Myth: Undocumented immigrants drain the U.S. economy by not paying taxes and by being a tremendous burden on the health care system.

Fact: Undocumented immigrants make fewer visits to doctors and hospitals than their native-born counterparts. The study’s authors estimate that in the U.S. overall, about $1.1 billion in federal, state and local government funds are spent annually on health care for undocumented immigrants aged 18 to 64. That stands in contrast to the $88 billion in government funds that were spent on health care for all non-elderly adults in the U.S. in 2000. One reason for the difference is that undocumented immigrants simply don’t seek medical care because of fears any contact with institutions in this country will lead to deportation. But the Rand researchers say another factor is that immigrants in general seem to be healthier than the native born. The Rand study found that while 38 percent of the native-born reported having chronic health problems, only 27 percent of the foreign-born and 19 percent of the undocumented immigrants had such conditions. Immigrating, particularly if it’s through backdoor, illegal channels, is an arduous task—one that discourages travelers with chronic health problems.

They pay taxes
Between half and three-quarters of undocumented immigrants pay federal and state income taxes, Social Security taxes and Medicare taxes, according to the Migration Policy Center. They also pay sales taxes when they make purchases, as well as property taxes—even if they rent their housing. So these workers are paying into programs like Social Security and Medicare, even though they are not eligible for benefits. That means payments made by the estimated seven million undocumented immigrants into such programs amounts to a bonus to public coffers that can be as high as $7 billion annually, according to the New York Times.

The Iowa Policy Project concluded in a 2007 report that in that state undocumented immigrants pay an estimated aggregate amount of $40 million to $62 million in state taxes annually, and an estimated $50 million to $77 million in Social Security and Medicare taxes. “Rather than draining resources, undocumented immigrants are in some cases subsidizing services that only documented residents can access,” concluded the report.

Less use of health care services
And just a small portion of health care money in this country is used to provide publicly supported care to undocumented immigrants, according to a study published in Health Affairs, a journal on health policy. The study, which was based on surveys with 2,400 English- and Spanish-speaking adults living in California’s Los Angeles County, was conducted by the Rand Corporation. It found that non-elderly, adult immigrants—legal and undocumented—made fewer visits to doctors and hospitals than their native-born counterparts. The study’s authors estimate that in the U.S. overall, about $1.1 billion in federal, state and local government funds are spent annually on health care for undocumented immigrants aged 18 to 64. That stands in contrast to the $88 billion in government funds that were spent on health care for all non-elderly adults in the U.S. in 2000. One reason for the difference is that undocumented immigrants simply don’t seek medical care because of fears any contact with institutions in this country will lead to deportation. But the Rand researchers say another factor is that immigrants in general seem to be healthier than the native born. The Rand study found that while 38 percent of the native-born reported having chronic health problems, only 27 percent of the foreign-born and 19 percent of the undocumented immigrants had such conditions. Immigrating, particularly if it’s through backdoor, illegal channels, is an arduous task—one that discourages travelers with chronic health problems.

More information