

# Caring

## THE COST OF

Providing medical care to illegal immigrants is a multi-billion dollar problem in the United States. Welfare reform laws have forced aliens to use costly emergency rooms, and politics have stalled potential solutions. What can be done to care for immigrants without bankrupting our system?

BY JOHN ZICCONI

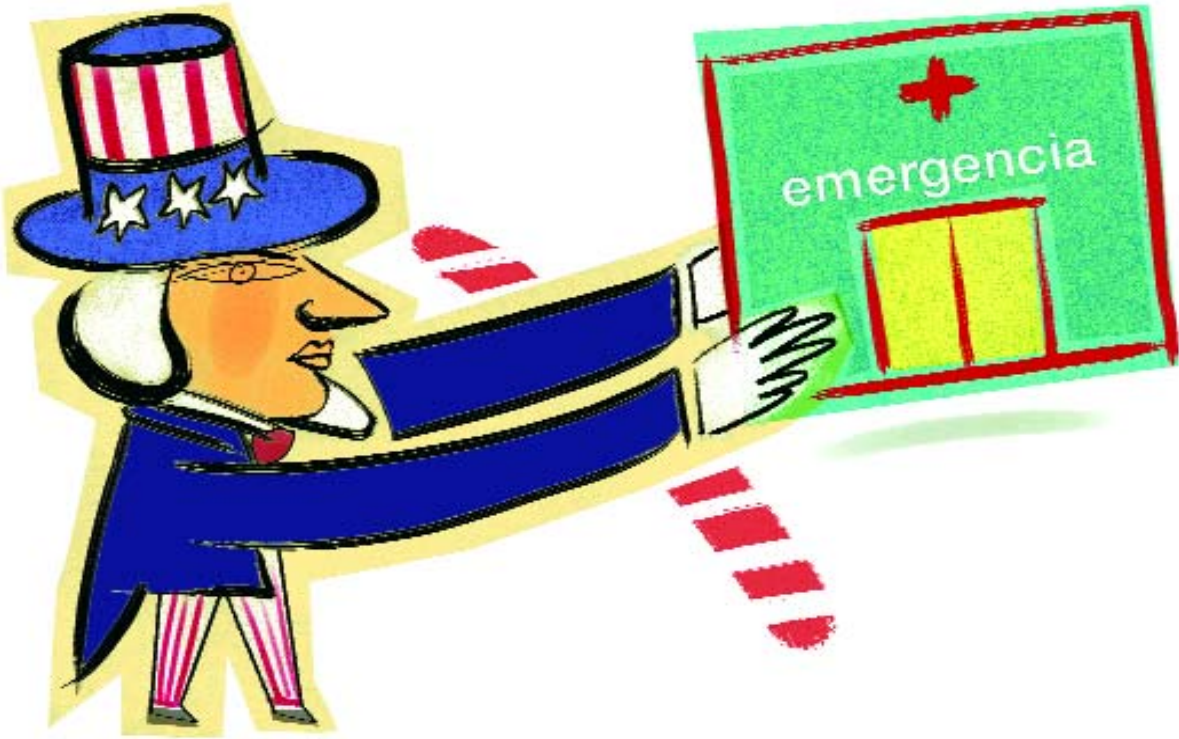
**THE TRIAGE AND STABILIZATION** unit at Hospital General in Nogales, Mexico is about to expand thanks in large part to medical officials from the U.S. state of Arizona.

In fact, the only reason the Mexican hospital has its current, one-bed triage unit is thanks to its neighbor across the border. But before anyone concludes that Arizona must be one of the most generous states in the nation, it is important to understand that these funds—which will likely total about \$400,000 by the time the expansion is complete—are an investment, not a gift.

U.S. officials at the [Agency of International Development](#), at the prodding of Arizona medical officials, anted up the cash to expand the Mexican triage center to three beds with the expectation that upgrading the facility will save both Arizona hospitals and physicians millions annually in health-care services they no longer will have to provide to illegal aliens.

Not only will the 250,000 Mexicans who live in Nogales have a local emergency center to care for their needs, giving them less incentive to cross the border, but Arizona hospitals will also have a place to transfer undocumented immigrants who do find their way to nearby Tucson and otherwise would run up expensive bills at either [Tucson Medical Center](#) or [Arizona University Medical Center](#).

“This is especially important to hospitals in Arizona because for the most part when you have trauma cases that occur on the Mexican side of the border they end up (being transferred to) the Arizona side because the Mexicans don’t have the necessary equipment to handle those types of problems,” says Dr. Cecilia Rosales, the chief of the [Arizona Border Health Office](#). “To take care of that kind of patient prior to the establishment of this triage unit, they would have to go further south to another



(Mexican facility) that was a three-hour drive by ambulance, or they could easily be given a medical parole and sent to a hospital in Arizona. Most of these cases came to a trauma center in Tucson.”

Medical paroling Mexicans across the border is both quick and easy, U.S. officials say. Border officials open the gates with nothing more than a radio call from an ambulance, and some report that Mexican ambulance drivers have been instructed to take uninsured patients to the United States because federal law mandates that emergency rooms must treat everyone, including illegal aliens, regardless of ability to pay.

An expensive problem

This practice has added to what hospitals from California to Texas report is a more than \$200 million per year problem and has forced some medical facilities along the nearly 2,000

**The American Hospital Association reports that the nation's uninsured cost medical facilities in excess of \$22 billion annually. Conservative immigration watchdog groups believe illegal aliens are responsible for as much as 15 percent of that total, or nearly \$4 billion annually.**

mile border either to close or cut back services. [A study by the U.S.-Mexico Border Counties Coalition](#) reported that 25 percent of uncompensated emergency medical costs at 77 hospitals along the border were attributed to undocumented immigrants.

The losses in California were cited at \$79 million annually, Texas \$74 million, Arizona \$31 million, and New Mexico \$6 million. At Tucson Medical

Center alone, the care of treating illegal aliens cost the 650-bed facility about \$5 million in 2002, with the lion's share attributed to medical parole cases, says Robert Guerrero, a hospital administrator. The nearby University Medical Center reported losses nearly twice that high.

This mounting red ink caused Arizona hospital officials to look for ways to keep Mexicans in Mexico. Their latest strategy has been to directly invest in Mexican medical facilities. Aside from establishing the triage center in 2001 at the 30-bed Hospital General in Nogales, Tucson medical centers annually fund an intensive care nursery at a second Mexican hospital just across the border.

Since helping Mexicans in 1998 establish a nursery at Hospital Integral in the town of Agua Prieta, Tucson Medical Center and University Medical Center have pumped a combined \$200,000 into

## An Unintended Consequence

**W**OMEN'S ADVOCACY groups are calling for the federal government to provide prenatal care to poor women, including illegal aliens, as a way to promote healthier babies. But these generally liberal organizations have become reluctant to press the issue in court because doing so could have unintended consequences related to a woman's right to have an abortion.

A 1987 Federal District Court ruling required the federal government to provide prenatal care to undocumented immigrants, but in 2001 a New York federal appeals court reversed that decision saying welfare reform legislation passed in 1996 contained explicit language barring prenatal care for illegal aliens.

Advocacy groups had for a long time argued that since children of undocumented immigrants upon birth become U.S. citizens, denying their mother medical care beneficial to that child violates the U.S. Constitution's equal protection clause. But rather than challenge the 2001 ruling, advocates have dropped the issue because to mount that argument they have to argue that a fetus is a person with rights. Such an argument would run smack into *Roe vs. Wade*, the highly controversial legal case that legalized abortion.

"You cannot advance this theory consistent with *Roe*,"

says Jennifer Brown, the legal director of the [National Organization for Women's Legal Defense and Education Fund](#). "It would be enlarging the definition of a person to include fetus, which is exactly what the Supreme Court says is not legally part of our system in *Roe vs. Wade*."

Advocates have felt no pressure to mount a challenge because soon after the 2001 court decision, lawmakers in New York—the state where the 2001 battle was fought—voted to extend state benefits to undocumented women seeking prenatal care. The program means that more than 13,000 illegal immigrants a year in that state will qualify for coverage.

Other states with high undocumented populations like California and Texas have passed similar laws.

"There is no reason to slug it out on that one when the state was willing to fund the program," says Richard Blum, a staff attorney for the Legal Aid Society, which helped argue the 2001 case. "Our concern was these children should be born healthy. The state agreed, and made sure the service was there. That was the bottom line for us."

But the issue has not been lost on the Bush Administration, which does not favor abortion. Soon after the court decision, Health and Human Service Secretary Tommy

Thompson rewrote regulations governing the [State Children's Health Insurance Program](#) in a way that allows states to treat a fetus like a child, says Louise Melling, the director of the ACLU Reproductive Freedom Project.

Pro-choice advocacy groups applaud the new policy for making money available to undocumented women, but loathe that it was done in a way that appears to take issue with abortion law.

"I think this is part of a broader strategy which would in effect undermine *Roe*," Melling says. "It certainly is consistent with a pattern we see of acting to protect the fetus, or trying to vest the fetus with rights."

Despite their dislike for Thompson's actions, no liberal group is expected to mount a challenge. In fact, most prefer to downplay the event as having little legal significance.

"It is very possible as we go forward and there continue to be various challenges to *Roe vs. Wade* that this regulation that defines child to include fetus is something that would be waved around by the challengers to *Roe*," Brown says. "They will say 'look, this is already government policy.' But it would not have very much weight because it is just a regulation. It is not a court decision or even a statute. It's just what the agency decided to do." ■

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the facility, Guerrero says. The result has been a dramatic decrease in sick Mexican babies that has saved the two Arizona facilities more than \$2 million annually, he says.

"The most expensive patient that came to our hospital was the premature infant that had just been born," Guerrero says. "That baby in an intensive care nursery can easily be there three months and can cost hundreds of thousands of dollars."

Prior to establishing the Mexican nursery, the two Arizona medical centers on average were seeing three premature Mexican babies per month, Guerrero says. "The end result is last year neither Tucson Medical Center nor University Medical Center received any babies," he says. "We completely cut that off. And the infant mortality rate in that (Mexican) hospital dropped from more than 17 percent to less than 1 percent."

Although the success of these two Arizona initiatives have proven to be what one California hospital administrator termed a "beacon of hope," they are but small blips on the radar screen of curbing what has become a multi-billion-dollar problem of treating undocumented immigrants nationwide—a problem the federal government appears to have little interest in solving, and one that threatens the stability, and in some cases, the very survival of health-care facilities across the nation.

### Multi-billion dollar issue

Exactly how much undocumented immigrants cost the U.S. health-care industry is impossible to determine, but estimates are in the billions. The [American Hospital Association](#) reports that the nation's uninsured cost medical facilities in excess of \$22 billion annually. Conservative immigration



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watchdog groups believe illegal aliens are responsible for as much as 15 percent of that total, or nearly \$4 billion annually.

According to the [Center for Immigration Studies](#), the foreign-born population of the United States is 33.1 million, or about 11.5 percent of the total population. The [U.S. Census Bureau](#) estimates that as many as nine million of these people are in the country illegally.

Few states have tried to determine their cost of treating the undocumented, but Florida hospital officials recently took one of the best stabs to date. In a February [2003 report issued by the Florida Hospital Association](#), the group reported that illegal immigrants cost 56 Florida medical centers who participated in its study more than \$40 million annually. Only 26 percent of Florida Hospitals participated in the study, meaning statewide costs could exceed \$150 million.

According to the report, nearly 50 percent of Florida's estimated 1.6 million non-citizens do not have health in-

Dr. Ammol Mahal, a Fremont gastroenterologist on the California Medical Association Board of Directors, says serving in emergency departments is affecting physicians' practices. "...Physicians are doing work at odd hours or they are spending half their day in the emergency room when they really ought to be working in their offices taking care of paying patients."

surance, and the number of these uninsured admitted to the hospital almost doubled in the five-year span between 1997 and 2001, reaching 7,670 in 2001. A full 70 percent of these patients entered the hospital through the emergency room in 2001, compared to just 52 percent in 1997.

This rise is noteworthy because it correlates with Congressional welfare reform action during the Clinton Administration that ended Medicaid subsidies to the nation's undocumented and made it illegal for hospitals and other health-care facilities to use federal dollars to treat them.

[The Personal Responsibility and Work Opportunity Reconciliation Act of 1996](#) drastically altered federal law regarding immigrant eligibility for

Medicaid and other public benefits. This welfare reform law made it illegal for even legal immigrants to receive federal benefits of any kind for the first five years they are in the country, and rendered it illegal for hospitals to use federal funds to treat undocumented migrants at any time. The law, however, did not change federal statutes that require hospitals to provide emergency care for anyone who entered their emergency rooms regardless of their ability to pay.

Congress did grant states the ability to treat immigrants with state funds, but only about a dozen states including California and New York have passed such legislation. In Texas, the battle over compensation got so fierce that in 2001 then Attorney General John

Cornyn, who is now a U.S. Senator, threatened to prosecute health-care officials who used public funds to treat the undocumented. The threat was calmed only recently when Texas lawmakers in 2003 passed legislation making state funds available in some cases.

The welfare reform act, according to hospital officials, not only reduced the amount of federal dollars they receive but forced immigrants to enter their systems through its most costly portal: the emergency room. And once through that door, hospitals are now stuck with these patients because no other medical facility like nursing homes or rehab centers that once helped care for these patients will accept them because the reimbursement pipeline has been closed.

"There is not a nursing home around that is going to take somebody that it could have for a year or longer and no source of payment," says Richard Morrison, a vice president at Florida Hospital in Orlando. "And we are not going to turn them out into the street."

The Florida Hospital Association recently asked its members to chart their cost of treating illegal immigrants. Most patients ran up bills between \$20,000 and \$60,000, but 18 patients admitted between 2000 and 2002 cost more than \$400,000 apiece, with some breaking the \$1 million mark. A Turkish patient in the country illegally entered the Florida Hospital emergency room in 2001, and by the time he died two years later, he had cost the institution close to \$2 million, Morrison says.

"This human had a multi-system problem that included cardiology and kidney issues," Morrison says. "He spent two years in our hospital because we couldn't place him anywhere or do anything with the Turkish embassy. Finally, the

gentleman expired in our facility."

Whose problem is it?

Although the cost of treating this illegal alien was unusually high, the circumstances surrounding his hospital stay were typical, Morrison says. His family declined to care for him, while his government refused to accept responsibility.

"Dealing with the countries has been very difficult," Morrison says. "We have had problems with people taking financial responsibility for their citizens, and there has been a reluctance to work with us on arranging medical transport back to their country.

"There really has to be a systematic way with all of these countries of dealing with the health-care needs of their citizens who are in this country illegally," Morrison says. "We ought to at least have an agreement from our own state department that it will work with hospitals to work with these other countries. But it is very difficult to get our own government to help with these issues."

In fact, both the Immigration and Naturalization Service and the U.S. Border Patrol (now known as [U.S. Citizenship and Immigration Services](#) and [U.S. Customs and Border Protection](#)) exacerbate the problem by routinely dumping sick or injured illegal aliens at hospital doorsteps, doctors say. By law, both these agencies must pay for the health care of sick immigrants in their custody. To avoid payment, they just dump the people and run, doctors say.

"Border patrol will pick these people up, but they will discharge them at the hospital entrance so they are not responsible for their medical payment," says Dr. Lee Hieb, an Arizona orthopedic surgeon who takes emergency call at [Yuma Regional Medical Center](#), located just miles from the Mexican border. "If they

are in the custody of Border Patrol, at least Border Patrol picks up the tab. But they don't tend to do that."

Tucson Sector Border patrol spokesman Andy Adame denied the government dumps sick immigrants at hospital door steps, but he did acknowledge that border agents often do not determine the legal status of sick or injured immigrants discovered in either the mountains or desert. Instead, border patrol agents transport that person to a location that is accessible to an ambulance and call paramedics.

"We do not attempt to verify citizenship status to anyone who is severely injured," says Adame. "Our first priority is to seek medical attention." Although the rising cost of treating uninsured immigrants is mostly an issue for hospitals in states with high illegal populations like Arizona, New Mexico, Florida, and California, the strain has trickled down to physicians who handle emergency call in these areas. It is not unusual for on-call doctors to treat multiple trauma cases involving illegal immigrants each shift, leaving them financially responsible for follow up care which, in some cases, can last for months.

Treating a combination of illegal and other uninsured patients who use emergency rooms as free clinics also keeps doctors from seeing paying patients in their office, adding financial insult to injury.

In California, where one estimate placed the cost of treating illegal immigrants in Los Angeles County alone at \$340 million annually, doctors are rebelling and turning on hospitals. The [California Medical Association](#) recently passed a resolution calling for an end to the long-standing practice of hospitals requiring physicians to take mandatory ER call if they want hospital privileges.

"The burdens are such that they are

hampering physicians' ability to sustain their practices," says Dr. Ammol Mahal, a Fremont gastroenterologist who sits on the California Medical Association Board of Directors. "Because of underfunding of the system, physicians are doing work at odd hours or they are spending half their day in the emergency room when they really ought to be working in their offices taking care of paying patients."

Blair Sadler, the president and CEO of [San Diego Children's Hospital](#), empathizes with physicians, but says the lack of government help to treat either illegal immigrants or the uninsured has placed hospitals in a bind. California community hospitals are already laying off doctors and other health-care professionals, including nurses. The King Drew teaching hospital system faces bankruptcy, and Los Angeles County is considering closing a 200-bed rehab hospital to help balance its budget. Public hospitals are in no financial position to be hiring ER specialists so private practice physicians don't have to take call, he says.

"People are railing on (ER call), and it is hard to be critical," Sadler says. "But the hospital is also caught and has to say 'damn it, we need doctors to cover our emergency room.' By law, somebody has to be either on call or in the house. And those are enormous costs.

"Doctors more and more are saying 'if I can't get paid from the patient, then Mr. Hospital CEO you have to pay me.' But the hospital executives are saying 'where the hell am I going to get that from?' It has become a cauldron boiling issue. And the unintended consequence has sometimes been pitting hospitals and doctors against each other," Sadler says.

The search for solutions

Senators John McCain (R-AZ) and Jeff Bingaman (D-NM) have tried in vain for

years to get the federal government to reimburse state and local governments as much as \$200 million annually for providing care to illegal aliens. The constant lack of political support recently caused them to abandon those efforts.

"There were two pieces to our legislation that we introduced in the last congress which we haven't reintroduced because there isn't a reasonable expectation that it would be passed," says Jude McCartin, Sen. Bingaman's press secretary. "It is not a realistic goal under the White House circumstances. The politics is not in our favor."

Although medical officials in Arizona are starting to establish programs across the border to keep Mexicans in Mexico, other states are looking for answers closer to home. Since allocating money directly for illegal immigrants in most places is politically impossible, health-care officials have turned to other, seemingly broader-based initiatives aimed at helping the nation's uninsured in a way that would also aid immigrants.

In California, the state medical board in July allocated \$3 million to establish the California Physicians Corp, a program that assumes as much as \$105,000 in student-loan debt if physicians commit to working at health clinics in underserved areas which often are populated by immigrants. As of November 2003, 28 physicians had signed on. State lawmakers in 2002 also passed a law allowing Mexican-trained physicians to forgo the usual medical licensing protocol so they could come to California and care for patients along the border.

"That is how desperate we are getting to resolve this ongoing, chronic problem of the underserved in rural areas, especially the underserved immigrant population from Mexico," Mahal says.

That measure, however, has been at

least temporarily blocked by the local medical community, which does not support bending the rules for foreign physicians. "We feel it is very unfortunate that anybody would try and alter the licensing criteria for a very small group of physicians," Mahal says.

Other states have not been so bold, but they are keying in on what appears to be the one place the federal government is willing to help. The Bush Administration has set a goal of doubling the number of [Federally Qualified Health Clinics](#) (FQHC) to help provide medical care to the nation's 42 million uninsured.

FQHCs are technically run by local communities, but they receive strong reimbursement from the federal government. Clinics that target the underserved—rural or urban—in all 50 states are eligible. Physicians are salaried. With no one concerned about a patient's ability to pay, few questions about immigrant status are asked.

In Texas, state health-care officials believe this initiative will not only provide better health care to U.S. citizens living in poor border communities, but also provide undocumented immigrants with routine health care so they do not have to use expensive hospital emergency rooms.

"We have already increased the number of FQHCs from 35 to 40 in our state, and we have just recently announced \$3.5 million that we are going to spend helping roughly 30 potential FQHC applicants get their act together so we can increase the number of FQHCs in Texas," says Dr. Eduardo Sanchez, the Texas' Health Commissioner. "Those dollars are incubator money to help communities get prepared enough so when they submit an application to the feds, those applications will be in such

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good condition that they will be favorably reviewed.”

Hospital officials are not surprised the feds are willing to fund FQHCs but not directly allocate tax dollars to help undocumented aliens. Lawmakers from states largely unaffected by illegal immigrant problems can support the measure because their rural communities could benefit, while any money that does find its way to immigrants is done so quietly, they say.

“You are going to have to do something that is stealth or stealth like,” Morrison says. “You are going to have to tie the money to the general issue of uncompensated care and squeeze (the benefits to immigrants) between the lines.” ■

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