The 1986 Amnesty Program's Impact on Immigrants' Access to and Use of Health Care

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Introduction

- 50 million (16%) Americans are uninsured.
- Noncitizens account for 10% of the US population, but 20% of the uninsured (Census 2010)

The Impact of the ACA

- Uninsured rate:16% to be reduced to 8% by 2017 (CBO, 2010)
- Undocumented immigrants = 25% percent of the uninsured post-implementation (Buettgenset al., 2010)
- What to do with the 11 million undocumented immigrants?

Research Questions

- Does gaining legal status influence immigrants' access to and use of health care?
- What is the impact of immigrants' legal status on
  - Health insurance coverage
  - Usual source of care
  - Health care utilization

Data

- Los Angeles Family and Neighborhood Survey (LAFANS): 2000-01
- L.A. county is a major immigrant destination (36% of the population are foreign born vs. 13% for the nation)
- Detailed information on immigration history and legal status
- Sample: 1499 native and 1943 immigrants

The 1986 Amnesty Program

- Natural Experiment
  - 1986 Immigration Reform and Control Act (IRCA)
  - Granted legal status to illegal immigrants in the U.S. before Jan. 1, 1982.
- About 2.3 million undocumented immigrants gained legal permanent residency through IRCA.
- Previous research on amnesty program
  - - Labor force participation
    - (Rivera-Batiz, 1999; Kossoudji and Cobb-Clark, 2002; Kaushal, 2006; Orrenius, 2012, Pan, 2012)
  - - Criminal activities
    - (Freedman et. al, 2013)
  - - But no study on health issues

Methods

Ordinary Least Squares
$$Y = \beta_0 + \beta_1 * LegalStatus + XB + \varepsilon$$

Endogeneity problem: *LegalStatus* correlates with the error term, violates the Best Linear Unbiased Estimate assumptions, and produces inconsistent estimators.

Instrumental Variable
$$Y = \beta_0 + \beta_1 * \widehat{LegalStatus} + XB + \varepsilon$$
$$LegalStatus = \gamma_0 + \gamma_1 Pre82 + XB + \mu$$

Pre82 correlates with the endogenous variable *LegalStatus*, but is unrelated to ε.

Key Findings

Gaining legal status . . .

- Significantly increases the probability of being insured.
- Significantly increases the probability of having private health insurance.
- Has no statistically significant impact on having public health insurance.
- Has no statistically significant impact on immigrants' usual source of care.
- Has no statistically significant impact on immigrants' rate of sickness visits.
- Significantly increases immigrants' use of preventive care.

Results

Table 3. Results: *Health Insurance Coverage*

The Impact of Legal Status on Health Insurance Coverage (N=1794)		Group Mean Difference	OLS Estimator for Legal Status	IV Estimator for Legal Status
Insured Mean(legal)= .669 Mean(illegal)= .237	Effect Size	.432***	.237***	**.726****
	Std. Err.	(.023)	(.028)	(.223)
Private Insurance Mean(legal)= .508 Mean(illegal)= .126	Effect Size	.382***	.198***	**.815****
	Std. Err.	(.023)	(.026)	(.219)
Public Insurance Mean(legal)= .161 Mean(illegal)= .111	Effect Size	.049**	.039	**-.090**
	Std. Err.	(.018)	(.021)	(.155)

Table 4. Results: *Usual Source of Care*

The Impact of Legal Status on Where Immigrants go when sick (N=1250)		Group Mean Difference	OLS Estimator for Legal Status	IV Estimator for Legal Status
Doctor's Office Mean(legal)= .286 Mean(illegal)= .061	Effect Size	.225***	.074*	**.093**
	Std. Err.	(.027)	(.030)	(.201)
Clinics/Health Center Mean(legal)= .636 Mean(illegal)= .843	Effect Size	-.207***	-.068*	**-.158**
	Std. Err.	(.030)	(.035)	(.232)
Emergency Room Mean(legal)= .031 Mean(illegal)= .054	Effect Size	-.023*	-.018	**.040**
	Std. Err.	(.012)	(.015)	(.112)

Table 5. Results: *Health Care Access*

The Impact of Legal Status on Use of Sickness & Preventive Care (N=1867)		Group Mean Difference	OLS Estimator for Legal Status	IV Estimator for Legal Status
Sickness Visits Mean(legal)= .757 Mean(illegal)= .657	Effect Size	.100***	.061*	**-.205**
	Std. Err.	(.023)	(.029)	(.246)
Hospitalization Mean(legal)= .760 Mean(illegal)= .660	Effect Size	-.079**	-.062	**.197**
	Std. Err.	(.032)	(.039)	(.303)
Check-ups Mean(legal)= .289 Mean(illegal)= .233	Effect Size	.057***	.045	**.445***
	Std. Err.	(.022)	(.028)	(.221)

Contributions

- First study to empirically test the impact of an amnesty program on immigrants' health
- Instrumental variable addresses endogeneity
- Looks at the intersection of health policy, immigration policy, and welfare policy
- Informs current policy debates on immigration reform and health care reform

Conclusions: Health Insurance Coverage

- Gaining legal status leads to . . .
  - 72.6 percentage points increase in the probability of being insured.
  - 81.5 percentage points increase in the probability of having private insurance.
- No statistically significant impact of legal status on public health insurance was detected.

Conclusions: Usual Source of Care

- Legal status does not seem to be related to where immigrants go when sick.
- No statistically significant evidence that immigrants go to the emergency rooms more if they are legal.

Conclusions: Health Care Utilization

- No statistically significant evidence that legal status is related to immigrants' sickness visits (visited doctors; # of hospitalizations)
- However, gaining legal status significantly increases the probability of immigrants using preventive care (wellness check-ups).

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