



## **Fast Facts: Young Adults and Health Reform**

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### **If you're about to get kicked off your parents' insurance plan (or already were):**

Beginning on September 23, 2010, young adults can stay on their parents' health insurance until they are 26 years old.

- We don't need to live at home.
- We don't need to be financially dependent on our parents.
- We can even be married (except that your spouse is not eligible for the coverage – just you).
- The only exception is that if you have a job and your employer offers you health insurance, you can't stay on your parents' policy.

### **If you worry about trying to find a job with health benefits when you graduate:**

- Starting this year, small businesses and nonprofits (which often employ young adults) will receive tax credits for providing health insurance for their employees. So, more of them should be able to begin offering health insurance.
- Remember that if your employer doesn't offer you health benefits, you can stay on your parents' policy until you are age 26.

### **Starting in 2014, there will be new ways for you to get affordable health insurance:**

- More people will be eligible for free public insurance through Medicaid. The program will expand to cover people making up to 130% of the poverty level, which is \$14,400 for a single person. More than half (52%) of all uninsured young adults come from families whose incomes are 133% or below of the Federal Poverty Line.
- People who don't have employer health insurance, and whose income is above the eligibility cut-off for Medicaid, will be able to buy more health coverage through new state insurance exchanges. There will be subsidies available to make the cost more affordable.
- Small businesses will be able to go into the insurance exchange and buy more affordable coverage for their employees, with the help of additional tax credits.
- Larger employers (more than 50 employees) will be penalized if they don't provide health insurance to their employees. They will have to pay a fee to the government for every employee that goes without coverage.
- Young adults who are enrolled in plans through their employers and who spend more than 9.5 percent of their income on premiums or have health plans with substantial cost-sharing obligations (i.e., the plan covers less than 60 percent of their total medical costs), may become eligible for subsidized coverage through the insurance exchanges, depending on income.

### Some other important gains for young adults:

- Currently 96% of all college/university plans have caps on the amount of medical care they will cover. This means that if you have a catastrophic accident or really serious illness, you may run out of coverage once the medical bills hit \$500,000 or \$1 million. Under the health reform law, these caps will be eliminated in two steps.
- On September 23, 2010, your plan will no longer be able to impose what is called “lifetime cap” on the amount they cover. (Even though you probably will only have your college plan for four years MAX, a “lifetime cap” can be reached in just a couple of years if you are seriously ill.) In 2014, annual caps will become prohibited.

### What about young women’s health?

Young women will have access to some important services:

- Maternity coverage is mandated; Licensed practitioners serving women using free-standing birthing centers become eligible for Medicaid reimbursement; Funding will be available for nurse home visits to at-risk mothers and newborns.

There’s also some bad news:

- New funds go to abstinence-only sex-education.
- There’s no guarantee birth control will be deemed a “preventive service” exempt from co-pays.
- Women on Medicaid in most states will not be able to use their government funded coverage for abortion services, except in case of rape, incest or threat to life).
- Community health centers cannot provide federally subsidized abortion services.

No federal subsidies can be used toward abortion coverage in the insurance exchanges.

(Thanks to Families USA and Young Invincibles for the research which contributed to this factsheet)

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**Additional Resources** to help you answer questions and to further familiarize yourself with the young adult coverage provisions of health care reform.

- **Health Care.Gov:** A menu of options that will help you find the info you need
  - <http://www.healthcare.gov/foryou/youngadults/index.html>
- **Young Invincibles:** Take an online quiz to find out how to get covered
  - <http://www.gettingcovered.org/>
- **Families USA:** A factsheet for young adults
  - <http://www.familiesusa.org/assets/pdfs/health-reform/coverage-for-young-adults.pdf>

## AND MORE RESOURCES AVAILABLE AT:

[WWW.RAISINGWOMENSVOICES.NET](http://WWW.RAISINGWOMENSVOICES.NET)