

# **Impacts of Parental Health Insurance Coverage Availability on Disability Benefit Applications of Young Adults**

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# Health Insurance-Motivated Disability Enrollment (HIMDE)

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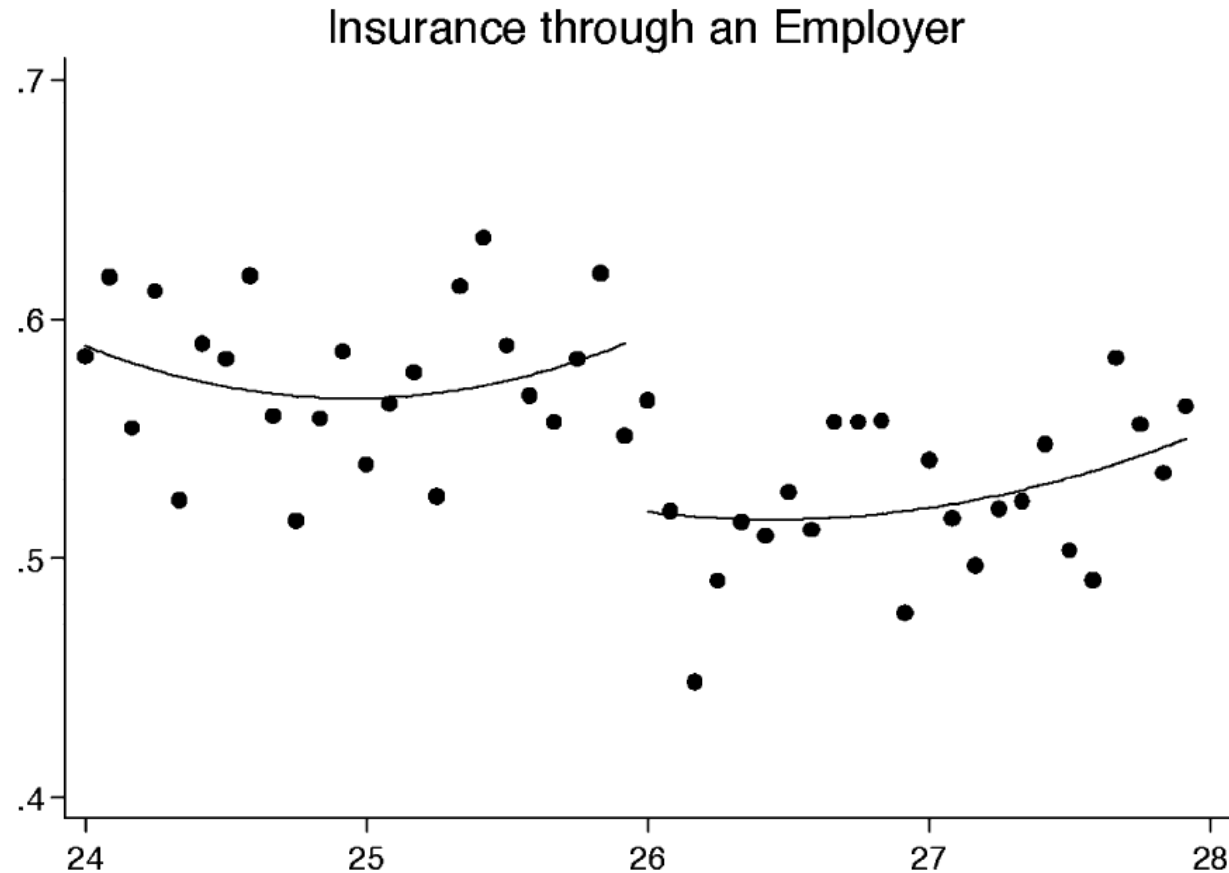
- **Individual coverage was historically difficult to obtain**
  - Higher premiums for preexisting conditions
  - Disabilities may limit work
  - Medicaid typically offered only to families
- **SSA disability benefit programs come with health insurance**
  - SSI: Medicaid
  - SSDI: Medicare (after a waiting period)

# How Does Availability of Other Health Insurance Affect HIMDE?

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- **Past research: Medicaid expansions and SSI**
  - Reductions for children (Leverre et al. 2018)
  - Mixed evidence for childless adults (Burns & Dague 2017, Chatterji and Li 2017, Anand et al. 2017)
- **Our study: parental health insurance and SSI**
  - Focus on 2010 ACA mandate that dependent coverage be available up to 26<sup>th</sup> birthday
  - Previous requirement was coverage up to 19<sup>th</sup> birthday / 23<sup>rd</sup> birthday for students

# Sharp Decline in Private Health Insurance Coverage at Age 26



# Data

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- **Administrative data on the SSI applications and awards**
  - Counts by year, state, and age in months
  - Grouped small states together to avoid redaction
- **Combined with Census population estimates to get annual application & award rates**



# Clear Spike in SSI Applications Around Age 26 Since 2011

Outcome	Base rate (%)	Estimated spike near age 26 (pp)	Percentage change
Annual SSI application rate, 2011-2016	0.600	0.023***	3.8

- **Interpreting results:**
  - **2,500 more applications from young adults around the age of 26 over the 5-year period**
  - **Some of these applications might have occurred at other ages**

\*/\*\*/\*\*\* indicates a statistical significant estimate at the 10/5/1 percent level

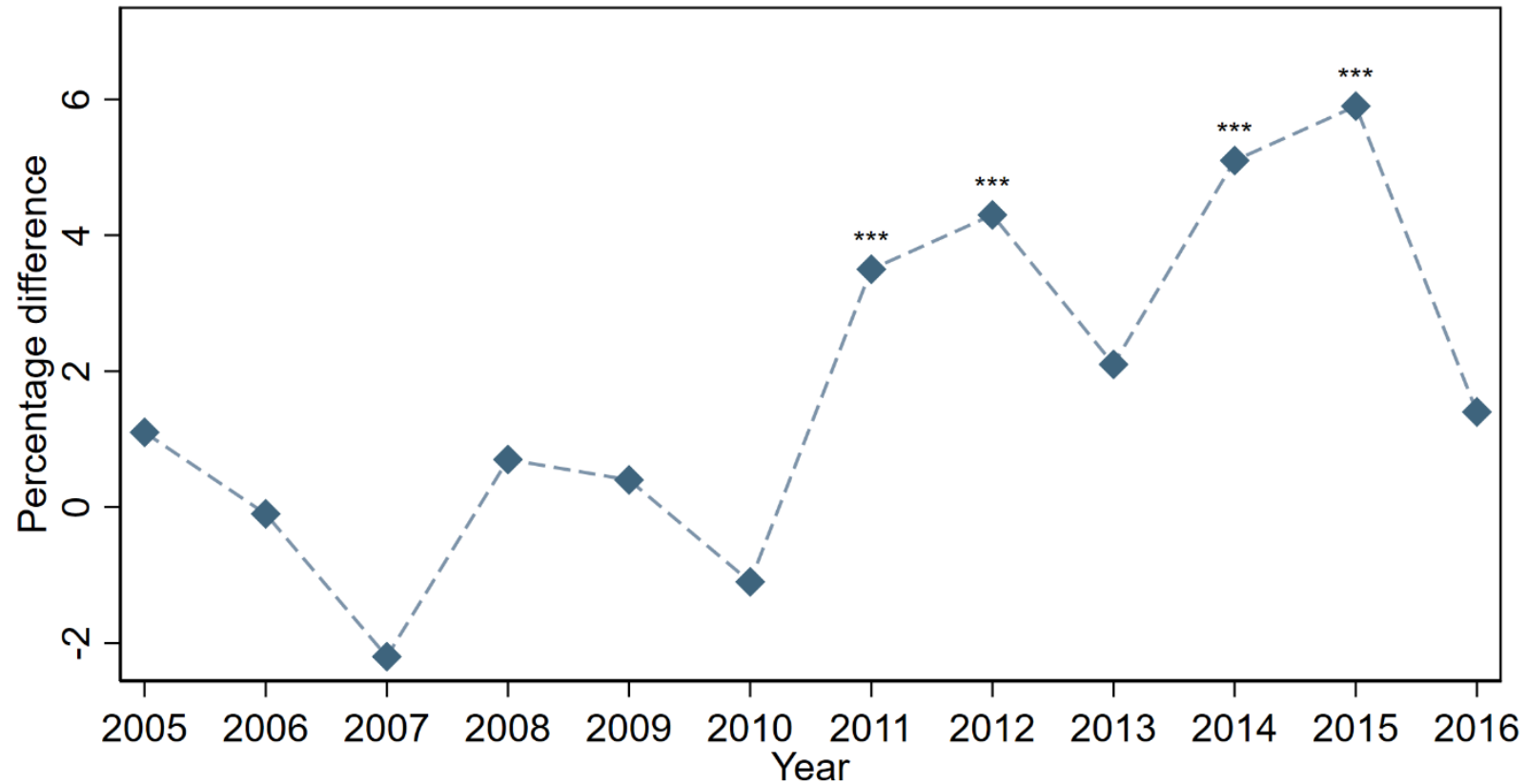
# No Past Tendency for Young Adults to Apply Near Age 26

Outcome	Base rate (%)	Estimated spike near age 26 (pp)	Percentage change
Annual SSI application rate, 2011-2016	0.600	0.023***	3.8
Annual SSI application rate, 2005-2009	0.680	0.000	0.0

\*/\*\*/\*\* indicates a statistical significant estimate at the 10/5/1 percent level



# Age-26 Spike in SSI Applications Apparent After ACA Mandate



\*/\*\*/\*\* indicates a statistical significant estimate at the 10/5/1 percent level

# Clear Age-26 Spike in SSI Awards During Post-ACA Period (Only)

Outcome	Base rate (%)	Estimated spike near age 26 (pp)	Percentage change
Annual SSI award rate, 2011-2016	0.158	0.004***	2.7
Annual SSI award rate, 2005-2009	0.184	0.001	0.4

- **475 more awards to young adults around age 26 over the post-ACA period**

\*/\*\*/\*\*\* indicates a statistical significant estimate at the 10/5/1 percent level

# Conclusions

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- **Some young adults seek SSI primarily because they lack health insurance**
  - Spike in applications at age 26 reveals HIMDE
- **Standalone coverage could avoid ancillary costs and reliance on cash benefits**
- **Topics to consider moving forward**
  - Role of state Medicaid policy
  - Potential for fewer SSI claims at younger ages due to ACA's extension of parental coverage to age 26

# Contact Information

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