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## Many Lawfully Present Immigrants Would Lose Affordable Health Coverage Under Senate Plan

By Shelby Gonzales

The Senate Republican bill to repeal the Affordable Care Act (ACA) would increase the number of uninsured people by 22 million in 2026, including 15 million people who would lose Medicaid coverage.<sup>1</sup> The bill would hit lawfully present immigrants especially hard: many would lose coverage altogether and many more would end up with coverage that isn't adequate to meet their needs. The impact would be particularly significant in states with a large share of immigrant families, such as California, Florida, Nevada, New Jersey, and New York.

In addition, the Senate bill's huge cuts to federal Medicaid funding would likely lead states to drop coverage for optional populations, including children and pregnant women who are lawfully present in this country. For example, Nevada just moved to expand Medicaid coverage for lawfully present immigrant children, but its legislation allows the state to end the expansion if the federal government sharply cuts Medicaid funding. Below are the four ways the bill would harm immigrant families.

### **1. It would block some lawfully present immigrants from purchasing marketplace coverage.**

The Senate bill narrows the group of lawfully present immigrants who can enroll in qualified health plans and receive subsidies.<sup>2</sup> Since enactment of the 1996 welfare law, the term "qualified aliens" has been used to identify categories of immigrants who can enroll in certain public benefit programs. The Senate bill adopts the "qualified alien" standard; as a result, it blocks lawfully present immigrants who *aren't* "qualified aliens" not only from receiving premium tax credits, but also from purchasing marketplace coverage altogether. Groups barred from enrollment due to this standard include students and workers on temporary visas, asylum and green-card applicants whose applications are pending but not yet approved (in what can be a lengthy process), and certain immigrants who have legal status because they were victims of domestic abuse, torture, or human trafficking.

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<sup>1</sup> Congressional Budget Office, "H.R. 1628, Better Care Reconciliation Act of 2017," June 26, 2017, <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/52849-hr1628senate.pdf>.

<sup>2</sup> Shelby Gonzales, "U.S. Immigrants With Lawful Status Couldn't Buy Marketplace Coverage Under Senate Plan," Center on Budget and Policy Priorities, June 23, 2017, <https://www.cbpp.org/blog/us-immigrants-with-lawful-status-couldnt-buy-marketplace-coverage-under-senate-plan>.

## **2. It would price many other lawfully present immigrants out of marketplace coverage.**

In general, to enroll in Medicaid, adults must be U.S. citizens or have “qualified alien” status and *most must have had that status for five years*. Today, lawfully present immigrants who don’t meet those Medicaid tests can enroll in marketplace coverage with subsidies that make coverage and care affordable, though they still face higher costs than if they could enroll in Medicaid. The Senate bill would dramatically cut marketplace subsidies beginning in 2020, and the Congressional Budget Office (CBO) has concluded that for people with incomes in the Medicaid range, “because of the expense for premiums and the high deductibles, most of them would not purchase insurance.” Low-income immigrants are especially dependent on marketplace coverage due to the five-year bar on enrolling in Medicaid, so these cuts would disproportionately harm them.

For example, take a 25-year-old pregnant woman with income at the poverty line (roughly \$12,600) who has had lawful permanent resident status for three years. She is income-eligible for Medicaid but can’t enroll because of the five-year bar. In 2020, under current law, she would pay about 2 percent of her income or \$260 per year in premiums to obtain coverage with a typical deductible of less than \$500, and her plan would be required to provide pregnancy-related services. Under the Senate bill, that premium payment would instead buy her a plan with a deductible of more than \$6,000 — an insurmountable obstacle to accessing care for someone with income of \$12,600. Alternatively, she could pay significantly more in premiums to purchase a plan that would still have a deductible of over \$3,500.

The Senate bill would also allow states to waive the ACA’s benefit requirements, resulting in plans that no longer cover necessary benefits like pregnancy-related care. Moreover, unlike under current law — where people with unaffordable offers of employer coverage can still receive marketplace tax credits — the Senate bill would bar anyone with an offer of employer coverage from receiving a tax credit, even if the coverage offered is unaffordable or lacks comprehensive benefits.<sup>3</sup>

## **3. It would eliminate Medicaid coverage for many low-income “qualified” immigrants.**

Adults with incomes below 138 percent of the poverty line who have “qualified alien” status and meet other Medicaid requirements, including the five-year bar, can now get comprehensive coverage through Medicaid in states that have expanded Medicaid under the ACA. The Senate bill would effectively end the Medicaid expansion by phasing down federal funding for all expansion enrollees over three years beginning in 2021.<sup>4</sup> CBO anticipates that “because of the expense for premiums and the high deductibles, most [people losing Medicaid coverage due to the elimination of the expansion] would not purchase insurance,” meaning they would become uninsured. This isn’t surprising, given how unaffordable individual-market coverage would be for people with low incomes under the Senate bill.

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<sup>3</sup> Tara Straw, “Senate Health Bill Would Put Coverage Out of Reach for Millions of Low-Income People,” Center on Budget and Policy Priorities, July 12, 2017, <https://www.cbpp.org/research/health/senate-health-bill-would-put-coverage-out-of-reach-for-millions-of-low-income-people>.

<sup>4</sup> Matt Broaddus and Edwin Park, “Senate Bill Would Effectively Eliminate Medicaid Expansion by Shifting Hundreds of Billions in Expansion Costs to States,” Center on Budget and Policy Priorities, July 13, 2017, <https://www.cbpp.org/research/health/senate-bill-would-effectively-eliminate-medicaid-expansion-by-shifting-hundreds-of>.

#### 4. It could reverse coverage gains for lawfully present immigrant children.

Thirty-one states and the District of Columbia have taken up the Children's Health Insurance Program (CHIP) option to extend Medicaid and/or CHIP coverage to lawfully residing children without a five-year wait. Most recently, Nevada Governor Brian Sandoval signed into law a bill that directs the state Medicaid agency to expand Medicaid coverage to these children. This bill will likely produce significant coverage gains for immigrant children and continue Nevada's dramatic progress toward covering all kids, but it allows Nevada to reduce or end the expansion if federal Medicaid funding falls significantly. The Senate ACA repeal bill would impose a per capita cap on Medicaid, shifting large and growing costs to states over time. It's not clear whether the per capita cap would trigger an end to Nevada's expansion, but optional eligibility groups like lawfully residing immigrant children would be at special risk as states cope with the loss of federal funds under the per capita cap.

TABLE 1

#### 15 States With Largest Share of Foreign-Born Population

State	Share of population that is foreign-born	Number of foreign-born residents
California	27.0%	10,390,086
New York	22.5%	4,422,741
New Jersey	21.7%	1,929,125
Florida	19.7%	3,875,699
Nevada	19.2%	537,252
Hawaii	17.7%	249,319
Texas	16.6%	4,399,080
Massachusetts	15.5%	1,038,127
Maryland	14.5%	857,804
District of Columbia	14.2%	91,588
Illinois	14.0%	1,803,687
Connecticut	13.9%	500,161
Arizona	13.5%	896,004
Washington	13.4%	937,571
Rhode Island	13.3%	140,582

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates