



Study: Healthcare Reform Helps Millions of Young Adults

Yet medical bills keep some from pursuing education, paying other bills

By [DANIELLE KURTZLEBEN](#)

Student loans, low incomes, high unemployment, and living with the parents: These are the facts of life right now for many young adults, and a new study says that [healthcare](#) reform has helped to lighten the burdens on this economically troubled generation. As of November 2011, around 6.6 million young adults who wouldn't otherwise have been [insured](#) gained coverage over the prior year, thanks to a provision in the Affordable Care Act that allows parents to bring children under 26 onto their plans as dependents, according to a new study.

"This is the first time in a decade that we have actually seen an increase in the number of young adults with [insurance coverage](#)," said Sara Collins, vice president for affordable health insurance at the Commonwealth Fund, a healthcare organization that produced the study in a call with reporters on Thursday.

However, the study says that dangerous gaps remain: 39 percent of adults age 19 to 29 had a gap in healthcare coverage in the year studied, and the poorest of those people are most at risk. As of November 2011, 70 percent of adults age 19 to 29 in households making less than 133 percent of the federal poverty level—for 2011, around \$14,500 in most one-person households—were either uninsured or had been at some point in the past year. Nearly half of adults under 250 percent of that line—around \$27,000 per year for a single adult—said the same. Compare that to just 22 percent of young adults at 400 percent or more of the poverty line—around \$44,000.

And many of these lower-income people face other [economic](#) hurdles.

"Those in [the under-250 percent group] income range are disproportionately unemployed, not enrolled in school full-time, or had a high school degree or less," said Collins.

In addition, 41 percent of young adults, insured and not, said they had avoided seeking medical care, tests, or filling prescriptions in the past year due to cost.

The study, based on a survey of nearly 1,900 people, also indicates that these healthcare gaps can significantly worsen young people's economic status. Thirty-six percent of adults 19 to 29 said that they had trouble with medical bills or debt in the last year.

Among those who did have difficulties with medical bills or debts, 43 percent said they had used all of their savings as a result, 32 percent said it made them unable to

pay on other loans or tuition, and 31 percent said it delayed their education or career plans.

It would seem that adding all of these young adults to their parents' coverage is helping to ease a generation's financial burdens. But some argue that it's making those burdens heavier.

"There are no free lunches here. Someone has to pay for that coverage," says Michael Cannon, director of health policy studies at the Cato Institute, a right-leaning think tank. "It doesn't come out of profits; it comes out of wages, and it can come out of wages in one of two ways: it can either reduce wages the employer pays to everyone in the firm, or it can reduce hiring."

That means fewer jobs for young Americans, says Cannon.

"To a certain extent, this may be leaving a lot of people worse off," he says.

So while it's hard to dispute that a large number of young adults aren't insured, it's even harder to figure out how to solve that problem. The fund draws a conclusion that reform opponents like Cannon might take issue with.

"When the full coverage provisions of the law take effect in 2014, young adults will be as likely as other age groups to achieve nearly universal coverage," said Karen Davis, president of the Commonwealth Fund, on Thursday's call with reporters.

Depending on how the Supreme Court rules on the Affordable Care Act, Davis may not get the opportunity to see if that happens.

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