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Headline:
Health Care for the Undocumented
Complicated by Cost Questions

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The Affordable Care Act expanded health coverage for millions of lower-income Californians -- but one population was left out: undocumented immigrants. New legislation in Sacramento intends to change that with a bill that would extend subsidized health coverage to all Californians who qualify, regardless of immigration status. Opponents question whether the state can afford it, supporters say we can't afford not to. This is a report for *California Healthline*, a daily news service of the California HealthCare Foundation. I'm Ali Budner.

Darwin Velasquez is a college student now, but he was 12 years old and legally blind when he crossed three separate borders to reach his new life in the United States.

(Velasquez): "I was born with cataracts in El Salvador, Central America. And one of my biggest dreams growing up was to have a retina transplant."

But getting to America was just the start of his quest. Many miles and several months later, Velasquez reunited with his parents in San Francisco. They were poor, didn't speak English and needed \$50,000 for his eye surgery. Through donations, they managed to raise the cash -- and Velasquez got his surgery. And, he says, when he walked out of the hospital that day...

(Velasquez): "It was like a dream come true! Seeing the light again. Seeing clear. Not being able to rely on someone else was one of the best feelings that I ever had."

That was eight years ago. Now, Velasquez is a second-year student at Skyline Community College in San Bruno, majoring in international studies and applying to finish his degree at a four-year university.

He was one of the lucky ones, Velasquez says. Being undocumented can sometimes mean going untreated, since going to the hospital not only raises fears of deportation, it also can mean facing a huge bill.

(Velasquez): "There's always this constant fear of going to the hospital and having to pay a \$5,000 bill or a \$10,000 bill. This is not just an opinion. I see it with my parents."

Velasquez's dad is a construction worker -- also undocumented, and also uninsured.

(Velasquez): "...and that's very dangerous. So every time he's out there working and every time he gets sick, there's a constant fear of, 'Should I go to the doctor or not?' "

The bill proposed in the Legislature by Sen. Ricardo Lara (D-Bell Gardens) is SB 4, and it would apply to an estimated 1.5 million undocumented immigrants who are ineligible for full-scope health care coverage. What they ARE eligible for is something called restricted scope Medi-Cal, says Elizabeth Landsberg, director of legislative advocacy at the Western Center on Law and Poverty.

(Landsberg): "So they can get Medi-Cal for emergency services to go into the hospital, for example. They can also get their pregnancy covered."

Emergencies and pregnancy care would be expanded under the proposed law to include more general preventive care. In theory, that could mean fewer expensive trips to the ER. Last year in California, a bill similar to SB 4 failed -- primarily because of cost.

(Landsberg): "Yeah, absolutely the biggest hurdle this bill faces is very much a cost one."

And that's the purview of H.D. Palmer, deputy director for the state Department of Finance. Palmer says the recent expansion of Medi-Cal to millions more Californians has stretched thin the ability for any further expansion.

(Palmer): "The program now covers 32% of the state's population. Three in 10 Californians get their health care through Medi-Cal. So that significant expansion of health care coverage for low-income Californians continues to be both an administrative and a financial challenge."

On top of that, President Obama's recent executive action opens temporary work status for millions of the undocumented across the nation -- and in California, it also opens their eligibility for Medi-Cal and other state services.

(Palmer): "Depending on its implementation, changes in federal immigration policy could drive state program costs up by hundreds of millions of dollars."

Nadereh Pourat is director of research at the UCLA Center for Health Policy Research and co-author of a study that says, in part, that the cost of health care for the undocumented isn't as high as you'd think.

(Pourat): "A very interesting argument that was made in that study was that we are already spending a lot of money on providing restricted scope Medi-Cal to individuals because they suddenly find themselves in the ER or hospital."

That more-expensive emergency and hospital care would decline with preventive primary care access, she says. And with more people enrolled in Medi-Cal managed care plans, that would mean an increase in state tax revenue from managed health care organizations. Also, she says, the counties would save money on indigent care.

But no matter how the money is worked out, and whatever the outcome of the proposed law, Pourat says this new bill sends a strong statement. She says it reflects a shift in thinking in California society.

(Pourat): "We're moving a discussion forward. We're saying, 'This population's a part of the community, and we need to figure out how to provide meaningful coverage for them.' The bill starts that discussion. That's the very first step."

Velasquez has received temporary work status, and his parents may be eligible for similar benefits under the new executive order, as well. Over the next month, SB 4 heads to the Senate Committee on Health for its first review.

This has been a report for *California Healthline*, a daily news service of the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please email us at CHL@CHCF.org. I'm Ali Budner, thanks for listening.