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RELEASE: New Report Debunks Misleading Claim that the Affordable Care Act Harms Young Adults

Washington, D.C. — According to conservative estimates in a [new report](#) released today by the Center for American Progress, **only 3 percent of all young adults could face higher premiums in the Affordable Care Act's individual market.** The report also explains why it is unreasonable to compare today's prices to those in the new marketplaces, which provide far greater benefits and security. Furthermore, the report notes that the real threat to young-adult access to affordable health insurance coverage is not possible premium increases but the shortsighted decision by a significant number of states to reject the law's Medicaid expansion.

"Young adults should ignore the overblown warnings about increased health insurance premiums. The sky is not falling. The Affordable Care Act actually lowers health care costs for the vast majority of young adults," said [Maura Calsyn](#), Associate Director of Health Policy at the Center for American Progress and co-author for the report. "Focusing exclusively on the cost of premiums is disingenuous; premiums are just one health care expense. Even healthy young adults who will pay a bit more upfront will see greatly improved coverage and financial protections."

The report, "[How the Affordable Care Act Helps Young People](#)," explains that the argument that young adults are "harmed" by the Affordable Care Act is misleading because it fails to take into account many of the provisions of the Affordable Care Act that make coverage more affordable. For many young adults, these financial and consumer protections will lower their overall health care costs. According to the report, only a very small group of young adults may see premium increases as a result of the Affordable Care Act's age rating and other market reforms. Census data show that, of the nearly 47 million young Americans between the ages of 19 and 29, approximately 3 percent might see higher premiums in the individual market. These young adults have incomes that may be too high to qualify for federal subsidies to fully offset the premium increases. To put this finding in a larger context, this group is less than 0.5 percent of the entire U.S. population.

The vast majority of young adults, however, will not see premium increases because they have employer-sponsored coverage or because they have incomes below 250 percent of the federal poverty level. Young adults with incomes below this level will either qualify for Medicaid under the expansion if their states participate, or they will receive federal subsidies for premium assistance and cost sharing that will offset any premium increase. And not every young adult who falls within the 3 percent will be affected; some will remain on their parents' insurance plans and others may stay in "grandfathered" plans that are exempt from many of the law's changes.

The report points out that the real threat to young adult health insurance coverage is not the overblown claim of premium rate-shock, but rather the rejection of Medicaid expansion by a substantial number of states. Nearly half of all currently uninsured young adults would qualify for Medicaid under full expansion but will remain uninsured unless their states participate.

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