



United States
General Accounting Office
Washington, D.C. 20548

Health, Education and Human Services Division

B-276904

May 30, 1997

The Honorable Elton Gallegly
House of Representatives

Dear Mr. Gallegly:

Subject: Undocumented Aliens: Medicaid-Funded Births in California and Texas

Media reports have heightened concerns that aliens are entering the United States illegally in order to receive public benefits. Although undocumented aliens¹ are not eligible for many publicly funded benefits, they do have partial or full eligibility for some. For example, under the Medicaid program, they are eligible for emergency services, including those associated with childbirth, if they meet program requirements.² In addition, although not eligible themselves, undocumented aliens can receive some welfare benefits on behalf of their U.S. citizen children, including food stamps and cash assistance through the Aid to Families With Dependent Children (AFDC)³ and Supplemental Security Income programs. Though it is the child and not the parent in such cases who qualifies for the program, benefits help support the child's family.

¹The term "undocumented alien" is sometimes used interchangeably with the term "illegal alien," which refers to aliens who have entered the country without inspection, overstayed the length of their admission, or otherwise violated the conditions of admission. This correspondence uses the term "undocumented alien" to refer to those illegal aliens who possess no valid documentation of their legal entry into the United States or permission to remain.

²See 42 U.S.C. 1396b(v).

³States are in the process of replacing their AFDC programs. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) ended the AFDC program and instead provides states with Temporary Assistance for Needy Families (TANF) block grants.

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The Congress recently stated that national immigration policy continues to be that the availability of public benefits should not constitute an incentive for immigration to the United States.⁴ Because of your concern about non-U.S. residents crossing the border for the purpose of receiving public benefits, including pregnant women seeking U.S. citizenship and welfare eligibility for their children, you asked us to provide information on the number of undocumented alien women who enter the United States to give birth. No source of data exists that provides the actual number of such childbearing aliens. Data are available, however, estimating the number of births to undocumented alien mothers that are funded by Medicaid. Therefore, as agreed with your office, to respond to this request we are providing data from state health departments on Medicaid-funded births to undocumented alien mothers in California and Texas.⁵ It is important to note that the information we obtained does not indicate whether the women giving birth were already residing in the United States or had recently crossed the border, nor does it identify their reasons for entering the United States. We also spoke with state health and welfare officials in Texas and state health and county welfare officials in California. Except for not independently verifying the information provided to us by state health departments, we conducted our review in accordance with generally accepted government auditing standards from January through March 1997.

In summary, in 1995, Medicaid-funded births to undocumented alien mothers were estimated to number over 78,000 in California and 24,000 in Texas. As shown in table 1, the births in California represented 14 percent of all births and 34 percent of Medicaid-funded births in the state. From 1992 to 1995, the number of Medicaid-funded births to undocumented alien mothers in California declined 18 percent, with a significant decrease from 1993 to 1994.⁶ In contrast, from 1992 to 1995 in Texas, the number of Medicaid-funded births to undocumented alien mothers more than doubled, while the total number of births remained fairly stable. As a result, during these years, undocumented

⁴See section 400(2)(B) of the Personal Responsibility and Work Opportunity Reconciliation Act.

⁵In 1994, California and Texas accounted for about 90 percent of reported births in the four states that border Mexico.

⁶California officials did not have an explanation for the decline from 1993 to 1994; however, one official did note that the decrease mirrored, in part, an overall decline in births statewide during that time and was not specific to undocumented aliens.

alien births funded by Medicaid increased from 4 to 8 percent of all births and from 9 to 16 percent of Medicaid-funded births in the state.

Table 1: Births in California and Texas, 1992-95

	1992	1993	1994	1995
California				
Total births	600,838	584,483	567,034	551,226
Total Medicaid-funded births ^a	245,880	241,800	231,900	229,160
Medicaid-funded births to undocumented aliens	95,845	91,596	75,706	78,386
Births to undocumented aliens as a percentage of total births	16%	16%	13%	14%
Births to undocumented aliens as a percentage of total Medicaid-funded births	39%	38%	33%	34%
Texas				
Total births	320,714	321,961	321,088	322,669
Total Medicaid-funded births ^b	133,018	146,109	152,632	156,114
Medicaid-funded births to undocumented aliens	11,771	17,289	20,906	24,549
Births to undocumented aliens as a percentage of total births	4%	5%	7%	8%
Births to undocumented aliens as a percentage of total Medicaid-funded births	9%	12%	14%	16%

Note: Includes births to state residents that occurred outside the state.

^aIncludes estimates of births provided by fee-for-service, prepaid health, and managed care plans.

^bIncludes estimates of births provided by managed care plans in 1994 (4,000 births) and in 1995 (4,500 births).

Sources: California and Texas Departments of Health.

Undocumented aliens may seek U.S. citizenship for their children for a variety of reasons, including the prospects of enhanced educational and economic opportunities for them. Although many factors motivate undocumented aliens to give birth in this country, state and county welfare officials in California stated that they believe that, in many instances, pregnant women have crossed the border to receive free medical services and, after bearing a U.S.-citizen child, other public benefits on behalf of their children. State welfare officials in Texas also noted that the provision of health benefits to undocumented aliens can serve as an incentive for women to give birth in this country. However, Texas officials also said that public benefits might serve as less of an incentive to cross the border in Texas than in California, where the dollar amount of cash assistance for needy families with children is much greater. For example, in January 1996, the typical monthly AFDC grant for a child-only case was \$57 in Texas and \$299 in California.⁷

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We obtained comments on a draft of this correspondence from California and Texas state officials, who generally agreed with its contents. They also provided technical comments, which we incorporated as appropriate. We will make copies of this correspondence available to interested parties upon request. If you or your staff have any questions about this information, please call me on (202) 512-7215. Other staff who contributed to this correspondence include Gale Harris and Deborah Moberly.

Sincerely yours,



Mark V. Nadel
Associate Director, Income Security Issues

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⁷The child-only rate represents the amount that would be paid for a case involving a U.S.-citizen child and an ineligible undocumented alien parent.

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