

# EXHIBIT 1

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
BROWNSVILLE DIVISION**

<b>STATE OF TEXAS</b> , et al.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	Civil Action No. 1:14-cv-00254
	)	
<b>UNITED STATES OF AMERICA</b> , et al.,	)	
	)	
Defendants	)	

**DECLARATION OF RICHARD ALLGEYER, Ph.D.**

My name is Richard Allgeyer, and I am over the age of 18 and fully competent in all respects to make this declaration. I have personal knowledge and expertise of the matters herein stated.

1. I am the Director of the Texas Health and Human Services Commission's Center for Strategic Decision Support (SDS). The Texas Health and Human Services Commission (HHSC) is the state agency responsible for ensuring the appropriate delivery of health and human services in Texas. As such, HHSC has operational responsibility for certain health and human services programs and oversight authority over the state health and human services agencies.

2. As a part of my employment with HHSC, I am responsible for analytic and quantitative research on health care utilization, demographic trends, and enrollment patterns for the state's health care and human service programs,

including Medicaid. I am also responsible for program evaluation activities and analytic support across all of the HHS agencies and programs.

3. I have served in my current position since May 2001. Prior to that, I served as the manager for statistical reporting at the then Texas Department of Health.

4. In 2007, as part of the 2008-2009 General Appropriations Act, the Texas Legislature required HHSC to report the cost of services and benefits provided by HHSC to undocumented immigrants in the State of Texas. This report, also known as the Rider 59 Report, was first completed by HHSC in 2008. Due to numerous requests for more recent information following the issuance of the 2008 report, the Rider 59 Report was updated in 2010 and 2013. HHSC is currently preparing the 2014 update to the Rider 59 Report covering fiscal year (FY) 2013, but it has generated cost estimates for this time period.

5. Attached to this declaration are true and correct copies of the following documents:

- Exhibit 1: Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants, the original version of the Rider 59 Report prepared by HHSC in 2008.
- Exhibit 2: Report on Services and Benefits Provided to Undocumented Immigrants, the 2010 update of the Rider 59 Report.

- Exhibit 3: Report on Texas Health and Human Services Commission Services and Benefits Provided to Undocumented Immigrants, the 2013 update of the Rider 59 Report.

6. Each of the records attached to this declaration is kept by HHSC in the course of its regularly conducted activity, and it was HHSC's regular practice for an employee or representative of HHSC, with knowledge of the act, event, condition, opinion, or diagnosis, recorded to make the record or to transmit information thereof to be included in such record; and the record was made at or near the time of the act, event, condition, opinion, or diagnosis.

7. HHSC provides three principal categories of services and benefits to undocumented immigrants in Texas: (i) Texas Emergency Medicaid; (ii) the Texas Family Violence Program (FVP); and (iii) Texas Children's Health Insurance Program (CHIP) Perinatal Coverage. Undocumented immigrants also receive uncompensated medical care from public hospitals in the State.

8. Emergency Medicaid is a federally required program jointly funded by the federal government and the states. The program provides Medicaid coverage, limited to emergency medical conditions including childbirth and labor, to undocumented immigrants living in the United States. Because HHSC Medicaid claims data do not conclusively identify an individual's residency status, the portion of Emergency Medicaid payments attributable to undocumented immigrants must be estimated. The total estimated cost to the State for the provision of Emergency Medicaid services to undocumented immigrants residing in Texas was

approximately \$80 million in FY 2007, \$62 million in FY 2009, and \$71 million in FY 2011; the current estimate for FY 2013 is \$90 million.

9. The Family Violence Program contracts with non-profit agencies across the State to provide essential services to family violence victims, including undocumented immigrants, in three categories: shelter centers, non-residential centers, and Special Nonresidential Projects. Because the FVP does not ask individuals about their residency status, the portion of the FVP's expenditures attributable to undocumented immigrants must be estimated. The total estimated cost to the State for the provision of direct FVP services to undocumented immigrants residing in Texas was \$1.2 million in FY 2007, \$1.3 million in FY 2009, and \$1.3 million in FY 2011; the current estimate for FY 2013 is \$1.4 million.

10. Texas CHIP Perinatal Coverage provides prenatal care to certain low-income women who do not otherwise qualify for Medicaid. There is no way to definitively report the number of undocumented immigrants served by CHIP Perinatal Coverage because the program does not require citizenship documentation. CHIP Perinatal Coverage expenditures were not included in HHSC's original Rider 59 Report because a full year of program data was not available when the report was prepared. The total estimated cost to the State for CHIP Perinatal Coverage to undocumented immigrants residing in Texas was \$33 million in FY 2009 and \$35 million in FY 2011; the current estimate for FY 2013 is \$38 million.

11. In the 2008 and 2010 versions of the Rider 59 Report, HHSC also provided estimates of the amount of uncompensated medical care provided by state public hospital district facilities to undocumented immigrants. In these reports, HHSC estimated that the State's public hospital district facilities incurred approximately \$596.8 million in uncompensated care for undocumented immigrants in FY 2006 and \$716.8 million in FY 2008. HHSC did not provide any estimates of uncompensated care for undocumented immigrants in the 2013 version of the Rider 59 Report, and HHSC has not compiled any such estimates for the updated report that HHSC is currently preparing.

12. Based on my knowledge, expertise, and research regarding the provision of services and benefits to undocumented immigrants by HHSC, I believe that the total costs to the State of providing such services and benefits to undocumented immigrants will continue to rise in the future to the extent that the number of undocumented immigrants residing in Texas increases.

13. All of the facts and information contained within this declaration are within my personal knowledge and are true and correct.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 23<sup>rd</sup> day of December, 2014.

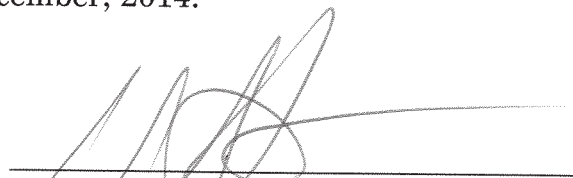
  
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RICHARD ALLGEYER, Ph.D.

Exhibit 1 to  
Declaration of Richard Allgeyer, Ph. D.

**REPORT TO THE UNITED STATES CONGRESS ON SERVICES AND  
BENEFITS PROVIDED TO UNDOCUMENTED IMMIGRANTS**

*Required Reporting for*  
**Rider 59**  
**House Bill 1**  
**Eightieth Texas Legislature, Regular Session, 2007**



**EPIDEMIOLOGY TEAM**  
*Strategic Decision Support*  
**Financial Services Division**

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**TEXAS HEALTH AND HUMAN SERVICES COMMISSION**



# Table of Contents

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I	Background.....	1
II	Executive Data Summary .....	2
III	Analytical Notes.....	3
IV	Public Hospital District Facility Listing .....	6
V	References .....	11

## I – Background

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The 80<sup>th</sup> Texas Legislature, Regular Session, 2007, passed House Bill 1, General Appropriations Act, Article II, Health and Human Services, Rider 59: “Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants.”

This rider requires the Texas Health and Human Services Commission (HHSC) to report the cost of services and benefits provided by HHSC to undocumented immigrants in the state. Rider 59 also requires HHSC to compile these data for each Texas public hospital district facility. The text of Rider 59 is included below, with the required data and supporting documentation on subsequent pages.

### ***Rider 59 — Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants***

*The Health and Human Services Commission shall compile a report of the cost of services and benefits provided to undocumented immigrants, with the agency determining the extent to which undocumented immigrants are served by the agency, by individual program. The agency may use a statistical method developed by the agency in cases where it is not practical for the agency to directly determine whether recipients of a service or benefit are undocumented immigrants.*

*The Health and Human Services Commission shall also compile information on this subject from each public hospital district within the state and include this information in the report and shall not enforce Title 8 of the United States Code when compiling information on this subject.*

*The report must be produced using aggregated statistical data that does not contain personally identifiable information. The purpose of compiling this information is to perform analysis to assist the United States Congress and this state in making future health care and budgetary decisions. Information sought for the preparation of this report may not violate any federal or state laws, including rules, regarding privacy.*

*This report shall be provided to the United States Congress by December 1, 2008, and may be used as supporting materials by the State of Texas in requests for additional federal appropriations to assist with these costs.*

*The Health and Human Services Commission or a public hospital district may compile and report the information required by this rider only in a manner the attorney general of this state certifies as consistent with federal law.*

*The Health and Human Services Commission again shall submit the required report to the Lieutenant Governor, Speaker of the House of Representatives, and Members of the Legislature by December 1, 2008, and shall include the information in the agency's annual report for 2008.*

## II – Executive Data Summary

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### A. TEXAS HEALTH AND HUMAN SERVICES COMMISSION

*Estimated cost of services and benefits provided to undocumented immigrants (SFY 2007<sup>♦</sup>)*

**\$81.2 million**

Texas Emergency Medicaid (\$80 million) + Texas Family Violence Program (\$1.2 million)

(Please see *Analytical Notes* on page 3 for subtotals and supporting documentation.)

### B. TEXAS PUBLIC HOSPITAL DISTRICTS

*Estimated uncompensated care for undocumented immigrants (fiscal year 2006<sup>♦</sup>)*

**\$596.8 million**

(Please see *Analytical Notes* on page 5 for subtotals and supporting documentation.)

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<sup>♦</sup> Texas Health and Human Services Commission data are for state fiscal year 2007, the most recent data available. The Texas public hospital districts data come from the Cooperative Annual Survey of Hospitals, which collects data for each facility's fiscal year. At the time of this report's publication, the most recent survey data available were for fiscal year 2006.

### III – Analytical Notes

#### A. TEXAS HEALTH AND HUMAN SERVICES COMMISSION

*Estimated cost of services and benefits provided to undocumented immigrants (fiscal year 2007)*

**\$81.2 million**

Texas Emergency Medicaid (*\$80 million*) + Texas Family Violence Program (*\$1.2 million*)

#### 1. **Texas Emergency Medicaid**

Emergency Medicaid, Type Program 30 (TP 30), is a federal and state funded program that provides Medicaid coverage, limited to emergency medical conditions including childbirth and labor, for non citizens as well as undocumented immigrants living in the US. In fiscal year 2007, payments for Emergency Medicaid, TP 30 totaled as follows:

##### A — Texas Emergency Medicaid, Type Program 30, Fiscal Year 2007

<i>Inpatient hospital</i>	\$252,300,000
<i>Outpatient hospital</i>	\$11,200,000
<i>Professional and other services</i>	\$53,700,000
<i>Vendor drug</i>	\$124,500
<hr/>	
Total	\$317,324,500

Since HHSC Medicaid claims data do not conclusively identify the legal residency status of immigrants, the portion of the \$317.3 million in Emergency Medicaid payments attributable to undocumented immigrants must be estimated. According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 2.6 million non citizens resided in Texas in 2006. The Department of Homeland Security reports that 1.64 million, or 63 percent, of these residents were undocumented. Therefore, this brings the estimated amount paid for Emergency Medicaid services to undocumented immigrants residing in Texas to about \$200 million:

$$\begin{aligned} & \mathbf{B} \text{ — Texas Emergency Medicaid } (\$317.3 \text{ million}) \times \\ & \text{Estimated Percent of Non-Citizens Who Are Undocumented Immigrants (63\%)} \\ & = \$200 \text{ million} \end{aligned}$$

The state shares the cost of the Medicaid program with the federal government, with Texas paying about 40 percent of Emergency Medicaid expenditures. Therefore, in fiscal year 2007 the total estimated state cost for Medicaid services to undocumented immigrants was about \$80 million.

$$\begin{aligned} & \mathbf{C} \text{ — Estimated Texas Emergency Medicaid for Undocumented Immigrants} \\ & \text{Residing in Texas } (\$200 \text{ million}) \times \text{Texas Share of Medicaid Cost (40\%)} \\ & = \mathbf{\$80 \text{ million}} \end{aligned}$$

## IV – Analytical Notes (Continued)

### 2. Texas Family Violence Program

The Texas Family Violence Program (FVP) contracts with shelters and non-residential centers across the state to provide essential services to victims of family violence. Core FVP services include shelter, 24-hour hotlines, emergency medical services, counseling, etc. In fiscal year 2007, the FVP funded 72 nonprofit family violence shelters, 8 non-residential centers, and 19 special non-residential projects with a total budget of \$23,199,451. State general revenue accounted for nearly \$16.8 million (\$16,759,995) of the program's total spending for direct services.

The FVP does not ask victims of family violence about their residency status. Therefore, the portion of the \$16.8 million in FVP expenditures attributable to undocumented immigrants must be estimated. According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 23.5 million individuals resided in Texas in 2006. The Department of Homeland Security reports that 1.64 million, or 7 percent, of these residents were undocumented. The total estimated state cost for direct FVP services to undocumented immigrants in fiscal year 2007 was:

$$\begin{aligned} & \text{Texas Family Violence Program budget } (\$16.8 \text{ million}) \times \\ & \text{Estimated Number of Undocumented Texas Residents (7\%)} \\ & = \underline{\$1.2 \text{ million}} \end{aligned}$$

### B. **TEXAS PUBLIC HOSPITAL DISTRICTS**

*Estimated uncompensated care for undocumented immigrants (fiscal year 2006, 94 facilities)*

**\$596.8 million**

Limited information exists to estimate hospital-specific uncompensated care for undocumented immigrants. As such, the method adopted for this report relies on regional estimates of undocumented immigrants' share of hospital uncompensated care, applying those estimates to each hospital in the region.

The regional estimates are derived from a variety of sources. First, the software company Network Sciences created a web-based eligibility screening tool called the "Community Health and Social Services Information System" (CHASSIS™). The Indigent Care Collaboration (ICC), an alliance of safety net providers in three Central Texas counties (Travis, Williamson and Hays), employed CHASSIS™ to screen uninsured/under-insured patients for eligibility in government and local medical assistance or payment programs. This system also tracked the percent of uninsured undocumented immigrants served in these counties, and in 2005 found that nearly 14 percent of all patients screened in hospital settings were undocumented immigrants. (*Texas Comptroller of Public Accounts, 2006.*) This figure was used as a foundation for estimating uncompensated care for undocumented immigrants in the remaining parts of Texas.

## IV – Analytical Notes (Continued)

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This 14 percent figure was then adjusted for each Public Health Region (PHR) based on information from two additional sources. The first source, the 2006 American Hospital Association/Texas Department of State Health Services/Texas Hospital Association (AHA/TDSHS/THA) *Cooperative Annual Survey of Hospitals*, is required by state law. It is submitted annually by every Texas hospital and lists each facility's reported uncompensated care (bad debt expenses plus charity care charges). The second source, claims data from the state's Emergency Medicaid, TP 30, is available for every hospital stay for non citizens paid for by the state's Medicaid program. In emergency cases, including childbirth and labor, the federal government allows Medicaid via this program to pay for services rendered to persons who would otherwise qualify for Medicaid regardless of their immigration status.

Based on the regional distribution of uncompensated care and Emergency Medicaid expenditures, the Central Texas region's share of the state's uncompensated care appeared to be about 40 percent higher than its share of Emergency Medicaid. Therefore, we estimate that approximately 20 percent of uncompensated care statewide is accounted for by undocumented immigrants, compared to 14 percent in the Central Texas region reported in the aforementioned ICC study. In order to account for this difference statewide, the following formula was applied to each specific region:

Estimated Statewide Uncompensated Care Attributable To Undocumented Immigrants (20%) x  
(Public Health Region's Share of State Emergency Medicaid Expenditures /  
Public Health Region's Share of State Uncompensated Care) =

**Estimated Percent of Uncompensated Care Attributed to  
Undocumented Immigrants in a Public Health Region**

As expected, results varied widely by a region's demographic composition and proximity to the border, with the highest rate found in the Rio Grande Valley and the lowest rate in North Texas. The method produced approximately the same rate statewide as for the state's two largest population centers, Houston and Dallas/Fort Worth.

These region-specific values were then applied to the reported uncompensated care for each public hospital district facility to produce estimates of the uncompensated care for undocumented immigrants. These facility totals were then added to generate the state total. Please see the facility-specific listing below for more information.

## IV – Public Hospital District Facility Listing

Public Hospital District Facility <sup>†</sup>	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR <sup>‡</sup> (B)	Estimated Uncompensated Care for Undocumented Immigrants (A * B)
Permian Regional Medical Center	Andrews	ANDREWS	9	\$1,426,975	5.79	\$82,622
Bellville General Hospital	Bellville	AUSTIN	6	\$1,888,004	21.20	\$400,257
Muleshoe Area Medical Center	Muleshoe	BAILEY	1	\$891,982	6.13	\$54,678
Seymour Hospital	Seymour	BAYLOR	2	\$1,314,921	2.35	\$30,901
University Hospital	San Antonio	BEXAR	8	\$329,954,339	7.79	\$25,703,443
Angleton-Danbury Medical Center	Angleton	BRAZORIA	6	\$9,151,361	21.20	\$1,940,089
Sweeny Community Hospital	Sweeny	BRAZORIA	6	\$1,798,967	21.20	\$381,381
Burleson St. Joseph Health Center	Caldwell	BURLESON	7	\$2,435,567	14.35	\$349,504
Plains Memorial Hospital	Dimmitt	CASTRO	1	\$2,069,565	6.13	\$126,864
Bayside Community Hospital	Anahuac	CHAMBERS	6	\$1,094,325	21.20	\$231,997
Childress Regional Medical Center	Childress	CHILDRESS	1	\$2,871,587	6.13	\$176,028
Cochran Memorial Hospital	Morton	COCHRAN	1	\$565,121	6.13	\$34,642
Coleman County Medical Center	Coleman	COLEMAN	2	\$1,867,080	2.35	\$43,876
Rice Medical Center	Eagle Lake	COLORADO	6	\$1,424,898	21.20	\$302,078
Comanche County Medical Center	Comanche	COMANCHE	2	\$2,508,293	2.35	\$58,945
Concho County Hospital	Eden	CONCHO	9	\$263,503	5.79	\$15,257
North Texas Medical Center	Gainesville	COOKE	3	\$8,802,166	21.50	\$1,892,466
Muenster Memorial Hospital	Muenster	COOKE	3	\$417,844	21.50	\$89,836
Parkland Memorial Hospital	Dallas	DALLAS	3	\$626,869,092	21.50	\$134,776,855
Medical Arts Hospital	Lamesa	DAWSON	9	\$2,717,784	5.79	\$157,360
Cuero Community Hospital	Cuero	DE WITT	8	\$3,678,475	7.79	\$286,553
Hereford Regional Medical Center	Hereford	DEAF SMITH	1	\$3,967,904	6.13	\$243,233

**IV – Public Hospital District Facility Listing, Continued**

<b>Public Hospital District Facility †</b>	<b>City</b>	<b>County</b>	<b>Public Health Region (PHR)</b>	<b>Total Facility Uncompensated Care *</b> <b>(A)</b>	<b>Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡</b> <b>(B)</b>	<b>Estimated Uncompensated Care for Undocumented Immigrants (A * B)</b>
Eastland Memorial Hospital	Eastland	EASTLAND	2	\$1,745,600	2.35	\$41,022
Medical Center Hospital	Odessa	ECTOR	9	\$67,643,877	5.79	\$3,916,580
R. E. Thomason General Hospital	El Paso	EL PASO	10	\$200,673,706	18.70	\$37,525,983
Fisher County Hospital District	Rotan	FISHER	2	\$540,185	2.35	\$12,694
W.J. Mangold Memorial Hospital	Lockney	FLOYD	1	\$555,669	6.13	\$34,063
Frio Regional Hospital	Pearsall	FRIO	8	\$1,988,980	7.79	\$154,942
Memorial Hospital	Seminole	GAINES	9	\$1,358,152	5.79	\$78,637
Memorial Hospital	Gonzales	GONZALES	8	\$4,198,738	7.79	\$327,082
Hamilton General Hospital	Hamilton	HAMILTON	7	\$2,955,437	14.35	\$424,105
Hansford County Hospital	Spearman	HANSFORD	1	\$627,299	6.13	\$38,453
Chillicothe Hospital	Chillicothe	HARDEMAN	2	\$149,096	2.35	\$3,504
Hardeman County Memorial Hospital	Quanah	HARDEMAN	2	\$431,416	2.35	\$10,138
Ben Taub General Hospital	Houston	HARRIS	6	\$960,155,000	21.20	\$203,552,860
Northeast Medical Center Hospital	Humble	HARRIS	6	\$56,336,561	21.20	\$11,943,351
Coon Memorial Hospital and Home	Dalhart	HARTLEY	1	\$2,711,061	6.13	\$166,188
Haskell Memorial Hospital	Haskell	HASKELL	2	\$177,793	2.35	\$4,178
Hemphill County Hospital	Canadian	HEMPHILL	1	\$316,312	6.13	\$19,390
Hopkins County Memorial Hospital	Sulphur Springs	HOPKINS	4	\$7,661,397	6.94	\$531,701
Presbyterian Hospital of Commerce	Commerce	HUNT	3	\$1,782,289	21.50	\$383,192
Presbyterian Hospital of Greenville	Greenville	HUNT	3	\$23,701,017	21.50	\$5,095,719
Golden Plains Community Hospital	Borger	HUTCHINSON	1	\$5,964,363	6.13	\$365,615
Faith Community Hospital	Jacksboro	JACK	2	\$619,741	2.35	\$14,564



**IV – Public Hospital District Facility Listing (Continued)**

<b>Public Hospital District Facility †</b>	<b>City</b>	<b>County</b>	<b>Public Health Region (PHR)</b>	<b>Total Facility Uncompensated Care *</b> <b>(A)</b>	<b>Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡</b> <b>(B)</b>	<b>Estimated Uncompensated Care for Undocumented Immigrants (A * B)</b>
Jackson Healthcare Center	Edna	JACKSON	8	\$1,688,113	7.79	\$131,504
CHRISTUS Jasper Memorial Hospital	Jasper	JASPER	5	\$5,814,021	4.54	\$263,957
Hamlin Memorial Hospital	Hamlin	JONES	2	\$216,321	2.35	\$5,084
Stamford Memorial Hospital	Stamford	JONES	2	\$835,599	2.35	\$19,637
Otto Kaiser Memorial Hospital	Kenedy	KARNES	8	\$1,488,269	7.79	\$115,936
Kimble Hospital	Junction	KIMBLE	9	\$862,799	5.79	\$49,956
Knox County Hospital	Knox City	KNOX	2	\$566,483	2.35	\$13,312
Lavaca Medical Center	Hallettsville	LAVACA	8	\$939,479	7.79	\$73,185
Limestone Medical Center	Groesbeck	LIMESTONE	7	\$1,720,727	14.35	\$246,924
University Medical Center	Lubbock	LUBBOCK	1	\$123,005,488	6.13	\$7,540,236
Lynn County Hospital District	Tahoka	LYNN	1	\$493,512	6.13	\$30,252
Martin County Hospital District	Stanton	MARTIN	9	\$735,801	5.79	\$42,603
Matagorda General Hospital	Bay City	MATAGORDA	6	\$10,756,443	21.20	\$2,280,366
Heart of Texas Memorial Hospital	Brady	MCCULLOCH	9	\$2,363,776	5.79	\$136,863
Midland Memorial Hospital	Midland	MIDLAND	9	\$40,088,376	5.79	\$2,321,117
Richards Memorial Hospital	Rockdale	MILAM	7	\$1,544,100	14.35	\$221,578
Mitchell County Hospital	Colorado City	MITCHELL	2	\$2,409,895	2.35	\$56,633
Nocona General Hospital	Nocona	MONTAGUE	2	\$1,058,607	2.35	\$24,877
Memorial Hospital	Dumas	MOORE	1	\$3,295,274	6.13	\$202,000
Nacogdoches Memorial Hospital	Nacogdoches	NACOGDOCHES	5	\$49,096,407	4.54	\$2,228,977
Rolling Plains Memorial Hospital	Sweetwater	NOLAN	2	\$3,283,504	2.35	\$77,162
Ochiltree General Hospital	Perryton	OCHILTREE	1	\$1,370,332	6.13	\$84,001

**IV – Public Hospital District Facility Listing (Continued)**

<b>Public Hospital District Facility †</b>	<b>City</b>	<b>County</b>	<b>Public Health Region (PHR)</b>	<b>Total Facility Uncompensated Care *</b> <b>(A)</b>	<b>Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡</b> <b>(B)</b>	<b>Estimated Uncompensated Care for Undocumented Immigrants (A * B)</b>
Palo Pinto General Hospital	Mineral Wells	PALO PINTO	3	\$7,608,018	21.50	\$1,635,724
Campbell Health System	Weatherford	PARKER	3	\$17,393,965	21.50	\$3,739,702
Iraan General Hospital District	Iraan	PECOS	9	\$110,920	5.79	\$6,422
Reagan Memorial Hospital	Big Lake	REAGAN	9	\$97,206	5.79	\$5,628
Reeves County Hospital	Pecos	REEVES	9	\$1,717,598	5.79	\$99,449
Refugio County Memorial Hospital District	Refugio	REFUGIO	11	\$1,935,402	60.56	\$1,172,079
Ballinger Memorial Hospital District	Ballinger	RUNNELS	2	\$1,087,906	2.35	\$25,566
North Runnels Hospital	Winters	RUNNELS	2	\$259,451	2.35	\$6,097
Sabine County Hospital	Hemphill	SABINE	5	\$765,265	4.54	\$34,743
Starr County Memorial Hospital	Rio Grande City	STARR	11	\$3,519,126	60.56	\$2,131,183
Stonewall Memorial Hospital	Aspermont	STONEWALL	2	\$141,622	2.35	\$3,328
Lillian M. Hudspeth Memorial Hospital	Sonora	SUTTON	9	\$1,352,108	5.79	\$78,287
Swisher Memorial Hospital	Tulia	SWISHER	1	\$935,352	6.13	\$57,337
John Peter Smith Hospital	Fort Worth	TARRANT	3	\$618,729,000	21.50	\$133,026,735
Brownfield Regional Medical Center	Brownfield	TERRY	1	\$2,117,936	6.13	\$129,829
Titus Regional Medical Center	Mount Pleasant	TITUS	4	\$13,783,587	6.94	\$956,581
Tyler County Hospital	Woodville	TYLER	5	\$2,801,493	4.54	\$127,188
McCamey Hospital	McCamey	UPTON	9	\$586,995	5.79	\$33,987
Rankin County Hospital District	Rankin	UPTON	9	\$134,422	5.79	\$7,783
Val Verde Regional Medical Center	Del Rio	VAL VERDE	8	\$8,965,303	7.79	\$698,397
El Campo Memorial Hospital	El Campo	WHARTON	6	\$3,854,197	21.20	\$817,090
Shamrock General Hospital	Shamrock	WHEELER	1	\$386,101	6.13	\$23,668

## IV – Public Hospital District Facility Listing (Continued)

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Uncompensated Care for Undocumented Immigrants (A * B)
Parkview Hospital	Wheeler	WHEELER	1	\$577,427	6.13	\$35,396
Electra Memorial Hospital	Electra	WICHITA	2	\$1,300,014	2.35	\$30,550
Wilbarger General Hospital	Vernon	WILBARGER	2	\$2,687,964	2.35	\$63,167
Connally Memorial Medical Center	Floresville	WILSON	8	\$5,226,033	7.79	\$407,108
Wise Regional Health System	Decatur	WISE	3	\$15,033,103	21.50	\$3,232,117
Hamilton Hospital	Olney	YOUNG	2	\$3,184,195	2.35	\$74,829

*Total for the ninety-four Texas public hospital district facilities in FY 2006 — \$596,848,958*

Notes:

† The AHA/THA/TXDSHS *Cooperative Annual Survey of Hospitals* is administered to all Texas hospitals, and collects data for each facility's fiscal year. The 94 facilities listed here reported being either owned or controlled by a public hospital district on the 2006 *Cooperative Annual Survey of Hospitals*. Data for FY 2007 were not available at the time of this report's publication.

\* Total facility uncompensated care is the sum of reported bad debt expenses and charity charges.

‡ Estimated percent of uncompensated care attributable to undocumented immigrants in a PHR was computed by using a formula designed for this report. Based on the regional distribution of uncompensated care and Emergency Medicaid expenditures, the Central Texas region's share of the state's uncompensated care appeared to be about 40% higher than its share of Emergency Medicaid. Therefore, we estimate that approximately 20% of uncompensated care statewide is accounted for by undocumented immigrants, compared to 14% in the Central Texas region reported in the aforementioned ICC study. In order to account for this difference statewide, the following formula was applied to each specific region. For more information, please see *Analytical Notes* on page 6.

$$\frac{\text{Estimated Statewide Uncompensated Care Attributable To Undocumented Immigrants (20\% x (Public Health Region's Share of State Emergency Medicaid Expenditures / Public Health Region's Share of State Uncompensated Care))}}{\text{Estimated Percent of Uncompensated Care Attributed To Undocumented Immigrants in a Public Health Region}}$$

## V – References

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Exhibit 2 to  
Declaration of Richard Allgeyer, Ph. D.

# REPORT ON SERVICES AND BENEFITS PROVIDED TO UNDOCUMENTED IMMIGRANTS

*Updated report related to*  
Rider 59  
House Bill 1  
Eightieth Texas Legislature, Regular Session, 2007

— 2010 UPDATE —



*Strategic Decision Support*  
Financial Services Division  
**TEXAS HEALTH AND HUMAN SERVICES COMMISSION**

# Table of Contents

I	Background.....	1
II	Executive Data Summary.....	2
III	Analytical Notes .....	3
IV	Public Hospital District Facility Listing .....	8
V	References .....	12

## I – Background

The 80<sup>th</sup> Texas Legislature, Regular Session, 2007, passed House Bill 1, General Appropriations Act, Article II, Health and Human Services, Rider 59: “Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants.”

This rider required the Texas Health and Human Services Commission (HHSC) to report the cost of services and benefits provided by HHSC to undocumented immigrants in the state. Rider 59 also required HHSC to compile these data for each Texas public hospital district facility. This report was originally completed in 2008. Due to numerous requests for related current information, this document is the 2010 update of that original report. The text of Rider 59 is included below, with the updated data and supporting documentation on subsequent pages.

### **Rider 59 — Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants**

*The Health and Human Services Commission shall compile a report of the cost of services and benefits provided to undocumented immigrants, with the agency determining the extent to which undocumented immigrants are served by the agency, by individual program. The agency may use a statistical method developed by the agency in cases where it is not practical for the agency to directly determine whether recipients of a service or benefit are undocumented immigrants.*

*The Health and Human Services Commission shall also compile information on this subject from each public hospital district within the state and include this information in the report and shall not enforce Title 8 of the United States Code when compiling information on this subject.*

*The report must be produced using aggregated statistical data that does not contain personally identifiable information. The purpose of compiling this information is to perform analysis to assist the United States Congress and this state in making future health care and budgetary decisions. Information sought for the preparation of this report may not violate any federal or state laws, including rules, regarding privacy.*

*This report shall be provided to the United States Congress by December 1, 2008, and may be used as supporting materials by the State of Texas in requests for additional federal appropriations to assist with these costs.*

*The Health and Human Services Commission or a public hospital district may compile and report the information required by this rider only in a manner the attorney general of this state certifies as consistent with federal law.*

*The Health and Human Services Commission again shall submit the required report to the Lieutenant Governor, Speaker of the House of Representatives, and Members of the Legislature by December 1, 2008, and shall include the information in the agency's annual report for 2008.*



## II – Executive Data Summary

### A. TEXAS HEALTH AND HUMAN SERVICES COMMISSION

Estimated cost of services and benefits provided to undocumented immigrants,  
State Fiscal Year (SFY) 2009 \*

**\$96 million**

➤ *Note — in the original, 2008 version of this report, this figure was: \$81 million.*

*(Please see Analytical Notes on page 3 for subtotals and supporting documentation.)*

\* Texas Health and Human Services Commission data are for state fiscal year 2009, the most recent data available.

### B. TEXAS PUBLIC HOSPITAL DISTRICTS

Estimated uncompensated care for undocumented immigrants, facility fiscal year 2008 \*

**\$717 million**

➤ *Note — in the original, 2008 version of this report, this figure was: \$597 million.*

*(Please see Analytical Notes on page 6 for subtotals and supporting documentation.)*

\* The Texas public hospital districts data come from the Cooperative Annual Survey of Hospitals, which collects data for each facility's fiscal year. At the time of this report's publication, the most recent survey data available were for fiscal year 2008.

### III – Analytical Notes

**A. TEXAS HEALTH AND HUMAN SERVICES COMMISSION**

*Estimated cost of services and benefits provided to undocumented immigrants, SFY 2009*

- (1) Texas Emergency Medicaid — \$62 million +
  - (2) Texas Family Violence Program — \$1.3 million +
  - (3) Texas Children's Health Insurance Program (CHIP) Perinatal Coverage — \$33 million
- =
- \$96 million

**I. Texas Emergency Medicaid**

Emergency Medicaid, Type Program 30 (TP 30), is a federal and state funded program that provides Medicaid coverage, limited to emergency medical conditions including childbirth and labor, for non citizens as well as undocumented immigrants living in the US. Emergency Medicaid is a federally required program. In fiscal year 2009, payments for Emergency Medicaid, TP 30 totaled as follows:

— A —

Texas Emergency Medicaid, Type Program 30, Fiscal Year 2009

<i>Inpatient hospital</i>	\$275,010,314
<i>Outpatient hospital</i>	\$13,248,238
<i>Professional and other services</i>	\$20,778,110
<i>Vendor drug</i>	\$159,096
Total	\$309,195,758

Since HHSC Medicaid claims data do not conclusively identify the legal residency status of immigrants, the portion of the \$309.2 million in Emergency Medicaid payments attributable to undocumented immigrants must be estimated.

According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 2.6 million non citizens resided in Texas in 2006. The Department of Homeland Security reports that 1.64 million, or 63 percent, of these residents were undocumented. Therefore, the estimated amount paid for Emergency Medicaid services to undocumented immigrants residing in Texas is about \$194.8 million:

— B —

Texas Emergency Medicaid (\$309.2 million)

x

Estimated Percent of Non-Citizens Who Are Undocumented Immigrants (63%)

=

\$194.8 million

### III – Analytical Notes (Continued)

The state shares the cost of the Medicaid program with the federal government, with Texas typically paying about 40 percent of Emergency Medicaid expenditures. However, in SFY 2009 due to provisions of the American Recovery and Reinvestment Act of 2009 (ARRA), the federal government temporarily increased its share of Medicaid expenditures to 68 percent, leaving the state with a 32 percent share. Therefore, the total estimated state cost for Emergency Medicaid services to undocumented immigrants residing in Texas in SFY 2009 was about \$62 million.

$$\begin{array}{r} \text{— C —} \\ \text{Estimated Texas Emergency Medicaid for Undocumented} \\ \text{Immigrants Residing in Texas (\$194.8 million)} \\ \times \\ \text{Texas Share of Medicaid Cost under ARRA (32\%)} \\ = \\ \underline{\$62 \text{ million}} \end{array}$$

➤ Note — in the original, 2008 version of this report, this figure was: \$80 million.

#### 2. Texas Family Violence Program

The Texas Family Violence Program (FVP) contracts with non-profit agencies in three categories (shelter centers, non-residential centers, and special non-residential projects (SNRP)) across the state to provide essential services to victims of family violence. Core FVP services include shelter, 24-hour hotlines, emergency medical services, counseling, etc. In SFY 2009, the FVP funded 72 nonprofit family violence shelters, 8 non-residential centers, and 20 SNRPs, providing comprehensive family violence services to victims, with a total budget of \$24,028,440. State general revenue and Temporary Assistance for Needy Families (TANF) converted to Title XX accounted for about \$19 million (\$19,235,988) of the program's total spending for direct services. Services are provided without any financial eligibility testing and free of charge.

The FVP does not ask victims of family violence about their residency status. Therefore, the portion of the \$19 million in FVP expenditures attributable to undocumented immigrants must be estimated. According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 23.5 million individuals resided in Texas in 2006. The Department of Homeland Security reports that 1.64 million, or 7 percent, of these residents were undocumented. The total estimated state cost for direct FVP services to undocumented immigrants in SFY 2009 was:

$$\begin{array}{r} \text{Texas Family Violence Program budget (\$19 million)} \\ \times \\ \text{Estimated Percent of Undocumented Immigrants in Texas (7\%)} \\ = \\ \underline{\$1.3 \text{ million}} \end{array}$$

➤ Note — in the original, 2008 version of this report, this figure was: \$1.2 million.

### III – Analytical Notes (Continued)

#### 3. Texas Children's Health Insurance Program (CHIP) Perinatal Coverage

Texas CHIP Perinatal Coverage provides prenatal care for the unborn children of low-income women. Specifically, it provides prenatal care for women living at up to 200% Federal Poverty Level (FPL) who do not otherwise qualify for Medicaid, typically due to their citizenship status. Nearly all participants of CHIP Perinatal are either documented or non-documented non-citizens. Since this program does not require citizenship documentation, there is no way to definitively report the number of undocumented immigrants served. Therefore, the portion of the \$188 million in CHIP Perinatal Coverage expenditures (which represents prenatal services only) in SYF 2009 attributable to undocumented immigrants must be estimated. Note: CHIP Perinate Coverage expenditures were not included in the original Rider 59 report since, at the time its completion, a full year of program data was not available.

According to the U.S. Census Bureau's *American Community Survey (ACS)* for Texas, approximately 2.6 million non citizens resided in Texas in 2006. The Department of Homeland Security reports that 1.64 million, or 63 percent, of these residents were undocumented. Therefore, this brings the estimated amount paid for Texas CHIP Perinatal Coverage services to undocumented immigrants residing in Texas for SFY 2009 to about \$118 million:

$$\begin{array}{r} \text{Texas CHIP Perinatal Coverage budget } (\$188 \text{ million}) \\ \times \\ \text{Estimated Percent of Non-Citizens Who Are Undocumented Immigrants } (63\%) \\ = \\ \$118 \text{ million} \end{array}$$

The state shares the cost of the CHIP program with the federal government, with Texas typically paying about 28 percent of expenditures. Therefore, the total estimated state cost for CHIP Perinatal Coverage to undocumented immigrants residing in Texas in SFY 2009 was about \$34 million.

$$\begin{array}{r} \text{Estimated CHIP Perinatal Coverage for Undocumented} \\ \text{Immigrants Residing in Texas } (\$118 \text{ million}) \\ \times \\ \text{Texas Share of CHIP Expenditures } (28\%) \\ = \\ \underline{\$33 \text{ million}} \end{array}$$

- Note — Expenditures for CHIP Perinate Coverage were not included in the original, 2008 version of the Rider 59 report since, at the time its completion, a full year of program data was not available.

### III – Analytical Notes (Continued)

#### B. TEXAS PUBLIC HOSPITAL DISTRICTS

*Estimated uncompensated care for undocumented immigrants (fiscal year 2008; 99 facilities)*

**\$717 million**

► Note — in the original, 2008 version of this report, this figure was: \$597 million.

Limited information exists to estimate hospital-specific uncompensated care for undocumented immigrants. As such, the method adopted for this report relies on regional estimates of undocumented immigrants' share of hospital uncompensated care, applying those estimates to each public hospital district facility in the region.

The regional estimates (which have been rounded for this report's update) are derived from a variety of sources. First, a web-based eligibility screening tool called the "Community Health and Social Services Information System" (CHASSIS™). The Indigent Care Collaboration (ICC), an alliance of safety net providers in three Central Texas counties (Travis, Williamson and Hays), employed CHASSIS™ to screen uninsured/under-insured patients for eligibility in government and local medical assistance or payment programs (*Network Sciences, 2008*).

This system also tracked the percent of uninsured undocumented immigrants served in these counties, and in 2005 found that nearly 14 percent of all patients screened in hospital settings were undocumented immigrants. (*Texas Comptroller of Public Accounts, 2006*.) This figure was used as a foundation for estimating uncompensated care for undocumented immigrants in the remaining parts of Texas.

This 14 percent figure was adjusted for each Public Health Region (PHR) based on information from two additional sources. The first source, the 2008 American Hospital Association/Texas Department of State Health Services/Texas Hospital Association (AHA/TDSHS/THA) *Cooperative Annual Survey of Hospitals*, is required by state law. It is submitted annually by every Texas hospital and lists each facility's reported uncompensated care (bad debt expenses plus charity care charges).

The second source, claims data from the state's Emergency Medicaid Type Program (TP) 30, is available for every hospital stay for non citizens paid for by the state's Emergency Medicaid program. In emergency cases, including childbirth and labor, Medicaid pays for services rendered to persons who would otherwise qualify for Medicaid regardless of their immigration status.

### III – Analytical Notes (Continued)

Based on the regional distribution of uncompensated care and Emergency Medicaid expenditures, the Central Texas region's share of the state's uncompensated care appeared to be about 40 percent higher than its share of Emergency Medicaid. Therefore, we estimate that approximately 20 percent of uncompensated care statewide is accounted for by undocumented immigrants, compared to 14 percent in the Central Texas region reported in the aforementioned ICC study. In order to account for this difference statewide, the following formula was applied to each specific region:

$$\begin{array}{c} \text{Estimated Statewide Uncompensated Care Attributable To Undocumented Immigrants (20\%)} \\ \times \\ \text{( Public Health Region's Share of State Emergency Medicaid Expenditures /} \\ \text{Public Health Region's Share of State Uncompensated Care )} \\ = \\ \text{Estimated Percent of Uncompensated Care Attributed to} \\ \text{Undocumented Immigrants in a Public Health Region} \end{array}$$

As expected, results varied widely by a region's demographic composition and proximity to the border, with the highest rate found in the Rio Grande Valley and the lowest rate in North Texas. The method produced approximately the same rate statewide as for the state's two largest population centers, Houston and Dallas/Fort Worth.

These region-specific values were then applied to the reported uncompensated care for each public hospital district facility to produce estimates of the uncompensated care for undocumented immigrants. These facility totals were then added to generate the state total. This computational logic was revisited for the report's 2010 update, and it was determined that there was no justification to change these formulas and values at this time. Please see the facility-specific listing below for more information.

## IV – Public Hospital District Facility Listing

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Facility Uncompensated Care for Undocumented Immigrants (A x B)
Permian Regional Medical Center	Andrews	ANDREWS	9	\$3,872,258	0.06	\$232,335
Bellville General Hospital	Bellville	AUSTIN	6	\$2,177,652	0.21	\$457,307
Muleshoe Area Medical Center	Muleshoe	BAILEY	1	\$812,007	0.06	\$48,720
Smithville Regional Hospital	Smithville	BASTROP	7	\$5,629,736	0.14	\$788,163
Seymour Hospital	Seymour	BAYLOR	2	\$1,025,201	0.02	\$20,504
University Hospital	San Antonio	BEXAR	8	\$369,227,596	0.08	\$29,538,208
Angleton-Danbury Medical Center	Angleton	BRAZORIA	6	\$8,240,290	0.21	\$1,730,461
Sweeny Community Hospital	Sweeny	BRAZORIA	6	\$2,370,787	0.21	\$497,865
Burleson St. Joseph Health Center	Caldwell	BURLESON	7	\$3,864,113	0.14	\$540,976
Atlanta Memorial Hospital	Atlanta	CASS	4	\$5,787,215	0.07	\$405,105
Plains Memorial Hospital	Dimmitt	CASTRO	1	\$1,761,563	0.06	\$105,694
Bayside Community Hospital	Anahuac	CHAMBERS	6	\$1,627,946	0.21	\$341,869
Childress Regional Medical Center	Childress	CHILDRESS	1	\$3,187,285	0.06	\$191,237
Cochran Memorial Hospital	Morton	COCHRAN	1	\$202,007	0.06	\$12,120
Coleman County Medical Center	Coleman	COLEMAN	2	\$2,330,626	0.02	\$46,613
Rice Medical Center	Eagle Lake	COLORADO	6	\$1,536,586	0.21	\$322,683
Comanche County Medical Center	Comanche	COMANCHE	2	\$2,112,936	0.02	\$42,259
Concho County Hospital	Eden	CONCHO	9	\$291,931	0.06	\$17,516
North Texas Medical Center	Gainesville	COOKE	3	\$10,967,036	0.22	\$2,412,748
Muenster Memorial Hospital	Muenster	COOKE	3	\$392,877	0.22	\$86,433
Coryell Memorial Hospital	Gatesville	CORYELL	7	\$3,495,557	0.14	\$489,378
Parkland Memorial Hospital	Dallas	DALLAS	3	\$770,172,780	0.22	\$169,438,012

#### IV – Public Hospital District Facility Listing, Continued

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Facility Uncompensated Care for Undocumented Immigrants (A x B)
Richardson Regional Medical Center	Richardson	DALLAS	3	\$28,107,007	0.22	\$6,183,542
Medical Arts Hospital	Lamesa	DAWSON	9	\$4,870,046	0.06	\$292,203
Cuero Community Hospital	Cuero	DE WITT	8	\$4,732,916	0.08	\$378,633
Hereford Regional Medical Center	Hereford	DEAF SMITH	1	\$5,343,007	0.06	\$320,580
Eastland Memorial Hospital	Eastland	EASTLAND	2	\$3,356,919	0.02	\$67,138
Medical Center Hospital	Odessa	ECTOR	9	\$74,028,538	0.06	\$4,441,712
R. E. Thomason General Hospital	El Paso	EL PASO	10	\$212,073,041	0.19	\$40,293,878
Fisher County Hospital District	Rotan	FISHER	2	\$537,418	0.02	\$10,748
W.J. Mangold Memorial Hospital	Lockney	FLOYD	1	\$903,277	0.06	\$54,197
OakBend Medical Center	Richmond	FORT BEND	6	\$26,351,512	0.21	\$5,533,818
Frio Regional Hospital	Pearsall	FRIO	8	\$2,063,071	0.08	\$165,046
Memorial Hospital	Seminole	GAINES	9	\$2,287,318	0.06	\$137,239
Memorial Hospital	Gonzales	GONZALES	8	\$4,260,810	0.08	\$340,865
Hamilton General Hospital	Hamilton	HAMILTON	7	\$4,433,680	0.14	\$620,715
Hansford County Hospital	Spearman	HANSFORD	1	\$718,184	0.06	\$43,091
Hardeman County Memorial Hospital	Quanah	HARDEMAN	2	\$512,530	0.02	\$10,251
Chillicothe Hospital	Chillicothe	HARDEMAN	2	\$190,958	0.02	\$3,819
Ben Taub General Hospital	Houston	HARRIS	6	\$1,107,257,370	0.21	\$232,524,048
Tomball Regional Hospital	Tomball	HARRIS	6	\$34,205,413	0.21	\$7,183,137
Coon Memorial Hospital and Home	Dalhart	HARTLEY	1	\$2,517,976	0.06	\$151,079
Haskell Memorial Hospital	Haskell	HASKELL	2	\$270,676	0.02	\$5,414
Hemphill County Hospital	Canadian	HEMPHILL	1	\$608,103	0.06	\$36,486



#### IV – Public Hospital District Facility Listing, Continued

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Facility Uncompensated Care for Undocumented Immigrants (A x B)
Hopkins County Memorial Hospital	Sulphur Springs	HOPKINS	4	\$8,855,915	0.07	\$619,914
Hunt Regional Medical Center Greenville	Greenville	HUNT	3	\$26,569,309	0.22	\$5,845,248
Hunt Regional Community Hospital	Commerce	HUNT	3	\$1,949,784	0.22	\$428,952
Faith Community Hospital	Jacksboro	JACK	2	\$1,336,009	0.02	\$26,720
Jackson Healthcare Center	Edna	JACKSON	8	\$1,511,280	0.08	\$120,902
CHRISTUS Jasper Memorial Hospital	Jasper	JASPER	5	\$8,386,654	0.05	\$419,333
Stamford Memorial Hospital	Stamford	JONES	2	\$1,263,715	0.02	\$25,274
Hamlin Memorial Hospital	Hamlin	JONES	2	\$118,858	0.02	\$2,377
Otto Kaiser Memorial Hospital	Kenedy	KARNES	8	\$1,956,818	0.08	\$156,545
Knox County Hospital	Knox City	KNOX	2	\$864,961	0.02	\$17,299
Lavaca Medical Center	Hallettsville	LAVACA	8	\$1,049,510	0.08	\$83,961
Limestone Medical Center	Groesbeck	LIMESTONE	7	\$2,966,202	0.14	\$415,268
Llano Memorial Hospital	Llano	LLANO	7	\$6,430,811	0.14	\$900,314
University Medical Center	Lubbock	LUBBOCK	1	\$116,021,682	0.06	\$6,961,301
Lynn County Hospital District	Tahoka	LYNN	1	\$485,660	0.06	\$29,140
Martin County Hospital District	Stanton	MARTIN	9	\$1,422,335	0.06	\$85,340
Matagorda Medical Center	Bay City	MATAGORDA	6	\$10,322,312	0.21	\$2,167,686
Heart of Texas Memorial Hospital	Brady	MCCULLOCH	9	\$2,354,023	0.06	\$141,241
Medina Community Hospital	Hondo	MEDINA	8	\$4,391,528	0.08	\$351,322
Midland Memorial Hospital	Midland	MIDLAND	9	\$48,655,866	0.06	\$2,919,352
Mitchell County Hospital	Colorado City	MITCHELL	2	\$3,674,336	0.02	\$73,487
Bowie Memorial Hospital	Bowie	MONTAGUE	2	\$3,216,286	0.02	\$64,326

#### IV – Public Hospital District Facility Listing, Continued

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Facility Uncompensated Care for Undocumented Immigrants (A x B)
Nocona General Hospital	Nocona	MONTAGUE	2	\$1,531,908	0.02	\$30,638
Memorial Hospital	Dumas	MOORE	1	\$3,725,461	0.06	\$223,528
Nacogdoches Memorial Hospital	Nacogdoches	NACOGDOCHES	5	\$54,003,977	0.05	\$2,700,199
Rolling Plains Memorial Hospital	Sweetwater	NOLAN	2	\$4,232,138	0.02	\$84,643
Ochiltree General Hospital	Perryton	OCHILTREE	1	\$1,777,167	0.06	\$106,630
Palo Pinto General Hospital	Mineral Wells	PALO PINTO	3	\$6,269,909	0.22	\$1,379,380
Iraan General Hospital	Iraan	PECOS	9	\$373,544	0.06	\$22,413
Reagan Memorial Hospital	Big Lake	REAGAN	9	\$222,237	0.06	\$13,334
Reeves County Hospital	Pecos	REEVES	9	\$2,637,636	0.06	\$158,258
Refugio County Memorial Hospital District	Refugio	REFUGIO	11	\$1,866,730	0.61	\$1,138,705
Ballinger Memorial Hospital District	Ballinger	RUNNELS	2	\$750,577	0.02	\$15,012
North Runnels Hospital	Winters	RUNNELS	2	\$290,514	0.02	\$5,810
Cogdell Memorial Hospital	Snyder	SCURRY	2	\$7,086,091	0.02	\$141,722
Starr County Memorial Hospital	Rio Grande City	STARR	11	\$3,075,916	0.61	\$1,876,309
Stonewall Memorial Hospital	Aspermont	STONEWALL	2	\$108,093	0.02	\$2,162
Lillian M. Hudspeth Memorial Hospital	Sonora	SUTTON	9	\$1,838,340	0.06	\$110,300
Swisher Memorial Hospital	Tulia	SWISHER	1	\$1,036,407	0.06	\$62,184
John Peter Smith Hospital	Fort Worth	TARRANT	3	\$773,861,000	0.22	\$170,249,420
Brownfield Regional Medical Center	Brownfield	TERRY	1	\$2,479,007	0.06	\$148,740
Titus Regional Medical Center	Mount Pleasant	TITUS	4	\$18,528,136	0.07	\$1,296,970
Tyler County Hospital	Woodville	TYLER	5	\$3,472,921	0.05	\$173,646
Rankin County Hospital District	Rankin	UPTON	9	\$193,275	0.06	\$11,597

## IV – Public Hospital District Facility Listing, Continued

Public Hospital District Facility †	City	County	Public Health Region (PHR)	Total Facility Uncompensated Care * (A)	Estimated Percent of Uncompensated Care Attributable to Undocumented Immigrants in a PHR ‡ (B)	Estimated Facility Uncompensated Care for Undocumented Immigrants (A x B)
McCamey Hospital	McCamey	UPTON	9	\$55,186	0.06	\$3,311
Uvalde Memorial Hospital	Uvalde	UVALDE	8	\$8,347,207	0.08	\$667,777
Val Verde Regional Medical Center	Del Rio	VAL VERDE	8	\$10,632,139	0.08	\$850,571
El Campo Memorial Hospital	El Campo	WHARTON	6	\$3,507,501	0.21	\$736,575
Shamrock General Hospital	Shamrock	WHEELER	1	\$641,535	0.06	\$38,492
Parkview Hospital	Wheeler	WHEELER	1	\$450,335	0.06	\$27,020
Electra Memorial Hospital	Electra	WICHITA	2	\$1,366,414	0.02	\$27,328
Wilbarger General Hospital	Vernon	WILBARGER	2	\$3,562,302	0.02	\$71,246
Connally Memorial Medical Center	Floresville	WILSON	8	\$5,615,212	0.08	\$449,217
Wise Regional Health System	Decatur	WISE	3	\$25,177,926	0.22	\$5,539,144
Hamilton Hospital	Olney	YOUNG	2	\$2,004,045	0.02	\$40,081

*Total for the ninety-nine Texas public hospital district facilities in FY 2008 — \$716,821,507*

Notes:

† The AHA/THA/TDSHS *Cooperative Annual Survey of Hospitals* is administered to all Texas hospitals, and collects data for each facility's fiscal year. The 99 facilities listed here reported being either owned or controlled by a public hospital district on the 2008 *Cooperative Annual Survey of Hospitals*. Data for FY 2009 were not available at the time of this report's publication.

\* Total facility uncompensated care is the sum of reported bad debt expenses and charity charges.

‡ Estimated percent of uncompensated care attributable to undocumented immigrants in a PHR was computed by using a formula designed for this report's original 2008 edition, and retained for this 2010 update. Based on the regional distribution of uncompensated care and Emergency Medicaid expenditures, the Central Texas region's share of the state's uncompensated care appeared to be about 40% higher than its share of Emergency Medicaid. Therefore, we estimate that approximately 20% of uncompensated care statewide is accounted for by undocumented immigrants, compared to 14% in the Central Texas region reported in the aforementioned ICC study. In order to account for this difference statewide, the following formula was applied to each specific region. For more information, please see *Analytical Notes* on page 6.

$$\begin{aligned} & \text{Estimated Statewide Uncompensated Care Attributable To Undocumented Immigrants (20\%)} \times \\ & \quad (\text{Public Health Region's Share of State Emergency Medicaid Expenditures} / \\ & \quad \quad \text{Public Health Region's Share of State Uncompensated Care}) = \\ & \text{Estimated Percent of Uncompensated Care Attributed To Undocumented Immigrants in a Public Health Region} \end{aligned}$$

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Exhibit 3 to  
Declaration of Richard Allgeyer, Ph. D.

**REPORT ON TEXAS  
HEALTH AND HUMAN SERVICES  
COMMISSION SERVICES  
AND BENEFITS PROVIDED TO  
UNDOCUMENTED IMMIGRANTS**

*Update to the Report Required by the  
2008-09 General Appropriations Act,  
H.B. 1, 80<sup>th</sup> Legislature, Regular Session, 2007  
(Article II, Health and Human Services Commission, Rider 59)*

**FEBRUARY 2013 UPDATE**



*Strategic Decision Support*  
**Financial Services Division**  
**TEXAS HEALTH AND HUMAN SERVICES COMMISSION**

# Table of Contents

I	Background.....	3
II	Executive Data Summary.....	4
III	Analytical Notes .....	5
IV	References .....	9

## I – Background

The 2008-09 General Appropriations Act, H.B. 1, 80<sup>th</sup> Legislature, Regular Session, 2007 (Article II, Health and Human Services Commission, Rider 59) required the Texas Health and Human Services Commission (HHSC) to report the cost of services and benefits provided by HHSC to undocumented immigrants in the state. Rider 59 also required HHSC to compile these data for each Texas public hospital district facility. This report was originally completed in 2008. Due to numerous requests for related current information, the report was updated in 2010. This report is the second update to that original report. The text of Rider 59 is included below, with the updated data and supporting documentation on subsequent pages.

### **Rider 59 — Report to the United States Congress on Services and Benefits Provided to Undocumented Immigrants**

*The Health and Human Services Commission shall compile a report of the cost of services and benefits provided to undocumented immigrants, with the agency determining the extent to which undocumented immigrants are served by the agency, by individual program. The agency may use a statistical method developed by the agency in cases where it is not practical for the agency to directly determine whether recipients of a service or benefit are undocumented immigrants.*

*The Health and Human Services Commission shall also compile information on this subject from each public hospital district within the state and include this information in the report and shall not enforce Title 8 of the United States Code when compiling information on this subject.*

*The report must be produced using aggregated statistical data that does not contain personally identifiable information. The purpose of compiling this information is to perform analysis to assist the United States Congress and this state in making future health care and budgetary decisions. Information sought for the preparation of this report may not violate any federal or state laws, including rules, regarding privacy.*

*This report shall be provided to the United States Congress by December 1, 2008, and may be used as supporting materials by the State of Texas in requests for additional federal appropriations to assist with these costs.*

*The Health and Human Services Commission or a public hospital district may compile and report the information required by this rider only in a manner the attorney general of this state certifies as consistent with federal law.*

*The Health and Human Services Commission again shall submit the required report to the Lieutenant Governor, Speaker of the House of Representatives, and Members of the Legislature by December 1, 2008, and shall include the information in the agency's annual report for 2008.*



## II – Executive Data Summary

### TEXAS HEALTH AND HUMAN SERVICES COMMISSION SERVICES AND BENEFITS PROVIDED TO UNDOCUMENTED IMMIGRANTS

*Estimated cost of services and benefits provided to undocumented immigrants in fiscal year (FY) 2011:*

(1) Texas Emergency Medicaid — \$71 million  
 +  
 (2) Texas Family Violence Program (FVP) — \$1.28 million  
 +  
 (3) Texas Children's Health Insurance Program (CHIP) Perinatal Coverage — \$35 million  
 =  
**\$107 million**

#### Comparison of Estimates in Previous Reports and Current Estimate

	FY 2007	FY 2009	FY 2011
(1) Texas Emergency Medicaid	\$ 80 million	\$ 62 million	\$ 71 million
(2) Texas Family Violence Program (FVP)	\$1.2 million	\$1.3 million	\$1.28 million
(3) Texas Children's Health Insurance Program (CHIP) Perinatal Coverage	N/A*	\$ 33 million	\$ 35 million
<b>TOTAL TEXAS HEALTH AND HUMAN SERVICES COMMISSION</b>	<b>\$ 81.2 million</b>	<b>\$ 96 million</b>	<b>\$ 107 million</b>

\* Expenditures for CHIP Perinatal Coverage were not included in the original 2008 Rider 59 report since, at the time of its completion, a full year of program data was not available.

### III – Analytical Notes

#### I. Texas Emergency Medicaid

Emergency Medicaid, Type Program 30 (TP 30), is a federal and state funded program that provides Medicaid coverage, limited to emergency medical conditions including childbirth and labor to non-citizens including undocumented immigrants, living in the United States. Emergency Medicaid is a federally required program.

Three steps are necessary to estimate the cost of services and benefits that HHSC provided to undocumented immigrants: A) Determine total Emergency Medicaid (TP 30) expenditures during fiscal year 2011; B) Estimate the fraction of undocumented non-citizens during this timeframe and amounts expended on this population; and C) Calculate the state share of TP 30 expenditures for the undocumented population.

During fiscal year 2011 payments for Emergency Medicaid, TP 30, were as follows:

— A —

#### **Texas Emergency Medicaid, Type Program 30, Fiscal Year 2011**

Inpatient hospital	\$299,203,323
Outpatient hospital	\$24,845,002
Professional and other services	\$16,591,397
Vendor drug	\$93,345
<hr/>	
<b>(A) Total</b>	<b>\$340,733,067</b>

Since HHSC Medicaid claims data do not conclusively identify the legal residency status of immigrants, the portion of the \$340.7 million in Emergency Medicaid payments attributable to undocumented immigrants must be estimated.

According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 2.83 million non-citizens resided in Texas in 2011. The Department of Homeland Security reports that 1.79 million, or 63 percent, of these residents were undocumented. Therefore, the estimated amount paid for Emergency Medicaid services to undocumented immigrants residing in Texas is about \$215 million:

### III – Analytical Notes (Continued)

— B —

$$\begin{array}{r}
 \text{(A) Texas Emergency Medicaid (\$341 million)} \\
 \times \\
 \text{Estimated Percent of Non-Citizens Who Are Undocumented Immigrants (63\%)} \\
 = \\
 \text{(B}_1\text{) \$215 million}
 \end{array}$$

The state shares the cost of the Medicaid program with the federal government, with Texas typically paying about 40 percent of Emergency Medicaid expenditures. However, in fiscal year 2009, due to provisions of the American Recovery and Reinvestment Act of 2009 (ARRA), the federal government temporarily increased its share of Medicaid expenditures to 68 percent, leaving the state with a 32 percent share. In fiscal year 2011, Texas' share of Medicaid expenditures increased to 33 percent (B<sub>2</sub>). Therefore, the total estimated state cost for Emergency Medicaid services provided to undocumented immigrants residing in Texas in fiscal year 2011 was about \$71 million.

— C —

$$\begin{array}{r}
 \text{(B}_1\text{) Estimated Texas Emergency Medicaid for Undocumented} \\
 \text{Immigrants Residing in Texas (\$215 million)} \\
 \times \\
 \text{(B}_2\text{) Texas Share of Medicaid Cost under ARRA (33\%)} \\
 = \\
 \text{\$71 million}
 \end{array}$$

#### Comparison of Estimates in Previous Reports and Current Estimate

	FY 2007	FY 2009	FY 2011
Inpatient hospital	\$252,300,000	\$275,010,314	\$299,203,323
Outpatient hospital	\$11,200,000	\$13,248,238	\$24,845,002
Professional and other services	\$53,700,000	\$20,778,110	\$16,591,396
Vendor Drug	\$124,500	\$159,096	\$93,345
<b>(A) Sum of Expenditures</b>	<b>\$317,324,500</b>	<b>\$309,195,758</b>	<b>\$340,733,067</b>
<b>(B<sub>1</sub>) Estimated amount paid for services to undocumented immigrants</b>	<b>\$ 200 million</b>	<b>\$ 194.8 million</b>	<b>\$ 215 million</b>
<b>(B<sub>2</sub>) Texas' share of TP 30 expenditures</b>	<b>40%</b>	<b>32%</b>	<b>33%</b>
<b>(C) TEXAS' SHARE OF EXPENDITURES</b>	<b>\$ 80 million</b>	<b>\$ 62 million</b>	<b>\$ 71 million</b>

### III – Analytical Notes (Continued)

#### 2. Texas Family Violence Program

The Texas Family Violence Program (FVP) contracts with non-profit agencies in three categories (shelter centers, non-residential centers, and special non-residential projects [SNRPs]) across the state to provide essential services to victims of family violence. Core FVP services include shelter, 24-hour hotlines, emergency medical services, counseling, etc. In fiscal year 2011, the FVP funded 70 non-profit family violence shelters, 10 non-residential centers, and 16 SNRPs, providing comprehensive family violence services to victims, with a total budget of \$23,682,177. State general revenue and Temporary Assistance for Needy Families (TANF) converted to Title XX accounted for about \$18 million (\$18,281,411) of the program’s total spending for direct services. Services are provided without any financial eligibility testing and are free of charge.

The FVP does not ask victims of family violence about their residency status. Therefore, the portion of the \$18 million in FVP expenditures attributable to undocumented immigrants must be estimated. According to the U.S. Census Bureau’s *American Community Survey* (ACS) for Texas, approximately 25.7 million individuals resided in Texas in 2011. The Department of Homeland Security reports that 1.79 million, or 7 percent, of these residents were undocumented. The total estimated state cost for direct FVP services to undocumented immigrants in fiscal year 2011 was:

$$\begin{array}{r}
 \text{Texas Family Violence Program budget } (\$18 \text{ million}) \\
 \times \\
 \text{Estimated Percent of Undocumented Immigrants in Texas } (7\%) \\
 = \\
 \mathbf{\$1.28 \text{ million}}
 \end{array}$$

<b>Comparison of Estimates in Previous Reports and Current Estimate</b>			
	<b>SFY 2007</b>	<b>SFY 2009</b>	<b>SFY 2011</b>
Texas Family Violence Program budget	\$ 16.8 million	\$ 19 million	\$ 18 million
<b>ESTIMATED COSTS FOR DIRECT FVP SERVICES TO UNDOCUMENTED IMMIGRANTS</b>	<b>\$1.2 million</b>	<b>\$1.3 million</b>	<b>\$1.28 million</b>

### III – Analytical Notes (Continued)

#### 3. Texas Children's Health Insurance Program (CHIP) Perinatal Coverage

Texas CHIP Perinatal Coverage provides prenatal care to low-income women living at up to 200% of the Federal Poverty Level (FPL) who do not otherwise qualify for Medicaid, typically due to their citizenship status. Nearly all CHIP Perinatal Coverage enrollees are either documented or undocumented non-citizens. Since this program does not require citizenship documentation, there is no way to definitively report the number of undocumented immigrants served. Therefore, the portion of the \$201 million in CHIP Perinatal Coverage expenditures (which represents prenatal services only) in fiscal year 2011 attributable to undocumented immigrants must be estimated. Note: CHIP Perinatal Coverage expenditures were not included in the original Rider 59 report since, at the time of its completion, a full year of program data was not available.

According to the U.S. Census Bureau's *American Community Survey* (ACS) for Texas, approximately 2.83 million non-citizens resided in Texas in 2011. The Department of Homeland Security reports that 1.79 million, or 63 percent, of these residents were undocumented. Therefore, this brings the estimated amount paid for Texas CHIP Perinatal Coverage services to undocumented immigrants residing in Texas for fiscal year 2011 to about \$127 million:

$$\begin{array}{r}
 \text{Texas CHIP Perinatal Coverage budget } (\$201 \text{ million}) \\
 \times \\
 \text{Estimated Percent of Non-Citizens Who Are Undocumented Immigrants (63\%)} \\
 = \\
 \mathbf{\$127 \text{ million}}
 \end{array}$$

The state shares the cost of the CHIP program with the federal government. Texas typically pays about 28 percent of expenditures. Therefore, the total estimated state cost for CHIP Perinatal Coverage to undocumented immigrants residing in Texas in fiscal year 2011 was about \$35 million.

$$\begin{array}{r}
 \text{Estimated CHIP Perinatal Coverage for Undocumented} \\
 \text{Immigrants Residing in Texas } (\$127 \text{ million}) \\
 \times \\
 \text{Texas Share of CHIP Expenditures (28\%)} \\
 = \\
 \mathbf{\$35 \text{ million}}
 \end{array}$$

#### Comparison of Estimates in Previous Reports and Current Estimate

	FY 2007	FY 2009	FY 2011
Texas CHIP Perinatal Coverage budget	*	\$ 188 million	\$ 201 million
Estimated amount paid for services to undocumented immigrants	*	\$ 118 million	\$ 127 million
<b>Texas' share of the expenditures</b>	*	<b>\$ 33 million</b>	<b>\$ 35 million</b>

\* Expenditures for CHIP Perinatal Coverage were not included in the original 2008 Rider 59 report since, at the time of its completion, a full year of program data was not available.

## IV – References

The 2008-09 General Appropriations Act, H.B. 1, 80<sup>th</sup> Legislature, Regular Session, 2007 (Article II, Health and Human Services Commission, Rider 59).

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