

Household Poverty and Young Adult Utilization of the Dependent Coverage Provision of the Affordable Care Act

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Introduction

This study seeks to identify the effects of the Dependent Coverage Provision on insurance coverage for young adults by describing group changes in:

- 1) Uninsurance;
- 2) Types of health insurance; and
- 3) Sources of private insurance for young adults;

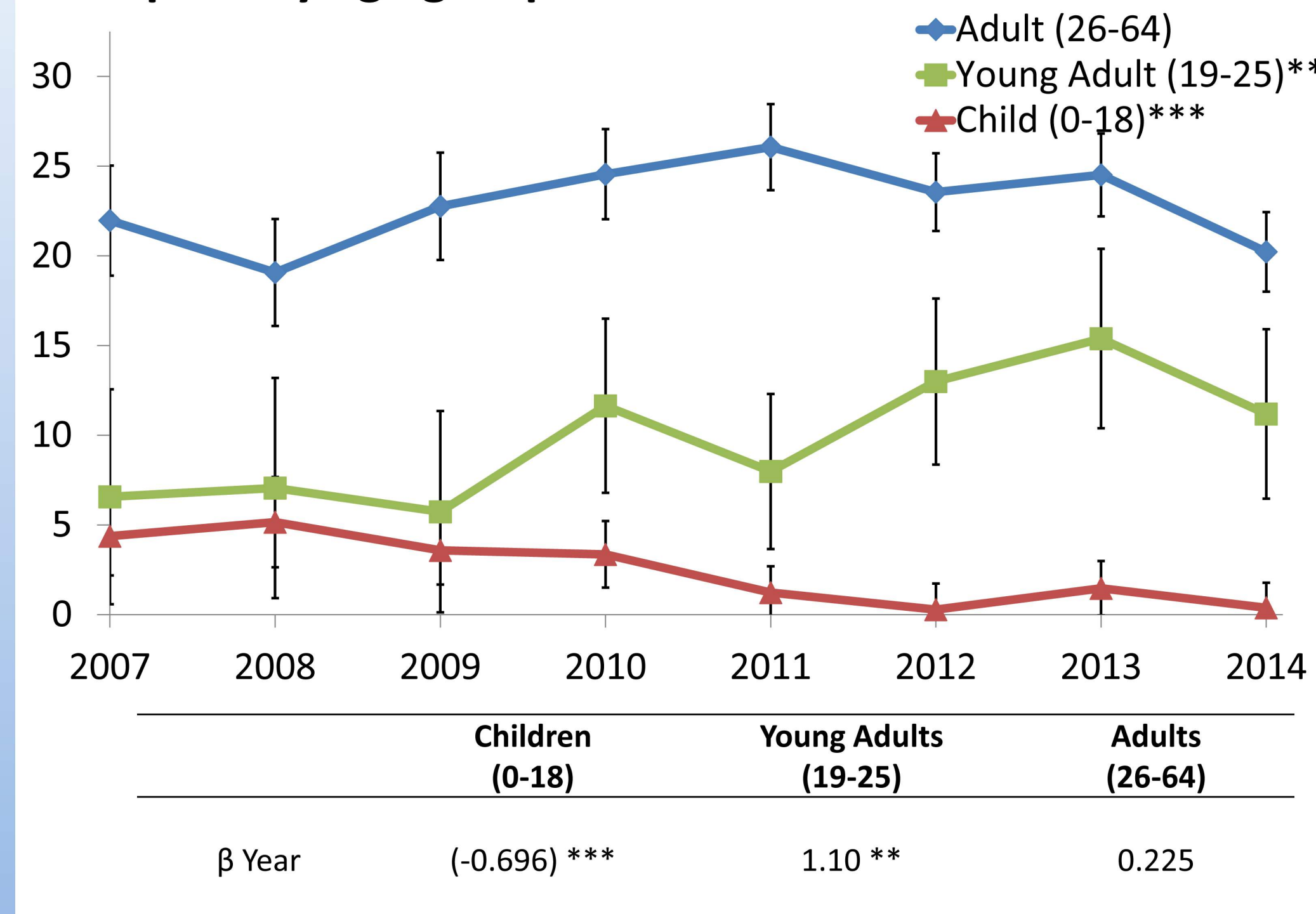
based on the household's position relative to Federal Poverty Level (FPL), before and after the implementation of the Dependent Coverage Provision.

Data and Methods

- Data from 2007 to 2014 Integrated Health Interview Series (IHIS), harmonized version of National Health Interview Survey created by Minnesota Population Center.
- *Time Trends:* Linear models regressed on year by subpopulation. Significance levels are for coefficient of year. Analyses look at two measures of uninsurance by household income.
- *Changes from Pre-Reform Period:* Mean differences between pooled years 2007-2009 (Pre-Reform) and 2011-2013 (Post-Reform) evaluated using two-sample t-tests. Analyses look at measures of insurance access and composition.
- *Covariates:* IHIS provides wealth of demographic information, including region of residence, U.S. citizenship, race/ethnicity, gender, self-reported health status, educational attainment and limitation by chronic condition.

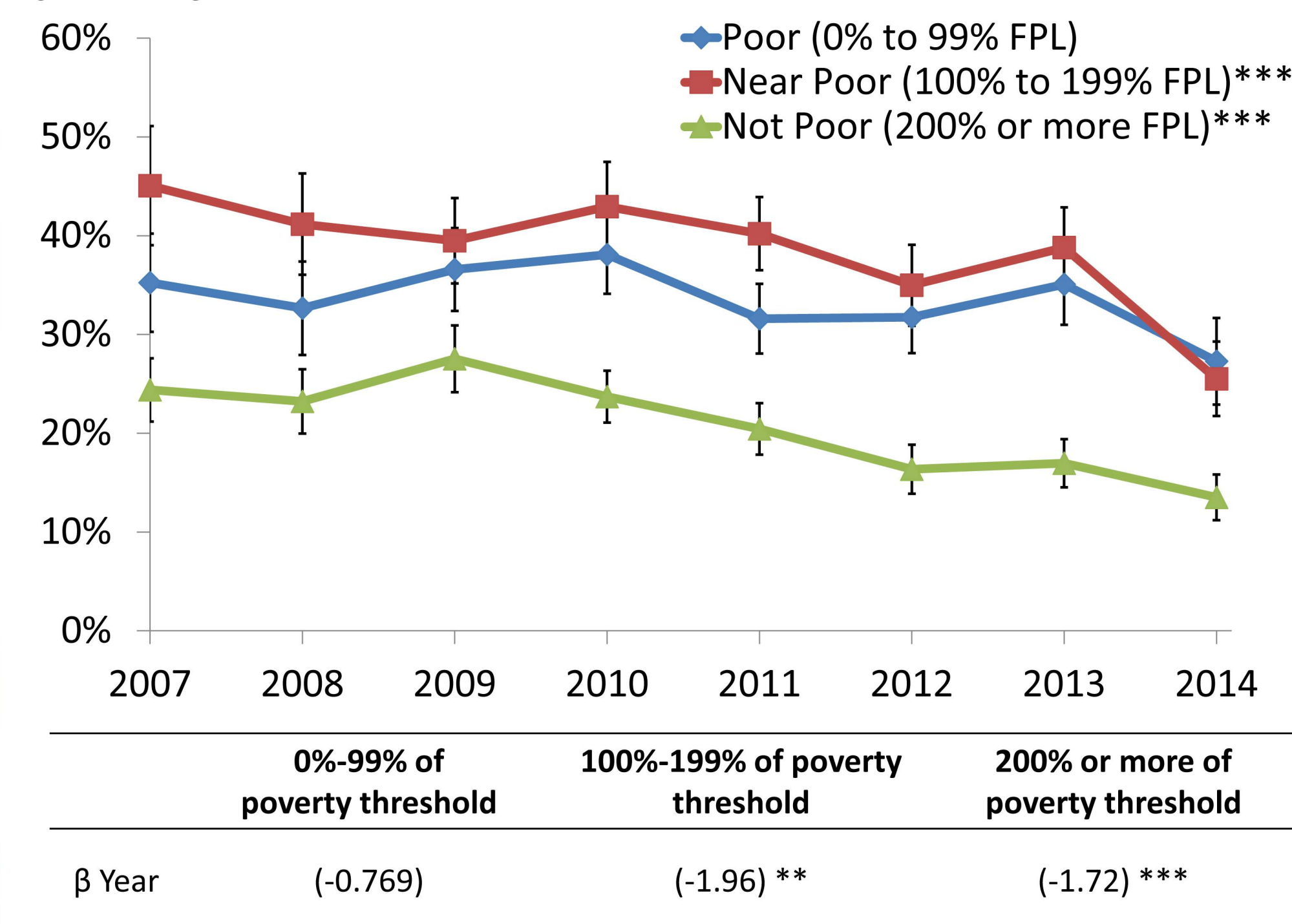
Time Trends

Figure 1: Difference in uninsurance between poor and not-poor by age group



** Coefficient significant at $p < 0.01$; *** $p < 0.001$; All models adjusted for complex survey design.

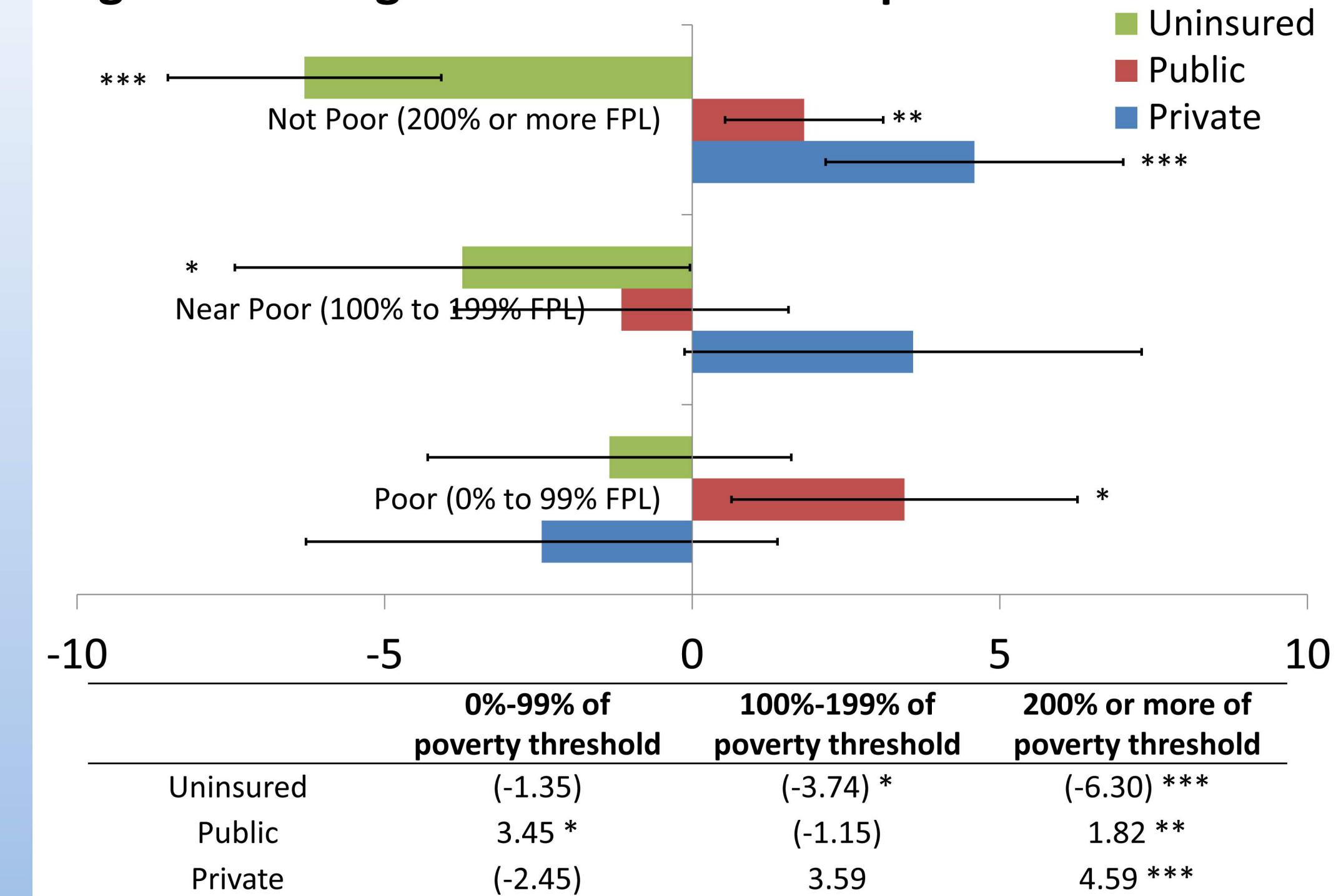
Figure 2: Percent of young adults that are uninsured by poverty level



** Coefficient significant at $p < 0.01$; *** $p < 0.001$; All models adjusted for complex survey design.

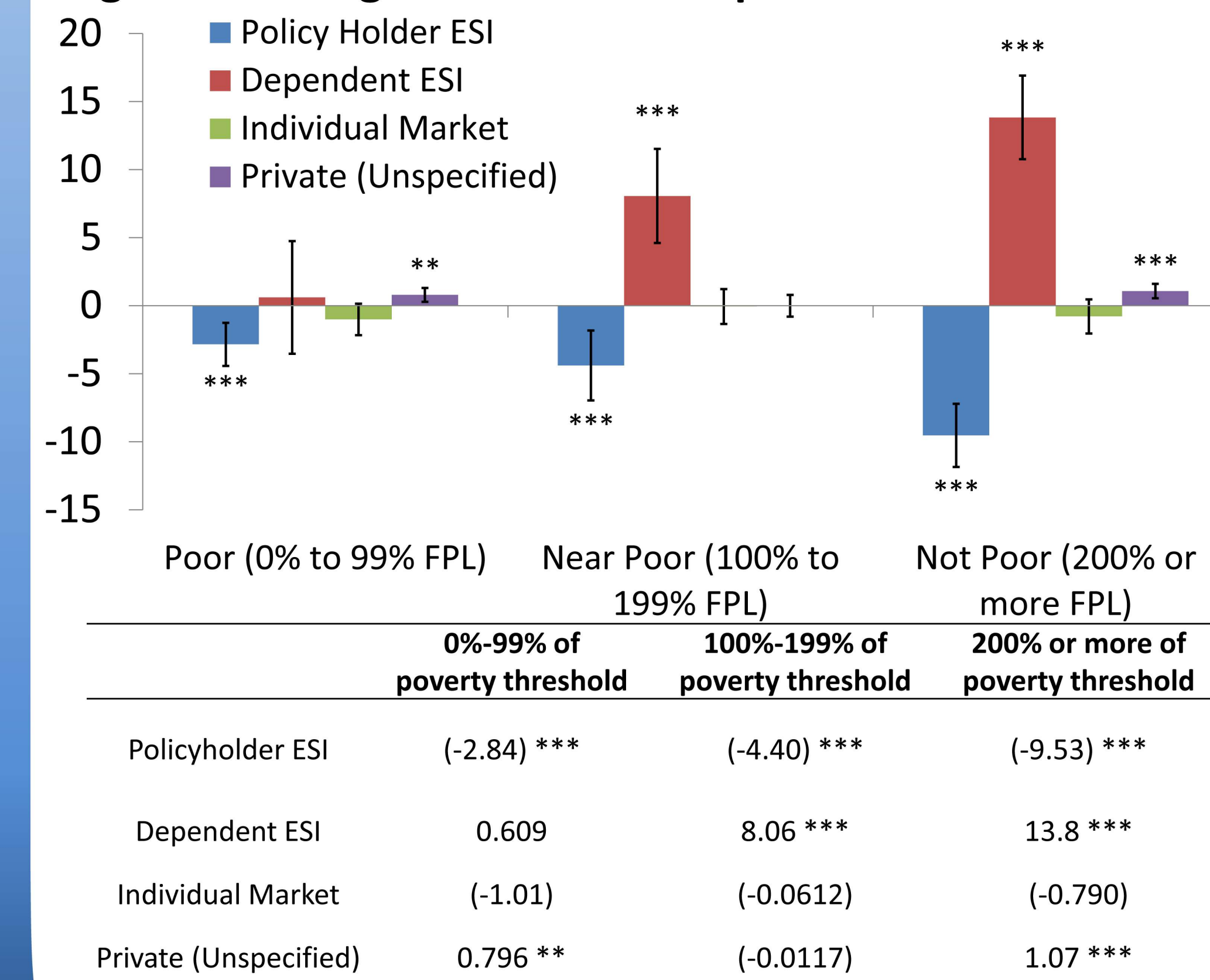
Changes from Pre-Reform Period

Figure 3: Change in YA insurance composition



* Difference from pre-reform period significant at $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; All models adjusted for complex survey design.

Figure 4: Change in source of YA private insurance



** Difference from pre-reform period significant at $p < 0.01$; *** $p < 0.001$; All models adjusted for complex survey design.

Key Findings

Time Trends:

- Between 2007 and 2013, gap between the uninsurance rate for poor and not-poor persons remained stable for adults, shrank for children, and grew for young adults.
- Uninsurance declined for near-poor and not-poor young adults, but not for poor.

Changes from Pre-Reform Period:

- Uninsurance fell among not-poor and near-poor. Poor young adults saw no change in uninsurance. Not-poor are only group with increase in private insurance rate.
- Dependent ESI increase and Policyholder ESI decrease have monotonic correlation with poverty level.

Discussion

- Dependent Coverage Provision insurance options were more accessible to higher income young adults.
- Not-poor young adults may have parents with employer-sponsored insurance that offers dependent coverage, or are better able to afford the premiums for dependent coverage.
- Increased uptake of dependent ESI by not-poor may mitigate reduction in Policyholder ESI, consistent with research finding increased labor participation for adults above age cutoff for dependent coverage eligibility.

Acknowledgements

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