

# Young Adults More Likely to Qualify for Special Enrollment



**HHS has announced that over 7.5 million Americans enrolled in Qualified Health Plans (QHPs) through the new health insurance marketplaces during the Affordable Care Act's first Open Enrollment period from October 1 to March 31.<sup>1</sup>**

A significant number of these enrollees include young adults ages 18 to 34 who make up America's most uninsured age group.

The work of enrolling young adults in health insurance is not done yet, however, and it does not need to wait until the next round of open enrollment, starting on November 15, 2014. Many situations trigger Special Enrollment Periods, allowing consumers to purchase health insurance plans on the marketplace outside of Open Enrollment.<sup>2</sup> Examples include losing other health coverage or having a baby. **Importantly, young people are more likely to experience these life events than other age group.**

In this report we identify the events that trigger special enrollment periods and demonstrate how young people are systematically more likely to qualify. Many relevant statistics are gathered on an annual basis, however there are only 7 ½ months between the end of the first open enrollment period on March 31 and the start of the next open enrollment period on November 15.<sup>3</sup> Thus, we reduce the annual figures proportionally, reflecting the period when individuals can only qualify for coverage on the marketplaces through a special enrollment.

Because many individuals experience multiple qualifying events (such as getting married and moving in the same year), it is difficult to estimate the total amount of young people that will qualify. However, as open enrollment data is tallied and analyzed for young adult participation, analysts, the media, advocates, and young people themselves should bear in mind that the young adult proportion of marketplace enrollees will likely increase throughout the year.

## **Qualifying Events that Trigger Special Enrollment Periods**

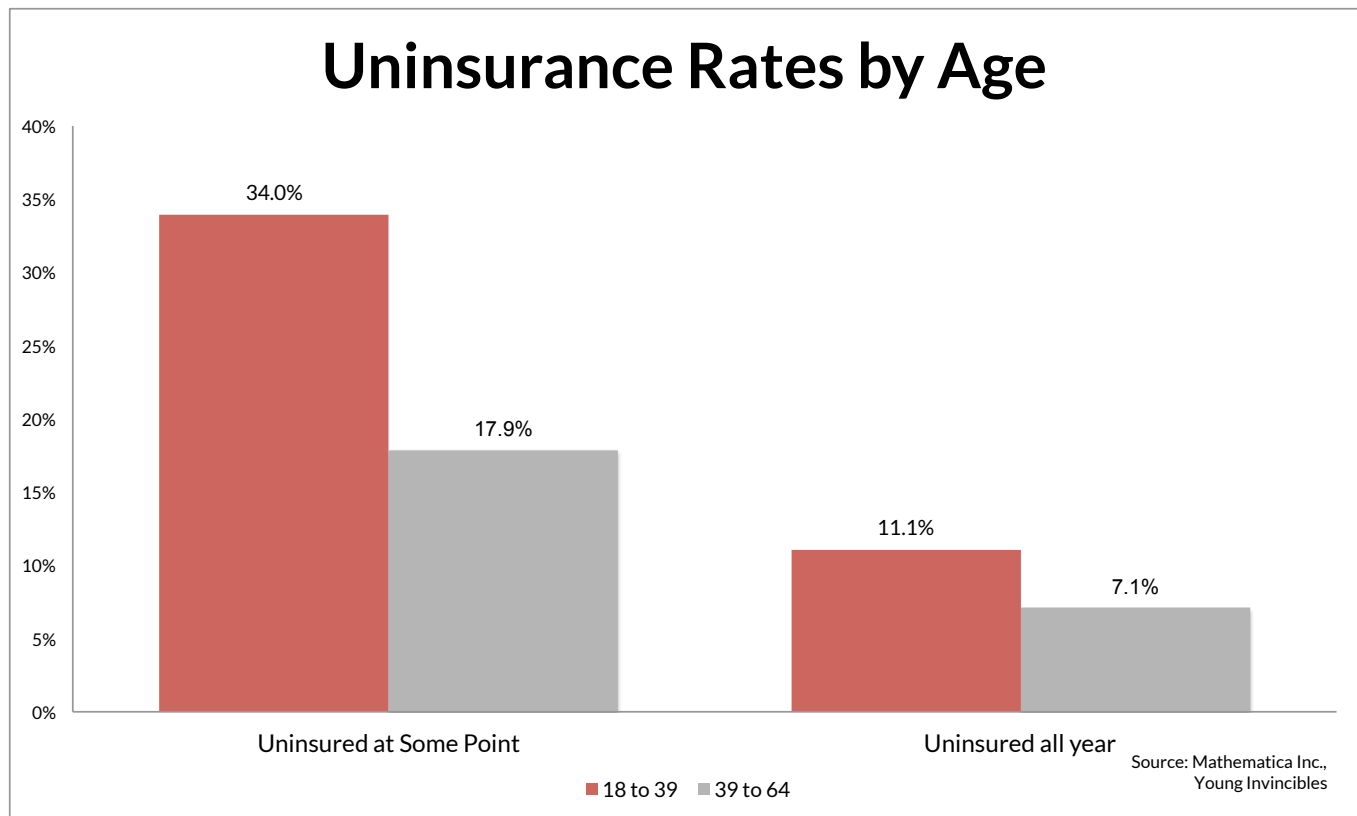
Federal regulations and guidance outline exactly which life events qualify consumers for a special enrollment period through the health insurance marketplaces. Special enrollment periods on the marketplace last 60 days after the triggering "qualifying life event" takes place.<sup>4</sup> They include:

• Losing health coverage	• Getting married
• Having a baby	• Changing jobs
• Moving to an area where different plans are available on the marketplace	• Turning 26 and losing eligibility to be on parents' plan
• Gaining a new immigration status	• Leaving incarceration <sup>5</sup>

## Young People Almost Twice as Likely to Lose Coverage

People may involuntarily lose health insurance after open enrollment closes in a number of ways including “losing job-based coverage, divorce, the end of an individual policy plan year in 2014, COBRA expiration, aging off a parent’s plan, losing eligibility for Medicaid or CHIP, and similar circumstances.”<sup>6</sup>

For example, a study found in 2001 that 34 percent of 18 to 39 year olds were uninsured at some point during the year; compared to 17.9 percent of 40 to 64 year olds.<sup>7</sup> On the other hand, only 11.1 percent of 18 to 39 year olds were uninsured *all year* compared to 7.1 percent of 40 to 64 year olds (a situation that does not trigger a special enrollment period).<sup>8</sup> Because young people are far more likely to lack insurance for part of the year, they will have more transition periods between coverage and lack of coverage than other adults. Young adults are thus more likely to qualify for a special enrollment period from losing insurance.<sup>9</sup>

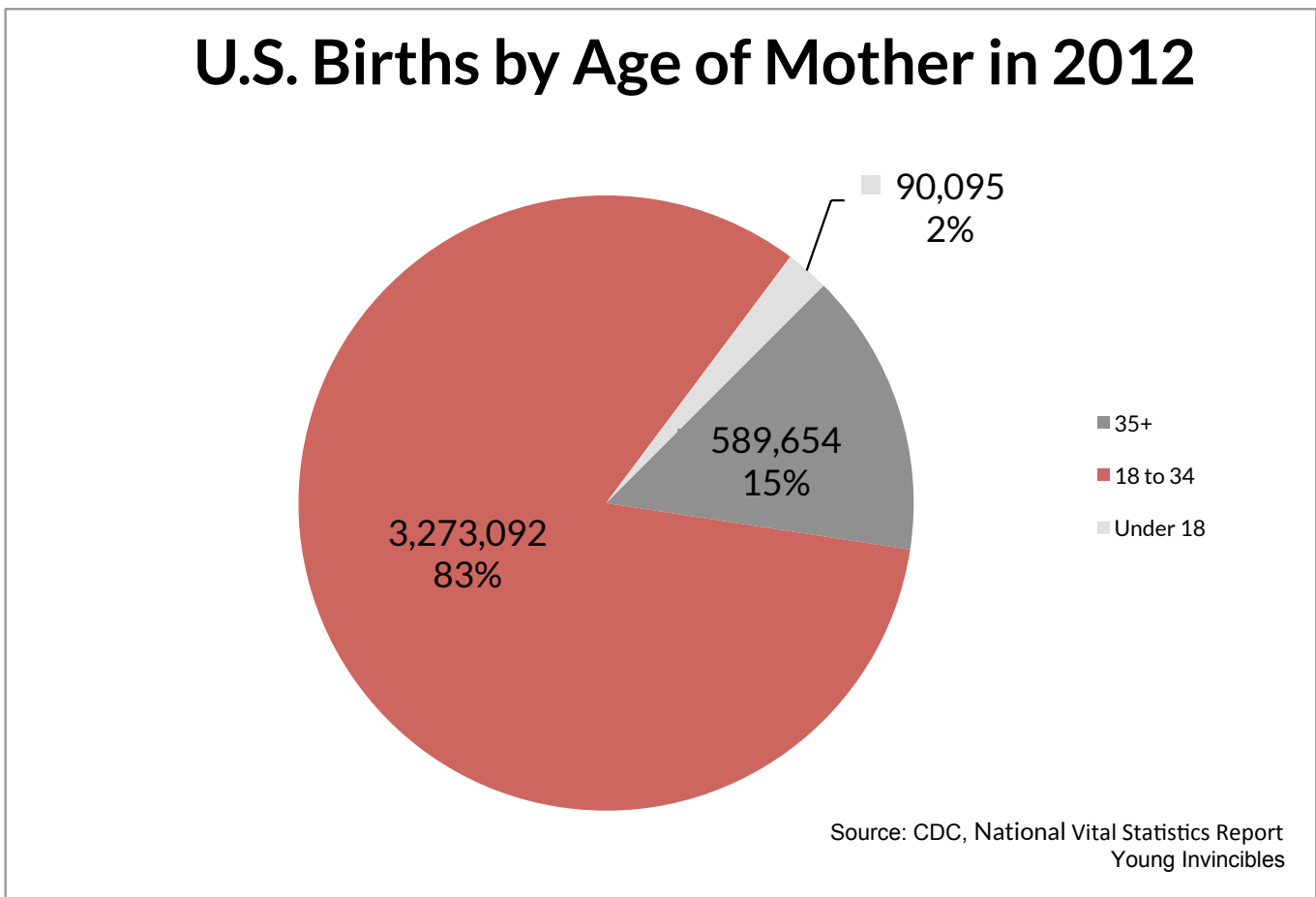


## Of New Mothers, 83 percent are 18 to 34

Having or adopting a child (or adopting one) triggers a special enrollment period. In 2012, 3.95 million babies were born in America, or 2.5 million during a 7 ½ month period, suggesting that as many as 4.9 million people could be eligible for a special enrollment period due to gaining a dependent in 2014.<sup>10</sup> Generally, the IRS only allows for one parent to declare a child as a dependent if the parents are separated, so the actual number of potential special enrollments due to adding a dependent will be lower.<sup>11</sup>

Given the realities of fertility and age, it should come as no surprise that young people are more likely to qualify for special enrollment periods due to a birth:

- The mean age of first-time mothers in 2012 was 26 years old.<sup>12</sup>
- The vast majority, 83 percent, of mothers are between the ages of 18 to 34.<sup>13</sup>



## Median Ages for Marriage are 28 and 26

Marriage triggers a special enrollment period. Despite declining marriage rates among the general population, an estimated 2.2 million weddings will occur in 2014, or 1.4 million during the 7 ½ months between open enrollment periods.<sup>14</sup> Many of the 2.8 million people getting married will qualify for a special enrollment period and a large portion of them will be between ages 18 and 34. As summer is the most popular season to get married, we could expect higher special enrollment triggers during this period than the annual average evenly distributed over 7 ½ months.

- The median age for marriage in America is 28 for men and 26 for women.<sup>15</sup>
- Demographic Intelligence, a demographic consulting firm, attributes a growth in marriages among women ages 25 to 34 to releasing a backlog of weddings postponed due to the economic recession.<sup>16</sup>
- Despite delaying marriage, Millennials still express a desire to get married. For instance, 70 percent of unmarried 18-to-29-year-olds said they wanted to get married.<sup>17</sup>

## Young People Change Jobs Every Two Years

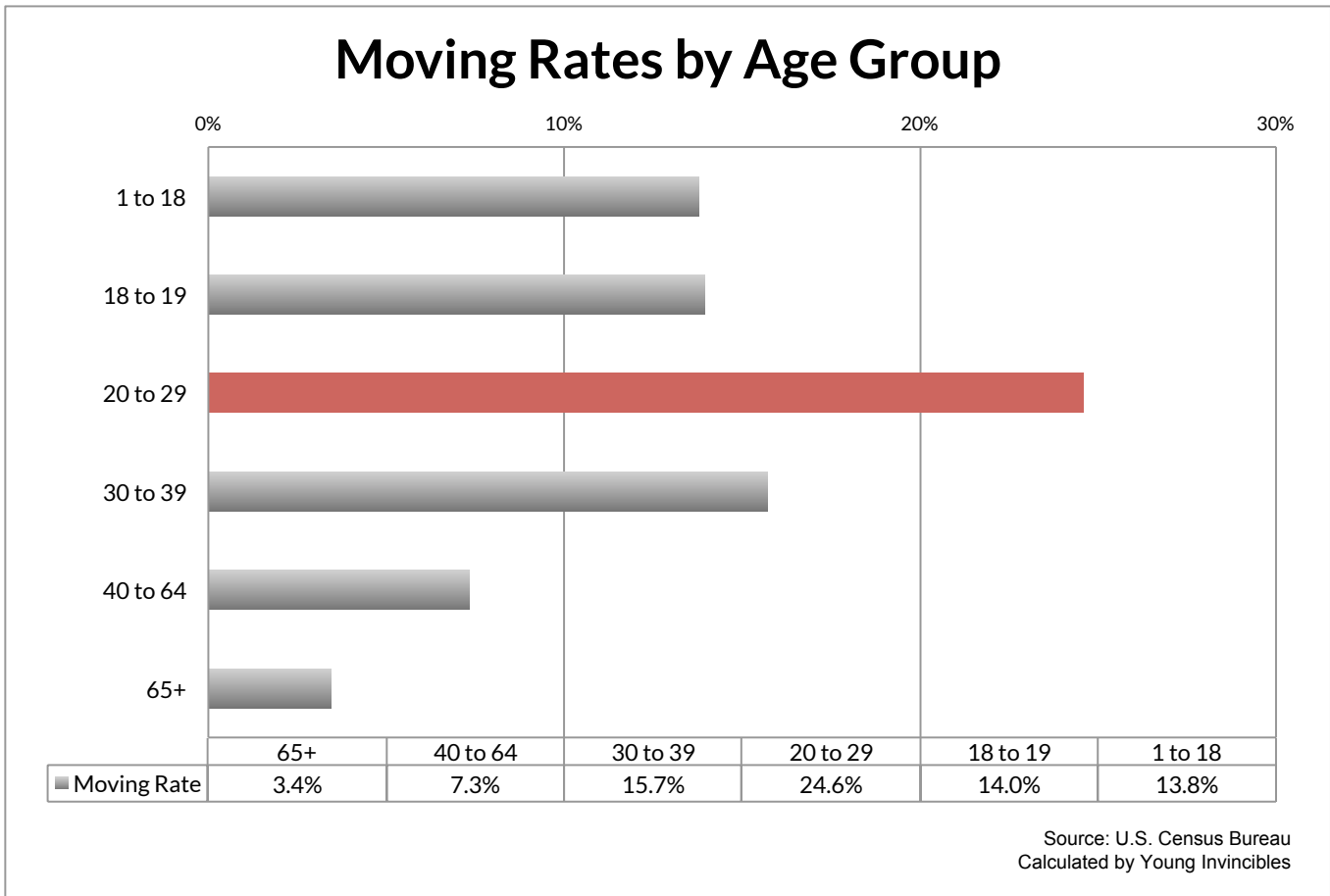
Changing jobs does not, in itself, trigger a special enrollment period in the marketplaces. If a new employer offers coverage, the employee may qualify for a special enrollment period with that employer's plan. However, when someone changes jobs they might lose job-based coverage, thereby triggering a special enrollment period in the marketplace.

A recent study found that on average "Generation Y" (defined as ages 18 to 30) change jobs every two years. By comparison, members of "Generation X" typically spend about five years with each employer, and baby boomers spend about seven.<sup>18</sup> Assuming there are 55.5 million 18 to 30 year olds, 27.8 million young people will change jobs each year, or 17.4 million over the 7 ½ month non-open enrollment period.<sup>19</sup> While not every one of those job changes would trigger special enrollment, a portion of these job changes would.

## Young People Move at Twice the National Rate

Consumers may be eligible for a special enrollment period if they gain access to new marketplace plans as a result of a permanent move.<sup>20</sup> The number of plans offered on the marketplaces vary widely both between and within states. Plan characteristics also fluctuate in different areas.<sup>21</sup>

Not surprisingly, young adults are more transient than other age groups. Young people aged 20 to 29 have the highest migration rate of any age group, with a quarter of the age group moving between 2011 and 2012.<sup>22</sup> This is more than double the national average of 12 percent.<sup>23</sup>



It is difficult to estimate how many moves would qualify for a special enrollment period. The Census tracks various types of moves: moves within a county, moves outside the county but inside the state, and moves out of a state or region.

Between 2011 and 2012, 2.8 million 18- to 34-year-olds moved out of their county of residence but still within the state.<sup>24</sup> Another 2.3 million 18- to 34-year-olds moved out of the state (but stayed in the US).<sup>25</sup> That’s 5.0 million 18- to 34-year-olds a year. Extrapolated over the 7 ½ months, as many as 3.1 million young people could qualify for a special enrollment period.

Moves inside a county probably won’t trigger special enrollment, as plans offered could be identical throughout the county. However, Young Invincibles’ certified navigators have assisted citizens with applying for plans offered in online marketplaces, only to have the insurer reject the application because the plan wasn’t available in the exact location where the citizen lived. Our navigators in Virginia have seen disparities in out-of-pocket maximums, monthly premiums, and coverage

provisions in plans offered, even within the same county. “One plan that’s offered on one side of Lee Highway [U.S. Route 29] won’t be offered on the other side, even though they’re in the same county,” said one navigator. This suggests that even in-county moves could qualify for a special enrollment if the two locations offer a different selection of plans.

## Turning 26

As of December 2011, an estimated 3.1 million young people gained health coverage due to the ACA’s extension of dependent coverage until age 26<sup>26</sup>; many more young adults have been added to or stayed on their parent’s plan since then. Once these young people turn 26, they will no longer be eligible to stay on their parents’ plans and could qualify for a special enrollment period.

An estimated 4.2 million Americans will turn 26 in 2014, or 2.6 million during the 7 ½ month non-open enrollment period. That’s 11,500 people per day. Those who were covered on their parents’ plans could end up shopping on the marketplaces.<sup>27</sup>

## 16 Million Young Immigrants

Federal regulations allow for an individual not previously a citizen, national, or lawfully present individual who gains such status to qualify for a special enrollment period.<sup>28</sup> Although immigration is the only category of special enrollment triggers where young people are not disproportionately eligible, up to 16 million young people could gain a new immigration status or have a change in their immigration status over the next year.<sup>29</sup> Assuming equal distribution throughout the year, 9.8 million young people could gain an immigration status that qualifies them for special enrollment on the marketplaces over the next 7 ½ months.

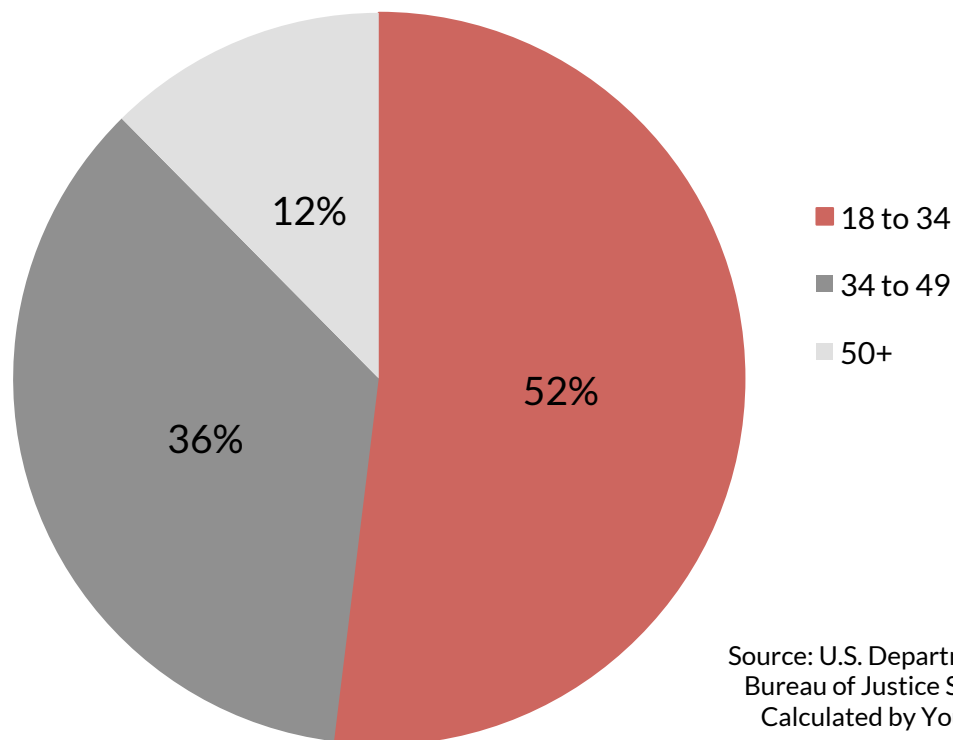
2012 Immigration by Age		
	Young Persons (age 20-34)	Youth Proportion
Granted Legal Permanent Resident Status <sup>30</sup>	354,264	34%
Became Naturalized Citizen <sup>31</sup>	253,966	34%
Refugee Arrivals <sup>32</sup>	20,935	36%
Granted Asylum (Affirmative Asylum) <sup>33</sup>	8,768	50%
Non-Immigrant Admissions (student and work visas) <sup>34</sup>	15,317,031	28%
<b>Total</b>	<b>15,954,964</b>	<b>29%</b>

## Over Half of Prisoners Released in 2012 were 18 to 34

Individuals released from prison qualify for a special enrollment period.<sup>35</sup> Although many of these individuals will have lower incomes and may be eligible for Medicaid, some may be eligible to purchase a plan on the marketplaces.<sup>36</sup>

There were 637,411 prisoners released in 2012, the year that data is most recently available, and 51.9 percent of them were ages 18 to 34.<sup>37</sup> If trends hold steady and assuming equal distribution throughout the year, over 200,000 young people will be eligible for a special enrollment period in between March 31 and November 15 due to leaving incarceration.

### State & Federal Prisoners Released in 2012 by Age



Source: U.S. Department of Justice  
Bureau of Justice Statistics, 2012  
Calculated by Young Invincibles

## Conclusion

Many young people will experience multiple qualify events in a year, such as getting married and moving to a new location with a spouse. Other people will be eligible to enroll in their employer plan after starting a new job, and still others will qualify for Medicaid rather than a marketplace plan. However, given the attention on youth participation in open enrollment, it is worth highlighting that young people are much more likely to experience a life event that triggers special enrollment than other age groups.

The table below summarizes the estimates of how many young people could qualify for special enrollment for different life events during the entire year.

Trigger	Estimate
Births	4,900,000
Marriages	NA
Changing Jobs	17,400,000
Moving	3,100,000
Losing Dependent Coverage from Turning 26	2,600,000
Immigration	10,000,000
Leaving Incarceration	200,000



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<sup>1</sup> [HHS March enrollment report]

<sup>2</sup> Special enrollment periods, 45 C.F.R. §155.420, accessed April 9, 2014, <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=9045f9b1c870e10cb2133b1ee0e9315d&r=PART&n=45y1.0.1.2.70#45:1.0.1.2.70.5.27.5>; “Special enrollments: In-line and other circumstances,” HealthCare.gov, Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS), <https://www.healthcare.gov/how-can-i-get-coverage-outside-of-open-enrollment/#part=2>.

<sup>3</sup> At least two states, Kentucky and Oregon, extended their open enrollment periods beyond March 31. Many other states created a special enrollment period beyond March 31 for consumers who started to apply for coverage but did not finish their applications by March 31. *See, e.g.,* “State Enrollment Extension Status,” ACASignups.net, accessed April 15, 2014, <http://acasignups.net/14/03/27/state-enrollment-extension-status>. However, for our purposes, 7 ½ months is a plausible assumption for the length of time where only consumers with a special enrollment period can enroll.

<sup>4</sup> 45 C.F.R. §155.420(c).

<sup>5</sup> 45 C.F.R. §155.420(d); “Special enrollments: In-line and other circumstances,” HealthCare.gov, CMS, HHS, <https://www.healthcare.gov/how-can-i-get-coverage-outside-of-open-enrollment/#part=2>.

<sup>6</sup> “Special enrollments: In-line and other circumstances,” HealthCare.gov, CMS, HHS, <https://www.healthcare.gov/how-can-i-get-coverage-outside-of-open-enrollment/#part=2>.

<sup>7</sup> Mathematica Policy Research, Inc., *Analysis of Transition Events in Health Insurance Coverage*, Table II.1, (Washington, DC: 2009), 10, accessed April 10, 2014, <http://aspe.hhs.gov/health/reports/09/CoverageTransitions/index.pdf>.

<sup>8</sup> *Ibid.*

<sup>9</sup> Rick Curtis and John Graves, “Open Enrollment Season Marks The Beginning (Not The End) Of Exchange Enrollment,” *Health Affairs*, November 26, 2013, <http://healthaffairs.org/blog/2013/11/26/open-enrollment-season-marks-the-beginning-not-the-end-of-exchange-enrollment/>.

<sup>10</sup> Joyce A. Martin et al., “Births: Final Data for 2012,” *National Vital Statistics Report* 62, no. 9 (2013): 1, [http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62\\_09.pdf#table01](http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62_09.pdf#table01).

<sup>11</sup> “A ‘Qualifying Child,’” Internal Revenue Service (IRS), accessed April 15, 2014, <http://www.irs.gov/uac/A-‘Qualifying-Child’>.

<sup>12</sup> Joyce A. Martin et al., “Births: Final Data for 2012,” *National Vital Statistics Report* 62, no. 9 (2013): 6, [http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62\\_09.pdf#table01](http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62_09.pdf#table01).

<sup>13</sup> *Ibid.*

<sup>14</sup> Sharon Jayson, “Marriage rate may be low, but more weddings predicted,” *USA Today*, June 17, 2013, <http://www.usatoday.com/story/news/nation/2013/06/17/marriage-trends-demographics/2424641/>.

<sup>15</sup> Casey E. Copen et al., “First Marriages in the United States: Data From the 2006–2010 National Survey of Family Growth,” *National Health Statistics Report* no. 49 (2012): 1, accessed April 10, 2014, <http://www.cdc.gov/nchs/data/nhsr/nhsr049.pdf>.

<sup>16</sup> Jayson.

<sup>17</sup> Pew Research Social and Demographic Trends, *For Millennials, Parenthood Trumps Marriage*, March 9, 2011, <http://www.pewsocialtrends.org/2011/03/09/for-millennials-parenthood-trumps-marriage/>.

<sup>18</sup> “Gen Y on the Job,” Payscale, Inc., accessed April 15, 2014, <http://www.payscale.com/gen-y-at>

work.

<sup>19</sup> Data derived from: CPS Table Creator 2012, US Census Bureau, accessed April 10, 2014, <http://www.census.gov/cps/data/cpstablecreator.html>.

<sup>20</sup> 45 C.F.R. §155.420(d)(7).

<sup>21</sup> “Different Types Of Marketplace Plans Expected To Be Available,” *Kaiser Health News*, September 19, 2013, <http://www.kaiserhealthnews.org/multimedia/2013/september/091913-shopping-for-coverage.aspx>.

<sup>22</sup> Current Population Survey (CPS) Annual Social and Economic Supplement, *Geographical Mobility: 2011 to 2012* (Washington, DC: US Census Bureau, 2012), Table 1, accessed April 10, 2014, <http://www.census.gov/hhes/migration/data/cps/cps2012.html>.

<sup>23</sup> *Ibid.*

<sup>24</sup> *Ibid.*

<sup>25</sup> *Ibid.*

<sup>26</sup> “State-Level Estimates of Gains in Insurance Coverage Among Young Adults,” *HHS*, June 19, 2012, <http://www.hhs.gov/healthcare/facts/factsheets/2012/06/young-adults06192012a.html>.

<sup>27</sup> Data derived from: CPS Table Creator 2012, US Census Bureau, accessed April 10, 2014, <http://www.census.gov/cps/data/cpstablecreator.html>.

<sup>28</sup> 45 C.F.R. §155.420(d)(3).

<sup>29</sup> Data derived from: Office of Immigration Statistics (OIS), *2012 Yearbook of Immigration Statistics* (Washington, DC: Department of Homeland Security (DHS)), accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics>.

<sup>30</sup> See OIS, “Table 8, Persons Obtaining Legal Permanent Resident Status by Sex, Age, Marital Status, and Occupation: Fiscal Year 2012,” in *2012 Yearbook of Immigration Statistics*, accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics-2012-legal-permanent-residents>.

<sup>31</sup> See OIS, “Table 24: Persons Naturalized by Sex, Age, Marital Status, and Occupation: Fiscal Year 2012,” in *2012 Yearbook of Immigration Statistics*, accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics-2012-naturalizations>.

<sup>32</sup> See OIS, “Table 15: Refugee Arrivals by Relationship to Principal Applicant and Sex, Age, and Marital Status: Fiscal Year 2012,” in *2012 Yearbook of Immigration Statistics*, accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics-2012-refugees-and-asylees>.

<sup>33</sup> See OIS, “Table 18: Individuals Granted Asylum Affirmatively by Relationship to Principal Applicant and Sex, Age and Marital Status: Fiscal Year 2012,” in *2012 Yearbook of Immigration Statistics*, accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics-2012-refugees-and-asylees>.

<sup>34</sup> See OIS, “Table 29: Nonimmigrant Admissions (I-94 Only) by Selected Category of Admission, Age, and Sex: Fiscal Year 2012,” in *2012 Yearbook of Immigration Statistics*, accessed April 15, 2014, <https://www.dhs.gov/yearbook-immigration-statistics-2012-nonimmigrant-admissions>.

<sup>35</sup> “What do incarcerated people need to know about the Marketplace?” *HealthCare.gov*, CMS, HHS, <https://www.healthcare.gov/incarceration/>.

<sup>36</sup> *Ibid.*

<sup>37</sup> Bureau of Justice Statistics, *Prisoners in 2012* (Washington, DC: Department of Justice, 2013), 4, accessed April 3, 2014, <http://www.bjs.gov/content/pub/pdf/p12tar9112.pdf>.