

Health Reform: What's in It for Young Adults?

The Basics

Young adults (19-29) make up nearly one-third (31%) of all of the uninsured in New York, and are nearly twice as likely to be uninsured than adults aged 30-64.¹

The new health law does several things to reduce the number of people without insurance and bring down the cost of health. Specifically, it will:

- Require everyone to have insurance by 2014.
- Create health insurance Exchanges for individuals and small businesses. These will help businesses and families compare discounted insurance plans, prices, and benefits.
- Provide subsidies to help low- and middle-income people, who don't have an employer based health coverage, pay for coverage.

There are also a few provisions in the law that are designed specifically for young adults:

Expansion of Family Coverage

Currently, most health plans allow children to stay on their parent's plan until the age of 19 (or until they graduate from college). Starting in September 2010, parents may keep their adult children on their plan until they turn 26—regardless if they are in college or married, provided they have no other offers of coverage. However, coverage will be limited to the adult child only, not that child's spouse or children.

Young adults may now keep dependent coverage under their parent's plans until age 26.



The new law will give young adults more options for health coverage.

Starting in 2014, those below 26 who have other offers of coverage will also have the choice of keeping dependent coverage.

New Yorkers between the age of 26 and 29 can already also elect to keep coverage through their parents' employer through a COBRA-like benefit. With this option, the young adults or their parent will be responsible for a separate (more expensive) premium. In order to qualify for this option, young adults must not be married or eligible for coverage elsewhere.

Eligibility for low-cost plan

Starting in 2014, young adults below the age of 30 years who have received an affordability or hardship exemption will also have the option to purchase a low-cost "catastrophic" health plan. This plan will have a high deductible (up to \$5,950 for an individual), but once the deductible has been met it will include the basic 'essential health package' required of all health plans sold on the insurance Exchange under the new law.

However, this plan must still offer at least three primary care visits per year—not subject to the deductible.

¹ 28% of young adults aged 19-29 are uninsured in New York, compared to only 15% of adults aged 30-64. Source: US Bureau of the Census, 2008 Current Population Survey, Annual Social and Economic Supplement, weighted by 2006-2008 CPS ASEC blend.

Join Health Care For All New York (HCFANY) by going to:

www.hcfany.org

This fact sheet was prepared for Health Care For All New York by the Community Service Society of New York (CSS): www.cssny.org