Providing Health Care to Undocumented Immigrants in Tarrant County

Tarrant County Hospital District is the only one of the five largest hospital districts in Texas that fully excludes undocumented immigrants from receiving health care services through their indigent health care program. In 2007, the board of managers of the Tarrant County Hospital District engaged Phase 2 Consulting (P2C) to estimate the cost of serving the undocumented population. In their July 2007 report, P2C states that it will cost $41.3 million to serve the undocumented population in Tarrant County in 2007 and will cost more than $114 million by the year 2017.

In reviewing the report by P2C, there are two primary calculations that form the basis of their financial estimates. Those two calculations, the estimate of the number of undocumented residents living in Tarrant County and the rates at which those undocumented residents will use available health care services, raise a number of questions.

Number of Undocumented

Several organizations have attempted to calculate the number of undocumented residents in the United States and in Texas. At the time the P2C report was underway, the two sources of data available for estimating the number of immigrants (also referred to as foreign-born residents) in the United States was the U.S. Census Bureau’s March 2005 Current Population Survey (CPS) and the 2005 American Community Survey (ACS).1

Only one of the organizations cited by P2C used ACS data to estimate the undocumented population; all of the others that we could verify used CPS data. However, P2C compared the estimates of the undocumented based on CPS data to the ACS estimate of the foreign-born population—a comparison that is not valid—and determined that 42 percent of the foreign-born population in Texas is undocumented. Four of the estimates in the P2C report are for 2005 (one is cited incorrectly as 2002-2004 data), while the other two are older (and lower) estimates.

Despite these and other discrepancies in the data presented in the P2C report (see attached Appendix), our estimate of the percent of the foreign-born population that is undocumented in Texas is similar, but higher, than the P2C report. We reviewed three estimates completed by organizations cited in the P2C report and two other estimates that we found that are based on 2005 data (four use CPS data, one uses ACS data) and determined that the average percentage of the foreign born in Texas who are undocumented is probably higher than what P2C calculated (we get 45 percent). But the estimates range from 40 percent to 48 percent. At the very least,

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1 The CPS is an older, more reliable survey, yet it has a much smaller sample size (100,000) than ACS (3 million), which is a relatively new product. The CPS has been used to provide monthly estimates of household employment and unemployment for more than 50 years. The ACS is an annual survey, first conducted in 2000, and linked to the Decennial Census of 2000. The ACS collects census "long form" type data giving basic population characteristics continuously throughout the decade. ACS looks at a year’s worth of data, while CPS looks at one point in time. Data from the ACS and CPS are not interchangeable.
State estimates may not apply to Tarrant County. P2C concludes that if 42 percent of the foreign born are undocumented in the state, then the same percentage applies to Tarrant County, but there are several reasons to question this assumption. Tarrant County differs from the state in several significant ways. The proportion of white residents is higher in Tarrant County than in Texas: Anglos make up the majority of residents in Tarrant County (56 percent) but only 49 percent across the state. Hispanics represent 36 percent of the state population and only 25 percent in Tarrant County. Also, the average resident of Tarrant County is slightly older than the average resident of Texas and poverty rates are lower in Tarrant County (13 percent) than in the state as a whole (18 percent). Twenty-five percent of Texans are uninsured, while 22 percent of Tarrant County residents are without insurance.2

In addition, according to the ACS, 7.17 percent of the population in Texas resides in Tarrant County compared to 6.78 percent of the foreign-born population. The undocumented population may also look different in Tarrant County and may be closer to the country as a whole; estimates are that 30 percent of the foreign-born population in the United States is undocumented.3

Rates of Use

Estimating the rates at which undocumented residents of Tarrant County will use the indigent health care services of the hospital district is also tricky. The P2C report states that 27 percent of the undocumented population will access the health care services provided by the Tarrant County Hospital District. This calculation is a weighted average based on comparing estimates of the eligible population to the number of enrollees in indigent health care programs in four other large hospital districts in Texas. We have some concerns about the calculation.

Data for El Paso County Hospital District for the eligible population and the number of enrollees is not accurate. P2C uses the population living at 200 percent of the federal poverty level (FPL) and below as the basis for calculating the number of individuals who are eligible for indigent health care services. However, the indigent health care program administered by El Paso County Hospital District provides services to individuals up to 50 percent of FPL. Furthermore, the number of enrollees used in the P2C report is actually the number of charity care visits, not the number of unique individuals enrolled in the program.

In addition to the errors in the numbers for El Paso County Hospital District, no accurate methodology for determining the number of people eligible for local indigent health care

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programs exists. While using 200 percent of the poverty level less the number of Medicaid eligibles is a proxy for establishing the eligible population, it is not fully accurate because income is not the only eligibility criteria for indigent health programs and even residents at 200 percent of FPL and below may be disqualified from indigent health care programs for other reasons, such as excessive assets. Lastly, the P2C report does not indicate whether or not the number of Medicaid eligibles subtracted from the population at 200 percent of poverty level includes children eligible for the CHIP program, which could impact the final calculation.

Elsewhere in the report, P2C includes patients from other counties in cost projections, but residents of other counties are excluded from participation in the Tarrant County Hospital District indigent health care program and should not be included in the cost estimate.

The aggregate percent of the eligible population enrolled in indigent health care programs is not accurate. P2C averages the enrollment percentages of four hospital districts to determine that 27 percent of eligible residents will enroll in indigent health care programs. There are two primary reasons why this calculation is inaccurate. First, the calculation includes erroneous numbers for El Paso County Hospital District, as discussed above. Second, this calculation excludes the enrollment experience in Tarrant County Hospital District, which has the lowest enrollment percentage of any of the other hospital districts included in the P2C report. Excluding Tarrant County is surprising for two reasons. One, it is unclear why the actual experience of the geographic area being studied would be excluded from an aggregate average. Second, the P2C report includes an assumption when estimating the costs of inpatient and outpatient services for undocumented residents that the behavior of undocumented residents will mirror that of indigent residents (see below), which is a rationale for including the Tarrant County enrollment experience in the average across all of the hospital districts.

We believe there are only two valid methodologies for estimating the percent of undocumented residents that will enroll in the indigent health care program:

1) Use only the actual experience of indigent enrollment in Tarrant County Hospital District, which is 17 percent.
2) Average Tarrant County Hospital District with the other hospital districts, with the exception of El Paso County Hospital District. Using correct enrollment data provided to Morningside Research and Consulting, this would result in an average of 23 percent.

In fact, the lowest percentages for enrollment are in Dallas and Tarrant county hospital districts (15 and 17 percent, respectively), which are contiguous geographic regions. The Bexar and Harris county hospital districts have 20 and 30 percent enrolled, respectively. These two hospital districts have little demographic similarity to Tarrant County, yet they increase the percentage used as the basis of all of the cost estimates in the P2C report.

Enrollment of undocumented immigrants may not mirror the indigent population. The P2C report presumes that the undocumented will enroll in available health care programs at the same rate as indigent patients. The report states, “[w]e believe that enrollment among the
undocumented will mirror enrollment among the indigent,”4 but P2C does not provide evidence that the undocumented will behave in the way they have predicted.

While the immigrant population has higher poverty rates and is more likely to be uninsured than the native born population,5 there are substantial differences in the undocumented and indigent populations. Latin American and Mexican immigrants, who represent the vast majority of the undocumented in Texas, are primarily a young and healthy population who report “very low use” of public assistance and seek medical care at about half the rate of the average American.67 A study reported in the July/August 2000 issue of Health Affairs found that undocumented groups receive fewer ambulatory physician visits and are hospitalized no more than the average American on the whole, with the exception of hospitalization for childbirth. The study found that the percentage of undocumented Latinos seeing a doctor once in a year’s time range from 27 percent to 50 percent. Rates for the US population as a whole are 77 percent. The study also found that undocumented Latinos rarely use public programs for which they qualify, particularly those serving adults. Harris County, which has the largest community of undocumented immigrants in the state and operates the nation’s third busiest public hospital system, estimates that only one in five patients seen by the county's healthcare system were undocumented in 2005.8 There is a lack of evidence that the undocumented will use available services at the same rate as the indigent, much less a higher rate.

The rates at which undocumented residents will access services will be influenced by the degree to which the hospital district or community groups market a change in policy and get the word out to this population. Unless there are significant, professional efforts at making the policy changes known to the undocumented population in a culturally and linguistically appropriate manner, word of mouth will be the primary marketing tool and access will increase at a slower rate.

**Conclusion**

Estimates of the undocumented population in the state of Texas range from 40 percent to 48 percent of the foreign-born population, with an average of about 45 percent. Estimates of the undocumented at the county level are not available, but in the absence of other data, this range could be applied to Tarrant County. Estimates of the rate at which the undocumented population will access services could range from the rate at which indigent patients access health care services in Tarrant County (17 percent) to an average of the experience of indigent patients across four hospital districts (23 percent). Given that the demographics of Tarrant County differ in significant ways from the state of Texas and that Tarrant County Hospital District has low rates of access to indigent health care service by indigent residents than other large hospital

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districts, there are doubts as to whether the worst-case scenario or even the average scenario as presented by P2C will be realized.

The *Fort Worth Star-Telegram* reported in August of 2007 that there was an eight-month period in 2004 in which undocumented immigrants were permitted to enroll in the Tarrant County Hospital District indigent health care program and the costs incurred by the hospital district were a fraction of what P2C has estimated. According to the paper, the undocumented cost the hospital $750,000 to $900,000 in an 18 week period in 2004, while P2C estimated these costs will be incurred over just one week in the future.

A review of the data used in the P2C report by Morningside Research and Consulting indicates that between 96,000 and 115,000 people in Tarrant County may be undocumented. Using enrollment data obtained by Morningside Research and Consulting, the percent of undocumented residents that may access indigent health care services could range between 17 percent to about 23 percent (not 27 percent as estimated by P2C), which would result in 17,000 to 26,000 new enrollees in the Tarrant County Hospital District indigent health care program (not a fixed 29,000 as estimated by P2C).

Using a single estimate rather than a range to determine the size of the undocumented population and gauge their future behavior does not provide accurate information to the hospital district. The single estimate used by P2C is also relatively high given the other possible estimation scenarios, and the difference in demographics between Tarrant County and the other large, urban hospital districts and the state as a whole suggest that using the lower range of estimates may be more appropriate.

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### Appendix: Data sources used to estimate the undocumented population in Texas.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Estimate of the undocumented population in Texas</th>
<th>Source of data used to calculate estimate</th>
<th>Year of data used to calculate estimate</th>
<th>Date of report containing estimate</th>
<th>2005 CPS foreign-born population</th>
<th>Undocumented as % of CPS foreign-born population</th>
<th>2005 ACS foreign-born population</th>
<th>Undocumented as % of ACS foreign-born population</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pew Hispanic Center (low)</td>
<td>1,400,000</td>
<td>CPS</td>
<td>2005</td>
<td>26-Apr-06</td>
<td>3,379,000</td>
<td>41.4%</td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pew Hispanic Center (high)</td>
<td>1,600,000</td>
<td>CPS</td>
<td>2005</td>
<td>26-Apr-06</td>
<td>3,379,000</td>
<td>47.4%</td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Migration Policy Institute</td>
<td>1,200,000</td>
<td>various</td>
<td>2000</td>
<td>22-May-02</td>
<td>3,379,000</td>
<td></td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federation for American Immigration Reform</td>
<td>1,618,000</td>
<td>CPS</td>
<td>2005</td>
<td>current on website</td>
<td>3,379,000</td>
<td>47.9%</td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Department of Homeland Security</td>
<td>1,360,000</td>
<td>ACS</td>
<td>2004</td>
<td>Jan-05</td>
<td>3,379,000</td>
<td></td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban Institute</td>
<td>1,380,000</td>
<td>CPS and others</td>
<td>2002</td>
<td>12-Jan-04</td>
<td>3,379,000</td>
<td></td>
<td>3,542,513</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S Department of Homeland Security</td>
<td>1,640,000</td>
<td>ACS</td>
<td>2005</td>
<td>Jan-06</td>
<td>3,379,000</td>
<td></td>
<td>3,542,513</td>
<td>46.3%</td>
<td>P2C used the 2004 estimate, but the 2005 estimate was available at the time of their report and is cited below. The citation for this estimate is not included in the P2C report bibliography, but an Urban Institute report we found used 2002 data and estimates 1.1 million for Texas, not 1,380,000. Regardless, the data is older and is not used in our calculation.</td>
</tr>
<tr>
<td>Center for Immigration Studies</td>
<td>1,350,000</td>
<td>CPS</td>
<td>2005</td>
<td>Dec-05</td>
<td>3,379,000</td>
<td>40.0%</td>
<td>3,542,514</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: Reports highlighted in yellow provided estimates based on 2005 data. Green highlights indicate valid percentages that are calculated using the foreign-born population that corresponds to the source of the estimate. The average of the 2005 percentages highlighted in green is 45 percent.

Below are the sources for the estimates highlighted in yellow. All were accessed on January 17, 2008.

- Federation for American Immigration Reform: [http://www.fairus.org/site/PageServer?pagename=research_research79e6](http://www.fairus.org/site/PageServer?pagename=research_research79e6)