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**SENATE COMMITTEE REPORT**  
**First Committee of Referral**

DATE: 1/21/09

FURTHER: Labor and Commerce  
 Finance

Date of 5-Day Notice: \_\_\_\_\_  
 (in accordance with Uniform Rule 23)

DATE TURNED  
 IN TO OFFICE: 3/18/09

Health and Social Services Committee considered SENATE BILL NO. 11

SB 11 DEPENDENT HEALTH INSURANCE; AGE LIMIT

"An Act relating to health care insurance coverage of a dependent child who is less than 26 years of age and making a conforming age amendment in the statute describing health insurance policies that may be delivered or issued in this state."

and recommends:

- be replaced with  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

<b>SENATE BILL:</b>
<input type="checkbox"/> Same Title
<input type="checkbox"/> New Title
<hr/>
<b>HOUSE BILL:</b>
<input type="checkbox"/> Same Title
<input type="checkbox"/> Technical Title Change
<input type="checkbox"/> New Title w/ SCR # _____

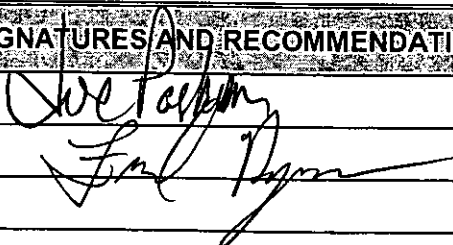
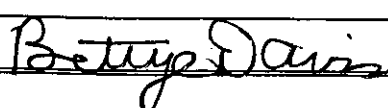
**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
VA	3/6	✓			1

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	PETER VAN DYSON	X			
				X	
CHAIR: 	DAVIS	X			

# Alaska State Legislature

*Interim: (May - Dec.)*  
716 W. 4<sup>th</sup> Ave  
Anchorage, AK 99501  
Phone: (907) 269-0144  
Fax: (907) 269-0148



*Session: (Jan. - May)*  
State Capitol, Suite 30  
Juneau, AK 99801-1182  
Phone: (907) 465-3822  
Fax: (907) 465-3756  
Toll free: (800) 770-3822

[Senator Bettye Davis@legis.state.ak.us](mailto:Senator_Bettye_Davis@legis.state.ak.us)  
<http://www.akdemocrats.org>

## Senator Bettye Davis

### Senate Bill 11, 26-LS0074\A

"An Act relating to health care insurance coverage of a dependent child who is less than 26 years of age and making a conforming age amendment in the statute describing health insurance policies that may be delivered or issued in this state."

### Sponsor Statement

SB 11 requires an insurer to enroll, and prohibits taking off the rolls or eliminating health care insurance coverage without the consent of the insured, for a person less than 26 years old who is related to the insured, unmarried, financially dependent on the insured, does not have dependents, enrolled in an institution of higher education, and not insured under another policy. SB 11 changes the age that a person is considered a child from 23 years of age to 26 for purposes of determining who may be insured under the same policy of health insurance.

Young adults, ages 19-29, are one of the largest growing segments of the U.S. population without health insurance. In 2004 almost 14 million young adults lacked coverage, an increase of 2.5 million since 2000. This rapid change is due in part to their losing coverage under their parents' policies at 19, or Medicaid, or State Children's Health Insurance Program, or graduation from high school or college. Almost half of college graduates and high graduates will be uninsured for a substantial time after graduation.

Age 19 is a crucial year in health insurance coverage. Both public and private insurance plans treat this age as a turning point for insurance coverage. Even if youth go on to college, parents' insurance plans often stop before graduation. Almost all private universities and about one fourth of public universities require health insurance as a condition of enrollment. Forty percent of part-time students and non-students, and 20% of full-time students ages 19-23 are uninsured.

Insurance coverage is important for this generally healthy group of young adults who should be encouraged to start taking responsibility for their own health care. It has been found that 14% of adults 18-29 are obese, an increase of 70% in the 1990s, - the fastest rate of increase among all adults. There are 3.5 million pregnancies each year among the 21 million women ages 19-29. One-third of all diagnoses of HIV are made among young adults. Emergency room visits are far more common among young adults than children or older adults. Most young adults have no regular doctor, no link to the health care system, and more than one-third of those who do require medical attention are often saddled with debt and collection agencies.

States are taking action to mandate coverage for young adults, often allowing for targeted policy options. For example, in 2006 New Jersey required most group health plans to cover single adult dependents up to age 30. Massachusetts as part of its expanded health insurance law in 2006 considered dependents for insurance purposes up to age 25 or for two years after they are no longer claimed on their parents' tax returns. Since 1994 Utah has required coverage through age 26, and New Mexico provides coverage for unmarried dependents up to age 25, regardless of school enrollment. Texas in 2003 allowed full-time students up to be covered by their parents' insurance plans to age 25. It is not uncommon, or unreasonable, therefore, that Senate Bill 179 requires offering family health insurance coverage to dependent children up to age 26.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

February 2, 2009

**SUBJECT:** Health insurance for a person who is 26 years of age (SB 11)

**TO:** Senator Bettye Davis  
Attn: Thomas Obermeyer

**FROM:** Dennis C. Bailey *DCB*  
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

**Section 1.** Requires an insurer to enroll, and prohibits disenrolling or eliminating health care insurance coverage without the consent of the insured, for a person less than 26 years old who is related to the insured, unmarried, financially dependent on the insured, does not have dependents, enrolled in an institution of higher education, and not insured under another policy.

**Section 2.** Changes the age that a person is considered a child from 23 years of age to 26 years of age for purposes of determining who may be insured under the same policy of health insurance.

DCB:plm  
09-061.plm

# FISCAL NOTE

STATE OF ALASKA  
2009 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: SB011  
( ) Publish Date: \_\_\_\_\_

Identifier (file name): SB011-UA-03-06-09  
Title: Health Care Insurance Coverage of dependent children  
Dept. Affected: University of Alaska  
RDU: Various  
Sponsor: Senator Davis  
Requester: Health and Social Services  
Component: \_\_\_\_\_  
Component Number: \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>OPERATING EXPENDITURES</b>							
Personal Services	1,200.0	1,200.0					
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>1,200.0</b>	<b>1,200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	1,200.0	1,200.0					
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>1,200.0</b>	<b>1,200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2009) cost: 0.0

**POSITIONS**

Full-time	0.0						
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

The University of Alaska currently has 200 non-active dependents between the ages of 24 and 26 who would become re-eligible for health care insurance coverage if this bill were to pass. The expected annual increased cost to UA would be approximately \$1.2 million

Prepared by: Alesia Kruckenberg  
Division: University of Alaska  
Approved by: Michelle Rizk  
University of Alaska

Phone 907-450-8426  
Date/Time 03/06/2009 12:00pm  
Date 3/6/2009



**Alaska**

January 20, 2009

The Honorable Bettye Davis  
Alaska State Senate  
State Capitol Building  
Juneau, Alaska 99801-1182

RE: Senate Bill 11

Dear Senator Davis,

On behalf of the National Federation of Independent Business/Alaska, I wish to express our opposition to Senate Bill 11. The National Federation of Independent Business is the largest small-business advocacy group in the Alaska.

Health-care costs have been the No. 1 issue facing small-business owners since 1986, and those concerns are growing, according to NFIB's members. As health-care costs go through the roof, small-business owners have very few choices when selecting insurance coverage for their employees. The tipping point is here, and small businesses are begging for solutions to rising health-care costs, lack of access and other issues.

For many small employers in Alaska insurance premiums for small groups or single coverage have increased by more than 82 percent since 2000, a jaw-dropping statistic. This is completely unsustainable over the long-term. Much of the increase is driven by the additions to coverage by state mandates

Unfortunately, SB11 mandates coverage for dependents to age 26 that may not fit employee's needs but for which small employers providing health insurance bear the cost. Increased mandates force employers to consider whether they can afford to continue coverage or are forced by increased prices to eliminate health

National Federation of Independent Business — ALASKA  
P.O. Box 34761 • Juneau, AK 99803 • 907-723-6667 • [denny.dewitt@nfib.org](mailto:denny.dewitt@nfib.org)

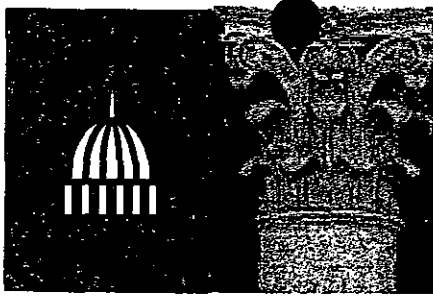
The Honorable Betty Davis  
January 20, 2009  
Page 2

insurance for their employees. Mandates prevent small employers from providing affordable insurance programs tailored to its specific work force.

SB 11 is discriminatory against small employers as the mandate applies to those who provide coverage regulated by state insurance statutes, but not programs offered by the state and other governmental entities or large employers who typically offer ERISA programs. Thus it creates a less fair business environment for small employers.

Sincerely yours,

Dennis L. DeWitt  
Alaska State Director



# National Conference of State Legislatures

# LEGISBRIEF

BRIEFING PAPERS ON THE IMPORTANT ISSUES OF THE DAY

JUNE/JULY 2008

VOL. 16, No. 29

## Health Insurance Coverage for Young Adults

By Laura Tobler

*Young adults are at risk of being uninsured.*

Young adults between the ages of 19 and 29 are at risk of being uninsured more often than any other age group. Eleven percent of the nation's children through age 18 are uninsured, while 30 percent of those between the ages of 19 and 29 lack coverage.

Income Level	Children Age 18 and Younger	Young Adults Ages 19 to 29
Total	11%	30%
Makes less than 100% FPL	20	51
Makes between 100% - 199% FPL	16	42
Makes more than 200% FPL	7	16

Federal poverty level (FPL) guidelines are used to determine financial eligibility for many government programs.

Source: Analysis of the March 2006 Current Population Survey by S. Gilead and B. Mahato for the Commonwealth Fund.

*Graduation from high school or college may mean loss of health insurance.*

Young adults typically lose health insurance coverage under a parent's or guardian's policy at age 19 or upon college graduation. Most parents who cover their

children or dependents do so through their employer's health insurance benefits. Sixty percent of employer health plans do not cover young adults after they reach age 19 if they are not enrolled full time in college. In the first year after graduation, about 40 percent of college graduates and 50 percent of high school graduates who do not enroll in college will be uninsured.

Eligibility for coverage as a child under Medicaid and the State Children's Health Insurance Program ends when the child reaches age 19. To remain covered by either of these public programs, children must meet the more restricted eligibility standards for an adult that, in most states, is limited to very low-income parents and adults with disabilities. As a result, most young adults are dropped from public coverage when they reach age 19.

*Employment and lifestyle affect young adults' ability to obtain coverage.*

The employment opportunities for and lifestyles of young adults also affect their ability to get health insurance. Young adults often move in and out of school and jobs throughout their 20s—working part-time while attending school, changing jobs for personal or professional reasons, or taking time off from school to work and then returning to school. This affects their ability to remain on their parent's or guardian's policy or to become eligible for employer-sponsored insurance. When they enter the workforce, young adults are more often faced with low-wage, temporary or hourly positions that typically do not include benefits. If they are hired by an employer who offers benefits, young adults may have a three- to six-month waiting period before coverage begins.

National Conference of State Legislatures

Denver  
7700 East First Place  
Denver, Colorado 80230  
Phone (303) 364-7700  
[www.ncsl.org](http://www.ncsl.org)

Washington, D.C.  
444 North Capitol Street, NW, Suite 515  
Washington, D.C. 20001  
Phone (202) 624-5400

3010 Executive Director  
William T. Pound

Purchasing private health insurance coverage as an individual is unaffordable for many uninsured young adults who disproportionately reside in low-income households. About 50 percent of uninsured young adults between the ages of 19 and 29 reside in households with incomes below the federal poverty level (\$21,200 per year for a family of four).

**State Action** Several states have enacted legislation to extend dependent benefits to older children and to young adults who are not enrolled

in college. In 1994, Utah became the first state to enact legislation allowing coverage to continue for unmarried dependents up to age 26, regardless of whether the dependent is enrolled in school. A 2006 New Jersey law requires most group health plans to offer health insurance coverage (at the option of the insured) to unmarried dependents up to age 30. At least 21 states—including Colorado, Connecticut, Florida, Idaho, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, New Hampshire, New Jersey, New Mexico, Rhode Island, Tennessee, Texas, Utah and Washington—have passed this type of legislation.

Expanded coverage for young adults may be structured as an insurance policy rider with a supplemental premium. In New Jersey, for example, the insurance provider may charge a higher rate, which cannot exceed 3 percent of the premium. More commonly, coverage is extended to all policies, and the young adult is simply covered by the family premium. Some experts predict that the latter strategy may increase employer premiums for family coverage by about 5 percent to 9 percent.

**Federal Action** Under current Internal Revenue Service (IRS) regulations, children must meet specific requirements to be considered a dependent for tax purposes, including relying on the parent or guardian for more than half of their financial support. If the dependent who is eligible for coverage based on a state law does not meet the requirements for the IRS definition of dependent, the value of the benefit is taxable income for the employee. This could create an administrative burden for some employers.

Health insurance coverage under the Federal Employees Health Benefits Program for government employees and members of Congress currently is available for unmarried dependent children up to age 22.

**Contacts for More Information**

Laura Tobler  
 NCSL—Denver  
 (303) 364-7700, ext. 1545  
 laura.tobler@ncsl.org

NCSL's Dependent Coverage website  
[www.ncsl.org/programs/health/dependentstatus.htm](http://www.ncsl.org/programs/health/dependentstatus.htm)

2008 Department of Health and Human Services Poverty Guidelines			
People in Family or Household	48 Contiguous States and District of Columbia	Alaska	Hawaii
1	\$10,400	\$13,000	\$11,960
2	14,000	17,500	16,100
3	17,600	22,000	20,240
4	21,200	26,500	24,380
5	24,800	31,000	28,520
6	28,400	35,500	32,660
7	32,000	40,000	36,800
8	35,600	44,500	40,940
For each additional person, add	3,600	4,500	4,140

Source: Federal Register 73, no. 15 (Jan. 23, 2008), 3971-3972.

*Many young adults cannot afford private health insurance coverage.*

*IRS regulations define dependent for tax purposes.*

2008 POVERTY LEVEL GUIDELINES									
ALASKA									
Income Guidelines as Published in the Federal Register on January 23, 2008									
ANNUAL GUIDELINES									
FAMILY SIZE	PERCENT OF POVERTY								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	13,000.00	15,600.00	17,290.00	17,550.00	19,500.00	22,750.00	24,050.00	26,000.00	32,500.00
2	17,500.00	21,000.00	23,275.00	23,625.00	26,250.00	30,625.00	32,375.00	35,000.00	43,750.00
3	22,000.00	26,400.00	29,260.00	29,700.00	33,000.00	38,500.00	40,700.00	44,000.00	55,000.00
4	26,500.00	31,800.00	35,245.00	35,775.00	39,750.00	46,375.00	49,025.00	53,000.00	66,250.00
5	31,000.00	37,200.00	41,230.00	41,850.00	46,500.00	54,250.00	57,350.00	62,000.00	77,500.00
6	35,500.00	42,600.00	47,215.00	47,925.00	53,250.00	62,125.00	65,675.00	71,000.00	88,750.00
7	40,000.00	48,000.00	53,200.00	54,000.00	60,000.00	70,000.00	74,000.00	80,000.00	100,000.00
8	44,500.00	53,400.00	59,185.00	60,075.00	66,750.00	77,875.00	82,325.00	89,000.00	111,250.00
For family units of more than 8 members, add \$4,500 for each additional member.									
MONTHLY GUIDELINES									
FAMILY SIZE	PERCENT OF POVERTY								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	1,083.33	1,300.00	1,440.83	1,462.50	1,625.00	1,895.83	2,004.17	2,166.67	2,708.33
2	1,458.33	1,750.00	1,939.58	1,968.75	2,187.50	2,552.08	2,697.92	2,916.67	3,645.83
3	1,833.33	2,200.00	2,438.33	2,475.00	2,750.00	3,208.33	3,391.67	3,666.67	4,583.33
4	2,208.33	2,650.00	2,937.08	2,981.25	3,312.50	3,864.58	4,085.42	4,416.67	5,520.83
5	2,583.33	3,100.00	3,435.83	3,487.50	3,875.00	4,520.83	4,779.17	5,166.67	6,458.33
6	2,958.33	3,550.00	3,934.58	3,993.75	4,437.50	5,177.08	5,472.92	5,916.67	7,395.83
7	3,333.33	4,000.00	4,433.33	4,500.00	5,000.00	5,833.33	6,166.67	6,666.67	8,333.33
8	3,708.33	4,450.00	4,932.08	5,006.25	5,562.50	6,489.58	6,860.42	7,416.67	9,270.83



MAY 2006

## Issue Brief

# Rite of Passage? Why Young Adults Become Uninsured and How New Policies Can Help

SARA R. COLLINS, CATHY SCHOEN, JENNIFER L. KRISS,  
MICHELLE M. DOTY, AND BISUNDEV MAHATO\*

For more information about this study, please contact:

Sara R. Collins, Ph.D.  
Senior Program Officer  
The Commonwealth Fund  
Tel 212.606.3838  
Fax 212.606.3500  
E-mail [src@cmwf.org](mailto:src@cmwf.org)

This is a revision of the issue brief *Rite of Passage*, first released in May 2003. It updates analyses with new data from the March 2005 Current Population Survey, the 2003 Medical Expenditure Panel Survey, and the Commonwealth Fund Biennial Health Insurance Survey (2005). It also provides new information on state legislation and other proposals recently introduced to increase health insurance coverage among young adults.

This and other Commonwealth Fund publications are online at [www.cmwf.org](http://www.cmwf.org). To learn more about new publications when they become available, visit the Fund's Web site and [register to receive e-mail alerts](#).

Commonwealth Fund pub. 649  
Vol. 20

**ABSTRACT:** Young adults (ages 19 to 29) are one of the largest and fastest-growing segments of the U.S. population without health insurance: 13.7 million lacked coverage in 2004, an increase of 2.5 million since 2000. Young adults often lose coverage under their parents' policies, Medicaid, or the State Children's Health Insurance Program at age 19, or when they graduate from high school or college. Nearly two of five college graduates and one-half of high school graduates who do not go on to college will be uninsured for a period during the first year after graduation. Three policy changes could extend coverage to uninsured young adults and prevent others from losing it: extending eligibility for Medicaid and the State Children's Health Insurance Program beyond age 18; extending eligibility for dependents under private coverage beyond age 18 or 19 regardless of student status; and ensuring that colleges and universities require full- and part-time students to have insurance, and that they offer coverage to both.

\* \* \* \* \*

### OVERVIEW

Young adults between the ages of 19 and 29 represent one of the largest and fastest-growing segments of the population without health insurance in the United States. Often dropped from their parents' policies or public insurance programs at age 19 or on graduation day, they are left to find insurance on their own as they make the transition from high school to work or college.

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\* Sara R. Collins, Ph.D., is senior program officer, Cathy Schoen, M.S., is senior vice president, Jennifer L. Kriss is program assistant, and Michelle M. Doty, Ph.D., is senior analyst, all at The Commonwealth Fund. Bisundev Mahato is with the Mailman School of Public Health, Columbia University.

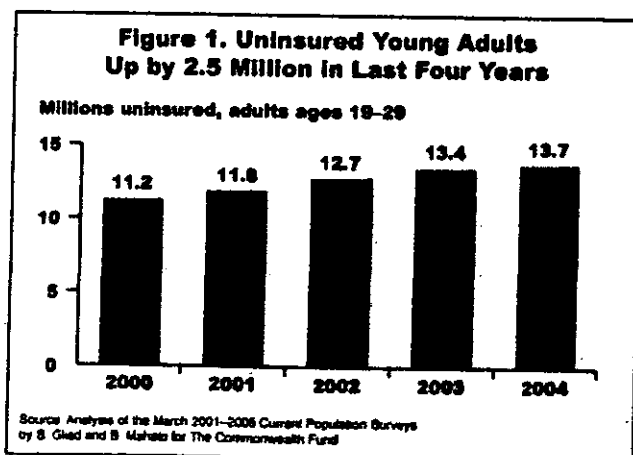
Yet, jobs available to young adults are usually low-wage or temporary—the type that generally do not come with health benefits. Young adults who are able to go to college full-time may have some protection through their parents' policies, but upon graduation usually lose access to family coverage.

Moving on and off coverage places the health of young adults at risk and subjects them and their families to financial stress just as they are starting out in the workforce. This issue brief assesses the scope of the health insurance problem facing young adults, its causes and implications, and what can be done to ensure stable and continuous coverage. It also offers some targeted policy steps that could help young adults stay insured as they make the transition to independent living.

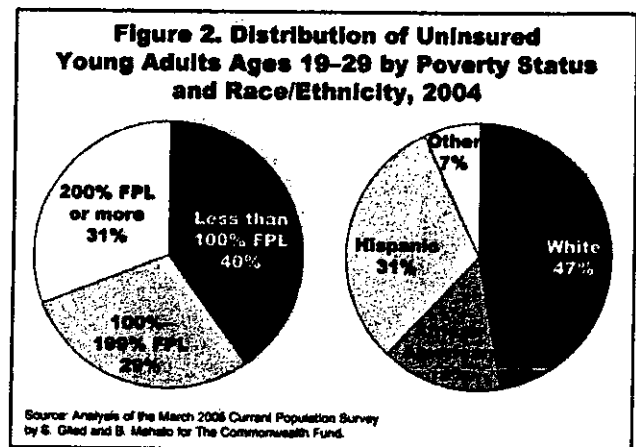
### A LARGE AND GROWING PROBLEM

The number of uninsured young adults ages 19 to 29 climbed to 13.7 million in 2004, an increase of 2.5 million since 2000 (Figure 1). Young adults were the fastest-growing age group among the uninsured over this period, accounting for 40 percent of the increase in the uninsured under age 65. Even though they comprise just 17 percent of the under-65 population, young adults account for 30 percent of the nonelderly uninsured.<sup>1</sup>

By far, the young adults most at risk of lacking coverage are those from low-income households.



These individuals, like children and older adults in low-income families, are disproportionately represented among the uninsured. About 23 percent of adults ages 19 to 29 live in households with incomes below 100 percent of the poverty level, but two-fifths (40%) of the 13.7 million young adults who are uninsured live in households with incomes below poverty (Figure 2).<sup>2</sup>



Nearly half of uninsured young adults are white. But Hispanics are disproportionately represented among the young and uninsured. While Hispanics comprise 19 percent of adults ages 19 to 29, they comprise 31 percent of uninsured young adults (Figure 2). Hispanics and African Americans are both at greater risk of being uninsured than white young adults: about 36 percent of African Americans and 52 percent of Hispanics ages 19 to 29 are uninsured, compared with 24 percent of whites in that age range (data not shown).

### WHAT A DIFFERENCE A YEAR CAN MAKE

Nineteenth birthdays are crucial milestones in Americans' health insurance coverage. Both public and private insurance plans treat this age as a turning point for coverage decisions. Employer health

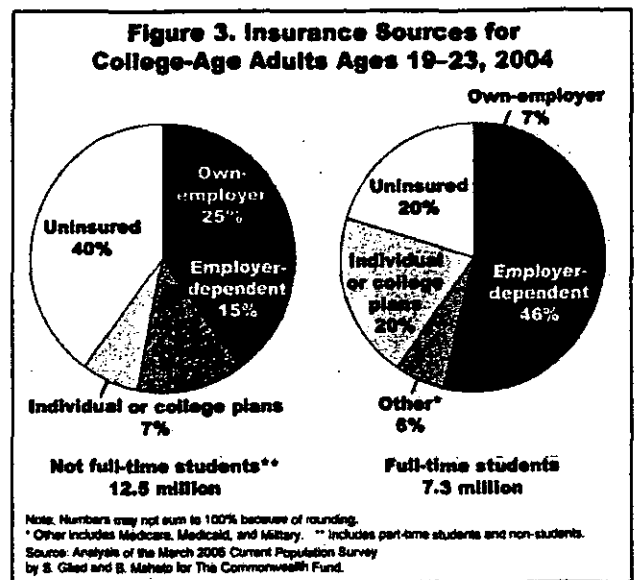
plans often do not cover young adults as dependents after age 18 or 19 if they do not go on to college. Public programs, such as Medicaid and the State Children's Health Insurance Program (SCHIP), also typically have one set of income and eligibility standards for children and another for adults, with the 19th birthday as the critical divide.

### Losing Coverage Under a Parent's Policy

Employer-sponsored health insurance is the mainstay of most family and dependent coverage. Typically, such policies cover children as dependents as long as they meet eligibility rules. Age 18 or 19 tends to be a crucial turning point, after which coverage most often continues only for those young adults who attend college full-time. A 2004 Commonwealth Fund study found that, among employers who offer coverage, nearly 60 percent do not insure dependent children over age 18 or 19 if they do not attend college.<sup>3</sup>

Young adults who enroll in college full-time when they graduate from high school are the most likely in their age group to have insurance coverage, primarily because they are able to maintain eligibility under their parents' employer's policies. A small share of full-time students also gains coverage through plans offered by universities. Roughly 25 percent of public universities and about 90 percent of private universities and colleges require that students have health insurance as a condition of enrollment.<sup>4</sup> Idaho, Massachusetts, and New Jersey have passed either legislative or administrative rulings requiring that students have health insurance in order to enroll.<sup>5</sup> About half (46%) of full-time students ages 19 to 23 receive health insurance through their parents' employer-sponsored plans, while another 20 percent have individual coverage, including college and university plans (Figure 3).

Young adults who are not in school full-time post-high school graduation are much more likely to be uninsured, primarily because it is much harder for them to gain access to employer coverage.



Forty percent of part-time and non-students ages 19 to 23 are uninsured, compared with 20 percent of full-time students. Young adults who opt to enter the labor market rather than go to college are unlikely to be eligible for coverage under their parents' policies, and may have difficulty finding a job with health benefits. New entrants to the labor market without college educations are often candidates for positions that are the least likely to come with health benefits—those that pay low wages, are in small companies, or are part-time or temporary in nature.<sup>6</sup> The Commonwealth Fund Biennial Health Insurance Survey (2005) found that 43 percent of all workers ages 19 to 29 who earn less than \$10 per hour are uninsured.<sup>7</sup> Almost one-third (31%) of workers between ages 19 and 29 have jobs that pay less than \$10 per hour.<sup>8</sup>

### Losing Medicaid/SCHIP Coverage at Age 19

Medicaid and SCHIP reclassify all teenagers as adults the day they turn 19. As a result, young adults who had been insured under Medicaid or SCHIP as children typically do not have an option to stay on public coverage unless they are able to qualify for Medicaid as adults. Regardless of

school, work, or dependent status, they lose their eligibility as dependents or children. Most low-income young adults become ineligible for public programs, since eligibility for adults generally is restricted to very low-income parents or disabled adults. Even teenagers with disabilities who qualified for Medicaid before their 19th birthdays have to go through a new set of screening tests to determine whether they will still be eligible for benefits as disabled adults.<sup>9</sup>

### Net Impact of the 19th Birthday

As a result of the combined impact of such public and private insurance rules, uninsured rates jump sharply at age 19. Turning 19 increases the risk of being uninsured by more than twofold: the uninsured rate rises from 12 percent among children age 18 and under to 31 percent among those ages 19 to 29 (Figure 4).

**Figure 4. Percent Uninsured, Children and Young Adults, by Poverty Level, 2004**

Percent Uninsured	Children Age 18 and Under	Young Adults Ages 19-29
Total	12%	31%
<100% FPL	20	54
100%-199% FPL	17	42
≥200% FPL	7	18

Source: Analysis of the March 2005 Current Population Survey by S. Gied and B. Mahato for The Commonwealth Fund.

Low-income young adults are particularly vulnerable. Among those living in families below the poverty level, more than half (54%) are uninsured, compared with about one of five (20%) children in low-income families. Those with slightly higher incomes (100% to 199% of poverty) fare only marginally better—roughly two of five (42%) are uninsured.

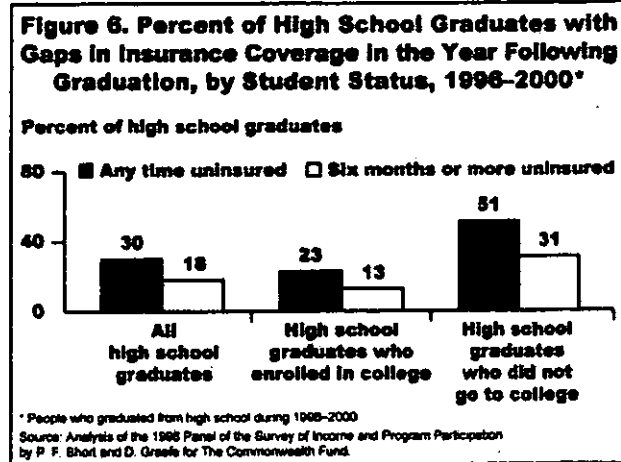
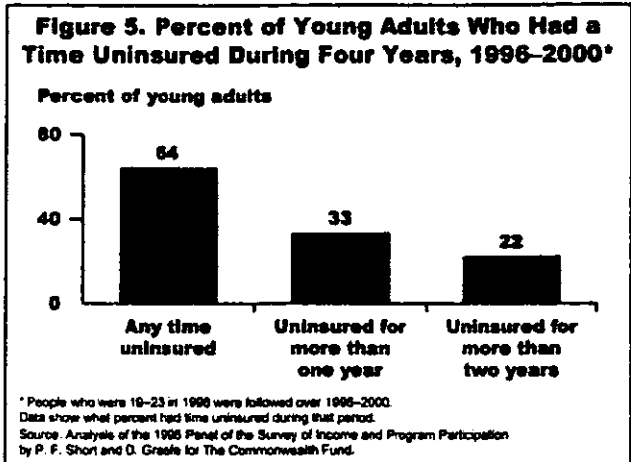
### THE (UNINSURED) GRADUATE

The transitional nature of young adults' lives following their 19th birthday makes it difficult to secure a stable and consistent source of health insurance coverage. Young adults move in and out of school and jobs throughout their 20s. Full-time students might take a leave of absence from school, attend college part-time, or graduate—effectively closing off access to their parents' insurance policies or university-sponsored plans. In addition, job tenure is shorter among younger workers, thus increasing the risk that they will be without health insurance coverage for periods of weeks, months, or even years.

Surveys that track people over time provide an opportunity to examine what happens to the insurance coverage of young adults as they graduate from high school or college or move through their early adult years. The federal multiyear longitudinal survey known as SIPP (Survey of Income and Program Participation) interviewed a sample of people about their health insurance and other characteristics in 1996 and tracked their history through 2000.

The four-year insurance history of all young adults who were ages 19 to 23 at the beginning of 1996 reveals the extent to which life transitions disrupt insurance coverage. Over the 1996–2000 period, two-thirds (64%) of this cohort of young adults went without coverage for at least part of the time (Figure 5).<sup>10</sup> One-third were uninsured for more than a year, while one-fifth were uninsured for more than two years.

Young adults from households with low incomes were most exposed: they were both more likely to go without insurance for at least some period and more likely to endure long periods without insurance. Nearly 80 percent of young adults living under 200 percent of the poverty level were uninsured for at least part of the four-year period; more than half (52%) were uninsured for 13 months or more (Table 1). Reflecting their generally lower incomes, Hispanic and African American young adults were at similarly high risk of losing insurance and experiencing long spells



without coverage. Fifteen percent of Hispanic young adults ages 19 to 23 at the beginning of the four years were uninsured for the entire period.

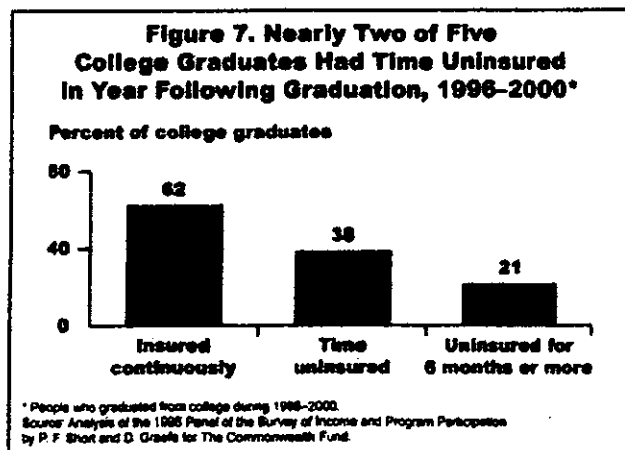
**Graduation: High School and College**

Tracking people over time also reveals how the major life events of early adulthood noted in this brief disrupt insurance coverage.

Graduation from high school marks a key juncture in the health insurance coverage of young adults. Tracking a sample of young adults in the year following graduation reveals the extent to which college enrollment is correlated with more secure insurance coverage. Among all young adults graduating from high school, three of 10 were uninsured for some time in the year following high school (Figure 6). Half of young adults who graduated from high school but did not go to college were uninsured for some time during the year following their graduation—twice the rate for young adults who attended college that year.

Among those young adults who go to college, the year following their college graduation also can be a time during which connections to the health system are fragile and break down. The protections afforded them by virtue of being a full-time student—coverage through a parent’s employer policy or a student health plan—are lost

upon graduation. As new, albeit college-educated, entrants to the labor force, they confront similar hazards that high school graduates face: waiting periods, temporary positions, lower-wage jobs, employment in small firms, and job turnover. Of those college students who graduated during 1996 to 2000, 38 percent were uninsured for at least part of the time in the year following graduation, with 21 percent uninsured for six months or more (Figure 7). Based on the experiences of recent graduates, nearly two of five college graduates can expect to spend at least some time uninsured in the year just after graduation.



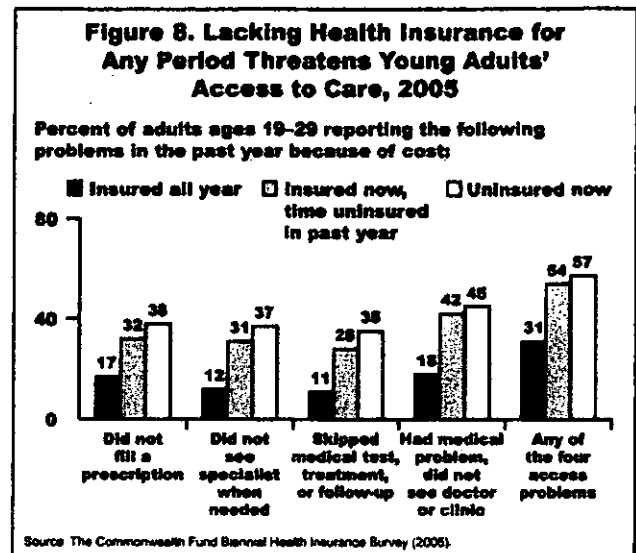
## WHY COVERAGE IS IMPORTANT FOR YOUNG ADULTS

Although young adults in general constitute a healthy group, going without insurance disrupts their access to the health care system, introduces barriers to care when it is needed, and leaves young adults and their families at risk for high out-of-pocket costs in the event of a severe illness or injury. Young adults, particularly women, are in need of regular preventive care. If young adults lose their coverage at age 19 or upon graduation from college, their ties with primary care physicians may be severed at precisely the time they should be forming stronger links to the health care system and taking responsibility for their own care. The following are just a few reasons coverage is so important for young adults:

- Fourteen percent of adults ages 18 to 29 are obese. In the 1990s, obesity increased by 70 percent in this age group—the fastest rate of increase among all adults.<sup>11</sup>
- There are 3.5 million pregnancies each year among the 21 million women ages 19 to 29.<sup>12</sup>
- One-third of all HIV diagnoses are made among young adults.<sup>13</sup>
- Injury-related visits to emergency rooms are far more common among young adults than they are among either children or older adults.<sup>14</sup>
- More than 20,000 people with congenital heart disease reach their 19th birthday each year.<sup>15</sup>

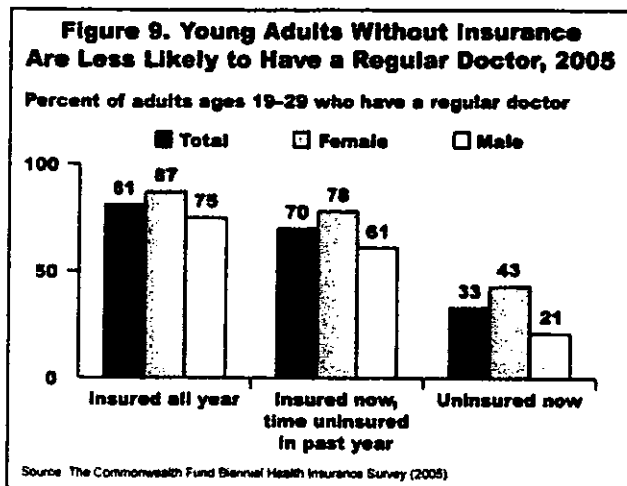
The Commonwealth Fund Biennial Health Insurance Survey (2005) shows that being uninsured or having unstable health insurance hampers access to the health care system. More than half (54%–57%) of young adults ages 19 to 29 who either were uninsured for the entire year or had a time without coverage said that they had gone without needed health care because of cost (Figure 8).

Forgone care included failing to fill a prescription, not seeing a doctor or specialist when sick, or skipping a recommended medical test, treatment, or follow-up visit.



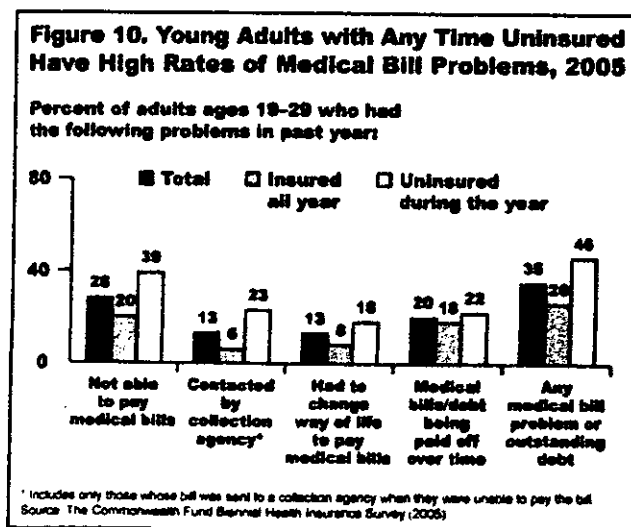
In addition, uninsured young adults are far less likely than those with coverage to have a regular doctor. Only one-third of uninsured young adults ages 19 to 29 had a regular doctor, compared with 81 percent of those who were insured all year (Figure 9). Uninsured female young adults had regular doctors at about half the rate of young women who were insured all year. Male young adults who were uninsured had the most fragile link to the health care system: just 21 percent had a regular doctor compared with 75 percent of male young adults who were insured all year.

Many young adults have problems paying medical bills or are paying off medical debt over time. More than one-third (35%) of all young adults, both insured and uninsured, said that they had experienced problems with medical bills: having trouble making payments, being contacted by a collection agency because of inability to pay



bills, significantly changing their way of life in order to pay medical bills, or paying off medical debt over time (Figure 10). About one of five (20%) young adults were paying off medical debt over time. Uninsured young adults were the most burdened with medical bills and debt; 46 percent reported at least one of the aforementioned problems.

Contrary to conventional wisdom, young adults appear to value the protection that health insurance coverage provides. The Commonwealth



Fund Biennial Health Insurance Survey (2005) found that nearly three-quarters (73%) of employed young adults accept health insurance coverage when it is offered to them, only slightly less than the take-up rate (82%) of workers age 30 or older (Table 2).

**POLICY OPTIONS TO HELP YOUNG ADULTS STAY INSURED**

Health insurance coverage of young adults would be improved by system-wide changes to expand access to and stabilize coverage among the general population. Some recent proposals to achieve near-universal coverage would build on the existing health insurance system, and several have included specific provisions to increase coverage among young adults in current private and public insurance arrangements.<sup>16</sup> For example, The Commonwealth Fund's Karen Davis and Cathy Schoen have proposed a framework for achieving near-universal coverage that includes a requirement for companies to extend coverage to dependent young adults under age 23 through their parents' insurance plan.<sup>17</sup> Other proposals would expand coverage for children as well as young adults, or exclusively target young adults. Senator Jay Rockefeller (D-W.Va.) and Representative Pete Stark (D-Calif.) have introduced legislation creating a Medicare-like program for children that will eventually cover young adults up to age 23.<sup>18</sup> Representative Vic Snyder (D-Ark.) and Senator Blanche Lincoln (D-Ark.) have introduced legislation that would permit states to cover low-income young adults under Medicaid and SCHIP up to age 23.<sup>19</sup> Senate Republicans have proposed financial incentives for colleges and universities that provide or require health insurance for full-time students.<sup>20</sup>

**Recent State Action**

In the absence of federal action to expand coverage, several states have recently passed or are considering legislation to substantially increase the age

of dependency for young adults for private insurance coverage eligibility status.<sup>21</sup> In general, these laws apply to plans covered under state insurance regulations and thus would not apply to self-insured employers.

In a law taking effect in May 2006, New Jersey will require most group health plans to cover single adult dependents up to age 30 (Table 3).<sup>22</sup> A Colorado law that became effective in January 2006 requires group and privately purchased individual health plans to cover unmarried dependents up to age 25.<sup>23</sup> Dependents must be unmarried or financially dependent, or live at the same address as the parent(s), but eligibility is not dependent on full-time enrollment in school. The New Jersey and Colorado laws both allow insurers to charge a separate premium for extended dependent coverage.

As part of Massachusetts' April 2006 health insurance expansion law, young adults are considered dependents for insurance purposes up to age 25 or for two years after they are no longer claimed on their parents' tax returns, whichever comes first.<sup>24</sup>

Utah has required insurance policies that include dependent coverage to cover unmarried dependents through age 26 since 1994,<sup>25</sup> and New Mexico requires that all insurance policies provide coverage for unmarried dependents up to age 25, regardless of school enrollment.<sup>26</sup>

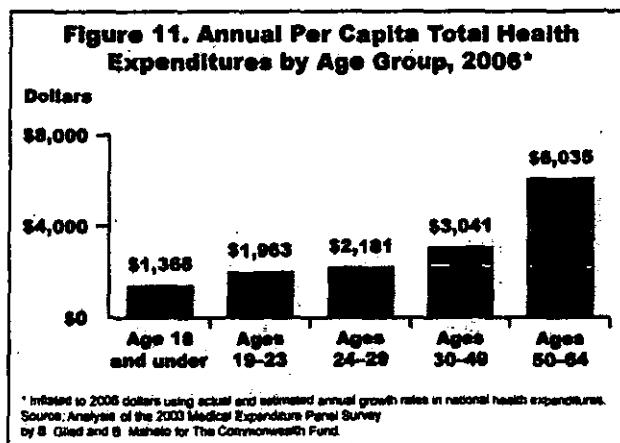
A Texas law effective in September 2003 allows full-time students up to age 25 to be covered by their parents' insurance plans.<sup>27</sup> South Dakota prohibits any insurance provider that offers dependent benefits from terminating coverage before age 19, or 24 if the dependent is a student.<sup>28</sup>

Several state legislatures are considering similar laws. Rhode Island is currently considering a bill that would phase in, through 2009, coverage of unmarried and financially dependent young adults up to age 25.<sup>29</sup> And a California bill that was passed by the state legislature but vetoed by the governor would have prohibited health plans that cover dependent children from establishing a limiting age for coverage of less than 26 years.<sup>30</sup> The

bill is expected to be submitted to the governor for consideration again this year.

### Targeted Policy Options

Whether as part of a broader expansion plan or implemented on their own, targeted policy options like those recently pursued by states could improve access to coverage for young adults and help them stay insured during the transition to independence. This is a relatively low-cost group to insure: young adults generally are healthier than older adults and therefore have far lower per capita health care expenditures (Figure 11).<sup>31</sup> Indeed, keeping young adults in insurance pools may have the effect of lowering the average costs for group insurance.



Three different public or private policy changes could extend coverage to a substantial portion of uninsured young adults and prevent others from losing coverage in the future.

1. *Extend eligibility for Medicaid/SCHIP public coverage beyond age 18.* Congress could allow or require states to extend coverage to those young adults in Medicaid and SCHIP who lose their eligibility because of age, with federal matching funds provided. Young

adults in households with incomes under 100 percent of poverty are by far the group most at risk of lacking health insurance coverage. Such an expansion would have the biggest impact in terms of lowering the number of uninsured young adults. Young adults with incomes of 100 percent to 199 percent of poverty also lack insurance at a high rate. As proposed in the Snyder and Lincoln legislation, states would have the option of extending coverage up to a target age such as 23, and could phase in coverage one year at a time. Alternatively, Congress could require states to extend coverage to those currently enrolled in the programs and who "age off," just as states are now required to extend Medicaid coverage to those who become ineligible because of higher earnings.<sup>32</sup> Such a policy change could help the 2.9 million uninsured young adults ages 19 to 23 with incomes under 100 percent of poverty.

2. *Extend eligibility for dependents under private coverage beyond age 18 or 19.* Private insurers and both public and private employers could be required to define dependent coverage as all unmarried dependents beyond age 18 or 19. As noted above, many states have recently redefined the age at which a young adult is no longer a dependent—from age 25 in Colorado and New Mexico up to age 30 in New Jersey. Some private and public employers already provide such coverage voluntarily. Under the Federal Employees Health Benefits Program, federal employees and members of Congress currently enjoy coverage for unmarried dependent children under age 22.<sup>33</sup> Such an expanded benefit could either be structured as a rider with a supplemental premium or simply be extended to all policies and covered by the family premium. Even increasing the age

to 23 could cover an estimated 1 million unmarried, dependent young adults.<sup>34</sup> If the benefit requirement were extended to family policies, the average premium for those plans would rise by about 3 to 5 percent.<sup>35</sup>

3. *States could ensure that all colleges and universities require full-time and part-time students to have health insurance, and that they offer health insurance coverage to both.* Many colleges and universities already require health insurance coverage as a condition of enrollment, and a handful of states (Idaho, Massachusetts, New Jersey) have legislative or administrative rulings requiring all students at local institutions to be covered. Students at these institutions generally can choose to enroll in a school health plan or provide proof of coverage from another source, usually a parent's employer-based plan. The cost of the school plans, which ranges from about \$500 to \$2,400 per year, is usually added to tuition along with other required fees.<sup>36</sup> Increasing the number of schools that require students to have health insurance coverage and that offer such coverage through state mandates could help cover the 1.9 million part-time and full-time uninsured students ages 19 to 23. Federal or state subsidies for premiums would help offset the costs of insurance coverage for students.

#### NOTES

- <sup>1</sup> All analyses of the March Annual Social and Economic Supplement to the Current Population Survey (CPS), 1987–2005, are from S. Glied and B. Mahato, Columbia University, for The Commonwealth Fund. See *Methodology* for a description of the CPS.

- <sup>2</sup> In 2004, the under-65 poverty thresholds were \$9,827 for one person, \$12,649 for two adults, \$13,020 for two adults and one child under 18, and \$19,157 for two adults and two children under 18. See C. DeNavas-Walt, B. D. Proctor and R. J. Mills, *Income, Poverty, and Health Insurance Coverage in the United States: 2004*, Current Population Reports, Consumer Income (Washington, D.C.: U.S. Census Bureau, Aug. 2005).
- <sup>3</sup> S. R. Collins, C. Schoen, M. M. Doty, and A. L. Holmgren, *Job-Based Health Insurance in the Balance: Employer Views of Coverage in the Workplace* (New York: The Commonwealth Fund, Mar. 2004).
- <sup>4</sup> Communication with S. Beckley, Stephen L. Beckley & Associates, Inc., Fort Collins, Colo.
- <sup>5</sup> Ibid.
- <sup>6</sup> S. R. Collins, K. Davis, and A. Ho, "A Shared Responsibility: U.S. Employers and the Provision of Health Insurance to Employees," *Inquiry*, Spring 2005 42(1):6-15; S. R. Collins, K. Davis, M. M. Doty, and A. Ho, *Wages, Health Benefits, and Workers' Health* (New York: The Commonwealth Fund, Oct. 2004); S. R. Collins, C. Schoen, D. Colasanto, and D. A. Downey, *On the Edge: Low-Wage Workers and Their Health Insurance Coverage. Findings from the 2001 Health Insurance Survey* (New York: The Commonwealth Fund, Mar. 2003); B. Garret, L. M. Nichols, and E. K. Greenman, *Workers Without Health Insurance: Who Are They and How Can Policy Reach Them?* (Washington, D.C.: The Urban Institute, Sept. 2001); S. H. Long and M. S. Marquis, "Low-Wage Workers and Health Insurance Coverage: Can Policymakers Target Them Through Their Employers?" *Inquiry*, Fall 2001 38(3):331-37.
- <sup>7</sup> Authors' analysis of the Commonwealth Fund Biennial Health Insurance Survey (2005).
- <sup>8</sup> Ibid.
- <sup>9</sup> E. Fishman, "Aging Out of Coverage: Young Adults with Special Health Needs," *Health Affairs*, Nov./Dec. 2001 20(6):254-66.
- <sup>10</sup> All analyses of the 1996 Panel of the Survey of Income and Program Participation (SIPP) are from P. F. Short and D. Graefe, Pennsylvania State University, for The Commonwealth Fund. See Methodology for a description of the SIPP.
- <sup>11</sup> A. H. Mokdad, E. S. Ford, B. A. Bowman et al., "Prevalence of Obesity, Diabetes, and Obesity-Related Health Risk Factors, 2001," *Journal of the American Medical Association*, Jan. 1, 2003 289(1):76-79; T. A. Hillier and K. L. Pedula, "Complications in Young Adults with Early Onset Type 2 Diabetes: Losing the Relative Protection of Youth," *Diabetes Care*, Nov. 2003 26(11):2999-3005; A. H. Mokdad et al., "The Spread of the Obesity Epidemic in the United States, 1991-1998," *Journal of the American Medical Association*, Oct. 27, 1999 282(16): 1519-22.
- <sup>12</sup> K. Quinn, C. Schoen, and L. Buatti, *On Their Own: Young Adults Living Without Health Insurance* (New York: The Commonwealth Fund, May 2000).
- <sup>13</sup> Ibid.
- <sup>14</sup> National Center for Health Statistics, *Health, United States, 2005* (Hyattsville, Md.: NCHS, Nov. 2005), Table 89.
- <sup>15</sup> G. Rosenthal, "Prevalence of Congenital Heart Disease," in *The Science and Practice of Pediatric Cardiology*, Second Edition, A. Garson, J. T. Bricker, D. J. Fisher, and S. R. Neish (eds.) (Baltimore: Williams and Wilkins, 1998), pp. 1095-96.
- <sup>16</sup> J. M. Lambrew, J. D. Podesta, and T. L. Shaw, "Change in Challenging Times: A Plan for Extending and Improving Health Coverage," *Health Affairs Web Exclusive* (Mar. 23, 2005):W5-119-W5-132; S. R. Collins, K. Davis, and J. M. Lambrew, *Health Care Reform Returns to the National Agenda: The 2004 Presidential Candidates' Proposals* (New York: The Commonwealth Fund, updated Oct. 2004).
- <sup>17</sup> K. Davis and C. Schoen, "Creating Consensus on Coverage Choices," *Health Affairs Web Exclusive* (Apr. 23, 2003):W3-199-W3-211.
- <sup>18</sup> S. 1303, MediKids Health Insurance Act of 2005; H.R. 3055 MediKids Health Insurance Act of 2005.
- <sup>19</sup> H.R. 3040 Health Care for Young Adults Act of 2005; S. 1298 Health Care for Young Adults Act of 2005.
- <sup>20</sup> U.S. Senate Republican Task Force on Health Care Costs and the Uninsured, *Building on a Record of Creative Solutions* (May 2004).
- <sup>21</sup> See National Conference of State Legislatures, <http://www.ncsl.org/programs/health/dependentstatus.htm>.

- <sup>22</sup> New Jersey Public Act 2005 c.375, [http://www.njleg.state.nj.us/2004/Bills/PL05/375\\_.pdf](http://www.njleg.state.nj.us/2004/Bills/PL05/375_.pdf).
- <sup>23</sup> Colorado H.B. 05-1101 Section 10-16-104.3, C.R.S., [http://www.leg.state.co.us/Clics2005a/csl.nsf/fbillcont3/C496911BCAEEEE00987256F5100652C3E?Open&file=1101\\_enr.pdf](http://www.leg.state.co.us/Clics2005a/csl.nsf/fbillcont3/C496911BCAEEEE00987256F5100652C3E?Open&file=1101_enr.pdf).
- <sup>24</sup> Massachusetts H.B. 4850, <http://www.mass.gov/legis/bills/house/ht04/ht04850.htm>.
- <sup>25</sup> Utah Code, Title 31A-22-610.5, <http://www.le.state.ut.us/~code/TITLE31A/hum/31A17101.htm>.
- <sup>26</sup> New Mexico H.B. 335, <http://legis.state.nm.us/Sessions/05%20Regular/final/HB0335.pdf>.
- <sup>27</sup> Texas H.B. 1446, <http://www.capitol.state.tx.us/cgi-bin/tlo/textframe.cmd?LEG=78&SESS=R&CHAMBER=H&BILLTYPE=B&BILLSUFFIX=01446&VERSION=5&TYPE=B>.
- <sup>28</sup> South Dakota H.B. 1045, Chapter No. 265, <http://legis.state.sd.us/sessions/2005/bills/HB1045enr.pdf>.
- <sup>29</sup> Rhode Island S.B. 2211, <http://www.rilin.state.ri.us/Billtext/BillText06/SenateText06/S2211.pdf>.
- <sup>30</sup> California A.B. 1698, [http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1651-1700/ab\\_1698\\_bill\\_20050913\\_enrolled.pdf](http://www.leginfo.ca.gov/pub/bill/asm/ab_1651-1700/ab_1698_bill_20050913_enrolled.pdf).
- <sup>31</sup> Analysis of the Medical Expenditure Panel Survey (MEPS), 2003, by S. Glied and B. Mahato, Columbia University, for The Commonwealth Fund. See Methodology for a description of the MEPS.
- <sup>32</sup> J. M. Lambrew and A. Garson, Jr., *Small But Significant Steps to Help the Uninsured* (New York: The Commonwealth Fund, Jan. 2003).
- <sup>33</sup> Federal Employees Health Benefits Program Handbook, see <http://www.opm.gov/insure/handbook/fehb28.asp>.
- <sup>34</sup> Analysis of the March 2005 Annual Social and Economic Supplement to the CPS, S. Glied and B. Mahato.
- <sup>35</sup> This estimate is based on the costs of adding the estimated number of adults 19 to 23 who currently do not have employer-sponsored health insurance to different types of family policies. The range reflects the average premium increases resulting from spreading those costs across family policies with dependent children (5%) or all non-single policies (3%).
- <sup>36</sup> The range reflects the costs of those school health plans that are consistent with standards recommended by the American College Health Association. Communication with S. Beckley, Stephen L. Beckley & Associates, Inc., Fort Collins, Colo.; L. Rosellini, "Healthcare Headaches," *U.S. News & World Report*, Apr. 15, 2002, p. 52.

**Table 1. Months Uninsured Among Young Adults, 1996-2000**

	Population in millions	Any part of 4-year period	13 months or more	25 months or more	48 months
<b>Total 19-23*</b>	17	64%	33%	22%	6%
<b>Poverty</b>					
≤ 200% FPL	5	79	52	37	12
> 200% FPL	12	57	25	15	3
<b>Race</b>					
White	12	61	29	18	3
Black	2	65	38	25	11
Hispanic	2	76	52	39	15

\* People who were 19-23 at beginning of survey in 1996.

Source: Analysis of the 1996 Panel of the Survey of Income and Program Participation by P. F. Short and D. Graefe for The Commonwealth Fund.

**Table 2. Availability of and Workers' Eligibility for Employer Insurance  
(base: workers ages 19-64)**

	Total	Ages 19-29	Ages 30-64
<b>Total (millions)</b>	125.8	26.0	99.8
<b>Eligibility</b>			
Employer offers a plan	77%	71%	78%
Eligible for employer plan	71	62	73
<b>Coverage</b>			
Covered through own employer	57	45	60
Covered through someone else's employer	17	15	17
Covered through public program	4	6	3
Individual	5	5	6
Other	3	6	2
Uninsured	15	23	13
Take-up rate of own-employer insurance	80	73	82

Note: Workers include full-time and part-time workers.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2005).

**Table 3. State Laws That Increase the Age Up to Which  
Young Adults Are Considered Dependents for Insurance Purposes**

State	Year law passed or implemented	Limiting age of dependency status	Applies to non-students?
Colorado	2006	25	Yes
Massachusetts	2006	25 <sup>1</sup>	Yes
New Jersey	2006	30	Yes
New Mexico	2005	25	Yes
South Dakota	2005	24 <sup>2</sup>	No
Texas	2003	25	No
Utah	1994	26	Yes

<sup>1</sup> Or for two years after they are no longer claimed on their parents' tax returns, whichever comes first.

<sup>2</sup> Age 19 for non-students.

Notes: Four states have passed laws to extend the dependency eligibility age for young adults in the military or who are disabled. Pennsylvania requires that full-time students whose studies are interrupted by military service are considered dependents until they finish school, regardless of age; Illinois requires that full-time students whose studies are interrupted by military service are considered dependents for the amount of time they spent serving, up to age 25. Oregon includes disabled adult children in the definition of dependent; Maine requires that children with a mental or physical disability that prevents them from enrolling in school are considered dependents up to age 24.

Source: National Conference of State Legislatures, *Changing Definition of 'Dependent': Who Is Insured and For How Long?* (Washington, D.C.: NCSL). Available at <http://www.ncsl.org/programs/health/dependentstatus.htm>.

## METHODOLOGY

Most data in this issue brief are from four surveys: the March Annual Social and Economic Supplement to the Current Population Survey (CPS), 2000–2005; the Medical Expenditure Panel Survey (MEPS), 2003; the 1996 Panel of the Survey of Income and Program Participation (SIPP); and the Commonwealth Fund Biennial Health Insurance Survey (2005). Sherry Glied and Bisundev Mahato of Columbia University, Mailman School of Public Health, provided analysis of the CPS and MEPS. Pamela Farley Short and Deborah Graefe of Pennsylvania State University, Center for Health Care and Policy Research, provided analysis of the SIPP. The authors analyzed the Commonwealth Fund Biennial Health Insurance Survey.

The CPS, MEPS, and SIPP are federal surveys sponsored by the Census Bureau (CPS and SIPP) and the Agency for Healthcare Research and Quality (MEPS). The CPS, the primary source of information on U.S. labor force characteristics, is conducted monthly on a sample of about 57,000 households representing approximately 140,000 people. The Annual Social and Economic Supplement to the CPS is conducted in March of each year with a sample of about 99,000 households. The MEPS uses an overlapping panel design in which data are collected in a series of five interviews over a 30-month period, with a new panel started each year. The sample size in 2003 was about 13,000 families, representing 33,000 people. The SIPP is a multiyear panel survey that interviews a sample of households every four months for several years. The 1996 panel was fielded for four years and consisted of about 37,000 households.

The Commonwealth Fund Biennial Health Insurance Survey (2005) was conducted by Princeton Survey Research Associates International from August 18, 2005, through January 5, 2006. The survey consisted of 25-minute telephone interviews in either English or Spanish and was conducted among a random, nationally representative sample of 4,350 adults age 19 and older living in the continental United States. The analysis in this report is based on 603 adults ages 19 to 29 in the sample. Statistical results are weighted to correct for the disproportionate sample design and to make the final total sample results representative of all adults age 19 and older living in the continental U.S. The data are weighted to the U.S. adult population by age, sex, race/ethnicity, education, household size, geographic region, and telephone service interruption, using the U.S. Census Bureau's 2005 Annual Social and Economic Supplement. The resulting weighted sample is representative of the approximately 212 million adults age 19 and older, including 35.5 million young adults ages 19 to 29.

The Commonwealth Fund is a private foundation that undertakes independent research on health care issues and makes grants to improve health care practice and policy. The views presented here are those of the authors and not necessarily those of The Commonwealth Fund or its directors, officers, or staff, or of The Commonwealth Fund Commission on a High Performance Health System or its members.



# 2009 POVERTY GUIDELINES

ALL STATES (EXCEPT ALASKA AND HAWAII) AND D.C.

## ANNUAL GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	10,830.00	12,996.00	14,403.90	14,620.50	16,245.00	18,952.50	20,035.50	21,660.00	27,075.00
2	14,570.00	17,484.00	19,378.10	19,669.50	21,855.00	25,497.50	26,954.50	29,140.00	36,425.00
3	18,310.00	21,972.00	24,352.30	24,718.50	27,465.00	32,042.50	33,873.50	36,620.00	45,775.00
4	22,050.00	26,460.00	29,326.50	29,767.50	33,075.00	38,587.50	40,792.50	44,100.00	55,125.00
5	25,790.00	30,948.00	34,300.70	34,816.50	38,685.00	45,132.50	47,711.50	51,580.00	64,475.00
6	29,530.00	35,436.00	39,274.90	39,865.50	44,295.00	51,677.50	54,630.50	59,060.00	73,825.00
7	33,270.00	39,924.00	44,249.10	44,914.50	49,905.00	58,222.50	61,549.50	66,540.00	83,175.00
8	37,010.00	44,412.00	49,223.30	49,963.50	55,515.00	64,767.50	68,468.50	74,020.00	92,525.00

For family units of more than 8 members, add \$3,740 for each additional member.

## MONTHLY GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	902.50	1,083.00	1,200.33	1,218.38	1,353.75	1,579.38	1,669.63	1,805.00	2,256.25
2	1,214.17	1,457.00	1,614.84	1,639.13	1,821.25	2,124.79	2,246.21	2,428.33	3,035.42
3	1,525.83	1,831.00	2,029.36	2,059.88	2,288.75	2,670.21	2,822.79	3,051.67	3,814.58
4	1,837.50	2,205.00	2,443.88	2,480.63	2,756.25	3,215.63	3,399.38	3,675.00	4,593.75
5	2,149.17	2,579.00	2,858.39	2,901.38	3,223.75	3,761.04	3,975.96	4,298.33	5,372.92
6	2,460.83	2,953.00	3,272.91	3,322.13	3,691.25	4,306.46	4,552.54	4,921.67	6,152.08
7	2,772.50	3,327.00	3,687.43	3,742.88	4,158.75	4,851.88	5,129.13	5,545.00	6,931.25
8	3,084.17	3,701.00	4,101.94	4,163.63	4,626.25	5,397.29	5,705.71	6,168.33	7,710.42

Produced by: CMSO/DEHPG/DEEO

Derived from poverty guidelines as published in the Federal Register on January 23, 2009

# 2009 POVERTY GUIDELINES

ALASKA ONLY

## ANNUAL GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	13,530.00	16,236.00	17,994.90	18,265.50	20,295.00	23,677.50	25,030.50	27,060.00	33,825.00
2	18,210.00	21,852.00	24,219.30	24,583.50	27,315.00	31,867.50	33,688.50	36,420.00	45,525.00
3	22,890.00	27,468.00	30,443.70	30,901.50	34,335.00	40,057.50	42,346.50	45,780.00	57,225.00
4	27,570.00	33,084.00	36,668.10	37,219.50	41,355.00	48,247.50	51,004.50	55,140.00	68,925.00
5	32,250.00	38,700.00	42,892.50	43,537.50	48,375.00	56,437.50	59,662.50	64,500.00	80,625.00
6	36,930.00	44,316.00	49,116.90	49,855.50	55,395.00	64,627.50	68,320.50	73,860.00	92,325.00
7	41,610.00	49,932.00	55,341.30	56,173.50	62,415.00	72,817.50	76,978.50	83,220.00	104,025.00
8	46,290.00	55,548.00	61,565.70	62,491.50	69,435.00	81,007.50	85,636.50	92,580.00	115,725.00

For family units of more than 8 members, add \$4,680 for each additional member.

## MONTHLY GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	1,127.50	1,353.00	1,499.58	1,522.13	1,691.25	1,973.13	2,085.88	2,255.00	2,818.75
2	1,517.50	1,821.00	2,018.28	2,048.63	2,276.25	2,655.63	2,807.38	3,035.00	3,793.75
3	1,907.50	2,289.00	2,536.98	2,575.13	2,861.25	3,338.13	3,528.88	3,815.00	4,768.75
4	2,297.50	2,757.00	3,055.68	3,101.63	3,446.25	4,020.63	4,250.38	4,595.00	5,743.75
5	2,687.50	3,225.00	3,574.38	3,628.13	4,031.25	4,703.13	4,971.88	5,375.00	6,718.75
6	3,077.50	3,693.00	4,093.08	4,154.63	4,616.25	5,385.63	5,693.38	6,155.00	7,693.75
7	3,467.50	4,161.00	4,611.78	4,681.13	5,201.25	6,068.13	6,414.88	6,935.00	8,668.75
8	3,857.50	4,629.00	5,130.48	5,207.63	5,786.25	6,750.63	7,136.38	7,715.00	9,643.75

Produced by: CMSO/DEHPG/DEEO

Derived from poverty guidelines as published in the Federal Register on January 23, 2009

# 2009 POVERTY GUIDELINES

HAWAII ONLY

## ANNUAL GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	12,460.00	14,952.00	16,571.80	16,821.00	18,690.00	21,805.00	23,051.00	24,920.00	31,150.00
2	16,760.00	20,112.00	22,290.80	22,626.00	25,140.00	29,330.00	31,006.00	33,520.00	41,900.00
3	21,060.00	25,272.00	28,009.80	28,431.00	31,590.00	36,855.00	38,961.00	42,120.00	52,650.00
4	25,360.00	30,432.00	33,728.80	34,236.00	38,040.00	44,380.00	46,916.00	50,720.00	63,400.00
5	29,660.00	35,592.00	39,447.80	40,041.00	44,490.00	51,905.00	54,871.00	59,320.00	74,150.00
6	33,960.00	40,752.00	45,166.80	45,846.00	50,940.00	59,430.00	62,826.00	67,920.00	84,900.00
7	38,260.00	45,912.00	50,885.80	51,651.00	57,390.00	66,955.00	70,781.00	76,520.00	95,650.00
8	42,560.00	51,072.00	56,604.80	57,456.00	63,840.00	74,480.00	78,736.00	85,120.00	106,400.00

For family units of more than 8 members, add \$4,300 for each additional member.

## MONTHLY GUIDELINES

FAMILY SIZE	PERCENT OF POVERTY GUIDELINE								
	100%	120%	133%	135%	150%	175%	185%	200%	250%
1	1,038.33	1,246.00	1,380.98	1,401.75	1,557.50	1,817.08	1,920.92	2,076.67	2,595.83
2	1,396.67	1,676.00	1,857.57	1,885.50	2,095.00	2,444.17	2,583.83	2,793.33	3,491.67
3	1,755.00	2,106.00	2,334.15	2,369.25	2,632.50	3,071.25	3,246.75	3,510.00	4,387.50
4	2,113.33	2,536.00	2,810.73	2,853.00	3,170.00	3,698.33	3,909.67	4,226.67	5,283.33
5	2,471.67	2,966.00	3,287.32	3,336.75	3,707.50	4,325.42	4,572.58	4,943.33	6,179.17
6	2,830.00	3,396.00	3,763.90	3,820.50	4,245.00	4,952.50	5,235.50	5,660.00	7,075.00
7	3,188.33	3,826.00	4,240.48	4,304.25	4,782.50	5,579.58	5,898.42	6,376.67	7,970.83
8	3,546.67	4,256.00	4,717.07	4,788.00	5,320.00	6,206.67	6,561.33	7,093.33	8,866.67

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