

How Millennials Use Their Health Insurance



Collectively Millennials spend \$174 billion on health expenses every year, making up 12 percent of all health care expenses nationally. With 5.2 million new young adults gaining insurance coverage over the last two years, health providers, insurers, and advocates need to understand what health conditions young adults seek care and how they pay for it. In fact, young adults seek care for unique conditions, and pay for that treatment differently than other age groups.

Frequency of costs Generally, young adults are slightly less likely to use their care: **Around three-quarters of Millennials incurred any health expense in 2013, compared to 86 percent of adults aged 35-to-64 years-old.** Older adults also spend more, incurring a median cost of \$1,740 per service, compared to \$974 for 25-to-34 year-olds and \$761 for 18-to-24 year-olds.

Expense and Method of Payment **Younger Millennials (18-24) disproportionately rely on Medicaid to pay for their care,** accounting for 21 percent of their health expenses, compared to 13.3 percent for older adults. They are also slightly more likely to pay for expenses out of pocket than other age groups, although private insurance still pays for the majority of expenses.

Unique Medical Conditions Young adults also seek health services for different conditions than other age groups. **Topping the list, 7.6 million young adults receive care for mental health conditions, costing \$12.5 billion annually.** Medicaid covers less than a third of mental health expenses, with private insurance covering about 40 percent.

After mental health, trauma-related disorders and COPD/asthma are the most frequent conditions for which young adults receive care. Older adults' receive the most care for hypertension, hyperlipidemia, and mental disorders.

By far childbirth accounts for the highest costs for young adults: \$7 billion for 18-to-24 year-olds and \$27 billion for 25-to-34 year-olds. Notably, younger millennials pay for 46 percent of childbirth expenses through Medicaid, compared to 38 percent from private insurance. In contrast, older Millennials use private insurance to pay for nearly three-quarters of childbirth expenses.



Out of the conditions most frequently addressed, 18-to-24 year olds spend the most out of pocket on dental issues; these young adults personally pay for half of all dental expenses and under 30 percent is covered by private insurance.

If you have questions about the fact sheet or about the Coalition, please contact EHemlin@YIAdvisors.com

Table 2.1 Total Health Services - Distribution of Expenses by Source of Payment: United States, 2013

	Total Expenses (in millions)	Out of pocket	Private Insurance	Medicare	Medicaid	Other
All	1,400,523	13.8	40.6	25.3	12.4	7.9
18-24	55,831	16.1	52.8	2.1*	20.9	8.1
25-34	117,826	15.1	59.7	1	15.9	8.3
35-64	628,085	14.7	52.8	10.5	13.3	8.8

Table 2.2 Number of People with Care for Selected Conditions by Type of Service: United States, 2013, 18-24

Condition	Number of people received care (thousands)
Mental disorders	3,026
Trauma-related disorders	2,995
COPD, asthma	2,906
Acute Bronchitis and URI	2,471
Female genital disorders, and contraception	2,311
Skin disorders	2,020
Normal birth/live born	1,446
Disorders of teeth and jaws	1,290
Infectious diseases	1,141

Table 2.3 Number of People with Care for Selected Conditions by Type of Service: United States, 2013, 25-34

Condition	Number of people received care (thousands)
Mental disorders	4,656
Trauma-related disorders	3,992
COPD, asthma	3,849
Female genital disorders, and contraception	3,837
Normal birth/live born	3,760
Acute Bronchitis and URI	3,093
Back problems	2,352
Skin disorders	2,161
Osteoarthritis and other non-traumatic joint disorders	2,115