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## **Estimating the cost of workplace injuries to Michigan's undocumented immigrants and the state's economy**

Amanda Nothhaft, PhD  
Director of Data and Evaluation  
Poverty Solutions at the University of Michigan

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## Introduction

Employers are legally obligated to take reasonable care to assure that their workplaces are safe, however, even when the utmost caution is taken, accidents happen. When they do, workers' compensation insurance provides coverage for the injured worker. The purpose of workers' compensation is to provide a system in which an injured worker or his dependents (in the event of a worker's death) can obtain financial assistance when the worker is injured at work. Workers' compensation assures that injured workers get medical care and compensation for a portion of the income they lose while they are unable to work. If a worker cannot access these benefits, they are left to cover the costs of their medical care and they and their families are impacted by their loss of income. Currently, undocumented workers are only eligible for medical benefits so they are largely left out of the workers compensation system in Michigan. In this working paper, we will explore the dynamics between immigrant and undocumented workers and risk in the workplace then estimate the economic impact of loss of wages on this population.

## Employment and Risk for Undocumented Workers

Foremost is understanding how undocumented workers are engaged in the workforce—namely what sectors they work in and their risk of injury in the workplace<sup>1</sup>. Research shows that undocumented workers are employed in the most dangerous sectors of employment: agriculture, construction, and manufacturing.<sup>2</sup> Even the seemingly less risky industries where immigrant and undocumented workers are employed, such as housekeeping and home health care, have risks of injury that are higher than the average of all industries combined.<sup>3</sup> Within these industries, immigrant workers often accept assignments for the hardest jobs with the highest risk, partially due to language barriers and fear of retaliation, pressures felt even more acutely by unauthorized workers. This can lead employers to push unauthorized workers even harder, knowing these workers have few other employment options.<sup>4,5,6,7</sup>

Consequently, immigrant and unauthorized immigrants not only work in the most dangerous industries, but also have higher rates of workplace injury, workplace fatalities, and work-related health

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<sup>1</sup> United Nations defines undocumented immigrants as "persons who do not fulfill the requirements established by the country of destination to enter, stay, or exercise an economic activity" whereas an immigrant is "any person who has changed his or her country of residence."

<sup>2</sup> Zuehlke E. (2009). Immigrants Work in Riskier and More Dangerous Jobs in the United States. Population Reference Bureau, <http://www.prb.org/Articles/2009/usimmigrantsriskyjobs.aspx?p=1>

<sup>3</sup> Bureau of Labor Statistics, 2019. Injuries, Illness, and Fatalities. United States Department of Labor, [https://www.bls.gov/web/osh/summ1\\_00.htm](https://www.bls.gov/web/osh/summ1_00.htm)

<sup>4</sup> Marin AJ, Grzywacz JG, Arcury TA, Carrillo L, Coates ML, Quandt SA. (2009). Evidence of Organizational Injustice in Poultry Processing Plants: Possible Effects on Occupational Health and Safety Among Latino Workers in North Carolina. *Am J Ind Med*, 52: 37–48.

<sup>5</sup> Anderson JT, Hunting KL, Welch L. (2000). Injury and Employment Patterns Among Hispanic Construction Workers. *J Occup Environ Med*, 42:176–186.

<sup>6</sup> Flynn MA, Eggerth DE, Jacobson CJ Jr. (2015). Undocumented Status as a Social Determinant of Occupational Safety and Health: The Workers' Perspective. *Am J Ind Med*, 58(11):1127-37.

<sup>7</sup> Friedman LS, Forst L. (2008). Ethnic Disparities in Traumatic Occupational Injury. *J Occup Environ Med*, 50:350–358.

problems.<sup>8,9,10,11</sup> Estimates of the rate of workplace injury for immigrant workers are about two to three the rate of injuries for native born workers.<sup>12,13</sup> These estimated rates are for all immigrant workers, but given that unauthorized immigrants face higher risk of retaliatory behavior for non-compliance than other immigrant workers, it is likely these are conservative estimates of workplace injury for undocumented workers.

### Access to Workers' Compensation

Coupled with employment in more dangerous industries and engagement in riskier tasks and the subsequently greater rates of workplace injury, immigrant workers are less likely to receive workers' compensation. One reason this occurs is that immigrant and undocumented workers are more likely to work in smaller firms where job-related injuries are routinely under-reported for all workers.<sup>14</sup> Another reason is that immigrant workers are less likely to file a claim for workers' compensation. For example, in a study of room cleaners, researchers found that, despite reporting the same level of work-related pain and missing work for pain, Hispanic workers and English as a Second Language workers (immigration status unknown) were less likely to report this pain to management.<sup>15</sup> Some estimates show that only 8% of injured undocumented workers made workers' compensation claims.<sup>16</sup> Additionally, in the instances that immigrant workers file claims, they are less likely to have their workers' compensation claim accepted.<sup>17,18</sup> For many would-be undocumented immigrant claimants, undocumented status is wielded as an overt threat against filing claims.<sup>19</sup> Additionally, many workers are unaware that workplace rights are extended to them and it is well-known that undocumented workers have a desire to avoid any

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<sup>8</sup> Ibid.

<sup>9</sup> Dong X, Platner JW. (2004). Occupational Fatalities of Hispanic Construction Workers from 1992 to 2000. *Am J Ind Med*, 45(1):45–54.

<sup>10</sup> Strong LL, Zimmerman FJ. (2005). Occupational Injury and Absence from Work Among African American, Hispanic, and Non-Hispanic White Workers in the National Longitudinal Survey of Youth. *Am J Public Health*, 95:1226–1232.

<sup>11</sup> Premji S, Krause M. (2010). Disparities by Ethnicity, Language, and Immigrant Status in Occupational Health Experiences Among Las Vegas Hotel Room Cleaners. *Am J Ind Med*, 53:960–975.

<sup>12</sup> Friedman LS, Forst L. (2008). Ethnic Disparities in Traumatic Occupational Injury. *J Occup Environ Med*, 50:350–358.

<sup>13</sup> Orrenius P, Zavodny M. (2009). Do Immigrants Work in Riskier Jobs? *Demography*, 46(3): 535-551.

<sup>14</sup> Bernhardt A, Milkman R, Theodore N, Heckathorn D, Auer M, DeFilippis J, Gonzalez AL, Narro V, Perelshteyn J, Polson D, Spiller M. (2009). Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities. New York, NY: National Employment Law Project.

<sup>15</sup> Premji S, Krause M. (2010). Disparities by Ethnicity, Language, and Immigrant Status in Occupational Health Experiences Among Las Vegas Hotel Room Cleaners. *Am J Ind Med*, 53:960–975.

<sup>16</sup> Bernhardt A, Milkman R, Theodore N, Heckathorn D, Auer M, DeFilippis J, Gonzalez AL, Narro V, Perelshteyn J, Polson D, Spiller M. (2009). Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities. New York, NY: National Employment Law Project.

<sup>17</sup> Herbert R, Janeway K, Schechter C. (1999). Carpal Tunnel Syndrome and Workers' Compensation Among an Occupational Clinic Population in New York State. *Am J Ind Med*, 35:335–342.

<sup>18</sup> Premji S, Krause M. (2010). Disparities by Ethnicity, Language, and Immigrant Status in Occupational Health Experiences Among Las Vegas Hotel Room Cleaners. *Am J Ind Med*, 53:960–975.

<sup>19</sup> Avendaño, Ana, and Marielena Hincapié. (2008). The Rollback of Immigrant Workers' Rights. <http://www.aflcio.org/mediacenter/speakout>

process that would reveal their status.<sup>20</sup> Together, this evidence points to very low rates of access to workers' compensation for undocumented workers.

To understand how these barriers may impact undocumented workers within the state of Michigan, the following section will first describe the undocumented population and then estimate how many workers are not accessing workers' compensation benefits for injuries received while working. Finally, we will estimate the amount of benefits these workers are not receiving and discuss how this impacts their families and communities.

### Description of Immigrant versus Undocumented Immigrant Population in Michigan

In some areas of the country, the country of origin of immigrant and undocumented immigrant populations resemble each other fairly closely. However, there are stark differences in area of origin for immigrants and undocumented immigrants in Michigan. Over half of immigrants in the state are from Asia, with the bulk of those immigrants coming from China and India. However half of undocumented immigrants are from Latin America, with over 75% arriving from Mexico. Additionally, the size of the undocumented population relative to the immigrant population is smaller in Michigan compared to other states like California (13% versus 26%).

**Table 1: Immigrants, Region and Country of Birth: Michigan, 2019**

	Immigrants	Undocumented Immigrants
<b>Total Population</b>	<b>700,925</b>	<b>91,000</b>
<b>Region of Birth</b>		
Born in Africa	36,640	5,000
Born in Asia	364,271	28,000
Born in Europe/Canada/Oceania	165,083	10,000
Born in Latin America (South America, Central America, Mexico)	101,117	47,000
Born in Caribbean	33,814	--
<b>Country of Birth-- Top Three</b>		
China	40,658	6,000
India	77,092	13,000
Mexico	82,227	36,000

Source: Migration Policy Institute analysis and estimates<sup>21</sup>

--too small to report

<sup>20</sup> Gleeson, S. (2010). Labor Rights for All? The Role of Undocumented Immigrant Status for Worker Claims Making. *Law & Social Inquiry*, 35(3), 561–602.

<sup>21</sup> Data is available here: <https://www.migrationpolicy.org/data/unauthorized-immigrant-population/state/MI> and here: <https://www.migrationpolicy.org/data/state-profiles/state/demographics/MI>

A little over half of undocumented immigrants have been in the United States for 10 or more years and 96% are working age. In general, the undocumented population is younger than both immigrants overall and the general population. While only 8% of undocumented immigrants are age 55 and above, 16% of both immigrants and all Michigan residents are 65 or older. Additionally, the undocumented population is more likely to have not finished high school compared to other immigrants and the general population. About 37% of undocumented immigrants in Michigan have less than a high school education versus 19.4% of all immigrants and 9% of all Michigan residents. Examining income and employment status of undocumented immigrants gives insight on dynamics between the basic characteristics of undocumented immigrants and their role in the economy of Michigan.

**Table 2: Basic Demographic Characteristics of Undocumented Immigrants: Michigan, 2019**

	Number*	Percent
<b>Years of U.S. Residence</b>		
Less than 5	24,000	27%
5 to 9	14,000	16%
10 to 14	18,000	20%
15 or more	35,000	38%
<b>Age</b>		
Under 16	4,000	4%
16 to 24	16,000	18%
25 to 34	24,000	27%
35 to 44	27,000	30%
45 to 54	12,000	13%
55 and over	7,000	8%
<b>Educational Attainment of Adults</b>		
Population ages 25 and older	71,000	
0-5 grade	9,000	12%
6-8 grade	9,000	13%
9-12 grade	8,000	12%
High school diploma or equivalent	14,000	20%
Some college or associate's degree	9,000	12%
Bachelor's, graduate, or professional degree	22,000	31%

Source: Migration Policy Institute analysis and estimates<sup>22</sup>

\*Some measures do not total to 102,000 due to rounding and missing data

Undocumented immigrants are poorer than both the general population and documented immigrants. Twenty-four percent of undocumented immigrants have incomes below the poverty line, which is about 10% higher than the poverty rate for both the general population in Michigan and

<sup>22</sup> Data can be found here: <https://www.migrationpolicy.org/data/authorized-immigrant-population/state/MI>

documented immigrants.<sup>23</sup> They are also much less likely to have health insurance; 37% of undocumented immigrants do not have health insurance compared to only 5% of the general population.<sup>24</sup> These disparities have even bigger implications when someone is injured in the workplace. Undocumented workers may not only lack access to workers' compensation, but they are also poorer and lack health insurance, which further inhibits their ability to seek treatment.

**Table 3: Poverty, Health Insurance, and Industry of Employment for Undocumented Immigrants: Michigan**

	Number	Percent
<b>Income to Poverty Ratio</b>		
Below 50% of the poverty level	14,000	15%
50-99% of the poverty level	9,000	10%
100-149% of the poverty level	15,000	16%
150-199% of the poverty level	9,000	10%
At or above 200% of the poverty level	44,000	48%
<b>Access to Health Insurance</b>		
Uninsured	33,000	37%
<b>Top Industries of Employment*</b>		
Manufacturing	12,000	22%
Accommodation and food services, arts, entertainment, and recreation	8,000	14%
Professional, scientific, management, administrative, and waste management services	7,000	12%
Construction	6,000	11%
Health services and social assistance	5,000	8%

Sources: Migration Policy Institute analysis and estimates

\* Based on all employed undocumented immigrants aged 16 and over, N=56,000

The top industry of employment for undocumented immigrants in both Michigan and most of the Midwest is manufacturing. Due to the cyclical nature of direct agricultural work in the state (classified as "farm work" by the Bureau of Economic Analysis) and its small share of the workforce in the state (only 1% of all jobs), agriculture does not emerge as a top industry for undocumented immigrants in these estimates. The only states where agriculture is the top industry of employment for undocumented immigrants were Idaho, Washington State, and Oregon.<sup>25,26</sup> While undocumented immigrants make up a disproportionate share of the agricultural labor force, the numbers are too small to measure when put in context with the other industries of employment in the state.

<sup>23</sup> Social Explorer Tables: ACS 2019 (5-Year Estimates)(SE), ACS 2019 (5-Year Estimates), Social Explorer; U.S. Census Bureau

<sup>24</sup> Undocumented workers can purchase private health insurance, but they must do so outside of the federal Health Insurance Marketplace and are ineligible for Affordable Care Act subsidies.

<sup>25</sup> Bureau of Economic Analysis, State Employment Tables, 2019.

<https://www.bea.gov/data/employment/employment-by-state>

<sup>26</sup> Settling In: A Profile of Unauthorized Immigration in the United States. Fact Sheet. Migration Policy Institute, 2019 <https://www.migrationpolicy.org/research/profile-unauthorized-immigrant-population-united-states>

However, we may want to temper these estimates with other studies that show that about 33% of farmworkers are unauthorized to work in the United States.<sup>27</sup> Applying this percentage to the number of farmworkers in Michigan (65,390), there could be about 21,500 unauthorized farm workers in the State of Michigan during the course of a year.<sup>28</sup> It is unclear whether these workers reside in the state year-round or if they find employment in other fields during other seasons and are absorbed into the estimates for the other industries. However, they will be considered in the analysis going forward along with the other estimates of undocumented immigrants.

### Undocumented Workers and Exposure to Risk

Immigrants are disproportionately over-represented in industries, such as agriculture and construction, that have higher rates of injury and fatalities, and they are more likely to be engaged in riskier tasks within those industries.<sup>29</sup> Thus, all immigrants are more vulnerable to workplace injury, and undocumented immigrants are likely more so, since they are likely doing the least desirable jobs. Examining the level of risk of workplace injuries in the industries where most undocumented workers are employed in Michigan will give us some insight on the number of people impacted by the lack of access to workers' compensation benefits.

**Table 4: Incidence Rates of Nonfatal Occupational Injuries and Illnesses for Selected Industries by Case types, 2019**

	Cases per 100 workers	Cases with days away from work, job restriction, or transfer			Other recordable cases
		Total	Cases with days away from work	Cases with days of job transfer or restriction	
Manufacturing	3.3	2	0.9	1.1	1.3
Construction	2.8	1.7	1.1	0.6	1.1
Accommodation and food services, arts, entertainment, and recreation	3.6	1.8	1	0.8	1.8
Professional, scientific, management, administrative, and waste management services	2.5	1.7	1.05	0.65	0.8
Health care and social assistance	3.8	1.7	1	0.7	2.1
<i>Agriculture, forestry, and fishing</i>	5.2	3.2	1.7	1.5	2.0

Source: Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, in cooperation with participating state agencies, [https://www.bls.gov/web/osh/summ1\\_00.htm](https://www.bls.gov/web/osh/summ1_00.htm)

<sup>27</sup> Department of Labor, Findings from the National Farm Workers Survey, 2017-2018. <https://www.dol.gov/agencies/eta/national-agricultural-workers-survey/research>

<sup>28</sup> Bureau of Economic Analysis, State Employment Tables, 2019. <https://www.bea.gov/data/employment/employment-by-state>

<sup>29</sup> Orrenius PM, Zavodny M. (2009). Do Immigrants Work In Riskier Jobs? *Demography*, 46(3):535-551. doi:10.1353/dem.0.0064

The top industries for undocumented workers have annual injury rates that range from 2.5 to 5.2 per hundred workers. This means that over the course of a year, a full-time worker has a 2.5 to 5.2% chance of being injured on the job, however, not all of these injuries result in days away from work or days of work restriction. About 1.7 to 3.2% of workers sustain injuries that prevent or restrict work, and a majority of these injuries require days away from work.

Applying these rates to undocumented workers in Michigan, relying on the estimates of numbers from the Migration Policy Institute, we find that about 1,200 undocumented non-agricultural workers in the top industries of employment are injured annually at work and that about 380 are injured to a degree that requires them to miss days of work. When we consider the impact of additional undocumented farm workers, that number nearly doubles. Since these numbers are dependent on reporting by all workers in these industries and we know that immigrant workers are often engaged in riskier tasks, this may be underestimating the number of workers who are injured. Additionally, undocumented workers are poorer and less likely to have insurance compared to other immigrants and the general population, so they are further made vulnerable by their lack of access to the workers' compensation system.

**Table 5: Estimated Number of Undocumented Workers Injured in a Year: Michigan**

	Number of Undocumented Workers	Rate of Injury	Number of Workers Injured	Rates of Injury that Result in Days Away from Work	Number of Workers Injured that Experience Days Away from Work
<b>Top Industries of Employment</b>					
Manufacturing	12,000	3.3	396	0.9	108
Accommodation and food services, arts, entertainment, and recreation	8,000	2.8	224	1.1	88
Professional, scientific, management, administrative, and waste management services	7,000	3.6	252	1	70
Construction	6,000	2.5	150	1.05	63
Health services and social assistance	5,000	3.8	190	1	50
Agriculture, forestry, and fishing	21,500	5.2	1,118	1.5	323

*Source: Estimates based on data from the Bureau of Labor Statistics and Estimates from the Migration Policy Institute cited above*

### **Loss of Workers' Compensation Sustained by Injured Undocumented Workers**

When undocumented workers are unable to work due to a work injury and unable to access the workers' compensation system, they are placed in an especially vulnerable position. Since about 25% of undocumented workers have incomes below the Federal Poverty Line and an additional 16% are barely above that threshold, it suggests about 40% of these workers have no savings to cushion the loss of wages. Applying this to the number of workers injured and unable to work, this translates to about 175 to 288. Even for those living above the threshold of poverty, wage loss can push a worker into economic jeopardy, which can be compounded if the worker also lacks health insurance that would allow them to

seek treatment for their injury. Understanding the overall economic costs to these workers is integral to building a path forward to provide assistance.

**Table 6: Number of Days Away from Work by Industry**

Industry	Percent of Workers Who Are Unable to Work:				Average Daily Benefit
	8 to 10 days	11 to 20 days	21 to 30 days	31 or more days	
Manufacturing	6.8%	12.2%	6.1%	28.3%	\$ 218.72
Accommodation, food services, arts, entertainment, and recreation	6.4%	9.5%	5.4%	22.9%	\$ 106.40
Professional, scientific, management, administrative, and waste management services	6.0%	9.7%	5.8%	27.2%	\$ 177.28
Construction	6.1%	9.7%	9.0%	34.1%	\$ 224.56
Health care and social assistance	7.7%	10.7%	5.9%	24.1%	\$ 177.28
Agriculture, forestry, fishing and hunting	7.0%	13.8%	6.5%	23.7%	\$ 118.24

Sources: Survey of Occupational Injuries and Illnesses Data, 2019. Bureau of Labor Force Statistics. <https://www.bls.gov/iif/soii-data.htm#dafw>; Michigan Department of Technology, Management, and Budget, <https://milmi.org/DataSearch/Average-Weekly-Wages>

Relying on data from the Survey of Occupational Injuries and Illnesses, we can discern the length of time that workers injured in specific industries are unable to work. The largest proportions of injuries in all industries result in being out of work for more than 30 days. It is notable that while workers in the construction industry have the lowest rates of injury of the major industries where undocumented workers are employed, over a third of the workers injured are out of work for more than 30 days. These workers also have the highest incomes so their loss of wages has a very large impact on their families.

We can apply these percentages to the estimates of the number of undocumented workers who are injured and unable to work in Michigan to estimate the number of days injured workers spend not working. Then, we can calculate the amount of wages lost by applying the estimated workers' compensation benefit based on the average wage for the industry to the number of days spent outside the workforce.

To calculate the dollars lost in workers' compensation by undocumented workers, we used the midpoint of the day ranges as our multiplier, with the exception of the 31 or more day category. To calculate workers' compensation lost by these workers, we relied on the fact that at the six month point of a workers' compensation case, workers can reach a settlement with their employer. We assumed that time out of work for these workers was evenly distributed across the 1-to-6-month period. Using this method, we find that in the five main industries that employ undocumented workers in Michigan, the estimated 379 injured undocumented workers lose close to \$2.6 million in wage benefits because they do not have access to the workers' compensation system. This amounts to about \$6,800 in wage benefits lost per worker.

**Table 7: Number of Workers Impacted and Estimated Value of Workers' Compensation Wage Benefits Lost**

Industry	Total Number of Workers	Number of Workers by Length of Time Unable to Work			
		8 to 10 days	11 to 20 days	21 to 30 days	31 or more days
<b>Number of Workers Impacted</b>					
Manufacturing	108	7	13	7	31
Accommodation, food services, arts, entertainment, and recreation	88	6	8	5	20
Professional, scientific, management, administrative, and waste management services	70	4	7	4	19
Construction	63	4	6	6	22
Health care and social assistance	50	4	5	3	12
Agriculture, forestry, fishing and hunting	323	22	45	21	77
Industry	Average Daily Benefit	Estimated Workers Compensation Benefit by Length of Time Unable to Work			
		8 to 10 days	11 to 20 days	21 to 30 days	31 or more days
<b>Estimated Workers Compensation Benefits</b>					
Manufacturing	\$218.72	\$13,779	\$42,650	\$38,276	\$813,638
Accommodation, food services, arts, entertainment, and recreation	\$106.40	\$5,746	\$12,768	\$13,300	\$255,360
Professional, scientific, management, administrative, and waste management services	\$177.28	\$6,382	\$18,614	\$17,728	\$404,198
Construction	\$224.56	\$8,084	\$20,210	\$33,684	\$592,838
Health care and social assistance	\$177.28	\$6,382	\$13,296	\$13,296	\$255,282
Agriculture, forestry, fishing and hunting	\$118.24	\$23,412	\$79,812	\$62,076	\$1,092,538

Source: Survey of Occupational Injuries and Illnesses Data, 2019. Bureau of Labor Force Statistics. <https://www.bls.gov/iif/soii-data.htm#dafw>, Michigan Department of Technology, Management, and Budget, <https://milmi.org/DataSearch/Average-Weekly-Wages>

To put these lost benefits into perspective, for a single person, the poverty line was \$13,590 in 2023, and 40% of undocumented workers have incomes that fall below 150% of the poverty line or \$20,385. The loss of \$6,800 in income is equal to at least a third of their income. These workers are already at high risk for homelessness and food insecurity; these risks escalate when they are injured at work and cannot access workers' compensation benefits. We should also consider that these estimates do not include the impact of fatal injuries on the families of undocumented workers. The rate of fatal work accidents is too low to calculate estimates, but clearly, the complete loss of a breadwinner has a significant economic effect on these families who have no recourse to gain compensation. Additionally, if family members are undocumented, they are not eligible for public benefit programs, placing them in dire straits.

In addition to loss of income, these unprotected workers do not have access to the medical benefits that come with workers' compensation. Research on medical expenditures associated with occupational injuries among immigrant and U.S. born workers shows that higher income and insured workers are more likely to seek treatment.<sup>30</sup> Consequently, uninsured workers are least likely to seek treatment, however when they do, their costs are about \$1,900.<sup>31</sup> When the loss of wages is compounded by uncompensated medical benefits, it is clear that this can devastate someone who is already poor and vulnerable.

### Other Impacts

Overall, medical expenses related to workplace injuries for undocumented workers would appear to total about \$720,100 a year in the state of Michigan.<sup>32</sup> In many cases, undocumented workers may be unable to pay for these expenses. When undocumented workers are unable to cover the costs of their medical care, hospitals are usually the ones forced to cover the costs of this care. The Government Accountability Office attempted to estimate undocumented immigrants' impact on hospitals' uncompensated care costs, but it found that there was not enough information in medical records to produce an estimate. However, the information GAO was able to collect suggested that most of hospitals' emergency Medicaid expenditures were for undocumented immigrants.<sup>33</sup> This finding is backed up by research on emergency Medicaid expenditures in North Carolina, which found that 99% of the patients receiving these services were undocumented.<sup>34</sup> Unfortunately, states do not publish data on how much of Medicaid spending goes toward emergency Medicaid spending. Consequently, we are unable to calculate how much of the estimated \$720,100 in medical expenses are borne by emergency Medicaid.

Limiting workers' compensation for undocumented workers has impacts beyond those experienced by the individual worker. The workers' compensation system operates best when all workers are covered; the system is designed to strike a balance between giving workers the right to lost wages and medical care and limiting liability for businesses. When there are workers who lack access to the workers' compensation system (and hesitancy to sue), it can create incentives to ignore safety and health measures, which puts everyone in the workplace at greater risk of injury.

Additionally, our analysis ignores the substantial impact undocumented workers have on the economy and the loss of their contributions when they are unable to work. One estimate puts the contribution of undocumented workers at 3% of the private sector Gross Domestic Product annually.<sup>35</sup> Michigan's private

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<sup>30</sup> Xiang H, Shi J, Lu B, Wheeler K, Zhao W, Wilkins JR 3rd, Smith GA. (2012) Medical Expenditures Associated With Nonfatal Occupational Injuries Among Immigrant and U.S.-born Workers. *BMC Public Health*, 12:678. doi: 10.1186/1471-2458-12-678. PMID: 22905938; PMCID: PMC3490770.

<sup>31</sup> Ibid.

<sup>32</sup> \$1,900 multiplied by 379

<sup>33</sup> US Government Accountability Office (2004). Undocumented Aliens: Questions Persist About Their Impact on Hospitals Uncompensated Care Costs. (GAO 04-472).

<sup>34</sup> DuBard, C. A., & Massing, M. W. (2007). Trends in Emergency Medicaid Expenditures for Recent and Undocumented Immigrants. *Jama*, 297(10), 1085-92. doi:http://dx.doi.org/10.1001/jama.297.10.1085

<sup>35</sup> Edwards, R and Ortega, F. (2017). Economic Contribution of Unauthorized Workers: An Industry Analysis. *Regional Science and Urban Economics*, 67: 119-134.

sector GDP in 2019 was about \$426 million dollars, which suggests that undocumented workers could contribute up to \$12.8 million dollars to the economy annually.<sup>36</sup> Given the large contribution workers make to the economy, it is cost beneficial to provide workplace protections to ensure they are able to participate in the workforce.

## Conclusions

Access to workers' compensation provides workers with a safety net when injured at work. Without access to medical care and lost wages, all workers can suffer extreme hardship. However, because of their lower incomes and lack of access to public benefits, undocumented workers are even more vulnerable than the general population and likely to be unable to feed themselves and their families and maintain their housing situation when they suffer a work injury.

These estimates of lost wages for undocumented workers due to workplace injuries are extremely conservative—the true impacts are likely higher for a number of reasons. First, undocumented immigrants are more likely to engage in riskier jobs within their industries, thus their rate of injury is probably higher than the industry averages reported by the Bureau of Labor Statistics. While undocumented workers cannot access the workers' compensation system, they can be reimbursed for work-related injuries. It is unclear whether they realize that this workplace protection is extended to them; research suggests that they do not.<sup>37</sup> Other research shows that when injured at work, only 8% of undocumented workers injured on the job file a claim.<sup>38</sup> Thus, these estimates likely underestimate the true medical costs since they are based on the low rates at which uninsured immigrant workers seek medical care when injured at the workplace. Extending full workers' compensation benefits to the undocumented population would likely result in more workers having their medical costs covered in addition to wage compensation. Lastly, these estimates do not include the value of workers' compensation settlements that can occur after a worker has been out of work for six months. Lack of access to long-term benefits when a worker is permanently injured may have a lifetime financial impact on a worker and their family, which are costs not included in these estimates.

Research on workers compensation among immigrant workers suggests that extending benefits to undocumented workers will require education and outreach to have an impact. And the low rates of filing for compensation and claim acceptance for immigrant workers indicates that all immigrant workers could use more support in obtaining workers' compensation when injured on the job. However, undocumented workers face even larger hurdles and wage loss has a larger impact on this population that is poorer and younger than other immigrants.

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<sup>36</sup> US Bureau of Economic Analysis, Gross Domestic Product by State, 4<sup>th</sup> Quarter and Annual 2019, <https://apps.bea.gov/regional/histdata/releases/0420gdpstate/index.cfm>

<sup>37</sup> Gleeson, S. (2010). Labor Rights for All? The Role of Undocumented Immigrant Status for Worker Claims Making. *Law & Social Inquiry*, 35(3), 561–602.

<sup>38</sup> Bernhardt A, Milkman R, Theodore N, Heckathorn D, Auer M, DeFilippis J, Gonzalez AL, Narro V, Perelshteyn J, Polson D, Spiller M. (2009). Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities. New York, NY: National Employment Law Project.