



Insight

# New Poll Highlights Young Adults & the Health Care Law

DOUGLAS HOLTZ-EAKIN | MAY 17, 2013

## ***Results Show Premiums Matter: Drop Insurance, Pay Penalty If Faced with Significant Rate Increases***

Washington – The American Action Forum (@AAF) today released the findings of a unique new **poll** regarding younger adults and the Affordable Care Act (ACA). The first of its kind poll not only examines younger adults' perceptions of the law, but also the effect that specific premium increases would have on consumer's willingness to purchase coverage.

The poll, conducted by Bill McInturff of Public Opinion Strategies, finds that young adults are more likely to drop their health care coverage due to the rising cost of insurance premiums. He writes in his memo, *"This data strongly suggests that should premiums increase by as much as 20% to 30%, many of these respondents could respond by dropping out of coverage and paying the penalty or waiting until they are sick to purchase health coverage."* The sample was designed to interview young adults who would be eligible to purchase health insurance coverage through the new health insurance marketplace in 2014.

Premium-sensitivity may prove problematic for the ACA as the AAF's recent [study](#) concluded that premium costs for young adults were likely to rise with its implementation. *"The Affordable Care Act has a clear intent to increase health care coverage among Americans," said American Action Forum President Douglas Holtz-Eakin. "However, the results of the poll indicate a clear health insurance price-point for younger adults, above which they are no longer willing to purchase coverage for themselves and would rather pay the penalty."*

### **Key findings:**

- 45% of respondents who are currently covered report they would no longer purchase health insurance and would instead pay the penalty each year if their premium costs increase 30% in 2014.

Among Respondents who pay less than \$50 per month for their current premiums, 53% said they would drop coverage if their rate increased by 20%. While 62% said they would drop coverage if it increased by 30%.

### **Other Findings Include:**

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- 68% of respondents held positive views of the ACA's coverage of pre-existing conditions.
- 56% of respondents held positive views of the financial help built into the ACA for those of low to moderate income levels.
- 55% of respondents felt they would be helped little or not at all by the ACA compared to 33% who said they would be helped some or a lot by the law.
- 64% of respondents felt that cost of health insurance coverage will increase as a result of the ACA opposed to only 9% who said that it would decrease.
- 55% of respondents held negative views of the individual mandate and 46% said they would be hurt by said mandate.

Polling Presentation:

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**Poll: Young Adults & The Health Care Law** from **AmericanActionForum**