A program sold as a model for the country to provide vital health care coverage to undocumented immigrants in Illinois is now facing funding problems with former allies butting heads.

The health benefits for immigrants program, which was created in the wake of the pandemic, sought to make affordable health care widely accessible, regardless of a person’s citizenship status.

But state officials now claim that underestimated program costs are forcing them to suspend new enrollments for those 64 or younger while capping the number of people who can enroll who are 65 or older.

The move has drawn the ire of health care advocates and Latino state lawmakers who argue these actions undermine Gov. J.B. Pritzker’s promise to expand access
to health care.

How did a program that was widely applauded at its launch falter so quickly?

**What is the health benefits for immigrants program?**

The program was introduced in 2020 just as the pandemic was rearing its head. The COVID-19 virus forced lawmakers to consider how to protect Illinois’ most vulnerable populations. Latino lawmakers, in particular, wanted to find a way to give health care coverage to undocumented immigrants.

That is when the Health Benefits for Immigrant Seniors program was created. It provided Medicaid-like coverage to seniors 65 or older, regardless of their immigration status.

Enrollees would need to meet just a few requirements. They had to live in Illinois, be an undocumented immigrant or a lawful permanent resident for less than five years and earn an annual income of no more than $13,590 as an individual or $18,310 as a couple.

Initially, the program offered doctor and hospital care, lab tests, dental and vision care, prescription drugs and other benefits typically covered under Medicaid with $0 premiums and $0 co-payments.

Lawmakers anticipated the program would affect about 900 people and **cost taxpayers less than $2 million**.

The program expanded twice, creating the Health Benefits for Immigrant Adults, which had broader age and income thresholds. The first expansion in 2021 made the program available to immigrants 55 to 64 years old. Last year, the program expanded again to include immigrants who are 42 and older.

The expansion was applauded by immigration advocates and lawmakers who praised Pritzker’s move.

“From Day One of my administration, equity has been — and will always be — our north star,” Pritzker said of the expansion last summer. “Everyone, regardless of documentation status, deserves access to holistic healthcare coverage. I am proud to expand the Health Benefits for Immigrant Adults program to include more Illinoisans in need of care.”
Advocates hoped this was only the beginning of the expansion that would eventually cover every noncitizen 18 and older.

But the rush of new enrollments in the newest age brackets made that difficult because — unlike the federally-backed Medicaid program which splits the cost — the state was on the hook for almost the entire program, with exceptions for a few health care services.

As of June 7, there are 63,255 Illinois residents enrolled in the programs with more than half of those enrollees (32,612) landing in the 42 to 54 years old age group, according to the most recently available data.

Claims under the programs have totaled more than $726 million since the first iteration of the program was launched in 2020.

Pritzker’s budget in February set aside $220 million for the programs, but that was proposed before a state’s additional review of the costs. Now, they anticipate the program could cost $1.1 billion if it had been unchanged, according to state officials.

“Our budget proposal allocated $220 million which was based on estimates we had from consultants at the time,” Jordan Abudayyeh, a spokeswoman for Pritzker, said. “While we were in the middle of proposing our budget we had the consultants working to refine their estimates; they did not complete that work until after our proposal was made.”

**How did program spending grow untenable?**

Abudayyeh said the reason for the miscalculation was that advocates pushing for the program were using unreliable metrics to gauge the true cost of the program. The original estimate of $2 million for the first year, she said, was blown in just a month. That first year cost closer to $50 million.

“They were using [U.S. Census Bureau’s American Community Survey] data which is historically unreliable and the way they count Illinois in this survey is usually wrong,” Abudayyeh said. “So they dramatically underestimated the number of people who would enroll and they used the same data source when they expanded the program just a year later.”

Illinois continues to be undercounted and for a decade it was widely reported that
the state was losing residents. But refined figures from the census shows the state actually grew during the last decennial census.

“We are seeing month over month a high level of growth with enrollments,” Abudayyeh said. “We are starting to see the 65-year-old-plus population’s cost level out which is expected but that is not happening in the two other age groups.”

The state estimates it would need $1.1 billion to manage the programs in its current state for the next fiscal year which begins July 1, Abudayyeh said. This is based on additional work from consultants.

“We sat down with the General Assembly and said we are going to need $1.1 billion to cover the cost,” Abudayyeh said. “They decided to dedicate $550 million dollars for the program and — let’s be clear, that’s a significant investment and one of our most expensive new programs — but it wouldn’t be enough. That’s why we can no longer accept new enrollments.”

The changes do not impact current enrollees receiving benefits from the program and if costs happen to decrease, they could reopen enrollments, Abudayyeh said.

The Health Benefits for Immigrant Seniors program will remain open, but the state capped the number of people who can enroll to 16,500. There are already nearly 15,000 seniors enrolled in the program.

The changes also included implementing co-pays for those in both programs. Inpatient hospitalizations would cost $250, and hospital emergency room visits would be $100.

Pritzker became the focus of criticism from health care advocates and Latino lawmakers in the wake of these moves, but Abudayyeh rejected those attacks.

“The governor is an advocate and will continue to be an advocate for the undocumented and immigrant community,” Abudayyeh said. “The state is making a $550 million investment for over 60,000 people that didn’t have insurance three years ago — we are not going to let perfection get in the way of progress.”

**Health care advocates and Latino lawmakers push back**

The advocacy group, Healthy Illinois for All, argues that everyone in the state,
regardless of income or citizenship status, should have access to affordable health care coverage. It was one of the key groups pushing for these programs and is still advocating for their expansion.

“When the state announced they would be shutting down new enrollment to these programs we were outraged,” said Tovia Siegel, campaign director for Healthy Illinois. “This means that thousands of people won’t be able to access the health care they need.”

Siegel said by restricting access to this program, the state has taken a huge step backwards in protecting low-income people. She also believes the state’s costs are somewhat exaggerated.

“It also doesn’t account for the leveling off, like what’s happening to seniors right now,” Siegel said. “They also don’t account for costs going down as people receive regular care. Of course, people are getting examined upfront because they haven’t had treatment in a long time but that will slow as people are more routine with their checkups.”

Siegel said the calculation also doesn’t account for those few times when the federal government helps with costs for undocumented immigrants — such as with pregnancy-related coverage.

Siegel said the state is yet to spend over $1 billion in the three years since the program was created and doesn’t believe that much will be spent in a single year. Based on the current spending trends she expects the cost to be half what the state says it is, she said.

The Latino Caucus also rebuked the state’s move, saying in a statement that Illinois made history “by becoming the first state to offer health care coverage to” noncitizens and helped laid “the foundation for a program that would make sure every Illinois resident could get the care they needed.”

“This announcement is disappointing but also a call to action,” the caucus said.

Freshman U.S. Rep Delia Ramirez, D-Ill., expressed her dissatisfaction as well. As a state representative, Ramirez was key in creating the program.

“We have to protect something so fundamental to our humanity as providing health care coverage to people, regardless of documentation status,” Ramirez
said in a statement. “It’s extremely disappointing to hear that the state administration has decided to stop immigrants from accessing life-saving health insurance under the pretense that it costs too much.”

Ramirez said the new restrictions would also result in higher costs for people already enrolled and place “additional financial strains on our safety net hospitals.”

“Immigrants like my own family came to this nation looking for a better life, and we can’t now neglect our promise as a state and as a nation,” Ramirez said.