Healthcare for Illegal Aliens: What You Need to Know

By Pawel Styrna | August 2020

The Issue

In 2018, more than 8 percent of Americans, or 27.5 million, lacked health insurance at some point during the year, according to the Census Bureau. It is a figure which represents an increase of nearly 2 million over 2017 numbers. With that in mind, is it fiscally wise or even fair to use taxpayer dollars to provide healthcare to foreign nationals illegally present in the United States, as some elected officials and pro-amnesty interest groups have advocated? In short, no.

In addition to weakening our nation’s long-term fiscal and economic health, subsidized care is an economic magnet incentivizing illegal immigration. Furthermore, there is an existing federal prohibition on granting illegal aliens benefits, including health care coverage. This principle was reaffirmed during the debate over the Affordable Care Act when lawmakers voted against providing health insurance to illegal aliens in 2010.

What Would Be The Financial Impact of Covering Illegal Aliens?

According to the Center for Immigration Studies (CIS), providing healthcare to illegal aliens would add anywhere from $10-23 billion annually to the growing fiscal burden of illegal immigration. Health insurance prices are already at record highs and rising, and likely will continue to grow if illegal aliens are given access to government programs like Medicare and Medicaid. It should also be noted that many children of illegal aliens do receive coverage under Medicaid.

Recent National Developments

What was once an idea at which most Americans scoffed moved into the mainstream of Democratic presidential politics when it emerged as an issue in late June 2019. At one point or another during the primaries, most of the primary candidates backed including illegal aliens as part of their health care plans. Centrist Democrats like former Indiana governor and U.S. Senator Evan Bayh warned that the idea “may come back to haunt them in the general election.”
When asked whether unlawfully present foreign nationals should “also be able to get subsidized health care” by National Public Radio host Lulu Garcia-Navarro in an August 2020 interview, Democratic presidential nominee Joe Biden seemed to support the idea, adding the caveat that illegal alien recipients should be working and paying taxes in the U.S. Biden also supports allowing Deferred Action for Childhood Arrivals (DACA) beneficiaries to gain access to public health insurance; and allowing illegal aliens to purchase insurance on the Affordable Care Act exchanges.

While some in the Democratic Party might have shifted positions on taxpayer-funded healthcare for illegal aliens, the American public has not. For instance, a July 2019 CNN-commissioned poll found that a solid majority of Americans (59 percent) oppose it.

The State and Local Levels

Some states and localities – such as California and New York City – have moved on their own to extend government-funded healthcare benefits to illegal aliens. In the Golden State, Democratic Gov. Gavin Newsom signed a measure expanding state Medicaid coverage to low-income, illegal alien adults aged 25 and under. Since 2016, California has allowed unauthorized foreign nationals under 18 to receive taxpayer-funded healthcare benefits. According to the California Governor’s Budget Summary for FY19-20, the plan will cover approximately 138,000 residents at a cost to California taxpayers of roughly $98 million during the first year. Presently, illegal aliens can receive limited Medi-Cal (the state Medicaid program) benefits, including pregnancy and emergency care. If passed, Medi-Cal expansion for illegal aliens would cost California an estimated $3 billion annually, according to a May 2019 analysis by the state’s Senate Appropriations Committee.

In August 2019, New York City launched a program to pay the health-care insurance costs for the 600,000 city residents who lack coverage, including illegal aliens. Starting with the Bronx, the benefit would be expanded to all other NYC boroughs by the end of 2020. Mayor Bill de Blasio said the plan is expected to cost $100 million. Other Democrats have even called for extending universal healthcare, including for illegals, to the whole state of New York. However, some Democrats, including Gov. Andrew Cuomo, fear it could double the state’s roughly $170 billion budget and require another tax increase to pay for it.

When confronted with the hefty price tag, the city’s left-wing Democratic mayor, Bill de Blasio, asserted brazenly that “there’s plenty of money in this world, there’s plenty of money in this country, it’s just in the wrong hands.” Apparently, the “wrong hands” are those of American citizen and legal immigrant taxpayers who would be compelled to foot the bill.

Why Healthcare for Illegal Aliens is Bad Policy

The supporters of the policy put forth some seemingly logical arguments. If illegal aliens were given government-financed healthcare, the proponents argue, they could obtain preventive care, which lessens long-term health costs. Since illegal aliens are frequently uninsured and have low incomes, they often avoid seeing a doctor until their health deteriorates. As noted by the Kaiser Family Foundation, many uninsured individuals delay seeking care, or go to emergency rooms when a condition worsens or becomes chronic. Not only does that increase waiting times at larger urban hospitals, but more serious health conditions also tax rural clinics
with limited resources. That results in a delay of care to all patients as a consequence of migrant use of emergency room facilities for primary healthcare needs.

In addition, they also regularly utilize hospital emergency rooms as their primary care physicians because ERs are legally bound to provide stabilizing medical care regardless of whether a patient is insured or able to pay. And according to Maryland State Delegate Joseline Pena-Melnyk, the longer they wait for care, the more acute the illness. “Their numbers are going to grow and we’re going to have an epidemic on our hands. Who’s going to pay for it,” she asked.

However, the claim that providing subsidized healthcare to illegal aliens would reduce ER costs and wait times – as well as overall healthcare costs – is a myth. As FAIR’s study on the fiscal costs of illegal immigration explains, “many states provide ‘low-cost’ healthcare services to illegal aliens. (... while the illegal aliens do pay for treatment, that medical care is heavily subsidized using taxpayer dollars. The diversion of state taxes into these types of programs inevitably results in larger state requests for federal budget assistance. Much of this assistance is provided in the form of supplemental health care funding distributed to state providers.”

The cost-savings argument also ignores the larger costs associated with illegal immigration in general, which undoubtedly dwarf any savings from insuring illegals. Why should we add incentives for more illegal aliens to enter the U.S. and add to the massive costs already imposed by swelling numbers of illegal aliens?

As mentioned above, one recent study estimates that Affordable Care Act (“Obamacare”) subsidies to cover illegal aliens could cost anywhere from $10 – 23 billion a year. That would be in addition to FAIR’s estimated annual fiscal cost of illegal immigration to the American taxpayer: $132 billion in 2019, which could surge to $200 billion by 2025 if current illegal immigration trends continue – all at a time when our national debt stands at a whopping $26.6 trillion!

It is also likely that offering taxpayer-funded healthcare to illegal aliens will serve as yet another magnet – in addition to other benefits, jobs, and “birthright” citizenship – attracting foreign nationals to enter the U.S. unlawfully and further swell the 14.3 million illegal migrants already living in the U.S.

Within the United States, health benefits at the state or local level may also encourage illegal aliens to move to places that offer them (e.g. California or New York City) while simultaneously prompting increasingly burdened taxpayers to move to localities with lower taxes.

Given finite resources, it is also unclear why illegal aliens should take precedence over American citizens and legal immigrants who do not have health insurance coverage. According to U.S. government data, of the 25.6 million uninsured people in the country in 2017, approximately a quarter were illegal aliens.

If the same proportion holds true for 2018 (27.5 million uninsured), approximately 6-7 million of the uninsured would be illegal aliens with the remaining 20-21 million being American citizens or legal immigrants. Admittedly, some individuals – especially the young and healthy – choose not to purchase health insurance, but many people are deterred by the high costs. Why not help them first?

Moreover, health insurance will likely become even more expensive if several million illegal aliens are suddenly granted health insurance, courtesy of the U.S. taxpayer. By increasing
insurance costs, healthcare for unauthorized migrants would put an additional strain on middle-class Americans, perhaps even prompting some to go without insurance. And just as our healthcare system is facing increasing pressure from an aging population, illegal aliens who have settled in the U.S. will require more health care as they age. Again, how will this be paid for without breaking the backs of American taxpayers and the American economy?

The final problem with the Democrats’ spendthrift proposal is that its implementation on a nationwide/federal level is largely at odds with the law. On the basis of 8 U.S. Code § 1611, illegal aliens are – with some exceptions (dealing primarily with emergency care) – ineligible for federal public benefits. The law also makes them ineligible for state and local public benefits (8 U.S.C. § 1621) but simultaneously allows such benefits “only through the enactment of a State law (…), which affirmatively provides for such eligibility.” States like California obviously utilize this as a loophole to further their illegal-immigration-incentivizing policies.

The Solution

Most Americans rightly oppose offering taxpayer-funded healthcare to illegal aliens. For the politicians to get the message, however, they must hear from those constituents whose interests will be harmed by the proposal. Congress should also consider repealing the above-mentioned loophole (in 8 U.S.C. § 1621), to prevent other states and cities from implementing this costly and harmful policy.