

INSURANCE COVERAGE FOR U.S. BORN INDIVIDUALS OF MEXICAN ORIGIN

The Issue:

Compared to the general U.S. population, individuals of Mexican origin, especially those in low-income families and/or children, disproportionately lack insurance and thus access to health services. Lack of insurance directly contributes to worse health and quality of life. Legislation during the past decade has increased this disparity.

Rate of Uninsurance

- As of 2010, 34% of Mexican-origin individuals did not have health insurance compared to 31% of all Hispanics and 16% of the general U.S. population.¹
- While 16% of individuals of Mexican origin younger than 18 were uninsured³ compared to 9.4% of all U.S. children,⁴ and only 7.3% of non-Hispanic white children.⁵

Medicaid Eligibility vs. Enrollment⁶

Medicaid is a government health insurance program for low-income adults, children, and some people with disabilities. Of all uninsured individuals in the U.S., 1 in 4 are eligible for Medicaid or CHIP;⁷ among children, the proportion is roughly two thirds and increasing.⁸

The federal government sets minimum eligibility guidelines based on income as a percentage of the federal poverty level (FPL), and states can choose to expand coverage beyond this minimum. States can extend coverage for children through the Children's Health Insurance Program (CHIP), a program that provides matching federal funds for states to cover children in low-income families. Individuals must be U.S. citizens or qualified legal immigrants (including lawful permanent residents, refugees, and other protected immigration statuses) to qualify for Medicaid.

The Deficit Reduction Act of 2005

- The Deficit Reduction Act of 2005 (DRA) required documentation of either citizenship or residency status in order to apply for Medicaid.⁹
- Despite a growing population at or below the FPL, Medicaid enrollment began to decline in 2007—the first drop in nearly a decade.¹⁰
- Virtually all those unable to provide the documentation required for enrollment are both U.S. citizens and eligible for Medicaid.¹¹

Enrollment Roadblocks

Eligible yet unenrolled individuals tend to:

- Be low-income,
- Live in rural areas,
- Are homeless, highly mobile, or victims of natural disaster,

- Have limited English proficiency,
- Lack a high school diploma or are low literacy,
- Lack knowledge of the Medicaid or CHIP programs and their eligibility,
- Be born outside of a hospital,
- Lack access to original birth certificate, passport, or citizenship documentation,
- Be historically underserved.

Mexican origin immigrants living in the U.S..¹²

In 2010:

- The median income of families in which the householder was of Mexican origin was \$39,264 compared to \$60,609 for the population as a whole.
- The poverty rate for all people of Mexican heritage was 26.6% compared to 15.3% for the population as a whole.
- 57.4% of individuals of Mexican origin 25 years and older achieved a high school diploma or more, compared to 87.1% of the general population.¹³

Meeting documentation requirements is a major obstacle to enrollment for individuals whose families immigrated to the U.S. within one or two generations; many work in seasonal jobs, are paid in cash, and are highly mobile. Individuals in this population who are eligible for coverage have reported:¹⁴

- Language barriers,
- Difficulty understanding forms and notices,
- Limited computer access or low computer literacy,
- Difficulty taking time away from work to complete the application process in person.

Impact of Insurance: Health, Finance, and Well-being¹⁵

Those enrolled in Medicaid compared to those who are not enrolled in Medicaid exhibit:

- Increased likelihood of using outpatient care by 35%, using prescription drugs by 15%, and being admitted to the hospital by 30%
- Increased use of preventive care such as mammograms by 60% and cholesterol monitoring by 20%
- Increased rate of primary care visits by 70 % and likelihood of having a doctor by 55%

Medicaid increases financial security by:

- Decreasing the probability of having an unpaid medical bill sent to a collection agency by 25%
- Decreasing out-of-pocket medical expenses by 35%
- Decreasing borrowing money or skipping payment on other bills because of medical expenses by 40%

Enrollment improves health and well-being by:

- Increasing probability that people report themselves in good to excellent health (rather than fair or poor) by 25%
- Decreasing a reported decline in health by 40%
- Decreasing rate of depression by 10%

The Affordable Care Act

About 6 million individuals will be newly eligible for Medicaid or CHIP.¹⁶ Eligibility will expand to include naturalized citizens, documented non-citizens who have been in the country for more than 5 years, and U.S.-born children of immigrants, among others.¹⁷

- Beginning in January 2014, all individuals under age 65 with income below 133% of the FPL will be eligible for Medicaid.¹⁸
- CHIP will be simplified and inter-state insurance exchanges will be created.

With growing eligibility for federally funded health services, it is critical to ensure access to the programs.

Policy Recommendations

The number of Mexican-Americans in the U.S.—both immigrant and U.S.-born—continues to rise; the Mexican-American population numbered 33 million in 2010.¹⁹ As this trend continues, it is critical to address preventable gaps in insurance coverage. This can be done by increasing access to Medicaid for eligible individuals of Mexican origin.

Public Policy Recommendations include:

- Offering Medicaid enrollment forms in multiple languages and investing in more and higher quality in-person translation services
- Permitting non-original copies or photographs of citizenship documents
- Providing subsidies for passport/birth certificate processing
- Investing in simpler processes, including adapting online submission processes to low-computer-literate individuals
- Employing culturally sensitive outreach and education on enrollment and eligibility requirements.

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