



**Testimony of Lois J. Uttley, MPP  
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Public Health Association of NYC (PHANYC)  
Before the New York City Council Health Committee  
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**The Public Health Imperative of Insuring Young Adults**

Good afternoon. Thank you for the opportunity to present testimony on the subject of health insurance options for young adults. My name is Lois Uttley. I am here representing the Public Health Association of New York City (PHANYC), as chair of that organization's Policy and Legislative Committee. PHANYC and the American Public Health Association, with which we are affiliated, are both strong and active supporters of expanding health insurance coverage to all Americans.

Today, I want to discuss the public health imperative of providing quality, affordable health insurance options for young adults. We are doing a much better job as Americans, and as New Yorkers, in making sure our young children have health insurance. The recent re-authorization of the Children's Health Insurance Program (CHIP) is another important step in this progress. But once these children turn 19, they "age out" of CHIP. For children from families with health insurance, a similar "aging out" occurs and they lose eligibility for dependent health insurance through their parents. When it comes to health insurance, we as a society turn our backs on our children when they become young adults.

The results are not surprising. Young adults (ages 19 to 29) have the highest rate of un-insurance of any age group: more than 30 percent nationwide and about 28 percent in New York State. New Yorkers aged 19 to 29 are twice as likely to be uninsured as are older adult New Yorkers (ages 30 to 64).<sup>1</sup> Disproportionately uninsured are those young adults living in poverty or near-poverty, and those who are African-American and Hispanic. Young adults also suffer from under-insurance. Insurers market plans to young adults that appear attractive, because they have relatively low premiums. But these plans have bare-bones coverage that does not provide the routine primary health care they need and includes restrictions that can leave young people with huge medical bills for treatment of serious injuries or illness.

**Public Health Consequences**

What are the public health consequences when our young adults have no or inadequate health insurance, just when they are starting college, beginning their work lives, forming personal relationships and, in some cases, beginning to have children? There are many.

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<sup>1</sup> 2008 Current Population Survey, U.S. Bureau of the Census.

A recent Commonwealth Fund analysis<sup>2</sup> found that 54 percent of uninsured young adults did not see a doctor or go to a clinic when they had a medical problem, compared to only 18 percent of those who had health insurance. That same study found that 41 percent of uninsured young adults did not fill prescriptions they were given, and 40 percent skipped recommended medical tests, treatment or follow-up.

What happens when you avoid or delay treatment because you cannot afford it? Sometimes you get lucky, and you recover. But, more often your problem gets worse. You may go to school or work while you are still sick, and pass infectious diseases like the flu or strep throat along to your classmates or co-workers, or to people you sit next to on the subway. Or, you may decide to stay home, and then find yourself fall behind in your class work or getting in trouble with your boss. If you have tried to ignore a serious acute or chronic health problem, you may end up in the emergency room.

Now, let's think about the kinds of preventive, acute and chronic health care young adults need most. This group has a high rate of exposure to sexually-transmitted diseases and of unintended pregnancies. It is also the age range in which people are experimenting with drugs and abusing alcohol. Let's not forget mental health problems, such as depression and anxiety.

Increasing incidence of obesity among young people is leading to health problems that need intervention as early as possible. Nearly 30 percent of New York City residents ages 18 to 39 are overweight and 9 percent are obese, according to a recent New York City Community Health Survey.<sup>3</sup> This condition is leading to earlier onset of Type 2 diabetes, which historically had been found to appear when patients enter their 40s.<sup>4</sup> Being overweight or obese prior to pregnancy also increases the likelihood that a woman will develop gestational diabetes during the pregnancy.

### **Problems with Current Health Insurance Options**

How are we presently attempting to provide health insurance coverage to young adults, to help them cope with this constellation of health concerns? I want to focus on two particular health insurance options:

- 1) **Dependent coverage through parents' policies:** Under current law in New York, children may only remain on their parents' health insurance policies until age 23. This limit is lower than in neighboring states such as Connecticut, where the age limit is 26, and New Jersey, where the limit is age 30.<sup>5</sup> We strongly support the intent of Governor Patterson's forthcoming proposal to raise the age to 28. We do have a problem with his idea to allow "age-rating" of this insurance,

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<sup>2</sup> J. L. Kriss, S. R. Collins, B. Mahato, E. Gould, and C. Schoen, Rite of Passage? Why Young Adults Become Uninsured and How New Policies Can Help, 2008 Update, The Commonwealth Fund, May 2008. The Commonwealth Fund Biennial Health Insurance Survey, 2007.

<sup>3</sup> "One in six NYC Adults is Obese," published in NYC Vital Signs, the New York City Department of Health and Mental Hygiene, July 2003.

<sup>4</sup> "Diabetes in New York City: Public Health Burden and Disparities," New York City Department of Health and Mental Hygiene, 2006.

<sup>5</sup> Barber, Christine, "Expanding Coverage for Dependents," Community Catalyst, 2009.

a departure from New York's "community rating" system, as will be discussed in more depth by a speaker from Health Care for All New York. We hope that issue can be addressed.

We recognize, however, that this proposal will help only a subset of all young adults in New York. What about those young people whose parents do not have health insurance coverage, or cannot afford to include their young adult family members? And what about those who will lose the coverage as their parents lose jobs in this struggling economy?

- 2) **College health plans:** About 20 percent of full-time students ages 19 to 23 nationwide rely on college-sponsored health insurance. These plans can provide temporary coverage for those students who are eligible (usually full-time or almost full-time) and can afford them. But often, college plans are flawed.

An example is the CUNY Plan offered through GHI. There are a number of very positive aspects to this plan, such as full coverage for an annual physical and for maternity care, as well as discounts on exercise and nutrition programs. The plan is also in effect over the summer, when students are not attending classes, unlike some other college health insurance. But there are several serious problems:

- a. First, there is a clause denying coverage for 11 months for pre-existing conditions. Specifically, the plan states: "There will be an eleven-month waiting period for benefits for any condition, disease or symptom for which medical treatment or advice was recommended or received within the six-month period prior to the enrollment date. There will be no coverage for **preexisting** conditions during this waiting period." So, although the plan states that diabetes management care is "covered in full," a student with pre-existing diabetes would not be entitled to this care until nearly a year after joining the plan.
- b. There is no coverage for dental or vision care.
- c. The co-pays are large for someone who is a full-time student, or working her way through college. For example, the co-pay for a hospital visit is \$150. A visit to a doctor's office is \$27.
- d. The cost of the premium itself. For a single individual, it is \$665 per quarter, or \$221 per month. Even that can be far too expensive for students with barely any income, as you will hear in testimony from Jessica Silk, a public health student in the CUNY system. The cost of covering a student and his/her young family is even higher: \$1,895 a quarter for family coverage, or more than \$630 a month!

Even this somewhat problematic plan is better than nothing. Those students who are working their way through school, taking just one or two courses at a time while working full-time, often are not eligible to enroll in these college plans. Students who are pursuing technical or vocational careers are also frequently unable to obtain health insurance through their schools. For example, Berkeley College, a business-oriented

school with seven locations in New York and New Jersey, told a young intern calling from our office this morning that it does not offer health insurance to its more than 7,000 students.

### **Conclusions and Recommendations**

The Public Health Association of New York City is strongly supporting state and national efforts to achieve quality, affordable health care for everyone. That should be our goal. There are glimmers of hope in Washington this spring that we may be able to make significant progress toward this goal in 2009. We urge the City Council's Health Committee to actively monitor state and national health reform efforts and support those proposals that will improve the health of New Yorkers.

In the meantime, however, we offer the following suggestions about improving health insurance options available to young adults in New York. We urge the City Council to support these recommendations:

1. Raise the age to which New Yorkers can stay on their parents' health insurance policies from the current 23 up to 28, as will be proposed by Governor David Patterson.
2. Work to improve the availability, quality and affordability of college health insurance plans. At minimum, such plans should be prohibited from refusing or delaying coverage for pre-existing conditions. Minimum standards for meaningful coverage should be adopted. Vocational and technical schools should be encouraged to offer health insurance to their students.
3. As recommended by Health Care for All New York, of which PHANYC is a member, open up the existing Family Health Plus Buy-in program to offer comprehensive coverage to young adults at an affordable rate.

Thank you for the opportunity to present this testimony.

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