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Carsey School of Public Policy

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Health Insurance Among Young Adults Rebounds Post Recession

More Become Dependents on a Parent's Plan After ACA Extends Coverage to Adult Children

Michael J. Staley and Jessica A. Carson

One provision of the Affordable Care Act (ACA), which went into effect on September 23, 2010, requires insurers who provide coverage for dependents to extend this benefit until dependents' 26th birthday. Prior to ACA, twenty-six states required insurers to cover dependents into young adulthood, but this extension was often contingent upon the dependent's college enrollment, marital status, and other factors. ACA created a uniform national policy and extended an existing federal tax benefit to parents who enrolled their adult children into their employer-based plans[1] (see Box 1 on page 6 for details on eligibility for coverage under the ACA provision). Further, ACA requires that states provide coverage through age 25 to Medicaid recipients who turned 18 while in foster care.[2]

Researchers demonstrate that young adults—those age 19 to 25—have experienced a persistent lack of health insurance coverage since as early as 1982.[3] Age- and life-stage-specific factors likely play a role in these low coverage rates. For example, young adults may be disproportionately concentrated in entry-level jobs without benefits, and, until recently, restrictions related to age and college enrollment rendered many young adults ineligible for coverage on their parent's insurance plans. Recent polls suggest that three-quarters of young adults view health insurance as important, but many see cost as a barrier to obtaining coverage.[4] Indeed, recognition of low coverage rates and the issue of affordability among young adults were considerations as policy architects and lawmakers crafted ACA.

Since young adults were among the least likely to be insured—nearly one third of all uninsured persons in the United States in 2007 were young adults[5]—the expansion of dependent coverage served as a relatively easy-to-implement provision that would provide transitional relief to young adults before the more central insurance reforms took effect in 2014.[6] Measuring the effect of this ACA provision, however, is complicated by its concurrent timing with the official conclusion of the Great Recession. Though high unemployment rates among young adults persisted beyond the end of the recession,[7] post-recession increases in insurance coverage could be related to a

KEY FINDINGS

The share of young adults with health insurance fell to 60.5 percent in 2009 during the Great Recession, then rose to 62.5 percent in 2012—similar to the pre-recession rate in 2007—as the economy recovered and a provision of the Affordable Care Act that extended insurance to dependents until their 26th birthday was implemented in 2010.

Between 2007 and 2009, employed young adults were more likely to have insurance coverage than those who were not employed; by 2011 and into 2012, there was no difference in young adults' coverage rates by employment status.

The share of young adults who had their own employer-based health insurance decreased both during and after the recession, while the share of those covered as a dependent on someone else's policy rose significantly in 2010, the year the ACA provision took effect.

Rates of young adults' coverage vary by region: 57.5 percent of young adults in the South reported some kind of health insurance in 2012, compared to 72.5 percent in the Northeast. Nationally, rates were similar in rural and urban areas in all years.

slightly improved post-recession job market, to the ACA provision, or both. While much of the existing research explores young adults' insurance only in the post-recession period (that is, 2010 to present), this brief assesses young adults' rates of coverage within and beyond the context of the recession by examining changes across the entire 2007 to 2012 period.[8]

Rates of Coverage Among Young Adults Nationally and by Region

In 2007, 63.4 percent of young adults age 19 to 25 reported having some kind of health insurance at any point in the year (Table 1).[9] Rates remained relatively stable into 2008—the first full year of the recession that began in December 2007—but in 2009 young adults' insurance coverage rates dropped more than 2.5 percentage points, to 60.5 percent. In 2010—the first full year after the recession and the year in which the ACA provision was enacted—the share of young adults who reported having insurance coverage increased by 2.2 percentage points over the previous year. Nearly 63 percent of young adults reported coverage in 2010, a rate that was statistically similar to the pre-recession rate of 2007. Rates of coverage have had no statistically significant shifts at the national level since then, settling at 62.5 percent of young adults in 2012. Note that even though the ACA provision was implemented late in 2010, these data measure health insurance status across an entire calendar year; thus, any immediate changes resulting from the ACA provision would appear in the 2010 data.

There were marked differences in rates between the four regions pre-recession: in the Northeast and Midwest, the share of young adults who had health insurance was around 70 percent, compared to around 60 percent in the South and West. Precipitous declines occurred in the South (a drop of 3.5 percentage points) and the West (down 4 percentage points) between 2008 and 2009. Nonetheless, the national rise in health insurance rates between 2009 and 2010 was largely driven by shifts in the South and West. On the heels of large declines in coverage at the height of the recession, young adults in these two regions experienced substantial increases in coverage rates—by 2.7 and 3.4 percentage points, respectively—between 2009 and 2010. Between 2011 and 2012, the South experienced another decline in coverage rates (2.3 percentage points), leaving both regions' rates indistinguishable from 2007 levels.

Less variation was evident by place type: rural and urban coverage rates were similar to each other across the entire period and largely mirrored national trends, settling at 62 and 62.5 percent, respectively, by 2012[10] (see Box 2 on page 6 for definitions of rural and urban).

TABLE 1: PERCENT OF YOUNG ADULTS (AGE 19–25) REPORTING HEALTH INSURANCE, BY REGION AND PLACE TYPE

	2007	2008		2009		2010		2011		2012		2007–2012
	Percent	Percent	Change Since 2007	Percent	Change Since 2008	Percent	Change Since 2009	Percent	Change Since 2010	Percent	Change Since 2011	Change 2007 to 2012
U.S. Total	63.4	63.1	-0.3	60.5	**-2.5**	62.8	**2.2**	63.4	0.6	62.5	-0.9	-0.9
Northeast	71.2	70.5	-0.7	71.0	0.5	70.6	-0.3	73.3	2.6	72.5	-0.8	1.3
Midwest	68.4	66.0	-2.4	64.4	-1.7	66.4	2.1	65.7	-0.7	66.3	0.6	-2.1
South	58.7	59.2	0.5	55.7	**-3.5**	58.4	**2.7**	59.8	1.4	57.5	**-2.3**	-1.2
West	59.8	60.6	0.8	56.6	**-4.0**	60.0	**3.4**	59.0	-1.0	59.3	0.3	-0.6
Rural Places	63.6	63.4	-0.2	60.5	-3.0	62.2	1.8	62.3	0.1	62.0	-0.3	-1.6
Northeast	72.0	68.4	-3.6	66.8	-1.6	67.5	0.7	69.7	2.3	69.6	-0.1	-2.4
Midwest	70.2	68.7	-1.6	64.3	-4.4	67.6	3.4	66.9	-0.8	65.4	-1.5	-4.8
South	56.8	58.5	1.7	54.6	-3.9	56.6	2.0	57.0	0.4	59.0	2.0	2.2
West	62.1	59.9	-2.2	62.9	3.0	62.1	-0.8	58.8	-3.3	55.8	-3.0	-6.3
Urban Places	63.4	63.0	-0.4	60.6	**-2.4**	62.8	**2.2**	63.7	0.9	62.5	-1.1	-0.8
Northeast	71.1	70.7	-0.4	71.4	0.7	71.0	-0.4	73.7	2.7	72.7	-0.9	1.6
Midwest	68.0	65.2	-2.7	64.4	-0.9	66.1	1.7	65.4	-0.7	66.6	1.2	-1.4
South	59.1	59.4	0.3	56.0	**-3.4**	58.8	**2.8**	60.4	**1.7**	57.3	**-3.2**	-1.9
West	59.6	60.4	0.8	56.0	**-4.4**	59.7	**3.7**	59.1	-0.6	59.1	0.1	-0.5

Source: Current Population Survey, Annual Social and Economic Supplement, 2008 to 2013
Note: Change is displayed in percentage points and is based on unrounded percentages. Bold font indicates a statistically significant change ($p<0.05$). All estimates are weighted.

Health Insurance Coverage Before and After Implementation of ACA

The degree to which the ACA provision may have increased coverage rates among young adults can be quantified in several ways. In the short term—between 2009 and 2010—there was a steep two percentage point increase in the share of young adults who reported being insured at any point in the respective year. In the longer term, the share insured in 2012—62.5 percent—is statistically indistinguishable from the 2007 rate.

However, that rates have returned to pre-recession levels suggests that the ACA provision may have ameliorated some of the recession's effects on young adults' health insurance coverage. In an attempt to disentangle the effects of economic recovery from those of the ACA provision, we compared the insurance rates of a slightly older age cohort—those age 26 to 32—with the young adults' rates presented in Table 1. As the effects of the recession grew, trends in the older group's coverage roughly paralleled those among their younger counterparts, albeit with generally higher rates of coverage overall. For example, 26- to 32-year-olds experienced a recession-era drop in coverage rates similar to those of 19- to 25-year-olds (73.3 percent were covered in 2007 versus 70.2 in 2009; not shown).[11] By 2012, the share of 26- to 32-year-olds who was insured (70.8 percent) remained lower than pre-recession levels, unlike the stabilized rates among young adults. These findings suggest that post-recession growth in young adults' health insurance rates were accelerated by the ACA provision.

The Impact of ACA on the Source of Young Adults' Health Insurance

Own Employer-Based Health Insurance

The source of young adults' health insurance (for example, self-retained employer-based insurance versus insurance acquired through a parent's plan as a dependent) is another important factor to consider. Alongside fluctuations in insurance coverage timed with the recession and the ACA provision in 2010, data also show substantial changes in the source of insurance among young adults reporting coverage. Concurring with broader trends in declining employer-based health insurance,[12] the share of young adults who reported coverage through their own employer-based policy decreased over time. Specifically, in 2007, more than one-fifth (21.4 percent) of young adults reported having this type of insurance, compared to 16.9 percent in 2009 (Figure 1). In the same period (2007 to 2009), there was no corresponding increase in the share of young adults who were insured as dependents on another's plan, and as a result insurance rates for young adults declined overall by 2009.

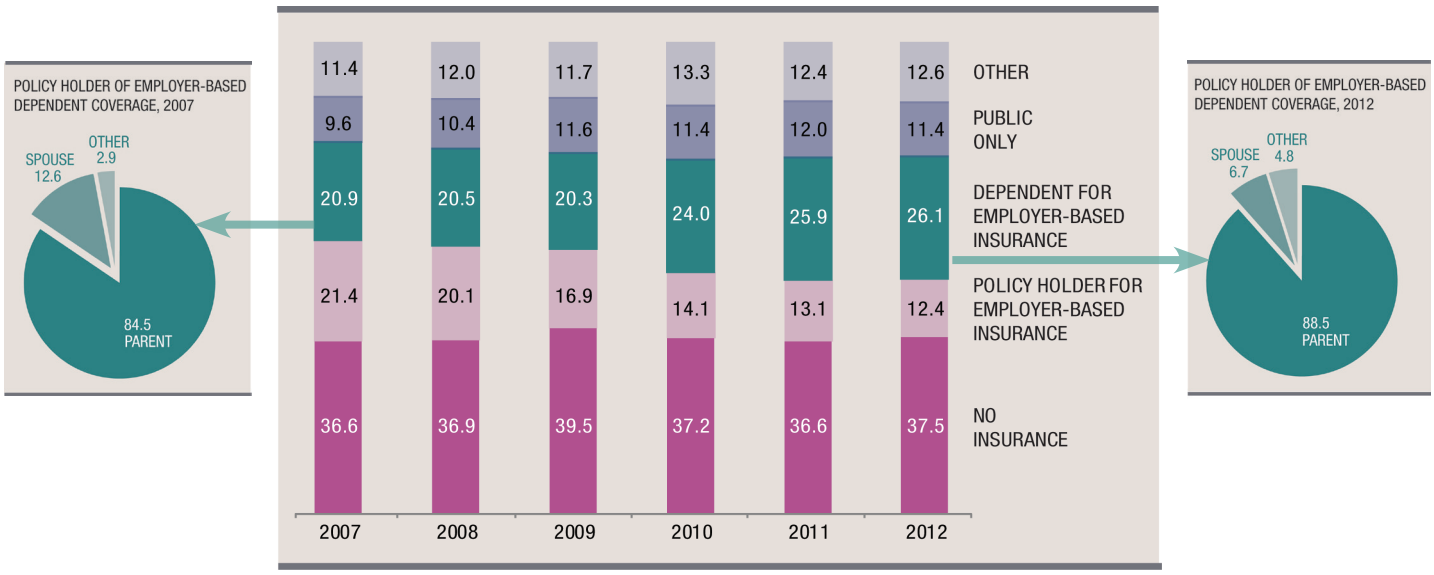
The share of young adults who retained their own employer-based health insurance coverage continued to decline in the years following the recession, falling to 12.4 percent by 2012. However, between 2010 and 2012, the rate of young adults covered as a dependent on someone else's plan rose from 20.3 percent in 2009 to 24 percent in 2010, then again to 26.1 percent in 2012, a 5.8 percentage point increase in the three-year span (Figure 1).

It is likely that falling rates of self-retained employer-based health insurance between 2007 and 2009 are related to the recessionary labor market and related economic factors facing young adults at that time. Conversely, while it is clear that young adults enrolled as dependents on others' plans in 2010 through 2012, it is difficult to discern with certainty whether this trend is a continued effect of the recession. In other words, young adults may have enrolled in a parent's plan because they could no longer access coverage through their own employer in the wake of the recession—whether because it was cost prohibitive to do so or because they were no longer employed—or they may have enrolled in a parent's plan because it was less expensive and/or offered higher-quality coverage. Regardless, it appears that rising rates of dependent coverage generally counteracted the ongoing declines in self-retained employer-based health insurance to return young adults' coverage rates back to pre-recession levels by 2012.

Insurance Obtained Through a Spouse or Parent

The first pie chart in Figure 1 provides detail about the increasing share of young adults who obtained insurance as dependents on another's plan by identifying the person under whose plan these young adults were covered. Of the 20.9 percent of young adults who were dependents on another person's plan in 2007, the majority had coverage through a parent (84.5 percent), though a substantial share obtained coverage through a spouse (12.6 percent).[13] The second pie chart replicates this breakdown for 2012, demonstrating that a significantly smaller share of young

FIGURE 1: HEALTH INSURANCE STATUS AMONG 19- TO 25-YEAR-OLDS, 2007 TO 2012



Source: Current Population Survey, Annual Social and Economic Supplement, 2008 to 2013
Note: All data are weighted. "Other" includes those covered by both multiple types of insurance and who were both policy holders and dependents during the year. For each of the pie charts, policy holders were identifiable for 98.9 percent of young adults reporting this type of insurance.

adults had coverage as dependents on a spouse's plan in 2012 than in 2007 (down 5.9 percentage points) and higher proportions had parental coverage (88.5 percent).[14] These differences indicate that more young adults are becoming dependents on another person's plan, and the policy holder of this plan is increasingly a parent.

As with the shift to dependent plans more broadly, it is difficult to discern whether young adults are less often covered by a spouse due to reduced availability of this source of coverage (whether because fewer spouses have plans, or fewer young adults have spouses), or because young adults are expressly choosing to leave their spouse's plan for their parent's plan, which may provide better coverage at lower cost. It should also be noted that the estimated number by which parental coverage increased is substantially larger than the number by which spousal coverage declined, indicating that not all of the increase in parental coverage was among those once covered by a spouse.

Public and Other Types of Coverage

The share of young adults who reported having public insurance (for example, Medicaid) increased throughout the recession years (Figure 1), from 9.6 percent in 2007 to 11.6 percent in 2009. Rates of public coverage have hovered around 11 and 12 percent between 2010 and 2012.[15] Note that these increases occurred before any federal Medicaid expansion under ACA took effect.

Finally, in each year between 2007 and 2012, we classify just over one in ten young adults as having "other" types of coverage (Figure 1), a share that includes those who reported having more than one type of health insurance coverage in a given year. Because young adults were asked to report whether they had each type of coverage at all during the calendar year, it is impossible to distinguish here between concurrent (for example, covered by their own employer-based insurance *and* parent's employer-based insurance) and consecutive insurance (for example, switching from their own employer-based insurance to their parent's plan). Nonetheless, the significant uptick (1.6 percentage points) in this category from 2009 to 2010 suggests that the ACA provision may have resulted in some young adults transitioning from one type of insurance to another.

Characteristics of the Uninsured

In addition to examining changing rates of insurance coverage, assessing the characteristics of the uninsured is informative for those attempting to improve existing policy. We find that rates of insurance coverage vary substantially among young adults: those who are male,

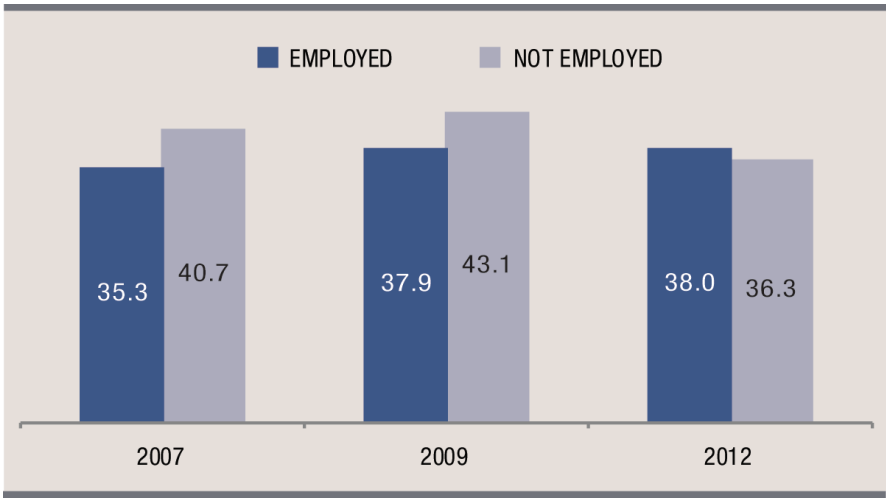
are heads of their own household, or are between the ages of 20 and 23 are the most likely to be uninsured.[16]

We find too that the relationship between health insurance coverage and employment status has changed over time, as shown in Figure 2. Employment status is traditionally linked to health insurance coverage because coverage is most often provided as a benefit. Accordingly, in 2007, young adults who were not employed were much more likely to be uninsured than their employed counterparts. A similar pattern is evident in 2009: insurance status was still strongly linked to employment status, and smaller shares of employed young adults were uninsured. However, by 2012, there was no difference in the share of young adults without health insurance across employment statuses. This shift—beginning in 2011—suggests that the ACA provision may have detached young adults' insurance status from their employment status. In other words, after the implementation of the ACA provision and the expanded potential for young adults to obtain employer-based health insurance via their parents, young adults' employment status mattered much less to their insurance status. Of course, this shift does not mean that employment and the strength of the labor market are unimportant to insurance status generally; certainly the availability of parents' benefits for dependents remains highly attached to parents' employment status and the quality of that employment.

To determine whether future increases in dependent coverage might be possible, we examined parent's insurance status for the 40 percent of uninsured young adults who live with their parents. Because the Current Population Survey (CPS) is a household survey, no data are available on young adults' parents if the parents reside in a different household. Our analysis shows that this subset of the uninsured was increasingly likely to live with a parent who was also uninsured over time. In 2009, 43 percent of these parents were uninsured, compared to 54 percent in 2012.[17] Therefore, the full effect of the ACA provision may have been stifled by an increasing proportion of parents who were uninsured and, therefore, unable to provide insurance to their dependent adult children.

Conversely, half of those young adults whose parents we could identify—representing 21 percent of all still-uninsured young adults—lived with at least one parent who had some form of health insurance. These results suggest that the dependents of uninsured parents will need to be targeted in a different way, perhaps by *requiring* employers and insurers to extend coverage to dependents.[18]

FIGURE 2: PERCENT OF YOUNG ADULTS WITHOUT HEALTH INSURANCE, BY EMPLOYMENT STATUS AND YEAR



Source: Current Population Survey, Annual Social and Economic Supplement, 2008, 2010, and 2013
Note: Differences between employment statuses are statistically significant in 2007 and 2009 ($p<0.05$), but not in 2012.

Covering Young Adults Beyond the ACA Provision

The provision to extend coverage to adult children is just one part of ACA, and coverage rates among young adults are likely to continue to shift as more components of the law take effect. Under the broader ACA, a provision known as the individual mandate requires all individuals to obtain health insurance coverage beginning in 2014, or face tax penalties. While the mandate is likely to have significant effects on young adults' coverage rates, those increases are not reflected in these data, which was collected before the implementation of the mandate.[19] To address the mandate, those who were not eligible for insurance through their employer or as a dependent and who did not qualify for Medicaid or some other public insurance could use a health care exchange to

obtain coverage. Estimates suggest that by the end of the open enrollment period offered by health care exchanges, approximately 8 million people had signed up for coverage. Of all enrollees, 25 percent were expected to be under age 36, though reports at the conclusion of the enrollment period suggested the share was closer to 28 percent.[20] Thus, it is possible that health insurance exchanges and the individual mandate may have spurred many young adults to obtain coverage in ways not reflected in this brief.

While the young adult provision may have ameliorated some of the recession's effects, the recession also may have undermined the full efficacy of the provision. Our analysis shows that rates of coverage fell during recession years (2007 to 2009), but that by 2012, after the recession and after implementation of the ACA provision, rates of insurance were restored to their pre-recession levels. Beginning in 2010, the year the ACA provision went into effect, a significantly smaller share of young adults reported having their own employer-based health insurance and a larger share reported coverage as dependents on their parent's plan. Yet, a significant share of young adults still reported having no health insurance in 2012 (37.5 percent).

Our analysis of young adults' parents' coverage suggests that some young adults who could have enrolled in their parent's plan did so by the end of 2012, though data limitations prevent us from assessing precisely how large this share could be. Continuing to track these trends over time will reveal how enrollment in parent's plans interacts with the individual mandate and other ACA-related changes. Multiple approaches to insuring this population may be beneficial in the face of labor-related challenges especially relevant to this group, including vulnerability to job loss and employment without benefits. State and federal lawmakers, therefore, ought to continue to provide avenues to make heath insurance coverage affordable and accessible to young adults.

Box 1: Definition and Scope of the ACA Provision

According to healthcare.gov, "if a plan covers children, they can be added to or kept on a parent's health insurance policy until they turn 26 years old. Children can join or remain on a parent's plan even if they are: married, [a parent,] not living with their parents, attending school, not financially dependent on their parents, [or] eligible to enroll in their employer's plan. These rules apply to both job-based plans and individual plans you buy yourself, inside or outside the Marketplace."[21] This provision became effective on September 23, 2010.[22]

The ACA provision may have had differential impacts on young adults depending on where they live, due to state policy that was in place before the provision's implementation. That is, many states already required insurance companies to cover dependents into young adulthood before ACA, though many restricted the benefit by excluding young adults who were not students, who were married, or who had dependents of their own.[23] For example, Utah, the first state to implement such a mandate in 1994, required that insurers offer coverage to young adults through their parent's plan until age 24 as long as the young adults were not married and had no dependents of their own.[24] Many young adults, therefore, *already* had access to insurance coverage through a parent's employer. Importantly, however, the ACA provision extended coverage to the 52 percent of young adults who live in states that did not require insurers to offer coverage to adult children.[25] Moreover, the provision provides continuity regarding young adults' coverage and tax benefits[26] for their parents from state to state.

Box 2: Definitions of Rural and Urban

Definitions of rural and urban vary among researchers and the sources of data they use. Data for this brief come from the Current Population Survey, which indicates whether or not each household is located in a metropolitan area. The Office of Management and Budget defines a metropolitan area as: (1) a central county (or counties) containing at least one urbanized area with a population of at least 50,000 people, and (2) the counties that are socially and economically integrated with the urbanized area, as measured by commuting patterns. In this brief, urban refers to such metropolitan places, and rural refers to nonmetropolitan places outside these boundaries.

Data

This analysis is based on the 2008-2013 Annual Social and Economic Supplements (ASEC) of the Current Population Survey, which refer to the calendar years 2007 to 2012.[27] In identifying the policy holder for young adults' employer-based health insurance policies, we include foster children in the same category as biological/adopted children and unmarried partners in the same category as spouses (that is, cohabiters).

Endnotes

1. Specifically, the amendment to IRS code is "to extend the general exclusion from gross income for reimbursements for medical care under an employer-provided accident or health plan to any employee's child who has not attained age 27 at the end of the taxable year"; note that this tax-related modification does not precisely parallel the age eligibility requirements laid out in the PPACA's amendments to the relevant Public Health Service Act. See pages 1–2 in Internal Revenue Service, "Notice 2010-38: Tax Treatment of Health Care Benefits Provided with Respect to Children Under Age 27," *Part III—Administrative, Procedural, and Miscellaneous* (April 22, 2010), accessed September 11, 2014, www.irs.gov/pub/irs-drop/n-10-38.pdf.

2. Before ACA, the federal government gave states the option to extend Medicaid coverage to individuals who turned 18 while in foster care until they turned 21. ACA made this option mandatory. See Brooke Lehmann, Jocelyn Guyer, and Nicole Tambouret, "Foster Care Children and the Affordable Care Act: New Report from CCF and Community Catalyst," in *Say Ahhh! A Children's Health Policy Blog* (Washington, DC: Georgetown University Health Policy Institute, Center for Children and Families, 2012).

3. Phillip B. Levine, Robin McKnight, and Samantha Heep, "How Effective Are Public Policies to Increase Health Insurance Coverage among Young Adults?" *American Economic Journal: Economic Policy*, vol. 3, no. 1 (2011): 129–156; Benjamin D. Sommers et al., "The Affordable Care Act Has Led to Significant Gains in Health Insurance and Access to Care for Young Adults," *Health Affairs*, vol. 32, no. 1 (2013): 165–174.

4. Henry J. Kaiser Family Foundation, "Kaiser Health Tracking Poll: June 2013," accessed July 30, 2014, http://kff.org/health-reform/poll-finding/kaiser-health-tracking-poll-june-2013/.

5. Levine, McKnight, and Heep, "How Effective Are Public Policies to Increase Health Insurance Coverage among Young Adults?"; Jennifer L. Nicholson et al., "Rite of Passage? Why Young Adults Become Uninsured and How New Policies Can Help, 2009 Update," *Issue Brief,* vol. 64, no. 1310 (New York: The Commonwealth Fund, 2009).

6. Sara R. Collins and Jennifer L. Nicholson, "Rite of Passage: Young Adults and the Affordable Care Act of 2010" (New York: Commonwealth Fund, 2010).

7. Bureau of Labor Statistics, "Table E-8: Unemployment Rates by Age, Sex, and Marital Status, Seasonally Adjusted," *Household Data, Seasonally Adjusted Quarterly Averages* (Washington, DC: Bureau of Labor Statistics, 2011), available at www.bls.gov.

8. Our analysis is limited to young adults age 19 to 25 since the ACA provision specifically targeted this age cohort. We exclude 18-year-olds because they were already eligible (beginning in 1999) to remain on their parents' plan in every state, and thus have substantially different coverage patterns than young adults over the age of 18 (see Levine, McKnight, and Heep, "How Effective Are Public Policies to Increase Health Insurance Coverage among Young Adults?").

9. The Current Population Survey (CPS) collects health insurance information by asking, "At any time in [LAST YEAR], were you covered by a health insurance plan provided through [SOURCE]?" As a result, all measures of insurance status refer to coverage at any point in the previous calendar year, and may include people covered for all or part of that period. As a result, these data also cover instances in which insurers adopted the dependent clause in advance (between March 2010, when the law was passed and September 2010, when the law went into effect). See, for example, Aetna, "Dependent Coverage Q&A" (Hartford, CT: Aetna Life Insurance Company, 2014), available at www.aetna.com/health-reform-connection/questions-answers/dependent-coverage.html.

10. Because these data treat suburban and urban places collectively as "urban," it should be noted that in other analyses regarding insurance coverage these two place types were consistently and significantly different from one other. Thus, coverage rates in urban areas are likely driven by higher levels of coverage in suburban places included in the "urban" category of this analysis. See Michael J. Staley, "Public Insurance Drove Overall Coverage Growth among Children in 2012," Issue Brief No. 73 (Durham, NH: Carsey Institute, University of New Hampshire, 2014).

11. Authors' analysis of CPS data, available upon request.

12. See, for example, Elizabeth Mendes, "Fewer Americans Getting Health Insurance from Employer" (Washington, DC: Gallup Well-Being, 2013), available at www.gallup.com/poll/160676/fewer-americans-getting-health-insurance-employer.aspx; "Number of Americans Obtaining Health Insurance through an Employer Declines Steadily Since 2000" (Princeton, NJ: Robert Wood Johnson Foundation, 2013), available at www.rwjf.org/en/about-rwjf/newsroom/newsroom-content/2013/04/number-of-

americans-obtaining-health-insurance-through-an-employ.html; and Elise Gould, "Employer-Sponsored Health Insurance Coverage Continues to Decline in a New Decade," Briefing Paper No. 353 (Washington, DC: Economic Policy Institute, 2012).

13. As referenced in the data section, "spouse" also includes unmarried partners (that is, cohabiters), and using this definition may reduce the probability that this is an effect of fewer people with spouses.

14. Note that the declining share of young adults who are covered by their spouses is not simply an effect of a static number amid a growing number of young adults with any insurance at all (that is, an unchanged numerator over a larger denominator). Instead, both the estimated number *and* the estimated proportion of young adults on spousal insurance plans have declined over time. The "other" portion of the pie charts in Figure 1 refer to the small share of young adults who may be dependents on their siblings' or grandparent's plans because the sibling or grandparent had custody or some kind of guardianship when the young adult was a minor.

15. Five states began expanding coverage before 2014, but these early expansions did not take place until late 2011 and 2012. Thus, it is important to note that the increase in public insurance in the recession years (2007 to 2009) was not attributable to ACA.

16. Authors' analyses of CPS data, available upon request.

17. Note that the proportion of young adults who lived with identifiable parents remained stable over time (that is, the "universe" for these estimates), and that these shifts appear to result both from changes in the number of young adults who are uninsured, and changes in the number of parents without insurance (that is, the numerator and denominator of these estimates, respectively); authors' analysis of CPS data, available upon request.

18. Although ACA requires insurers who provide dependent coverage to extend coverage to dependents into young adulthood, some employers and insurers do not offer insurance to dependents of employees at all.

19. At present, it is unclear whether it will be possible to provide comparable analyses of young adults' health insurance coverage in later years: beginning in February 2014, the CPS contains revised measures of health insurance coverage that may not be fully comparable with earlier years' measures; see "Statement by Census Bureau Director John H. Thompson on Improved Health Insurance Questions in the Current Population Survey," *Newsroom Release* (Washington, DC: U.S. Census Bureau, April 15, 2014). Some preliminary research from the Census Bureau suggests this may indeed be the case; see Carla Medalia, et al., "Changing the CPS Health Insurance Questions and the Implications on the Uninsured Rate: Redesign and Production Estimates," SEHSD Working Paper No. 2014-16 (Washington, DC: U.S. Census Bureau, 2014).

20. More precise information on those who enrolled in coverage via health insurance exchanges is not yet available. For information on enrollment, see Mark Lander and Michael D. Shear, "Enrollments Exceed Obama's Target for Health Care Act," *New York Times* (April 17, 2014, corrected version).

21. Healthcare.gov, "Health Care Coverage for Children Under 26," available at www.healthcare.gov/can-i-keep-my-child-on-my-insurance-until-age-26.

22. U.S. Department of Health and Human Services (DHHS), "Key Features of the Affordable Care Act by Year" (Washington, DC: DHHS), available at www.hhs.gov/healthcare/facts/timeline/timeline-text.html#2010.

23. Nicholson, et al., "Rite of Passage?"

24. Levine, McKnight, and Heep, "How Effective Are Public Policies to Increase Health Insurance Coverage among Young Adults?"

25. A list of states that had dependent coverage extensions can be found in Nicholson et al., "Rite of Passage?"; shares of young adults living in those states are the authors' weighted calculation from the American Community Survey 2009 Public Use Microdata.

26. Internal Revenue Service, "Notice 2010–38."

27. Specifically, we draw upon the Minnesota Population Center's IPUMS-CPS; Miriam King et al., *Integrated Public Use Microdata Series, Current Population Survey: Version 3.0* [machine-readable database] (Minneapolis: University of Minnesota, 2010).

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About the Authors

Michael J. Staley is a research assistant at the Carsey School of Public Policy and a doctoral candidate in sociology at the University of New Hampshire (michael.staley@unh.edu).

Jessica A. Carson is a vulnerable families research scientist at the Carsey School of Public Policy (jessica.carson@unh.edu).

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Huddleston Hall • 73 Main Street • Durham, NH 03824
(603) 862-2821
TTY Users: dial 7-1-1 or 1-800-735-2964 (Relay N.H.)

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