

## **2.5 Million More Young Adults Have Coverage Thanks to Health Law**

By: Kathleen Sebelius on December 14, 2011

As a parent, nothing gives us more peace of mind than knowing that our children can pursue their dreams without unfair limitations. This is why I'm excited to announce that millions more young adults in America now have health insurance coverage thanks to the health care law – enabling them to pursue their goals without worrying about what will happen if they get sick.

The provision in the law allowing young adults to remain on their parents' health insurance until age 26 has resulted in 2.5 million young people gaining coverage, according to [analysis based on new data](#) released today by the National Center for Health Statistics.

Families around the country are benefitting from this part of the law, including families like the Houghs, whose daughter Natalie was diagnosed with a rare heart condition after suffering a cardiac arrest at school. Her condition requires a lifetime of medication and care. There was a day when this diagnosis would mean insurance companies would either not cover Natalie or would offer her unaffordable plans. It would mean that Natalie and her family would have to keep paying, or face the unimaginable alternative.

Now, thanks to the health care law, Natalie can stay on her family's plan and has started college. And, by the time she turns 26, it will be illegal for a plan to deny coverage to anyone, regardless of their health and Natalie will have access to quality, affordable care.

Today's news is more evidence of the good things the health care law is doing for young people and their families. More young adults in this country can now go on and live their lives with less worry about visiting their doctor when they get sick, or incurring catastrophic medical bills if they are in an accident. And for us parents, this lets us breathe a sigh of relief.

*Kathleen Sebelius is the Secretary of Health and Human Services*



# ASPE

## ISSUE BRIEF

### 2.5 MILLION YOUNG ADULTS GAIN HEALTH INSURANCE DUE TO THE AFFORDABLE CARE ACT

Results released today by the National Center for Health Statistics demonstrate that the extension of dependent coverage up to age 26 has increased the number of young adults with health insurance, by even more than prior analyses had suggested.<sup>1</sup> This policy, enacted as part of the Affordable Care Act, took effect for insurance plan renewals beginning on September 23, 2010, and was designed to address the fact that young adults have traditionally been the age group least likely to have health insurance. These new estimates show that from September 2010 to June 2011, the percentage of adults 19 to 25 with insurance coverage increased from 64% to 73%, which translates into 2.5 million additional young adults with coverage.<sup>2</sup> This shows a marked continuation of the coverage gains from the Affordable Care Act; estimates based on data from earlier in the year showed that this provision of the Act had led to the extension of coverage to one million young adults.<sup>3</sup>

The data from the June 2011 National Health Interview Survey (NHIS) released today include the first official comparisons of trends between adults ages 19 to 25 and slightly older adults, ages 26 to 35 (Figure 1).<sup>4</sup> The percent of adults 26 to 35 with insurance coverage was stable, at 72%, from September 2010 to June 2011; coverage rose only among those adults affected by the policy. This comparison makes it clear that the increase in coverage among 19 to 25 year-olds can be directly attributed to the Affordable Care Act's new dependent-coverage provision. Furthermore, the coverage gain for young adults was entirely due to an increase in private coverage (from 49% to 58%), with no change in Medicaid coverage during this period.

<sup>1</sup> Martinez ME, Cohen RA. Health insurance coverage: Early release of estimates from the National Health Interview Survey, January–June 2011. National Center for Health Statistics. December 2011. (Accessed at <http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201112.pdf>)

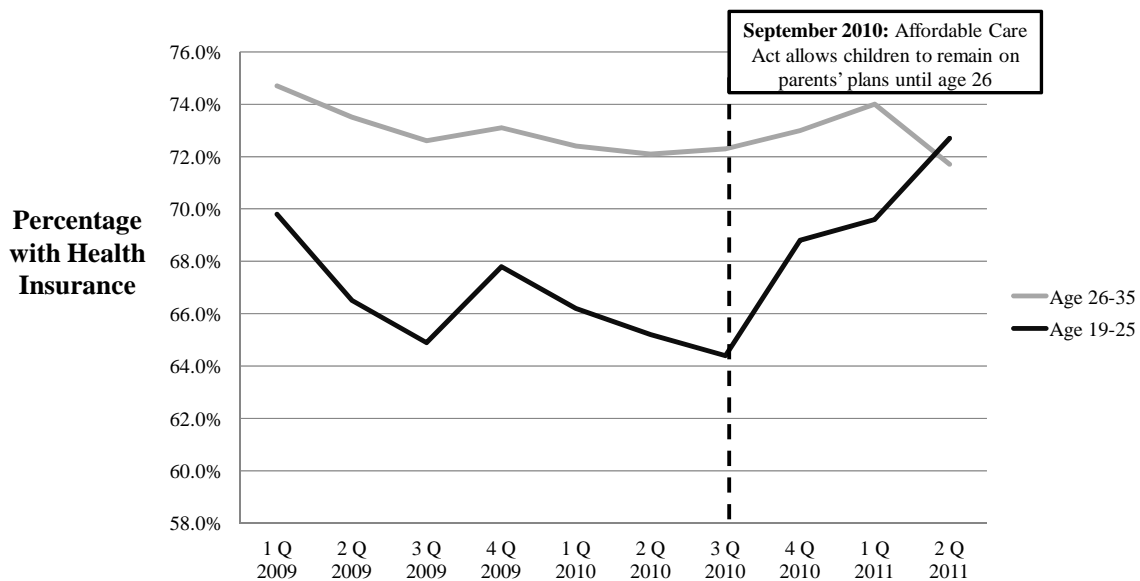
<sup>2</sup> There are 29.7 million adults in this age group, as of the most recent Census data (see footnote 5). There was an 8.3% increase in insured young adults (64.4% to 72.7%) from Q3 2010 to Q2 2011. 8.3% of 29.7 million is 2.5 million young adults. The total number of uninsured young adults in NHIS data went from 10.0 million in all of 2010 to 8.7 million in the first half of 2011, but this includes population growth and does not account for the cumulative effect of the policy change, which is better demonstrated by comparing Q3 of 2010 and Q2 of 2011.

<sup>3</sup> “One million young adults gain health insurance in 2011 because of the Affordable Care Act.” Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, 2011. (Accessed at <http://aspe.hhs.gov/health/reports/2011/DependentCoverage/ib.shtml>.)

<sup>4</sup> Cohen RA, Martinez ME. Health insurance coverage status for young adults by age group, year, and quarter, January 2008 – June 2011. National Center for Health Statistics. December 2011. (Accessed at [http://www.cdc.gov/nchs/health\\_policy/coverage\\_and\\_access.htm](http://www.cdc.gov/nchs/health_policy/coverage_and_access.htm))

The trends in the NHIS data are consistent with estimates from other earlier surveys that have shown an increase in the number and percentage of young adults 19 to 25 with health insurance coverage. Specifically, the Census Bureau and the Gallup-Healthways Well-Being Index Survey, as well as the NHIS release of data through March 2011, reported similar trends through early 2011.<sup>5,6</sup> Today’s results show that the initial gains from this policy have continued to grow as further plan renewals took effect.

**Figure 1**  
**Percentage of Young Adults With Health Insurance, 2009-2011 by Quarter & Age Group**



**Source:** CDC/NCHS, National Health Interview Survey, 2009 – 2011, Family Core component. Based on data prepared by Robin A. Cohen and Michael E. Martinez of the Division of Health Interview Statistics, National Center for Health Statistics, Centers for Disease Control and Prevention.

<sup>5</sup> DeNavas-Walt C, Proctor BD, Smith JC. Census Bureau, Current Population Reports, P60-239, Income, Poverty, and Health Insurance Coverage in the United States: 2010, Government Printing Office, Washington, DC, 2011.

<sup>6</sup> Gallup-Healthways Well-Being Index. In U.S., Significantly Fewer 18- to 25-year-olds Uninsured. 21 September 2011. Available from: <http://www.gallup.com/poll/149558/Significantly-Fewer-Year-Olds-Uninsured.aspx>