



New eHealthInsurance Survey Reveals Attitudes of College Students & Grads on Health Insurance, Health Reform and Financial Independence

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Survey Shows Delayed Onset of Financial "Adulthood" Due to Unrealistic Income Expectations and Concerns About Student Loans, Health Insurance and Other Expenses

MOUNTAIN VIEW, CA, May 07, 2012 (MARKETWIRE via COMTEX) --A new national survey sponsored by eHealthInsurance (NASDAQ: EHTH), the leading online source of health insurance for individuals and families, finds college students and recent graduates juggling financial priorities in an election year filled with uncertainty about health reform, growing concern about student debt and continued challenges in the job market.

The survey, conducted in April 2012 by global insights firm Kelton Research, suggests that many current college students and recent grads perceive themselves to be at risk financially and unlikely to achieve financial independence at the age their parents did. Some of the survey's findings point to a disjunction between college students' expectations for the future and the hard realities of today's economy and job market. Among the survey's headline results:

- Parents surveyed report that they became financially independent of their parents by age 20 on average; current students and recent grads expect to achieve financial independence much later (age 25 and age 26 respectively)
- Current college students estimate that they will need to earn an average salary of \$81,600 per year after graduation in order to feel financially secure; recent grads report that their first job out of college paid only \$21,900 per year on average
- Among those with student loans, about six-in-ten current students (58%) and recent grads (62%) are afraid they won't be able to pay their student loans during their 20s while out of college
- More than eight-in-ten students (82%) believe their first job out of college is likely to offer health insurance benefits; however, nearly six-in-ten recent grads (59%) report that their first job out of college did not provide them with health insurance

eHealthInsurance's survey also found that parents of college students and recent grads are less inclined this year to keep adult children on the family health insurance plan until age 26, though a provision of the Affordable Care Act allows them to do so. Of parents with adult children under age 26, 42% are not planning to keep their children enrolled on their health insurance plan in 2012, compared to 38% in 2011.

Additional survey highlights are provided below. Full topline results of the Students and Grads Survey and the Parents Survey are available at the eHealthInsurance Media Center.

Attitudes on Health Reform and the Supreme Court Decision:

- When asked how they would feel if the health reform law was ruled unconstitutional, more than four-in-ten students (42%) and recent grads (44%) say they would feel "indifferent"
- About one-third of current students (36%) and recent grads (33%) say they would be disappointed if the law was ruled unconstitutional
- Nearly a quarter of current students and recent grads (23% each) say they would be "pleased" if the law was ruled unconstitutional
- Two-in-ten current college students (20%) say that they would not comply with the individual mandate if it applied to them; nearly one-in-four recent grads (24%) say they would not comply
- More than a third of current students and recent grads (37% each) say they would comply with the mandate if it applied to them, but still think it was not a good idea
- A strong majority of current students (63%), recent grads (64%) and parents (66%) say they would feel grateful for government subsidies, if they qualified for them, in order to afford health insurance
- One-in-five parents (20%) and about a quarter of current students (26%) and recent grads (23%) would feel "indifferent" about receiving subsidy assistance; a smaller percentage (students: 11%; grads: 13%; parents: 15%) say they would feel "embarrassed" to receive government assistance

Financial Independence and Generational Ties:

- Parents report that they had become financially independent from their own parents at the age of 20, on average; more than two thirds (67%) were financially independent by age 21 or younger
- Parents today don't expect their own children to become financially independent until age 24 on average
- Recent grads who are not yet financially independent of their parents don't expect to reach financial independence until age 26 on average; current students expect to be financially independent by age 25
- More than four-in-ten parents (44%) think they should help their recent grads find health insurance, while three-in-ten (30%) feel they should help grads pay for coverage
- Nearly two-in-ten parents feel they should help their recent grads negotiate their benefits (19%) or salary (18%) at a new job

Financial Security and Workplace Expectations:

- In order to feel financially secure, current students estimate they need to earn an average salary of \$81,600 per year after graduation
- Students don't actually expect to find such well-paying work, however; they expect their first job out of college will earn them an average annual salary of \$37,100
- Recent grads, by comparison, believe they need to earn an average annual salary of \$61,800 in order to feel financially secure
- However, recent grads say that their first job out of college actually earned them a mere \$21,900 per year on average
- More than eight-in-ten students (82%) consider it likely that their first job out of college will offer health insurance benefits
- However, almost six-in-ten recent grads (59%) report that their first job out of college did not provide them with health insurance benefits
- When asked to identify "non-negotiable" employment benefits from a list, students (40%) and grads (38%) were more likely to say that they would pass on a job that didn't offer health insurance than any other benefit

Health Insurance Coverage and Health Reform Knowledge:

- Only around three-in-ten students (31%) and two-in-ten recent grads (22%) report that they are currently covered under their parents' health insurance policies
- Nearly two-thirds of parents (63%) with adult children under age 26 say that they are willing to keep them on the family health insurance plan only if it cost them \$99 or less per month, or else nothing at all
- Eight-in-ten parents (80%) think it's better for college grads to live at home in order to be able to afford health insurance, rather than live on their own and go uninsured; more recent grads (68%) than current students (54%) are likely to agree
- If they had to purchase their own health insurance plan, current students consider \$135 a fair monthly premium; recent grads consider \$202 a fair monthly premium
- Only about four-in-ten current students (43%) and more than half of recent grads (57%) are aware that the health reform law now allows adult children to stay on a parent's health insurance plan until age 26
- About one-in-five current students (19%) and recent grads (20%) imagine that consumers are now required to purchase health insurance coverage -- a provision of the law that doesn't actually go into effect until 2014

Anxiety for the Future:

- Asked to identify things they are afraid may happen to them after college or in their twenties, a majority of current students say they are afraid they will not find a job (62%) or won't find a job in their chosen field (54%)
- Among those with student loans, more than seven-in-ten current students (72%) and fully three-quarters of recent grads (75%) say they would rather go without health insurance than default on their student loans
- Among those with student loans, about six-in-ten current students (58%) and recent grads (62%) are afraid they won't be able to pay their student loans during their 20s while out of college
- Current students are a bit more afraid of going without health insurance (38%) than having to live with their parents (32%)
- When asked to identify things that had already happened to them or that they were afraid may happen to them in their twenties, a majority of recent grads chose "Not finding a job in my chosen career path" (60%) or "Not finding a job at all" (55%)
- Half of all current students (50%) and recent grads (54%) say they would be less likely to start a family if they didn't have health insurance; more than four-in-ten students (45%) and half of all recent grads (50%) say they would be less likely to participate in risky or dangerous athletic activities without health insurance

To review full topline results of the eHealthInsurance Survey of Students, Grads and Parents for 2012, visit the "Research" tab on the eHealthInsurance Media Center.

Survey Methodology The eHealthInsurance Survey of College Students, Grads and Parents was conducted by Kelton Research between April 13 and April 23, 2012, using an email invitation and an online survey. Kelton Research surveyed a sample of 271 full-time college students ages 18-30 and 255 recent college graduates ages 18-30 who are in the workforce now for seeking employment. Kelton Research also surveyed a sample of 550 parents with full-time college students or recent graduates.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the sample of recent graduates, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 6.1 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

For the sample of college students, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 6 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

For the sample of parents of current students or recent grads, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 4.2 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

Additional Consumer Resources:

- Review a list of tips designed specifically for college students, grads and parents from eHealthInsurance's April 17, 2012 press release
- Download or request a FREE printed copy of our book, *Individual Health Insurance For Dummies*, Health Care Reform Special Edition, produced in cooperation with *For Dummies*(R), a branded imprint of Wiley, and co-authored by eHealthInsurance
- Follow eHealthInsurance's consumer blog, *Get Smart - Get Covered*
- Watch educational health insurance videos from eHealthInsurance on YouTube
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subsidiary, PlanPrescriber.com (www.planprescriber.com) and through its Medicare website www.eHealthMedicare.com.

For more health insurance news and information, visit the eHealthInsurance consumer blog: Get Smart - Get Covered.

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