.9%	0.2	28.8%	29.6%	0.0
<b>400%+ of FPL (millions)</b>	<b>64.2</b>	<b>75.9</b>	<b>11.7</b>	<b>3.3</b>	<b>4.4</b>	<b>1.1</b>	<b>2.4</b>	<b>2.9</b>	<b>0.4</b>	<b>0.7</b>	<b>0.7</b>	<b>0.0</b>
Employer	90.1%	89.2%*	9.9	84.2%	84.7%	0.9	80.9%	79.3%	0.3	74.6%	78.6%	0.1
Medicaid	0.3%	0.3%	0.0	0.2%	0.2%	0.0	1.3%	1.2%	0.0	3.3%	0.0%*	0.0
Other Insurance	5.4%	4.9%	0.3	9.0%	7.1%	0.0	6.3%	5.9%	0.0	4.9%	5.6%	0.0
Uninsured	4.1%	5.6%*	1.6	6.6%	8.0%	0.1	11.5%	13.5%	0.1	17.3%	15.8%	0.0

Source: Urban Institute, 2000. Based on data from March Current Population Surveys, 1995–1999.

Note: Excludes persons aged 65 and older and those in the Armed Forces. FPL is Federal Poverty Level.

\*Indicates change in percentage is statistically significant between 1994 and 1998 (at the 10% level).

*Net Changes in Insurance Coverage Among Recent Immigrants.* Table 1 shows the number of nonelderly people in the U.S. grouped by immigration category and income status and shows the insurance coverage patterns for each group. The final columns in Table 1 show members of recent (who entered four or fewer years ago) noncitizen families.<sup>5</sup> The total number of recent immigrants fell slightly from 5.5 million in 1994 to 5.0 million in 1998.<sup>6</sup> The percent of recent immigrants who lacked insurance rose slightly from 44 to 46 percent, but this was not a statistically significant difference. However, because there were fewer overall recent immigrants, the number of recent immigrants who are uninsured fell by about 100,000 people between 1994 and 1998.

The proportion of recent immigrants with Medicaid coverage fell from 17 to 9 percent. Presumably, much of the change is because of the loss of Medicaid eligibility due to welfare reform policies for those entering after August 1996. However, employer-based coverage for

<sup>5</sup>Generally, an immigrant must be in the U.S. at least five years before he or she is eligible to become a naturalized citizen, so that recent noncitizens and recent immigrants are essentially synonymous.

<sup>6</sup>Immigration and Naturalization Service (INS) administrative data indicate that the number of immigrants legally admitted was about 3.8 million in both the 1990–94 and 1994–98 periods. A draft INS report indicates that the number of undocumented aliens entering fell in the latter part of the decade (Warren 2000).

recent immigrants increased from 31 percent in 1994 to 39 percent by 1998. In 1998, 2.3 million recent immigrants or their children lacked insurance; they constituted only 5 percent of the 44 million uninsured nonelderly people.

In contrast to the claim that recent immigrants accounted for a majority of the increase in the number of uninsured people (Camarota and Edwards, 2000), this analysis finds that the number of recent immigrants who were uninsured actually fell slightly between 1994 and 1998. Furthermore, because there were fewer recent immigrants, they represented a smaller share of the uninsured. In other words, the number of uninsured in the U.S. would have been actually a little higher if there were no recent immigrants in both 1994 and 1998. The main reason for the decrease in recent uninsured immigrants was because the overall number of recent immigrants fell.

Even if the number of recent immigrants had not declined but had stayed at 5.5 million, then the number of uninsured recent immigrants would have grown by only 100,000 because the percent of them without coverage appeared to increase slightly from 44 to 46 percent. Under this assumption, recent immigrants would still contribute less than 3 percent of the total growth of 4.2 million in the number of uninsured people between 1994 and 1998. While recent immigrants have very high uninsurance rates, the net changes in their insurance coverage did not contribute appreciably to the growth in the number of uninsured in the U.S.

The detailed income data in Table 1 indicate that the number of low-income recent immigrants (who had incomes below 200 percent of poverty) fell from 3.8 to 3.2 million; declining slightly from 69 to 64 percent of the group. While recent immigrants are still disproportionately low-income, their income profile was a little better in 1998 than in 1994. The rate of uninsurance among low-income recent immigrants increased from 53 percent in 1994 to 59 percent in 1998. The increase in the low-income uninsurance rate was primarily caused by an 11-percentage point decrease in Medicaid coverage, although it was partially offset by an increase in employer-sponsored insurance for recent immigrants.

***Changes in the Insurance Patterns of Other Immigrants.*** To get a more comprehensive view of immigrants' insurance trends, we also present data about "earlier" noncitizens (who have been in the U.S. for five or more years) and those who are naturalized citizens. As they stay in the U.S. for longer periods, immigrants' economic and social status changes, typically improving as they become more acculturated, better established and get better jobs. Most of the individuals who were classified as recent noncitizens in 1994 are now classified as earlier noncitizens or naturalized citizens by 1998.<sup>7</sup> The data in Table 1 show that earlier noncitizens have lower uninsurance rates than recent immigrants and that naturalized citizens have even lower levels. This is primarily attributable to the fact that earlier noncitizens and naturalized citizens are more likely to have employer-sponsored insurance than recent immigrants. These patterns were valid for immigrants at all income levels.

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<sup>7</sup>From a longitudinal perspective, there are other changes in status that might occur. Some recent immigrants die or leave the United States and some members of immigrant families may form new families. For example, citizen children of immigrants may marry and form a new family that would be classified as native citizen.

The number of people who were classified as earlier noncitizens grew by 900,000 between 1994 and 1998, while the number of naturalized citizens grew 2.6 million. In the mid-1990s, the number of people who naturalized grew dramatically, spurred by a number of factors, including concerns about the loss of public benefits like Medicaid, food stamps and supplemental security income and administrative efforts to expedite naturalizations.

Among the earlier noncitizens (those here for five or more years), there was a modest increase in the percentage without insurance, growing from 35 to 37 percent. Combined with the growth of the size of this category, this led to a net increase of 800,000 uninsured people. The higher uninsurance rate was primarily caused by the loss of Medicaid coverage, which fell from 18 to 14 percent between 1994 and 1998 for this group; other types of insurance coverage changed very little. The earlier immigrants all entered the U.S. before 1996, so were not directly affected by the 1996 welfare reform law and remained Medicaid eligible. Other studies have also shown that many eligible immigrants and their children lost Medicaid benefits because of confusion about eligibility and fear of “public charge” enforcement activities that could have led to problems with the INS if they received Medicaid (Zimmermann and Fix 1998; Fix and Passel 1999; Schlosberg and Wiley 1998).

Among naturalized citizens, the uninsurance rate increased from 18 to 21 percent and the number of uninsured grew by 800,000. As stated previously, this group increased by 2.6 million people, due to the high rate of naturalization during that period. The number of naturalized citizens with employer-sponsored coverage increased by 1.5 million, but the percentage with employer-sponsored coverage dropped from 66 to 64 percent. The growth in the number with employer coverage was attributable to the overall growth in naturalized citizens. The decline in the rate of employer-sponsored coverage was the most important contribution to the increase in the uninsurance rate in this group, although other public coverage and private non-group coverage contributed as well. Nonetheless, the overall profile of insurance status for naturalized citizens is quite close to that of native citizens, suggesting the importance of acculturation and a longer presence in the U.S.<sup>8</sup>

***Trends for Native Citizens.*** The largest number of new uninsured people occurred among native citizens, who contributed 2.7 million of the total 4.2 million growth in the ranks of the uninsured. Regardless of how we choose to define immigrants, almost two-thirds of the increase in uninsurance occurred among native citizens.

As we have described elsewhere, the increase in uninsurance levels between 1994 and 1998 was attributable to declines in Medicaid and in private nongroup coverage, which, in the aggregate, were enough to offset the growth in employer-sponsored coverage (Holahan and Kim 2000). The decrease in Medicaid and private nongroup coverage occurred primarily among low-income groups. Increases in employer-sponsored coverage among native citizens were primarily related to the shift of people from lower to higher income levels. The number of native citizens below 200 percent of poverty fell by 5.8 million, while the number with incomes above 400 percent of

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<sup>8</sup>The difference between naturalized citizens and noncitizens is not just the length of time residing in the U.S. Those who become naturalized citizens tend to be better educated and have other differences from those who remain noncitizens.

poverty increased by 11.7 million. The percentage of native citizens with employer-sponsored coverage with incomes above 400 percent of poverty actually declined very slightly from 90 to 89 percent, but because there was such a large shift into this upper income group the number of higher-income people with employer coverage grew almost 10 million. The rate of employer coverage fell slightly for those with moderate incomes in the 200 to 399 percent of poverty and about 900,000 lost employer-sponsored insurance. Overall, the aggregate increase in the rate of employer-sponsored coverage was due to movement up the income distribution, not due to increases in the likelihood of coverage at any given income level.

**Children.** Table 2 presents similar data for children in native citizen and immigrant families. The number of children (some of them U.S.-born citizens) in recent immigrant families fell from 1.7 to 1.3 million between 1994 and 1998. The reduction in the size of the group was partially offset by a slight, but insignificant, increase in the percentage uninsured, resulting in about 100,000 fewer uninsured recent immigrant children by 1998. Conversely, the increase the number of children in earlier noncitizen families and the increase in the rate of uninsurance from 28 to 30 percent contributed to an increase of 300,000 in the number of uninsured children in this category. For children in naturalized citizen families, there was a small, but not significant, increase in the rate of uninsurance and the number of uninsured children appeared to rise about 200,000. The major increase in the number of uninsured children came from those in native citizen families, where the rate of those without coverage grew from 12 percent in 1994 to 13 percent in 1998, resulting in an increase of 800,000 children without insurance.

The number of children in recent noncitizen families with Medicaid fell by about 300,00 from 1994 to 1998, although the percentage with Medicaid dropped sharply from 31 to 20 percent. The share of children in earlier noncitizen families who lost Medicaid dipped from 27 to 23 percent and about 200,000 fewer were on Medicaid in 1998. The children of both recent and earlier immigrants include many U.S.-born children and the children of earlier noncitizens were all here before 1996. The reductions in Medicaid participation for both sets of children were at least partially caused by the “chilling effect” described earlier, but some of the larger reduction in the participation of children of recent immigrants was attributable to the loss of Medicaid eligibility under the 1996 welfare reform law. Although there was little change in the trends, in both periods and at every income level (data by income not shown), children in noncitizen families (both recent and earlier noncitizens) had substantially higher rates of uninsurance than children in citizen families.

**Adults.** The situation for adults was quite different. For native citizens and immigrants alike, adults had higher rates of uninsurance, lower rates of Medicaid participation and the level of uninsurance worsened from 1994 to 1998.<sup>9</sup> The uninsurance rate for recent noncitizens rose some, from 49 to 51 percent, but because the number of recent immigrants declined, there was no appreciable net change in the number of uninsured recent immigrants. However, the recent noncitizen adults’ rate of Medicaid enrollment fell from 11 to 5 percent and the number with Medicaid fell by 300,000. Fortunately, a larger share of recent immigrant adults had employer-

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<sup>9</sup>The change in uninsurance rates for recent immigrant adults was not statistically significant.

**Table 2****Changes in Health Insurance Coverage, 1994–98 by Immigration Status**

	Members of Native Citizen Families			Members of Naturalized Citizen Families			Members of Earlier Noncitizen Families			Members of Recent Noncitizen Families		
	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People
	1994	1998	1994–98	1994	1998	1994–98	1994	1998	1994–98	1994	1998	1994–98
<b>Children All Incomes (millions)</b>	<b>61.7</b>	<b>62.9</b>	<b>1.2</b>	<b>3.2</b>	<b>3.9</b>	<b>0.7</b>	<b>7.4</b>	<b>7.8</b>	<b>0.5</b>	<b>1.7</b>	<b>1.3</b>	<b>-0.3</b>
Employer	63.3%	66.1%*	2.5	66.3%	67.1%	0.5	41.6%	42.1%	0.2	30.6%	41.2%*	0.0
Medicaid	17.2%	14.4%*	-1.5	8.6%	10.9%*	0.1	26.9%	22.6%*	-0.2	31.9%	19.6%*	-0.3
Other Insurance	7.1%	6.1%*	-0.5	10.8%	6.0%*	-0.1	3.6%	4.9%*	0.1	5.9%	5.9%	0.0
Uninsured	12.4%	13.4%*	0.8	14.2%	16.0%	0.2	28.0%	30.4%*	0.3	31.6%	33.2%	-0.1
<b>Non-Elderly All Incomes (millions)</b>	<b>137.2</b>	<b>141.9</b>	<b>4.7</b>	<b>5.6</b>	<b>7.5</b>	<b>1.9</b>	<b>9.1</b>	<b>9.5</b>	<b>0.4</b>	<b>3.9</b>	<b>3.7</b>	<b>-0.2</b>
Employer	68.4%	69.5%*	4.8	66.4%	62.7%*	1.0	43.7%	44.3%	0.2	31.5%	38.0%*	0.2
Medicaid	5.9%	5.1%*	-0.9	3.5%	4.7%	0.2	10.5%	7.2%*	-0.3	11.0%	4.6%*	-0.3
Other Insurance	9.3%	8.2%*	-1.1	10.8%	9.4%	0.1	5.9%	5.4%	0.0	8.6%	6.6%	-0.1
Uninsured	16.3%	17.2%*	1.9	19.4%	23.2%*	0.7	39.9%	43.1%*	0.5	48.9%	50.8%	0.0

Source: Urban Institute, 2000. Based on data from March Current Population Surveys, 1995–1999.

Note: Excludes persons aged 65 and older and those in the Armed Forces.

\*Indicates change in percentage is statistically significant between 1994 and 1998 (at the 10% level).

sponsored coverage.

For earlier noncitizen adults (those who entered five or more years before), there was also an increase in the rate of uninsurance and a drop in the share on Medicaid. These contributed to a 500,000-person increase in the number uninsured and a 300,000 decrease in the number on Medicaid. The percent of naturalized citizen adults without insurance rose from 19 to 23 percent between 1994 and 1998 and this led to a 700,000 increase in the number of uninsured people in this category. Like the situation with children, noncitizen adults consistently had higher uninsurance rates and lower rates of employer-sponsored coverage than citizen adults in both 1994 and 1998.

**Changes in Four States.** The results presented above show the picture at the national level. We also looked at four states with large immigrant populations: California, New York, Texas, and Florida (See Table 3). The results show that the picture differs somewhat among states—California and Florida had decreases in the number of uninsured noncitizens, while Texas and New York had increases. However, the general pattern remains: most of the growth in the number of uninsured is among native or naturalized citizens with New York being a prominent exception.

In California the number of uninsured increased by 600,000 however, the number of uninsured noncitizens fell by 200,000. While the uninsured increased because of a sharp decline in Medicaid, the number of uninsured actually fell because the number of noncitizens declined by 1.2 million, presumably due to a high rate of naturalization. Most of the increase in the uninsured in California occurred among native citizens.

In Florida there was no statistically significant change in the uninsurance rate and only a slight decline in the number of uninsured. This seems to be attributable to a decline in the number of

**Table 3**

**Changes in Health Insurance Coverage for the Nonelderly population, 1994–98 by Immigration Status for California, Florida, Texas and New York**

	Members of Native Citizen Families			Members of Naturalized Citizen Families			Members of Noncitizen Families		
	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People	Coverage Distribution		Change in Millions of People
	1994	1998	1994–98	1994	1998	1994–98	1994	1998	1994–98
<b>California (millions)</b>	<b>17.3</b>	<b>19.1</b>	<b>1.8</b>	<b>2.3</b>	<b>3.3</b>	<b>0.9</b>	<b>8.8</b>	<b>7.5</b>	<b>-1.2</b>
Employer	64.9%	64.5%	1.1	65.2%	59.3%**	0.4	34.3%	36.3%	-0.3
Medicaid	10.7%	9.4%**	-0.1	6.5%	9.3%**	0.2	24.3%	16.2%**	-0.9
Other Public	2.2%	2.0%	0.0	3.3%	2.9%	0.0	1.0%	1.6%*	0.0
Private Nongroup	5.6%	6.3%*	0.2	7.9%	6.1%	0.0	2.1%	3.6%**	0.1
Uninsured	16.6%	17.8%*	0.5	17.1%	22.4%**	0.3	38.2%	42.2%**	-0.2
<b>Florida (millions)</b>	<b>9.5</b>	<b>9.4</b>	<b>-0.1</b>	<b>0.7</b>	<b>1.0</b>	<b>0.3</b>	<b>1.7</b>	<b>1.6</b>	<b>-0.1</b>
Employer	60.4%	63.7%**	0.2	62.0%	65.3%	0.2	40.8%	44.2%	0.0
Medicaid	10.7%	6.9%**	-0.4	4.7%	3.3%	0.0	12.9%	9.9%*	-0.1
Other Public	3.9%	3.7%	0.0	4.3%	2.0%*	0.0	0.8%	1.6%	0.0
Private Nongroup	7.4%	6.8%	-0.1	10.6%	8.4%	0.0	8.1%	9.0%	0.0
Uninsured	17.5%	18.9%*	0.1	18.3%	21.0%	0.1	37.4%	35.3%	-0.1
<b>Texas (millions)</b>	<b>14.1</b>	<b>14.8</b>	<b>0.7</b>	<b>0.8</b>	<b>0.9</b>	<b>0.0</b>	<b>2.2</b>	<b>2.4</b>	<b>0.2</b>
Employer	60.7%	63.9%**	0.9	58.3%	56.3%	0.0	29.7%	32.0%	0.1
Medicaid	9.5%	6.9%**	-0.3	3.0%	6.3%**	0.0	15.6%	11.9%**	-0.1
Other Public	2.3%	2.1%	0.0	4.4%	1.3%**	0.0	1.1%	0.5%	0.0
Private Nongroup	5.1%	4.6%	0.0	2.8%	5.2%	0.0	1.9%	1.5%	0.0
Uninsured	22.4%	22.4%	0.2	31.5%	30.8%	0.0	51.7%	54.1%	0.2
<b>New York (millions)</b>	<b>12.2</b>	<b>11.8</b>	<b>-0.4</b>	<b>1.1</b>	<b>1.6</b>	<b>0.5</b>	<b>2.5</b>	<b>2.6</b>	<b>0.1</b>
Employer	65.5%	67.1%*	-0.1	59.4%	62.1%	0.3	39.3%	37.1%	0.0
Medicaid	12.4%	12.4%	-0.1	6.5%	11.8%**	0.1	20.5%	16.9%**	-0.1
Other Public	1.6%	1.9%	0.0	2.0%	1.9%	0.0	1.2%	1.2%	0.0
Private Nongroup	5.7%	3.7%**	-0.3	8.9%	4.9%**	0.0	5.5%	3.2%**	-0.1
Uninsured	14.7%	14.9%	0.0	23.2%	19.3%*	0.1	33.6%	41.6%**	0.2

Source: Urban Institute, 2000. Based on data from March Current Population Surveys, 1995–1999.

Note: Excludes persons aged 65 and older and those in the Armed Forces.

\*Indicates change with 90% confidence

\*\*Indicates change with 95% confidence

noncitizens. The increase in the number of uninsured in Florida was all due to increases among native citizens and naturalized citizens.

In Texas half of the increase in the uninsured was among noncitizens, the remainder among native citizens. Because of the decline in Medicaid the uninsurance rate in Texas fell (not statistically significant). The uninsured among noncitizens in Texas remained by far the highest of the four states we examined, at 54% in 1998.

New York had the largest increase in the uninsurance rate in the four states, increasing from 34% to 42% for noncitizens. The increase was due to both a decline in Medicaid and in private nongroup coverage. The latter was due to a sharp decline in nongroup coverage affecting native and naturalized citizens as well. Unlike the other three states, two-thirds of the increase in the uninsured in New York was among noncitizens. Unlike California and Texas, New York actually

had fewer native citizens in 1998 than 1994 and all its population growth came from naturalized citizens and noncitizens, which contributes to the importance of changes in uninsurance among noncitizens in that state.

## Conclusion

The growth in the uninsured between 1994 and 1998 had little to do with recent immigrants; most of the increase occurred among native citizen families. In fact, the data indicate that there was a very small reduction in the number of recent immigrants without insurance in 1998, primarily because there were fewer recent immigrants. As noted before, even if we assume that the number of recent immigrants stayed constant, the increase in the percent uninsured would have contributed less than 3 percent to the total growth in the number of uninsured people in the U.S. If we combine recent and earlier noncitizens together, this comprises only 700,000 out of the total 4.2 million increase in the number of uninsured people during this period. The increase from 1994 to 1998 in the percentage of recent and earlier noncitizen immigrants without insurance occurred because the proportion on Medicaid fell during that period: There was some increase in employer-sponsored coverage and if they had not lost Medicaid, the insurance profile of noncitizens would have been better in 1998 than in 1994. The primary factors that led to the loss of Medicaid coverage for this group were the 1996 legislative changes and related “chilling effects” that led many eligible immigrants to avoid enrollment.

The authors of a recent report from the Center for Immigration Studies (CIS) argued that immigration was the principal cause of the recent growth in the number of uninsured people between 1994 and 1998 (Camarota and Edwards 2000). We believe the approach taken in that report greatly exaggerates the influence of immigration on the number of uninsured people. The key problem is that their analysis does not measure the net change in the number of uninsured among immigrants but focuses entirely on increases associated with recent immigrants and ignores the fact that many recent immigrants were uninsured in 1994 as well, and that many immigrants eventually gain insurance. The net contribution of immigrants to changes in the number of people without uninsurance is much smaller. In fact, most of the growth in the uninsured occurred among native and naturalized citizens.

While our findings differ from those in the Center for Immigration Studies report concerning the extent to which recent immigration affected growth in the number of uninsured people, we agree with their findings that immigrants, particularly recent immigrants, have very high rates of uninsurance. There are sound policy reasons to be concerned about the lack of coverage among immigrants and to consider how to improve their insurance coverage, both public and private. But our analysis shows that there is no reason to believe that immigrants were the major cause of growth among the uninsured.

This issue paper was prepared by John Holahan, Leighton Ku and Mary Pohl of the Urban Institute for The Kaiser Commission on Medicaid and the Uninsured. Leighton Ku is now at the Center for Budget and Policy Priorities.

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