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CONTACT: Mike Owen (319) 338-0773, ipp@Lcom.net

Young adults' coverage expands *Health law credited — but child poverty up from '01*

IOWA CITY, Iowa (Sept. 20, 2012) — Health insurance coverage for young Iowa adults grew during the time after passage of the new health-care law, new data from the Census Bureau showed Thursday.

At the same time, the data from Census' American Community Survey (ACS) indicated 12.8 percent of Iowans had income below the poverty level in 2011, up by almost one-fourth in a decade. And median income remained about the same.

"There is every reason to expect 'Obamacare' had a significant impact," said David Osterberg, executive director of the Iowa Policy Project, part of the Iowa Fiscal Partnership. He called the overall 3 percentage-point gain in insurance for young Iowa adults age 19-25 overall one of the most significant pieces of data for Iowans in the survey.

The Affordable Care Act, signed by President Obama in 2010, permits young adults up to age 26 — regardless of disability, marital or work status — to stay on their parents' coverage.

Other key points for Iowa from today's release of 2011 ACS data:

- **Iowa's poverty rate** of 12.8 percent compared with 11 percent before the last recession and 9.7 percent in 2001. About 379,000 Iowans were in poverty in 2011. Child poverty rose to 17 percent in 2011 from 12 percent in 2001.
- **Uninsurance** overall was relatively unchanged at 8.9 percent — for about 269,000 Iowans. The number fell from 9.3 percent in 2010, up from 8.7 percent in 2008. For those age 19 to 25, about 83 percent were insured in 2011, up from 80 percent in 2009.
- **Median income** changed little in 2011, rising to \$49,427 from \$49,401 the year before, and down from \$50,364 over the decade in inflation-adjusted dollars.

A brief accompanying the Census data reports noted that from 2008-09, young adults nationally from 19 to 25 and from 26 to 29 both followed downward trends on health insurance coverage. But after the parental coverage option took effect, coverage rose for the younger group.



The Census release today was for 2011 estimates from the **American Community Survey (ACS)**, which is the nation's largest household survey, with about 3 million addresses surveyed each year.

Last week, Census released 2011 estimates from the **Current Population Survey (CPS)**, the nation's primary source of statistics on labor force characteristics. It annually surveys about 100,000 addresses.

Both surveys produce data about poverty, income and health insurance. Comparisons can be apples vs. oranges. Because the surveys are conducted differently, it is important not to compare data from one with the other — for example, it would be a mistake to look at how health coverage changed from 2001 using CPS, to 2011 using ACS.

In general terms, Census recommends use of ACS data for single-year estimates of poverty and income at the state level and for smaller geographical areas. CPS data, on the other hand, can be good for long-term trends because CPS has been conducted by Census and the Bureau of Labor Statistics for more than 50 years. However, at the state level and below, CPS sample sizes are not considered large enough for single-year estimates.

“Public policy works,” Osterberg said. “We see this in an increase of who is covered by health insurance. We just need to see more policy intervention to address poverty and stagnant income — other issues identified in today’s report.”

Iowa has been a leader in helping young adults maintain health coverage. Under a 2008 Iowa law, young adults with disabilities or pursuing higher education can remain on their parents’ health plan up to age 25. Passage of the ACA made thousands more young Iowans eligible for insurance coverage options not previously available.

The percentage of uninsured among the working-age population has hovered around 13 percent. Among Iowans age 18 to 64, the percentage uninsured was 12.7 percent in 2011, improving from 13.5 percent in 2010 but close to the 12.3 percent of 2008.

“As the Affordable Care Act is fully implemented, we should see those numbers drop significantly,” Osterberg said.

The data released Thursday come from a separate, larger survey than a release last week by Census. The ACS is considered a better measure of state-level and local-level data.

IFP is a joint public policy analysis initiative of two nonpartisan, nonprofit Iowa-based organizations, the Iowa Policy Project in Iowa City and the Child & Family Policy Center in Des Moines. Reports are at www.iowafiscal.org.

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