

# Sharing the Costs, Sharing the Benefits: Inclusion is the Best Medicine

As policymakers debate the scope and form of the health care reform package now taking shape in Congress, it is important to understand the role of immigrant participation in the current health care system. Misconceptions about immigrants and their participation in our health care system abound, the facts demonstrate that immigrants can and should contribute to any new program. It is both good policy and common sense to treat access to health insurance for all as an investment in the nation's public health. Categorical exclusions of any kind—whether of immigrants, redheads, or cat owners—are a mistake. It makes more sense to allow everyone to buy affordable health care.

Millions of immigrants want the opportunity to purchase affordable health insurance so they can stay healthy, work, and care for their families. Allowing millions of immigrants to purchase affordable health care will result in the payment of billions of dollars in insurance premiums, helping to pay the cost of health reform in America.

This fact sheet provides basic analysis on the benefits of inclusion and the actual impact of immigrant participation on the current health care system.

### **The more people who pay into a system of health insurance, the more everyone benefits.**

- An important function of health insurance is to pool risks and use premiums collected from the healthy to pay for the medical care of those who need it.
- It is common sense that the more people who pay into the health care system, the more the risk—and thus the costs—are spread out over the entire population.
- Access to health care, particularly preventive care services, not only improves public health, but is also a cost savings to the system. The [Center for Science in the Public Interest](#) [1] concluded that comprehensive prevention programs are the most economical way to maximize health and minimize health care costs.

### **As the U.S. population ages, more will be spent on health care for the elderly. The more people paying into the system, the more those costs are spread out.**

- Approximately 1 in 5 Americans is age 60 or older. The elderly account for a large and growing share of U.S. tax spending. In 1980, [spending on the elderly](#) [2] was nearly one-third of the federal budget. It is projected that, in 2015, spending on the elderly will be nearly half of the entire federal budget. Considerably more is spent on the elderly than on children.
- According to demographer [Dowell Myers](#) [3], the ratio of seniors (age 65 and older) to working-age adults (25-64) will increase by 67% between 2010 and 2030, precipitating fiscal crises in the Social Security and Medicare systems.

- The [cost of Medicaid and Medicare](#) [2] could be as much as \$1.2 trillion per year by 2015. Having more, healthy, working-age people paying into the system will help prevent these crises.

### **U.S. citizens make up the majority of those who are uninsured.**

- [U.S. citizens make up the majority of the uninsured](#) [4] (78%), while legal and undocumented immigrants account for 22% of the nonelderly uninsured.
- The majority of the [growth](#) [4] in the number of uninsured individuals between 2000 and 2006 consisted of U.S. citizens. Citizens made up approximately 80% of the increase, while noncitizens accounted for approximately 20%.

### **Non-citizens are a vast untapped network of new subscribers.**

- Because they are often employed in low-wage jobs without access to employer-based insurance coverage, [noncitizens are far less likely than citizens to have health insurance](#) [4], according to the Kaiser Family Foundation. Approximately 47% of noncitizens lack insurance, compared to 15% of U.S. citizens. Undocumented immigrants are the least likely to be insured.

### **As a rule, immigrants incur less health care costs than native-born Americans.**

- Immigrants tend to be younger than the rest of the American population. They arrive in the United States during their prime working years, and tend to be healthier than the aging U.S. population.
- According to a July 2009 article in the [American Journal of Public Health](#) [5], immigrants are much less likely than U.S.-born adults to report being in fair or poor health. They are less likely to have chronic health conditions such as arthritis, diabetes, coronary heart disease, hypertension, or emphysema or to have an activity limitation. Recent immigrants appear to be healthier than established immigrants, who are healthier than U.S.-born citizens.
- According to the non-partisan [Kaiser Commission](#) [4], noncitizens have poorer access to care and receive less primary health care than U.S. citizens, but they are less likely than citizens to use the emergency room. In 2006, 20% of U.S.-citizen adults and 22% of U.S.-citizen children had visited the emergency room within the past year. In contrast, 13% of noncitizen adults and 12% of noncitizen children had used emergency room care. Despite the myths, immigrants use less health care, including less emergency room care, compared to U.S. citizens.
- A 2006 study in *Health Affairs* found that communities with high rates of [emergency room usage](#) [6] tend to have relatively small noncitizen populations. Cities with large immigrant populations (such as Miami-Dade County, Florida, and Phoenix, Arizona) have much lower rates of emergency room use than areas with small immigrant populations (such as Cleveland).
- According to a July 2009 study in the [American Journal of Public Health](#) [5], immigrants use

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less medical care, and less expensive care, even when they have health insurance. Immigrants' per-person medical expenditures were one-half to two-thirds less than U.S.-born citizens with similar characteristics.

- The study also found that [immigrants do not impose a disproportionate financial burden](#) [7] on the U.S. health care system. Health care costs for the average immigrant in America are 55% lower than health care costs for the average U.S.-born person. Another study found that, in 2005, average annual [per capita health care expenditures](#) [4] for noncitizens were \$1,797—versus \$3,702 for U.S. citizens.
- Recent immigrants were responsible for [1.4% of total public medical expenditures](#) [5] for adults in 2003, even though they constituted 5% of the population.

### INCLUSION IS THE BEST MEDICINE

When health care costs are distributed across a broader pool of people, the overall costs for everyone goes down. Inclusion of legal immigrants, who are generally younger and healthier than U.S. citizens, can have a positive effect on overall costs because it will encourage more preventive care and add additional payments to the system. Moreover, including immigrants in the health care system not only strengthens the system by adding their payments, but is a critical part of their integration into U.S. society. In addition to working, paying taxes, and learning English, immigrants want to pay their fair share for health care, just like all Americans.

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- [2] [http://www.washingtonpost.com/wp-srv/business/daily/graphics/ss\\_020205.html](http://www.washingtonpost.com/wp-srv/business/daily/graphics/ss_020205.html)
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