

# Medicaid and the Young Invincibles Under the Affordable Care Act: Who Knew?

## Timely Analysis of Immediate Health Policy Issues

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Lisa Dubay, Genevieve M. Kenney and Elena Zarabozo

### Summary

There has been tremendous policy focus on getting the so-called “young invincibles” to purchase coverage in the new health insurance exchanges being built under the Affordable Care Act (ACA). While enrolling these uninsured young adults in exchange plans is important, even more uninsured young adults—5.4 million in total—will be eligible for Medicaid in 2014. Although the young adults who will be eligible for Medicaid under the ACA are a heterogeneous group, efforts targeted at the parents of Medicaid-covered children and at households

receiving Supplemental Nutrition Assistance Program (SNAP) or Unemployment Insurance (UI) could reach as many as half of these uninsured young adults. An estimated 4.3 million uninsured young adults with incomes below 138 percent of the Federal Poverty Level (FPL) will not be eligible for Medicaid in January of 2014, because they live in states that are not planning on expanding Medicaid. Most will likely remain uninsured, given their lack of access to affordable coverage.

### Introduction

Much media and policy attention is currently focused on getting the “young invincibles” to purchase coverage in the new health insurance exchanges that are being built as part of the Affordable Care Act (ACA).<sup>1</sup> Much less attention has been given to the fact that young adults constitute 52 percent of the uninsured who could become newly eligible for Medicaid.<sup>2</sup> Under the ACA, exchange subsidies will be available to young adults with incomes between 138 and 400 percent of the FPL who do not have access to affordable employer-sponsored insurance (ESI) as defined by the statute. Uninsured young adults with incomes below 138 percent of the FPL will be eligible for Medicaid if they live in one of the states that are expanding Medicaid under the ACA. If they live in a state that is not expanding Medicaid, they will only qualify for assistance with health insurance coverage under the ACA if they already meet the eligibility requirements for Medicaid or if they have incomes between 100 and 138 percent of the FPL and do not have access to affordable ESI.

Young adults generally report being in excellent or very good health, hence their

moniker, but many have critical physical and mental health care needs, especially as they transition from adolescence to adulthood. Reproductive health services are particularly important among young adults, given that more than 90 percent are sexually active and that they have the highest birth rates among those of childbearing age.<sup>3,4</sup> In addition, relative to older adults, young adults, particularly those age 19 to 24, are more likely to be smokers, to be heavy or binge drinkers, and to have substance abuse problems.<sup>5,6</sup> They are also more likely than other adults to have a mental health disorder or to have a serious mental health disorder and their mortality rate is more than three times that of adolescents.<sup>7</sup> These circumstances highlight the importance of access to preventive and curative care for young adults. Moreover, since many young adults who are poor remain poor as they age, providing them with access to needed care may yield some savings in the Medicaid program over time.<sup>8</sup>

This brief examines the extent to which uninsured young adults could be covered by Medicaid under the ACA and explores their demographic and socioeconomic

characteristics and the extent to which other government programs could be used to reach and enroll these young adults in Medicaid beginning in January of 2014. With one exception, the estimates presented in the text define Medicaid eligibility based on state decisions made by September 30, 2013 as reported by the Centers for Medicare and Medicaid Services (CMS). While Michigan is reported as expanding, the expansion will not take effect until April of 2014, so for the purposes of this paper we consider Michigan to be not expanding.

### Data and Methods

Data for this analysis are from the March 2011 Annual Supplement on Economic Conditions (ASEC) to the Current Population Survey (CPS) and represents circumstances in 2010. Young adults are defined as those age 19 to 34. Medicaid eligibility is determined based on a comprehensive eligibility simulation model that was developed by Dubay and Cook.<sup>9</sup> The eligibility model includes estimates of those already eligible for Medicaid as well as those who could be eligible under the ACA.<sup>10</sup> The analysis



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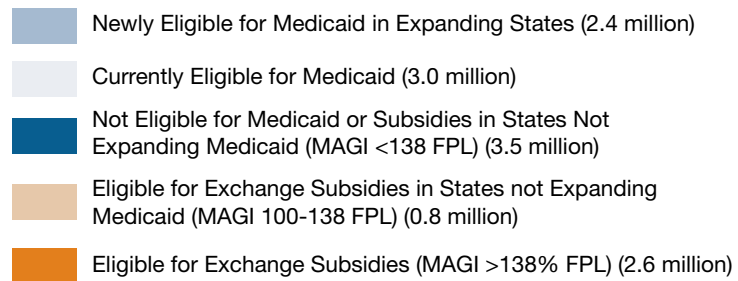
relies on health insurance coverage edits developed by Lynch et al. (2011) to refine the estimates of coverage status.<sup>11</sup> States are categorized with respect to their Medicaid eligibility policies for January 2014 based on information presented on the CMS website that reflects state decisions and CMS actions as of September 30, 2013.<sup>12</sup> Estimates of exchange eligibility are derived from the Urban Institute's Health Insurance Policy Simulation Model model.<sup>13,14</sup>

The demographic and socioeconomic characteristics that are examined include gender, race/ethnicity, living circumstances, marital status, student status, work status, health status, and the presence of a physical work limitation. Participation by the young adult or their household in the social safety net programs examined here, including receipt of SNAP, Medicaid coverage of a child in the family, and unemployment compensation, are under-reported on the CPS.<sup>15</sup> As a result, our estimates of the share of uninsured young adults eligible for Medicaid who are participating in social programs provide a lower bound. The results section also draws on supplemental information to provide insights about outreach strategies through schools and employers that might be particularly effective for reaching young adults targeted by Medicaid under the ACA.

## Results

**Eligibility Under the ACA in 2014.** An estimated 5.4 million uninsured young adults age 19 to 34 will be eligible for Medicaid in January 2014. Of these, 2.4 million are new eligibles who live in states that have expanded Medicaid under the ACA and 3.0 million are eligible under current rules, but not enrolled, living in both states that have and have not adopted the Medicaid expansion (Exhibit 1). An additional 4.3 million uninsured young adults could become eligible for Medicaid if their state implemented the Medicaid expansion under the ACA. Of this 4.3 million, 3.5 million have incomes below 138 percent of the FPL and will not be eligible for either Medicaid coverage or exchange subsidies.<sup>16</sup> Another 800,000 have incomes between 100 and 138 percent of the FPL and will be eligible for

### Exhibit 1: Uninsured Young Adults Targeted by Medicaid and Exchange Subsidies in 2014 Under the ACA<sup>1</sup>



**Source:** Urban Institute analysis of the 2010 Annual Supplement on Economic Conditions to the Current Population Survey.

**Note:** Medicaid eligibility as of January 2014 is modeled in accordance with information released by CMS on September 30, 2013 <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>

exchange subsidies because their state did not expand Medicaid and they do not have an “affordable” offer of coverage. Finally, an estimated 2.6 million uninsured young adults with incomes between 138 and 400 percent of the FPL will be eligible for exchange subsidies.<sup>17</sup> The remainder of the paper focuses on the estimated 5.4 million uninsured young adults who will be eligible for Medicaid January 1, 2014.

**Demographic Characteristics.** Young adults who will be eligible for Medicaid in 2014 are quite diverse along a number of dimensions (Exhibit 2). Overall about half are male, 43 percent are white, 17 percent are black, 31 percent are Hispanic, 6 percent are Asian or Pacific Islanders, and 3 percent are of mixed or other races. Relative to the uninsured young adults who meet the current eligibility criteria for Medicaid, more of the new eligibles are white and fewer are Hispanic. Forty-three percent of these uninsured young

adults are age 19 to 24 and 57 percent are age 25 to 34. (Appendix Table 1 shows estimates of the characteristics of uninsured young adults living in states that have not committed to expanding Medicaid but who could be made eligible if their states decide to expand.)

#### **Living and Working Circumstances.**

Twenty percent of uninsured young adults who will be eligible for Medicaid in 2014 are married and 16 percent are married with children; 80 percent are unmarried and 22 percent are unmarried with children.<sup>18</sup> Not surprisingly, uninsured young adults who would be newly eligible for Medicaid are less likely than those who are currently eligible to be married and to have children. Eligible young adults have a wide range of living arrangements: 22 percent are living with their parents; 11 percent are living with non-parent relatives; 32 percent are living with their spouse and/or child; 11 percent are living with a spouse and/or

child in the home of others; 9 percent are cohabiting; and 14 percent are living alone or with a non-relative. Twenty-one percent of the uninsured young adults who will be eligible for Medicaid are either full- or part-time students. Forty-two percent are working and 18 percent are unemployed. Among the uninsured young adults who are not in the labor force 62 percent live in a household with a worker and 23 percent are either a student or a parent (data not shown).

**Health Status.** Twenty-eight percent of uninsured young adults who will be eligible for Medicaid in 2014 report being in excellent health, 33 percent report being in very good health, 31 percent report being in good health, and 9 percent report being in fair or poor health. Just 4 percent of the young adults report having a health problem or disability that prevents them from working.

**Participation in Social Programs.** To reach uninsured young adults who will be eligible for Medicaid in 2014, states could consider working through other programs in which these young adults or their families are already participating (Exhibit 3). Twenty-eight percent are enrolled in the Supplemental Nutrition Assistance Program (SNAP), with higher participation in SNAP found among uninsured young adults who are eligible for Medicaid under current rules (Appendix Table 2). A quarter of these uninsured young adults and 65 percent of those who are parents have a child on Medicaid (data not shown). Among those who are currently eligible, 39 percent have a child covered by Medicaid compared to just 8 percent of those who would be newly eligible for Medicaid under the ACA (Appendix Table 2). Eight percent of uninsured Medicaid eligible young adults are receiving unemployment insurance compensation (UI) themselves and 17 percent are living in a household with someone who receives UI, figures that are higher for the young adults who are newly eligible than for those who are eligible under current rules (Appendix Table 2). Together these three programs could reach just over half, 51 percent, of all Medicaid eligible uninsured young adults, including 58 percent of those who are currently eligible for Medicaid, 42

**Exhibit 2: Characteristics of Uninsured Young Adults Targeted by Medicaid in 2014 Under the ACA<sup>1</sup>**

	All Eligible	Currently Eligible	Newly Eligible In Expanding States	
<b>Sex</b>				
Male	50%	43%	58%	*
Female	50%	57%	42%	*
<b>Race</b>				
White	43%	38%	49%	*
Black	17%	20%	14%	
Hispanic	31%	36%	25%	*
Asian/PI	6%	4%	8%	
Other/Multiple	3%	3%	4%	
<b>Age</b>				
19 to 24	43%	42%	45%	*
25 to 34	57%	58%	55%	*
<b>Living Circumstances</b>				
Living With Parents	22%	18%	28%	*
Living With Relatives	11%	9%	12%	
Living With Spouse and/or Children and is Primary Family	32%	45%	17%	*
Living With Others	11%	16%	4%	*
Cohabiting	9%	4%	16%	*
Non-Relative	14%	7%	23%	*
<b>Marital Status</b>				
Married	20%	26%	12%	*
With Kids	16%	24%	6%	*
No Kids	3%	1%	6%	*
Single	80%	74%	88%	*
With Kids	22%	34%	8%	*
No Kids	58%	41%	80%	*
<b>School Status</b>				
Student	21%	18%	25%	*
Not a Student	79%	82%	75%	*
<b>Work Status</b>				
Working Full-Time	21%	20%	23%	*
Working Part-Time	21%	17%	25%	*
Unemployed	18%	16%	20%	*
Not in Labor Force	40%	46%	32%	*
<b>Health Status</b>				
Excellent	28%	27%	29%	
Very Good	33%	31%	35%	*
Good	31%	32%	29%	
Fair	8%	9%	7%	
Poor	1%	2%	1%	
<b>Work Limitation</b>				
Limited by a Disability	4%	5%	3%	*
<b>Number of Individuals</b>				
In Millions	5.4	3.0	2.4	

**Source:** Urban Institute tabulations of the ASEC to the March 2011 CPS

**Note:** \*Indicates that the currently eligible are statistically different than the newly eligible  $p < .05$

<sup>1</sup> Medicaid eligibility as of January 2014 is modeled in accordance with information released by CMS on September 30, 2013 <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>

percent of those who would be newly eligible, 77 percent of eligible parents, and 34 percent of eligible childless adults in this age group (data not shown).<sup>19</sup>

These uninsured young adults participate in other programs as well, such as public housing programs, the Low-Income Energy Assistance Program (LIHEAP), and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), or have children who receive free lunch at school. However, participation in these programs has quite a bit of overlap with SNAP, having a child on Medicaid and living in a household receiving UI. Outreach to these additional programs would be less fruitful but could help identify another 8 percent of uninsured Medicaid eligible young adults (data not shown).

**Other Avenues for Outreach.** While this analysis has focused on the extent to which

Medicaid and other outreach efforts could work through other government programs, other strategies may also be effective for targeting young adults. As indicated in Exhibit 2, approximately 20 percent of the uninsured young adults are students, with a higher percentage among those ages 19 to 24 (29%) compared to those ages 25 to 34 (14%). While the ASEC to the CPS does not identify what type of college individuals are attending, other data are informative. Among first year college students in poverty, 52 percent were attending community colleges and 19 percent were attending private for-profit colleges in 2008.<sup>20</sup>

In addition, young adults who will be eligible for Medicaid and are employed are concentrated in five industries, with 63 percent working in construction, manufacturing, wholesale and retail trade, educational and health services, or leisure and hospitality. Outreach to

employers, particularly those with fewer than 50 employees who employ 60 percent of young adults, could potentially help identify some of these workers. Rates of employer-sponsored coverage are low in these industries and firms. Moreover, less than 25 percent of working young adults who will be eligible for Medicaid have employer-sponsored coverage. Consequently, this type of outreach would be unlikely to result in large-scale substitution of Medicaid for employer-sponsored coverage.<sup>21</sup>

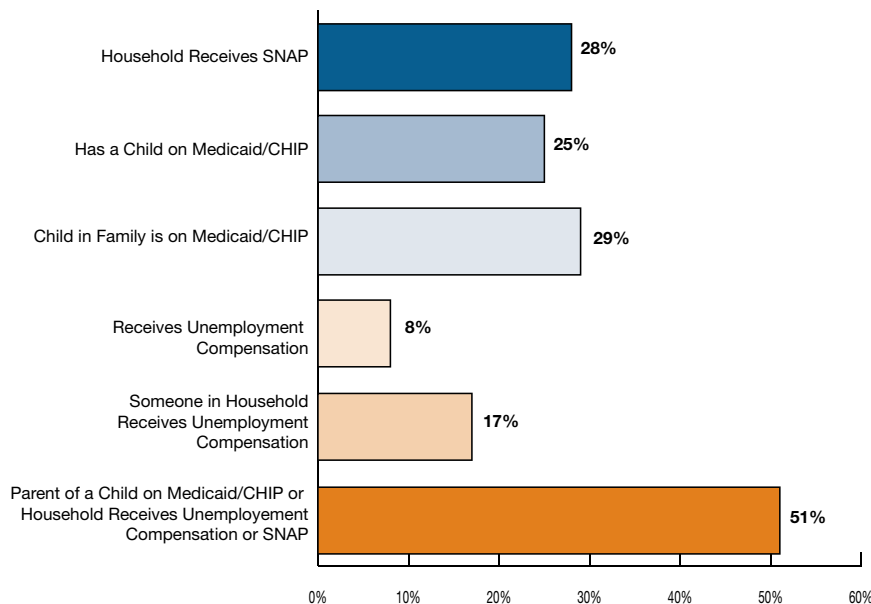
Finally, many uninsured young adults, and low-income families in general, could get assistance in finding health coverage from tax preparation services. More than 60 percent of Earned Income Tax Credit (EITC) recipients for 2011 used paid tax preparers.<sup>22</sup> In addition, many of the remaining 40 percent of EITC recipients were assisted by trained tax preparation volunteers through the IRS Volunteer Income Tax Assistance (VITA) and the Tax Counseling for the Elderly (TCE) programs, though specific numbers are not publicly available.

## Conclusion

Young adults constitute more than 50 percent of all the uninsured who could become eligible for Medicaid coverage under the ACA.<sup>23</sup> Over 5 million uninsured young adults will be eligible for Medicaid in January 2014, based on decisions by states with respect to the Medicaid expansion under the ACA as of September 30. Despite their moniker, many young invincibles need access to acute, reproductive, and mental health care that can support a healthy transition from adolescence to adulthood. Reaching them will likely pose challenges for states—they are a heterogeneous group, which will make them difficult to find with any one strategy. While almost 25 percent of young adults across the economic spectrum do not feel that they need health insurance coverage, just 11 percent of uninsured young adults say they lack insurance because they feel they don't need it.<sup>24, 25</sup>

States seeking to reach and enroll young adults into Medicaid will probably be well served by broader initiatives that are

**Exhibit 3: Participation in Social Programs Among Uninsured Young Adults Targeted by Medicaid in 2014 Under the ACA<sup>1</sup>**



**Source:** Urban Institute analysis of the 2010 Annual Supplement on Economic Conditions to the Current Population Survey. Young adults eligible for Medicaid include those currently eligible and those newly eligible and living in states that are expanding.

<sup>1</sup> **Note:** Medicaid eligibility as of January 2014 is modeled in accordance with information released by CMS on September 30, 2013 <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>

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designed to automatically enroll other groups of adults. For example, state efforts to automatically enroll the parents of Medicaid covered children with incomes under 138 percent of the FPL would capture two-thirds of the parents in the eligible but uninsured young adult group. Similarly, CMS recently issued guidance to states that allows them to automatically enroll in Medicaid individuals who are participating in SNAP. Use of this strategy could bring in 30 percent of uninsured young adults eligible for Medicaid.<sup>26</sup> Those without children, who constitute the majority of the uninsured young adults who could gain Medicaid coverage under the ACA, will be more challenging to identify since their program participation in SNAP is much lower and they do not have children enrolled in Medicaid. These findings also suggest that outreach efforts targeted at households that are receiving unemployment compensation may be an efficient way to identify uninsured populations that are not

already participating in other government programs.

Perhaps one of the biggest challenges to reducing uninsurance among poor and near-poor young adults relates to state decisions regarding whether to expand Medicaid under the ACA. Sixty-five percent of uninsured young adults who could be made Medicaid eligible under the ACA live in states that as of September 30 were not planning to expand in January 2014. Among these 4.3 million uninsured young adults, an estimated 800,000 will be eligible for exchange subsidies because their income is between 100 and 138 percent of the poverty line and they lack access to affordable employer-sponsored coverage. The remaining 3.5 million uninsured young adults will have no new options for coverage. Most of these uninsured young adults are living at or below the FPL and 1.2 million are living at home with their parents (data not shown). While the expansion of dependent employer-sponsored insurance to children

up to age 26 under the ACA appears to have helped young adults in middle and high-income families, it offers little help to those whose parents are also living in poverty. For poor young adults who are uninsured, achieving substantial gains in insurance coverage will likely depend on whether they live in a state that is expanding Medicaid and on how successful efforts are to enroll the estimated 3 million uninsured young adults who are eligible for Medicaid under current rules but not enrolled.

Finally, with the ACA came new rules and systems for determining Medicaid eligibility. In order to enroll and retain young adults eligible for Medicaid, these state systems will need to be up and running smoothly. Moreover, a seamless transfer of applications from both the federal and state Exchanges to state Medicaid programs will be critical to assuring that young adults who apply through the wrong door do not slip through the cracks.



**Appendix Table 1: Characteristics of Uninsured Young Adults Targeted by Medicaid in 2014 Under the ACA<sup>1</sup>**

	Newly Eligible in Expanding States	Newly Eligible in Non-Expanding States	
<b>Sex</b>			
Male	58%	53%	*
Female	42%	47%	*
<b>Race</b>			
White	49%	54%	*
Black	14%	24%	*
Hispanic	25%	18%	*
Asian/PI	8%	2%	*
Other/Multiple	4%	2%	*
<b>Age</b>			
19 to 24	45%	46%	
25 to 34	55%	54%	
<b>Living Circumstances</b>			
Living With Parents	28%	26%	
Living With Relatives	12%	10%	
Living With Spouse and/or Children and is Primary Family	17%	28%	*
Living With Others	4%	5%	
Cohabiting	16%	14%	
Non-Relative	23%	16%	*
<b>Marital Status</b>			
Married	12%	17%	*
With Kids	6%	13%	*
No Kids	6%	4%	
Single	88%	83%	*
With Kids	8%	17%	*
No Kids	80%	66%	*
<b>School Status</b>			
Student	25%	20%	*
Not a Student	75%	80%	*
<b>Work Status</b>			
Working Full-Time	23%	26%	
Working Part-Time	25%	26%	
Unemployed	20%	21%	
Not in Labor Force	32%	27%	*
<b>Health Status</b>			
Excellent	29%	29%	
Very Good	35%	34%	
Good	29%	28%	
Fair	7%	7%	
Poor	1%	2%	*
<b>Work Limitation</b>			
Limited by a Disability	3%	3%	
<b>Social Program Participation</b>			
Household Participates in SNAP	23%	31%	*
Parent of a Child on Medicaid	8%	20%	*
Child in Family on Medicaid	13%	24%	*
Receiving Unemployment Compensation	11%	11%	
Someone in Household Receiving Unemployment Compensation	21%	20%	
Household Participates in SNAP; Parent of a Child on Medicaid; Someone in Household Receives Unemployment Compensation	42%	51%	*
<b>Number of Individuals</b>			
In Millions	2.4	4.3	

**Source:** Urban Institute tabulations of the ASEC to the March 2011 CPS

**Notes:** \* Indicates that the newly eligible in expanding states are statistically different than the newly eligible in non-expanding states  $p < .05$ . Newly eligible in non-expanding states includes 0.8 million with incomes between 100 and 138 FPL who will be eligible for subsidies in exchanges.

<sup>1</sup> Medicaid eligibility as of January 2014 is modeled in accordance with information released by CMS on September 30, 2013 <http://www.medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>

## Appendix Table 2: Participation in Social Programs Among Uninsured Young Adults Targeted by Medicaid in 2014 Under the ACA<sup>1</sup>, By Medicaid Eligibility Status

	Currently Eligible	Newly Eligible in Expanding States	
Household Receives SNAP	33%	23%	*
Has a Child With Medicaid/CHIP	39%	8%	*
Child in Family is on Medicaid/CHIP	42%	13%	*
Receives Unemployment Compensation	5%	11%	*
Someone in Household Receiving Unemployment Compensation	14%	21%	*
Parent of a Child on Medicaid/CHIP or Household Receives Unemployment Compensation or SNAP	58%	42%	*
<b>Number of Individuals</b>			
In Millions	3.0	2.4	

**Source:** Urban Institute tabulations of the ASEC to the March 2011 CPS

**Notes:** \*Indicates that the currently eligible are statistically different than the newly eligible  $p < .05$

<sup>1</sup> Medicaid eligibility as of January 2014 is modeled in accordance with information released by CMS on September 30, 2013 <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>

## Notes

- 1 See, for example: Healthcare.gov, Health Insurance Blog, 2013. "Malik's story: I'm young and I need health insurance." <https://www.healthcare.gov/blog/malik-s-story-i-m-young-and-i-need-health-insurance/>; The White House. 2013. "The Affordable Care Act Gives Young Adults Greater Control over Their Own Health Care." [http://www.whitehouse.gov/files/documents/health\\_reform\\_for\\_young\\_adults.pdf](http://www.whitehouse.gov/files/documents/health_reform_for_young_adults.pdf); Young Invincibles, 2013. "Young Invincibles: What's In a Name?" <http://younginvincibles.org/2013/09/young-invincibles-whats-in-a-name/>; Klein, E. "Will young adults want Obamacare? Let's ask a young person who'd know." WashingtonPost.com, June 6, 2013, <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/06/06/will-young-adults-want-obamacare-lets-ask-aaron-smith/>; Kaiser Family Foundation, Kaiser Health Tracking Poll: June 2013, <http://kff.org/health-reform/poll-finding/kaiser-health-tracking-poll-june-2013/>; Blumberg L, and Holahan J. "Health Status in Exchange Enrollees: Putting Rate Shock in Perspective." Timely Analysis of Immediate Health Policy Issues. Washington, DC: The Urban Institute, 2013, <http://www.urban.org/publications/412859.html>
- 2 In most states, more than half of the adults who could be made newly eligible for Medicaid under the ACA are ages 19 to 34. See: Kenney G, Zuckerman S, Dubay L, Huntress M, Lynch V, Haley J, and Anderson N. "Opting in to the Medicaid Expansion under the ACA: Who are the Uninsured Adults Who Could Gain Health Insurance Coverage?" Washington, DC: The Urban Institute. 2012, <http://www.urban.org/UploadedPDF/412630-opting-in-medicaid.pdf>
- 3 Chandra A, Mosher WD, Copen C, Sionean C. "Sexual behavior, sexual attraction, and sexual identity in the United States: Data from the 2006–2008 National Survey of Family Growth." National Health Statistics Reports; No 36. Hyattsville, MD: National Center for Health Statistics, 2011.
- 4 Martin JA, Hamilton BE, Ventura SJ, Osterman MJ, and Mathews TJ. Births: Final data for 2011, National Vital Statistics Reports; Volume 62, Issue No 1. Hyattsville, MD: National Center for Health Statistics, 2013.
- 5 Substance Abuse and Mental Health Services Administration, Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings, NSDUH Series H-41, HHS Publication No. (SMA) 11-4658, Rockville, MD: Substance Abuse and Mental Health Services Administration, 2011.
- 6 Substance Abuse and Mental Health Services Administration, "Results from the 2009 National Survey on Drug Use and Health: Mental Health Detailed Tables." Rockville, MD: SAMHSA, <http://www.oas.samhsa.gov/NSDUH/2k9NSDUH/MH/tabs/TOC.htm>.
- 7 Park MJ, Mulye T, Adams S, Brindis C, and Irwin C. "The Health Status of Young Adults in the United States." Journal of Adolescent Health, Volume 39: 305-317, 2006.
- 8 Cellini SR, McKernan S, and Ratcliffe C. "The Dynamics of Poverty in the United States: A Review of Data, Methods, and Findings." Journal of Policy Analysis and Management Policy Retrospectives, Volume 27, Issue 3, 2008, [http://www.urban.org/uploadedpdf/411960\\_thedynamicsofpoverty.pdf](http://www.urban.org/uploadedpdf/411960_thedynamicsofpoverty.pdf)
- 9 Dubay L, Cook A. "How Will the Uninsured Be Affected by Health Reform?" Washington, DC: Kaiser Commission on Medicaid and the Uninsured, August 2009.
- 10 Eligibility for individuals newly eligible for Medicaid under the ACA is based on having Modified Adjusted Gross Income (MAGI) below 138 percent of the federal poverty line and applicable citizenship and immigration status requirements. The eligibility model also takes into account new rules that define Medicaid eligibility units in terms of tax units with certain exceptions.
- 11 Lynch V, Boudreaux M, Davern M. "Applying and Evaluating Logical Coverage Edits to Health Insurance Coverage in the American Community Survey." Suitland, MD: U.S. Census Bureau, July 2010, [http://www.census.gov/hhes/www/hlthins/publications/coverage\\_edits\\_final.pdf](http://www.census.gov/hhes/www/hlthins/publications/coverage_edits_final.pdf).
- 12 See <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>. As indicated above, this classification of Medicaid expansion plans has been updated since our calculations. For the purposes of this paper we considered Ohio to be not expanding, as that was their status on September 30th, 2013.
- 13 For more information on HIPSM see <http://www.urban.org/uploadedpdf/412154-Health-Microsimulation-Capabilities.pdf>
- 14 As with all such estimates, there is measurement error in both our eligibility model and in reports of health insurance coverage and uninsurance both within and across surveys. The estimates presented here may vary somewhat from other published studies due to differences in the underlying data source and data years..
- 15 Wheaton, L. "Underreporting of Means-Tested Transfer Programs on the CPS and SIPP." Washington, DC: The Urban Institute, 2007, [http://www.urban.org/UploadedPDF/411613\\_transfer\\_programs.pdf](http://www.urban.org/UploadedPDF/411613_transfer_programs.pdf)
- 16 An estimated 270,000 uninsured young adults living in states that are not expanding Medicaid have incomes between 100 and 138 percent of the FPL and have an "affordable" offer of employer-sponsored coverage and therefore ineligible for subsidies.
- 17 These estimates are based on information released by the Centers for Medicare and Medicaid Services on September 30, 2013 that categorized states with respect to the Medicaid expansion. As of that date, Michigan was also listed as expanding Medicaid, but not until April 1, 2014. On October 24, 2013, CMS updated their categorization to include Ohio as expanding Medicaid. Altogether, an estimated 500,000 uninsured young adults could gain Medicaid coverage in Michigan and Ohio, leaving just under 4 million young adults ineligible for Medicaid coverage because they live in states that are currently not planning to expand Medicaid under the ACA.
- 18 Children are defined as own, step, or adoptive children 18 years of age and under and living at with at least one parent.
- 19 This estimate is similar (51%) when the newly eligible in states not expanding Medicaid are included in the analysis (data not shown).
- 20 Institute for Higher Education Policy, "Initial College Attendance of Low-Income Young Adults," Washington: IHEP, June 2011, [http://www.ihep.org/assets/files/publications/m-r/Portraits-Low-Income\\_Young\\_Adults\\_Attendance\\_Brief\\_FINAL\\_June\\_2011.pdf](http://www.ihep.org/assets/files/publications/m-r/Portraits-Low-Income_Young_Adults_Attendance_Brief_FINAL_June_2011.pdf)
- 21 Author's calculation of the 2011 ASEC to the CPS.
- 22 Internal Revenue Service, Publication 4822, "Taxpayer Filing Attribute Report," [http://www.irs.gov/pub/irs-utl/Pub\\_4822\\_Sept\\_2013.pdf](http://www.irs.gov/pub/irs-utl/Pub_4822_Sept_2013.pdf)
- 23 Kenney G, Zuckerman S, Dubay L, Huntress M, Lynch V, Haley J, and Anderson N. "Opting in to the Medicaid Expansion under the ACA: Who are the Uninsured Adults Who Could Gain Health Insurance Coverage?" Washington, DC: The Urban Institute, August 2012.
- 24 Kaiser Family Foundation, Kaiser Health Tracking Poll: June 2013, <http://kff.org/health-reform/poll-finding/kaiser-health-tracking-poll-june-2013/>
- 25 <http://younginvincibles.org/2013/09/young-invincibles-whats-in-a-name/>
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## **About the Authors and Acknowledgments**

Lisa Dubay is a senior fellow, Genevieve M. Kenney is co-director and senior fellow, and Elena Zarabozo is a research assistant in the Urban Institute's Health Policy Center. The authors appreciate the comments and suggestions of Matthew Buettgens, Stephen Zuckerman, Katherine Hempstead and John Lumpkin. The authors are grateful to Laurie Smith for excellent research assistance. The authors are grateful to the Robert Wood Johnson Foundation for supporting this research.

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