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NEW REQUIREMENT FOR BIRTH CERTIFICATES OR PASSPORTS COULD THREATEN MEDICAID COVERAGE FOR VULNERABLE BENEFICIARIES: A State-by-state Analysis

By Leighton Ku and Matt Broaddus

The Deficit Reduction Act, which was signed by the President on February 8th, contains a provision that would require all citizens applying for Medicaid or renewing their coverage to produce a passport or birth certificate to prove they are U.S. citizens. There would be no exceptions for any Medicaid applicants or beneficiaries, not even individuals with severe physical or mental impairments such as Alzheimer's disease.

This new requirement, which a recent study by the Inspector General of the Department of Health and Human Services shows to be unnecessary, would almost certainly create significant enrollment barriers for millions of low-income citizens who meet all Medicaid eligibility requirements. It also would increase Medicaid administrative costs. (For a discussion of these issues, see Leighton Ku and Donna Cohen Ross, "New Medicaid Requirement Is Unnecessary and Could Impede Citizens' Coverage and Policy Priorities," revised January 4, 2006.)

This analysis provides estimates of the number of Medicaid beneficiaries in each state who would be required to submit a passport or birth certificate between July 2006 (when the new requirement would take effect) and June 2007, and who would be cut off Medicaid if they are unable to do so.

- Analyses of Census data and Medicaid administrative data indicate that about 49 million native-born U.S. citizens and two million naturalized citizens were enrolled in Medicaid over the course of the year in 2003. (Fewer than 4 million legal immigrants also participated.) Thus, about 49 million people would be required to submit birth certificates or passports or lose their Medicaid coverage. (The two million beneficiaries who are naturalized citizens would be allowed to submit naturalization documents.)
- Once they took effect on July 1, 2006, these new requirements would apply to *all* applications or redeterminations of eligibility that occurred after that date, without any exceptions even for people who are extremely old or have severe physical or mental impairments, such as Alzheimer's disease. In the following six to twelve months after July 1, 2006, states would have to check citizenship documents for more than 50 million beneficiaries. This would constitute a significant new administrative burden for state and local agencies.

The New Documentation Requirement

Under Section 6037 of the conference agreement on the budget reconciliation bill, states would have to require all current and new Medicaid beneficiaries applying as citizens to provide proof of their citizenship. The primary forms of documentation acceptable would be either a passport or a birth certificate presented in conjunction with proof of identity such as a driver's license. For people who are naturalized citizens, naturalization papers also would be accepted. (The Secretary of HHS would be permitted to specify other acceptable forms of documentation, but the only forms of documentation the Secretary could allow would be forms of documentation that are issued solely to citizens and for which proof of citizenship must be provided. This essentially means that native-born citizens would have to produce birth certificates or passports.)

The documentation requirements would take effect July 1, 2006 and would be required when people apply for benefits or, for current beneficiaries, at recertification. Since certification periods typically are six months, most of this burden will fall between July and December 2006, although some certification periods last 12 months.

- In 16 states, the number of Medicaid beneficiaries who would be required to submit this new paperwork would exceed one million.
- If as little as two percent of Medicaid beneficiaries cannot readily come up with a birth certificate or passport, one million low-income Americans could lose Medicaid coverage and become uninsured or be delayed in obtaining coverage. The percentage of U.S. citizen beneficiaries who are unable to produce readily a birth certificate or passport may well be much larger than that.

The Medicaid program already has extensive requirements to check the immigration status of *non*-citizens who apply for Medicaid. Non-citizen applicants must provide documentation of their immigration status, and state officials check computerized federal records to verify that status. The new requirement would apply only to people applying for Medicaid as U.S. citizens.

Most states currently allow citizen applicants to self-attest, under penalty of perjury, that they are citizens. Most states then ask for proof of citizenship if they have any reason to question the applicant's truthfulness. A comprehensive study issued by the HHS Office of the Inspector General (OIG) last year found no substantial evidence that illegal immigrants were claiming to be citizens and successfully enrolling in Medicaid, and OIG did *not* recommend requiring all applicants to provide documentation.¹ In the absence of evidence that there is a problem in Medicaid, there is no sound reason to create significant new barriers for citizens and increased administrative costs for states.

The new requirements would be imposed on all citizens who apply for or are already receiving Medicaid. There would be no exceptions, regardless of an individual's physical or mental condition. People currently enrolled in Medicaid would lose coverage if they could not provide such documents when they were recertified.

¹ HHS Office of the Inspector General, "Self-Declaration of U.S. Citizenship Requirements for Medicaid," July 2005.

Large numbers of eligible people could lose coverage because they do not have a birth certificate or passport available at the time they apply or reapply for Medicaid. Low-income individuals on Medicaid usually do not travel abroad and often lack passports. Birth certificates may have been lost over the years in which people move from one home to another; in some cases, as explained below, individuals may have been born outside a hospital and no birth certificate may have been issued. Those who may be harmed include:

- People who have a sudden emergency and need Medicaid coverage immediately but cannot get these documents quickly (some states take a month or longer to provide a duplicate birth certificate when one is requested);
- Those who are homeless, mentally ill, or suffering from senility or a disease such as Alzheimer's, and who may not be able to secure a birth certificate (or even to recall where they were born);
- People who are in nursing homes or are severely disabled, and would have difficulty getting access to their birth certificates; and
- Those affected by disasters like Hurricanes Katrina or Wilma who have lost most of their possessions and records.

Citizens who have already demonstrated their citizenship for other federal programs, such as Supplemental Security Income or Medicare, would still be required to produce documentation for Medicaid or lose coverage.²

In some cases, people may have never been issued a birth certificate because they were born at home and their birth was not officially registered. A particular problem exists for a large number of elderly African Americans because they were born in a time when racial discrimination in hospital admissions, especially in the South, as well as poverty, kept their mothers from giving birth at a hospital. One study estimated that about one in five African Americans born in the 1939-40 period lack a birth certificate because of these problems.³ Thus, this new provision would exacerbate a historical legacy of discrimination and could lead to a large number of elderly African Americans losing access to health care.

New State Estimates

To understand the potential impact of this legislation, we used Census data and administrative data to estimate the number of citizens who are covered by Medicaid and thus would be required to prove their citizenship.

² One provision appears to offer an exemption of documentation requirements for people already on SSI or Medicare, but this provision applies only to *non*-citizens.

³ S. Shapiro, "Development of Birth Registration and Birth Certificates in the United States," *Population Studies*, 4:86-111, 1950. Cited by I. Rosenwaike and M. Hill, "The Accuracy of Age Reporting Among Elderly African-Americans: Evidence of a Birth Registration Effect," Population Aging Research Center, Univ. of Pennsylvania, Working Paper, July 1995.

We used data from the Census Bureau’s March 2003, 2004 and 2005 Current Population Surveys to compute the percentage of Medicaid beneficiaries in each state who are native or naturalized citizens and those who are non-citizen beneficiaries. We applied these percentages to administrative data (from HHS’ Medicaid Statistical Information System) on the number of people enrolled in Medicaid in each state at any point during fiscal year 2003. These estimates are presented in the table on the following page.

TABLE 1			
Estimated Number of Citizens Who Are Enrolled in Medicaid in Each State Over the Course of a Year And Thus Will Be Required to Produce These Documents			
United States	51,285,000	Missouri	1,147,000
Alabama	882,000	Montana	110,000
Alaska	122,000	Nebraska	260,000
Arizona	1,133,000	Nevada	227,000
Arkansas	673,000	New Hampshire	126,000
California	8,192,000	New Jersey	882,000
Colorado	446,000	New Mexico	479,000
Connecticut	479,000	New York	3,993,000
Delaware	153,000	North Carolina	1,420,000
Dist. Columbia	150,000	North Dakota	75,000
Florida	2,590,000	Ohio	1,911,000
Georgia	1,611,000	Oklahoma	654,000
Hawaii	201,000	Oregon	607,000
Idaho	203,000	Pennsylvania	1,746,000
Illinois	2,091,000	Rhode Island	188,000
Indiana	927,000	South Carolina	984,000
Iowa	370,000	South Dakota	118,000
Kansas	316,000	Tennessee	1,627,000
Kentucky	802,000	Texas	3,430,000
Louisiana	1,054,000	Utah	266,000
Maine	374,000	Vermont	157,000
Maryland	798,000	Virginia	727,000
Massachusetts	1,055,000	Washington	1,085,000
Michigan	1,531,000	West Virginia	365,000
Minnesota	678,000	Wisconsin	885,000
Mississippi	729,000	Wyoming	77,000

Based on Census and Medicaid administrative data for 2003.

Overall, these data indicate that 51 million of the 55 million Medicaid beneficiaries in 2003 are U.S. citizens and thus would be subject to the new requirement. In every state, the vast majority of Medicaid beneficiaries are citizens.

In 16 states — Arizona, California, Florida, Georgia, Illinois, Louisiana, Massachusetts, Michigan, Missouri, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas and Washington — more than one million Medicaid beneficiaries would be required to submit new paperwork to receive or stay on Medicaid.

Data from a national survey has led to the conclusion that about three to five million citizens enrolled in Medicaid do not have a birth certificate or passport readily available and could have their Medicaid coverage jeopardized by this new requirement.⁴ This includes about 1.4 to 2.9 million children and 1.7 million adults. African Americans, senior citizens and those living in rural areas are more likely to lack birth certificates or passports and would be more strongly affected. We are unable to estimate the number of citizens who lack a birth certificate or passport on a state-by-state basis.

Administrative Burdens

Not only would this cause problems for Medicaid beneficiaries, but it would create new administrative burdens and costs for the state and local agencies that operate Medicaid. These agencies would be required to notify applicants of the new requirements, check their documents, keep records that the documents were submitted, delay enrollment if people cannot locate the documents, and in some cases, try to help people locate the documents. The Medicaid director for Connecticut has observed that requiring documentation “would be an enormous administrative burden.” Wisconsin’s Medicaid director has said that the proposal “would have a material and significant effect on enrollment.”⁵

In addition to slowing enrollment processing and increasing administrative costs, the new requirement could have other effects on states. Medicaid has a “quality control” system designed to measure the accuracy of state performance in operating the Medicaid program, and HHS currently is beefing up that system. Under the quality control system, states that do not terminate all beneficiaries who are unable to produce birth certificates or passports could be determined to have substantial levels of Medicaid errors and could face federal fiscal sanctions and penalties.

⁴ Leighton Ku, Donna Cohen Ross and Matt Broaddus, “Survey Indicates that the Deficit Reduction Act Jeopardizes Medicaid Coverage for 3 to 5 Million U.S. Citizens,” Center on Budget and Policy Priorities, revised Feb. 17, 2006.

⁵ John Reichard, “Critics Say New Documentation Rules for Medicaid Would Reduce Enrollment,” *CQ HealthBeat*, Nov. 8, 2005.