



Health Reform for Young Adults

Lower Costs for Young Adults

✓ **Preventive Care for Better Health**

- Ensures that all Americans have access to free preventive services through their health insurance plans and invests in prevention and public health to encourage innovations in health care that prevent illness and disease before they require more costly treatment. Simple prevention can stop a small health problem from getting worse.

✓ **Insurance Industry Reforms that Save Young Adults Money**

- Caps what insurance companies can require young adults to pay in out-of-pocket expenses, such as co-pays and deductibles, prohibits lifetime limits on how much insurance companies cover if beneficiaries get sick, and regulates the use of annual limits to ensure access to necessary care, until 2014 when annual limits are prohibited.

✓ **Premium Relief for Young Adults**

- Requires premium rate reviews to track any arbitrary premium increases, cracks down on excessive insurance overhead by applying standards on how much insurance companies can spend on non-medical costs, such as bureaucracy and advertising, and provides consumers a rebate if non-medical costs are too high.

✓ **Ensures Affordable Coverage**

- Provides premium tax credits to limit the amount an individual spends on their health care premium from two percent of income at 100 percent of the Federal Poverty Level (FPL) to 9.5 percent of income from 300-400 percent of the FPL.
- Provides cost-sharing credits to reduce the amount of cost-sharing that lower-income individuals are responsible for to no more than 10 percent of total benefit costs for those between 100-150 percent of the FPL and no more than 20 percent for those between 150-200 percent of the FPL.

Greater Choices to Meet the Needs of Young Adults

✓ **Extends Health Coverage Through Parents**

- Allows young adults to stay on their parents' health care plan until age 26. This will help to cover many of the one in three young adults who are uninsured.

✓ **More Affordable Choices and Competition**

- Creates state-based health insurance Exchanges so young adults can decide how much coverage they want (including a catastrophic-only coverage option). The Exchange will provide a wide variety of choices, including private options, co-ops and multi-state plans to foster competition and increase choice.

✓ **One-Stop Shopping**

- Provides standardized, easy-to-understand information on health insurance plans offered in a geographic region so young adults easily compare prices, benefits, and performance of health plans to decide which quality, affordable option is right for them.

✓ **Insurance Security**

- Ensures young adults always have quality, affordable health insurance choices, regardless of how their lives change, particularly as young adults frequently change jobs, move, or hold part-time or temporary jobs.
- Ensures that when young adults enroll in the CLASS program for \$5.00/month as a student, they will have a cash benefit in the event of long-term care needs.