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Immigration, Work, Social Context, and Health Insurance

-- Why immigrants in California fare worse than their native counterparts, compared to other states?

Research Question/Objective:

Drawing on CPS (Current Population Survey) 2006 March data, a preliminary analysis¹ found that immigrants, especially recent immigrants in California are less likely to get both private and public health insurance than natives, compared to the state of New York, Florida, and Texas, which are traditional destinations for immigrants. Given the fact that the state of California has the most generous policy towards immigrants in terms of health insurance coverage (Kaushal and Kaestner, 2005; Tumlin and Zimmermann, 1999), this phenomenon becomes a puzzle needs to be investigated.

Background and Significance:

Data shows that, among uninsured population, a large proportion of them are immigrants. Uninsured population increased in the past one decade and immigrants account for a large part of this increase (EBRI 2005). More than 11 million immigrants in the US are uninsured in 2003, accounting for 26.1 percent of the all uninsured individuals in the country. With a continuing influx of immigrants to this country, the uninsured population, along with this trend, is expected to increase. This situation, in the long run, will harm the health of immigrants and their children. Also, high proportion of uninsured immigrants leads to a high cost of emergency room. Last, the lack of routine preventative screening examination, and no early diagnoses of contagious disease also threaten the public health of communities and neighborhoods (Echeverria and Carrasquillo, 2006). Therefore, it is no wonder that the phenomenon of high uninsured immigrant population has been drawing much attention from numerous policy makers, economists, medical professionals, and also some sociologists and demographers.

While many prior studies on the health insurance coverage for immigrants found disadvantages of immigrants compared to their native peers, less research compared interstate differences (Pebley and Sastry, 2005). Interstate differences in health insurance coverage might influence the flow of immigrants and also well being of immigrants. This paper aims to investigate the underlying factors that help explain the different likelihoods of getting insurance for immigrants and natives in different states. Besides public policies, the local job and economic opportunities, local social environment, and personal choice based on health status will together influence the health insurance coverage for immigrants (Angel et al., 2005)

Analytical/Theoretic Framework:

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¹ See Appendix: Table 2

Immigrants are more likely to work with low pay and work in small companies. Thus, their likelihoods of getting ESI (Employer-Sponsored Insurance) are much lower than natives (Buchmueller et al., 2007). The concentration on low income jobs and also small companies increase the likelihoods of being uninsured. The “social location” occupied by immigrants, especially recent immigrants, constraints their economic and job opportunities. However, the bipolar economic structure and labor market system provide many job opportunities to immigrants, though most of them are in low pay jobs. This kind of structure prevents immigrants from up mobility in a short period of time. The selection of healthiest people into immigration experience also decreases the possibility to get health insurance for immigrants. The acquisition of skill needs time, so recent immigrants are more likely to stay in a state which provides more possible jobs for them, though with a very low pay and other related benefits (Borjas et al., 1991). Prior research also argues that the federal and state policy toward undocumented and /or illegal immigrants might create a social environment adversely impact health insurance coverage for eligible immigrants. This effect is called “chilling effects”. The fear and confusion on the policy about the health insurance might lead to the uninsured problem for eligible immigrants (Fix and Passell, 1999; Scholsberg and Wiley, 1998). This phenomenon is most striking for public health insurance. Moreover, the similarity of medical system in source country and US will increase the likelihood of getting health insurance for immigrants. The acquisition of knowledge and understanding of US health care system might also impact the health coverage for immigrants, based on their duration in US.

Planned Analysis:

Using data from Current Population Survey (CPS March 2006), I employ discrete-time multinomial logistic regression models examining the likelihood of getting health insurance coverage for immigrants, compared to natives, in state of NY, Florida, Texas and California. Draw on CPS (Current Population Survey) March Supplement 2006 (also called Annual Social and Economic Supplement), which provides information on respondent’s health insurance coverage for the year of 2005. A key aspect of this data for this analysis is that, since 1994, the CPS has been providing information on the respondent’s citizenship status, country of birth, and year of arrival in the U.S., all of which are proved to be very important aspect of immigrant history. Because the mechanism or channels through which people get health insurance coverage are very different for adults and children, I restrict the sample to only adults. The sample includes only people who are at the age of 18 or above.

The preliminary results on the bigger difference between immigrants and natives in California compared to other three states leads us to further investigate the underlying reasons.

The future investigation will emphasize on the impact of detailed working fields and health status on the likelihood of health insurance. It is expected to find that the combination of economic opportunity, personal choice based on health status, and social environment together determined the unique situation of immigrants in the state

of California, compared to other states. Thus, the policy should pay attention to the economic opportunities for immigrants and also the interstate difference between natives and immigrants.

Dependent Variable:

I am interested in the health insurance coverage for both immigrants and natives. Public health insurance, private health insurance coverage, and also uninsured are included in the analysis: The public health insurance includes both Medicaid and other publicly provided insurance. Private health insurance is composed of employer-sponsored insurance and individual direct-purchased insurance. While the coverage of public health insurance is largely determined by federal/state policy, the coverage of private health insurance is influenced by the availability of employer-based and self-purchased insurance.

Independent variables:

Key variables:

Detailed industry field are included in the further analysis². As it is mentioned previously, concentration on low-income jobs and also working in small companies increase the likelihood of uninsured. Immigrants, especially recently immigrants face more constraints in the United States for many reasons, such as low skill and limited English ability. Thus, they are more likely to work in small companies and work in low pay service fields. As a consequence, their odds of getting insurance, especially private health insurance is very low. Citizenship is very important factor for immigrants to be entitled many welfare benefits. The citizenship is categorized US citizen, foreign-born but naturalization, and non-citizen. Also, time in US is related to the accumulation of social capitals for immigrants in order to fare better in the United States (Leclere et al., 1994). Some research proposes a selection of healthiest immigrants into immigration experience. Thus, a better health status might prevent

² CPS data classifies the industry field into fifteen categories as follows:

1 = 'Agriculture, forestry, fishing, and hunting'

2 = 'Mining'

3 = 'Construction'

4 = 'Manufacturing'

5 = 'Wholesale and retail trade'

6 = 'Transportation and utilities'

7 = 'Information'

8 = 'Financial, Insurance, Real Estate, and Rental and Leasing'

9 = 'Professional, Scientific, Management, Administrative, And Waste Management Services'

10 = 'Educational, Health, and Social Services'

11 = 'Arts, Entertainment, Recreation, Accommodation, and Food services'

12 = 'Other Services (except Public Administration)'

13 = 'Public administration'

14 = 'Armed Forces and Active Duty Military'

15 = 'Never worked'

immigrants from seeking any kind of health insurance. Health status is categorized as a dummy variable³ in CPS data.

Moreover, basic demographic variables are controlled in the analytic models. Those factors are including age, marital status, educational attainment, racial/ethnic groups, gender, family income, and metropolitan status.

Conclusions:

It is expected that the detailed industry field and health status will further explain the big difference between immigrants and natives in California. The likelihoods of getting health insurance for various cohorts and racial/ethnic groups of immigrants are presented in this paper too. The findings show that although the state government of California is very generous to immigrants, the immigrants in California fare even worse than their natives, compared to other states. However, it is also possible that the natives in California might fare even better compared to other states, thus the difference between immigrants and natives in California does not necessarily mean that immigrants in California fared worse compared to immigrants in other state. This paper provides a unique perspective to investigate the inequality between immigrants and natives in terms of health insurance coverage, considering interstate difference. This is a new addition to the understanding of health insurance problem for immigrants in the United States.

³ This is not a very good measure for health status. However, it still tells some variation of health status.

References: (still working on it)

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Appendix:**Table 1. Basic descriptive statistics of some demographic factors for U.S, the state of NY, Texas, Florida, and California, CPS March 2006**

%	U.S.	NY	Texas	Florida	California
Insurance Type					
Private Insurance Coverage	58.64	56.9	51.34	50.34	54.54
Public Insurance Coverage	20.82	27.1	17.37	22.42	20.7
Other Insurance Coverage	4.25	1.37	4.4	5.49	2.85
Not Covered	16.29	14.63	26.9	21.75	21.91
Citizen Type					
Not US citizen	9.17	13.68	15.07	14.94	23.02
FB and Naturalized Citizen	6.19	14.06	6.14	12.15	15.84
US citizen	84.64	72.27	78.78	72.92	61.14
Immigrant					
Immigrant	17.01	31.45	22.63	30.93	44.44
Non Immigrant	82.99	68.55	77.37	69.07	59.56
Working					
Working	66.73	63.06	65.73	64.66	65.19
Not Working	33.27	36.94	34.27	35.34	34.81
Race					
Asians		8.21	2.93	2.61	13.2
Blacks		13.8	10.46	12.97	5.75
Hispanics		19.43	43.2	27.62	40.41
Whites		58.56	43.4	56.81	40.64
Sample Size	136,289	6174	7371	6331	13,071

Source: CPS March 2006

Table 2. Multivariate analyses results of health insurance coverage for respondents in the state of NY, Texas, Florida, and California, CPS March 2006									
	NY		Texas		Florida		California		
	Private	Public	Private	Public	Private	Public	Private	Public	
Key variables									
Citizenship(US citizen ref.)									
	Not US citizen	0.48***	0.59***	0.73***	0.84	0.59***	0.53***	0.82**	0.87
	FB and Naturalized	0.99	1.13	1.01	1.25	1.27	1.22	1.22**	1.01
Immigration history (not immigrant, ref.)									
	before 1965	0.82*	0.85	0.57	1.11	1.11	1.51	1.03	1.49**
	1966-1975	1.92	1.05	1.25	0.97	0.94	0.92	1.38***	0.92
	1976-1985	1.04	0.71**	1.04	0.80	0.94	0.73	0.96	0.74**
	1986-1995	1.06	1.41**	1.04	0.69	1.26	1.42	0.72***	0.85
	after 1996	0.85	1.06	1.10	1.01	0.79	0.67	0.54***	0.78**
Controls									
*** $p < .001$ ** $p < .01$, * $p < .05$									
	Age	1.01***	1.08***	1.02***	1.12***	1.01***	1.12***	1.00	1.06***
	Race (whites,ref.)								
	Non-Hispanic	1.14	0.89	1.21	0.89	1.00	0.80	1.27***	0.91
	Asians								
	Non-Hispanic Blacks	1.04	1.09	1.04	1.11	1.07	1.02	0.97	1.05
	Hispanics	0.61***	1.16	0.71***	0.84	0.79**	1.13	0.69**	0.91
	Gender (female,ref.)								
	Male	0.87***	0.87***	0.88***	0.98	0.90***	1.05	0.88***	0.96
	Marital status (single,ref.)								
	Married	2.26***	1.13	1.76***	0.79**	1.81***	0.87	2.02***	1.06
	Widowed	0.52**	1.12	0.78	1.01	0.64**	0.82	0.70**	1.28*
	Divorced	0.79*	0.67**	0.83	0.65**	0.94	0.70**	1.04	0.74**
	Separated	1.41*	0.82	0.73**	0.93	0.93	1.32	0.98	1.10
	Educ	1.41***	0.96	1.71***	1.13	1.57***	1.13	1.57***	1.01

Working Status (not working,ref.)									
	Working	1.41***	0.52***	1.61***	0.52***	1.40***	0.42***	1.50***	0.56***
Metropolitan status (Non Metro,ref.)									
	Metropolitan area	1.19**	1.10	0.94	0.98	1.12	1.39**	1.25*	1.10
Family income		1.08***	0.99	1.09***	0.99	1.08***	0.99	1.08***	0.99
N		6194		7371		6331		13071	

*** $p < .001$ ** p

<.01 * $p < .05$

Source: CPS March 2006