

NEWS RELEASE



820 First Street, NE, Suite 510
Washington, DC 20002

Tel: 202-408-1080
Fax: 202-408-1056

center@cbpp.org
www.cbpp.org

Robert Greenstein
Executive Director

Iris J. Lav
Deputy Director

Board of Directors

David de Ferranti, Chair
The World Bank

John R. Kramer, Vice Chair
Tulane Law School

Henry J. Aaron
Brookings Institution

Ken Apfel
University of Texas

Barbara B. Blum
Columbia University

Marian Wright Edelman
Children's Defense Fund

James O. Gibson
Center for the Study of Social Policy

Beatrix Hamburg, M.D.
Cornell Medical College

Frank Mankiewicz
Hill and Knowlton

Richard P. Nathan
Nelson A Rockefeller Institute of Government

Marion Pines
Johns Hopkins University

Sol Price
Chairman, The Price Company (Retired)

Robert D. Reischauer
Urban Institute

Audrey Rowe
ACS, Inc.

Susan Sechler
Rockefeller Foundation

Juan Sepulveda, Jr.
The Common Experience/ San Antonio

William Julius Wilson
Harvard University

FOR IMMEDIATE RELEASE:
Wednesday, March 26, 2003

CONTACT: Henry Griggs
202-408-1080

IMMIGRANTS' USE OF PUBLIC BENEFITS HAS DECLINED SUBSTANTIALLY SINCE 1996 CIS Report Exploits Loose Definitions to Paint Misleading Picture

A recent Center for Immigration Studies report claims that, despite restrictions Congress placed on legal immigrants' eligibility for certain public benefit programs in 1996, "welfare use rates for immigrants and natives are essentially back to where they were in 1996 when welfare reform was passed." This claim is striking, but misleading. A more careful, forthcoming analysis conducted by the Center on Budget and Policy Priorities, as well as a number of other pieces of research conducted by scholars at the Urban Institute and other research institutions, shows that the share of noncitizens participating in each of the major means-tested federal programs — Medicaid, Food Stamps, TANF, and SSI — has *declined* significantly since 1996.

The CIS report, which examines participation trends among what it calls "immigrant households," similarly finds that receipt of TANF, SSI, and food stamps by these households declined substantially between 1996 and 2001. Nevertheless, because it finds a modest increase in the share of such households with at least one member who receives Medicaid or health insurance provided through the State Children's Health Insurance Program (SCHIP), CIS asserts that the share of immigrant households using "at least one major welfare program" has not declined since 1996.

CIS fails to mention, however, that this modest increase in Medicaid participation by so-called "immigrant" households is entirely due to an increase in the number of *U.S.-citizen children* participating in Medicaid or the State Children's Health Insurance Program (SCHIP) who live in households that also contain immigrants. The 1996 welfare law maintained Medicaid coverage for these children since they are citizens of the United States. As a result, data showing that participation by *U.S.-citizen children* in Medicaid or SCHIP rose modestly says little about the impact of the restrictions the law placed on *noncitizens'* eligibility for public benefits. (It also is worth noting that the increase in coverage for citizen children is primarily due to the creation of the SCHIP program by Congress in 1997 and subsequent actions by all states to expand coverage for children.)

"CIS uses a methodology that obscures the substantial declines in participation by noncitizens in all of the major benefit programs, including Medicaid, that have occurred since 1996. As a result, the report paints a misleading picture of the impact of these restrictions," said Leighton Ku, Senior Fellow at the Center on Budget and Policy Priorities.

Trends in participation by non-citizen children and non-citizen adults provide a more accurate yardstick by which to measure the impact on the 1996 restrictions. New analysis of Census data (the same database used by CIS) shows that among both of these groups, Medicaid participation *declined* between 1996 and 2001, a fact CIS fails to mention in its report. For example, the share of noncitizen children of low-income parents

participating in Medicaid or SCHIP fell from 28.6 percent in 1996 to 24.8 percent in 2001; during the same time period, the share of U.S.-citizen children participating in these programs increased from 42.8 percent to 47.6 percent. As a result, by 2001, noncitizen children were nearly half as likely to participate in Medicaid or SCHIP as citizen children living in households with similar income levels.

“The 1996 welfare law substantially reduced the receipt of Medicaid, food stamps, TANF and SSI by noncitizens who were lawfully admitted to the United States. As a result, it led to increased levels of hardship — such as being uninsured or running out of food — among many low-income legal immigrants. Even CIS acknowledges that it is ‘unfair’ to restrict public benefits for noncitizens who, after all, pay taxes, serve in the military and have the same social obligations as U.S. citizens. The 1996 welfare law shows that it is possible to reduce public benefit use by non-citizens who are lawfully admitted to the United States; it is also the case, however, that these reductions have led to increased hardships for many of these Americans, who, of course, are no more immune to crises such as unemployment and economic insecurity than other American families,” Ku said.

#