



NEWS RELEASE

Embargoed for release:
12:01 a.m. ET
Friday, June 8, 2012

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AN ESTIMATED 6.6 MILLION YOUNG ADULTS STAYED ON OR JOINED THEIR PARENTS' HEALTH PLANS IN 2011 WHO WOULD NOT HAVE BEEN ELIGIBLE PRIOR TO PASSAGE OF THE AFFORDABLE CARE ACT

When Fully Implemented, the ACA Will Cover Nearly All Remaining Uninsured Young Adults and Provide Protection Against Medical Debt

June 8, 2012, New York, NY—In 2011, 13.7 million young adults ages 19 to 25 stayed on or joined their parents' health plans, including 6.6 million who would likely not have been able to do so before passage of the Affordable Care Act, according to a new Commonwealth Fund report.

However, not all young adults have parents with health plans they can join, and many still experience gaps in coverage and face medical bill problems and medical debt. Nearly two of five (39%) young adults ages 19 to 29 went without health insurance at some time in 2011, and more than one-third (36%) had medical bill problems or were paying off medical debt. Of those who reported problems with medical bills or debt, many faced serious financial consequences such as using all of their savings (43%), being unable to make student loan or tuition payments (32%), delaying education or career plans (31%), or being unable to pay for necessities such as food, heat, or rent (28%).

The report, [*Young, Uninsured and in Debt: Why Young Adults Lack Health Insurance and How the Affordable Care Act Is Helping*](#), finds that 13.7 million young adults stayed on or joined their parent's health plans from November 2010 to November 2011, with about half of those likely gaining coverage because of the provision in the Affordable Care Act requiring that health plans that include dependent coverage insure children until age 26.

Young adults in low-income households were most at risk for remaining uninsured. Seventy percent of young adults with incomes under 133 percent of poverty (\$14,484 for a single person) had a gap in coverage in 2011, more than three times the rate of those with incomes over 400 percent of poverty (\$43,560 for a single person). Only 17 percent of young adults ages 19–25 in low-income families stayed on or joined their parents' plans, compared with 69 percent of young adults in the highest income households. Young adults over 25 cannot take advantage of the early provision.

“While the Affordable Care Act has already provided a new source of coverage for millions of young adults at risk of being uninsured, more help is needed for those left behind,” says Commonwealth Fund Vice President Sara Collins, lead author of the report. “The law’s major insurance provisions slated for 2014, including expanded Medicaid and subsidized private plans through state insurance exchanges, will provide nearly all young adults across the income spectrum with affordable and comprehensive health plans.”

Many Young Adults Accumulate Medical Debt; Delay Getting Needed Care

The report finds that more than one-third of all young adults ages 19–29 are coping with medical bill burdens just at the beginning of their working lives. Of those young adults with medical bill problems or who were paying off medical debt, 70 percent reported financial consequences such as using up all their savings, having to ask family members for help, taking on credit card debt, being unable to meet other debt obligations, or delaying education or career plans. Those who were uninsured or had a gap in coverage were at greatest risk: half (51%) of young adults who were uninsured when surveyed and nearly half (44%) with a gap in coverage during the year had a medical bill problem or medical debt.

The amount of medical debt was often substantial. One-quarter of young adults who were paying off medical debt owed \$4,000 or more, and 15 percent reported \$8,000 or more in debt. Among those with a gap in coverage during the year who were paying off debt, 31 percent had \$4,000 or more of medical debt, 21 percent had \$8,000 or more, and 11 percent had \$10,000 or more.

Regardless of whether they had insurance, many young adults skipped or delayed getting needed health care because of cost. Two of five (41%) young adults said they did not fill a prescription; skipped a medical test, treatment, or follow-up visit recommended by a doctor; did not go to a doctor when sick; or did not get needed specialist care because of cost. Those who were uninsured or who had a gap in coverage were at greatest risk: 60 percent of young adults who were uninsured when surveyed and 56 percent of those who had an insurance gap during the year did not get needed care because of cost, compared with 29 percent of young adults who were insured all year.

Without Insurance, Young Adults Lose Contact with Health Care Providers

While 85 percent of young adults with continuous insurance coverage reported having a regular doctor or place of care, that rate fell to 72 percent for those with gaps in coverage during the year and to 38 percent for those without insurance at the time of the survey. Similarly, rates of preventive care, including weight and blood pressure checks, were lower for those with any coverage gaps and continued to drop for young adults without insurance.

Timely use of dental care also varied depending on whether young adults had insurance. Young adults who were continuously insured under a plan that included dental coverage had the highest rates of dental care: three-quarters (76%) had had a dental check-up in the past year. Only 54

percent of those who had a gap in their insurance coverage in the past year and just 28 percent of those who were uninsured at the time of the survey had had a dental exam.

Affordability a Major Barrier to Health Care for Young Adults

The report findings suggest that young adults are likely to enroll in health plans in large numbers when new affordable options become available under the Affordable Care Act in 2014. In addition to millions of young adults enrolling in their parents' policies over the past year, nearly two-thirds of working young adults ages 19–29 who were eligible for coverage through their jobs enrolled in their employers' health plans. The main reasons for not taking up employer coverage included being covered under a parent's or spouse's policy or not being able to afford the coverage. Just 6 percent of young adults said they did not need coverage.

“Clearly, young adults recognize the value of health insurance that provides protection against burdensome medical debt and access to needed health care,” said Commonwealth Fund President Karen Davis. “The Affordable Care Act will provide all Americans with affordable coverage, and help young adults achieve healthy, productive, and financially secure futures.”

The report by Commonwealth Fund researchers Sara Collins, Ruth Robertson, Tracy Garber, and Michelle Doty, is the third in a series called *Tracking Trends in Health System Performance* that The Commonwealth Fund will release over the next several years. Subsequent surveys will revisit the same respondents to track their experiences as the Affordable Care Act is implemented.

Methodology

This is the third report based on a new series of longitudinal, nationally representative online tracking surveys launched by The Commonwealth Fund this year that will follow randomly selected panels of adults to examine changes in their health insurance coverage and health care as the Affordable Care Act is implemented.

The Commonwealth Fund Health Insurance Tracking Survey of Young Adults, 2011, was conducted online between November 4 and November 24, 2011, by Knowledge Networks, among a representative sample of adults ages 19 to 29. The survey sample was drawn from KnowledgePanel—a probability-based online panel that is representative of the U.S. population and includes cell-phone only and low-income households that are typically difficult to reach using traditional telephone surveys and random digit dialing (RDD) sampling.

The survey was completed by 1,863 respondents, yielding a 54 percent completion rate among sampled respondents. Statistical results are weighted to correct for the study's sample design and for survey nonresponse. The sample is representative of the approximately 46.6 million U.S. adults ages 19 to 29. The survey has an overall margin of sampling error of +/- 3 percentage points at the 95 percent confidence level.

The Commonwealth Fund is a private foundation supporting independent research on health policy reform and a high performance health system.