The Affordable Care Act's Dependent Eligibility Expansion and Marriage Rates in Young Adults

Why do couples choose to marry? On one hand, recent changes in marriage highlight the personal benefits and accomplishment of marriage. For example, in describing the individualized rewards of marriage, Cherlin (2009) claims that marriage has become "the ultimate merit badge." In this view of marriage, the abiding desire among Americans to marry arises from the attractive status of marriage as a "capstone" denoting successfully establishing oneself. Despite this focus on intrinsic and personal benefits of marriage as the drivers of the decision to marry, tangible benefits of marital status may also influence the decision to marry.

One such potential benefit of marrying that could influence who marries is access to health insurance through a spouse's employer. Spousal employment has traditionally been an important source of health insurance for adults outside of retirement age. For example, in 2016, 24% of all women aged 19-64 had health insurance coverage through their spouse's employer (2017 ASEC Supplement to the Current Population Survey, U.S. Census Bureau).

Though understanding causation in social settings faces numerous challenges, recent changes to health insurance in the United States provides a unique opportunity to test whether health insurance access influences the decision to marry. The Patient Protection and Affordable Care Act of 2010 (PPACA, commonly referred to as ACA or "Obamacare") made numerous changes to health insurance in the United States. One particularly popular part of the law extended the dependent eligibility on insurance policies. Specifically, this provision allowed individuals up to age twenty-six to stay on their parent's health insurance plan, even if they no longer live with the parent, are not a dependent on the parent's tax return, or are not a student. This provision went into effect in September 2010, meaning that after this point, individuals could get health insurance through parent plans up to age 26.

This policy change-access to parental health insurance-should influence individual calculations of the benefits of marriage and therefore the likelihood of marrying. For newly eligible individuals (i.e., those under twenty-six) without access to health insurance themselves, having access to health insurance through parents should reduce the benefit of marriage. This policy discontinuity suggests a natural experiment; comparing the number of marriages before and after the dependent eligibility expansion tests whether health insurance access changes the decision to marry in American young adults.

For this study, I focus on marriages occurring in the state of Texas. Texas provides an ideal testing ground for many reasons. First, Texas is one of the eighteen states that did not participate in the ACA's Medicaid expansion. Focusing on a state that chose not to expand public coverage limits confounding effects from an increased availability of Medicaid. Second, the legal environment of health insurance in Texas provides a very specific target population to examine. Prior to the ACA, Texas had extended dependent health insurance eligibility for unmarried children up to age 25. Thus, the ACA expansion results only changed the eligibility of twenty-five year olds. Focusing on a specific subgroup addresses possible larger historical changes in marriage (e.g., declining rates of teen marriage). Third, Texas provides a public record of all marriages performed in the state, with the names and ages of both parties, as well as the date and location of the marriage. The availability of a population register of marriages enables me to explore the potential effect of the dependent eligibility expansion on all marriages.

For this project, I use data from the Texas Marriage License Application Index. Per statute (Texas Health and Safety Code Section 194.003), the Vital Statistics Unit of the Texas Department of Health and

Human Services maintains a statewide alphabetic index of all marriages performed in the state of Texas. They compile the index from the marriage license applications submitted to county clerks in the counties in which the couple filed their marriage. The resulting list continues complete information on the population of marriages performed in Texas. The index is publicly available online (http://www.dshs.texas.gov/vs/marriagedivorce/mindex.shtm).

Using the marriage index has multiple benefits for the current study. First, the marriage index contains all marriages performed in Texas, which means that my results are necessarily representative of this entire population. In addition, the availability of population data simplifies the analysis; any observed difference in marriage before and after the dependent eligibility expansion represents a change in the population. Second, the size of the dataset enables me to capture small effect sizes, even in limited subsets of individuals. Individuals marry for a number of reasons and while healthcare benefits may be one factor that influences the choice to marry for some couples, they may not factor into the decisions for many couples. As such, the effect of health insurance eligibility changes on decisions to marry may be small. Third, a dataset that focuses on entrance into marriage rather than the currently married is more appropriate for this study given the nature of the research question.

Though information is available for marriages beginning in 1965, I limit the analytic sample to marriages that occurred between September 2009 and September 2011, excepting those in September 2010. This range corresponds to the period immediately preceding (September 2009-August 2010) and following (October 2010-September 2011) the ACA's expansion of dependent health care coverage to those aged twenty-five. Restricting the sample to a full calendar year before and after the dependent eligibility expansion addresses the monthly variation in marriages that occurs over the course of the year. For example, between 2000 and 2015, fewer than 6% of marriages happened in January while almost 10% of marriages occurred in June. Limiting the sample to a year on either side of the legal change reduces the likelihood that I will conflate historic changes (i.e., increasing age at first marriage, higher rates of remarriage) with change attributable to the shift in health insurance eligibility. As the legal change occurred mid-September 2010, I exclude this month from the analysis. The restriction of the sample to these months results in a sample that includes 355,664 marriages across 24 months.

The marital index contains few pieces of information about individuals or couples-the name and age of each party, the date of the marriage, and the county in which the couple applied for the marriage license. Using the reported age of each partner, I categorize marriages by whether or not either spouse was 25 at the time of the marriage. I focus on 25-year-olds because these individuals were not eligible to be dependents on parent's health plan in Texas before the ACA, but were afterwards. I aggregate the count of marriages that involved a 25-year old partner by month.

During the twenty-four months of the study period, 355,664 marriages occurred in the state of Texas. Of these marriages, 34,763 (9.78%) involved a partner who was twenty-five at the time of the marriage (i.e., would be eligible to stay on a parent's health insurance plan after the September 2010 expansion of dependent eligibility). Comparing the twelve months before and after the expansion of dependent eligibility, I find that fewer marriages include a newly eligible partner (i.e., 25-year-old individual) after the ACA dependent eligibility expansion than before. In the twelve months prior to this expansion, 17,462 marriages involved a 25-year-old spouse, either husband or wife. In contrast, there were 17,301 such marriages in the twelve months following the dependent care expansion. Though this difference may seem modest, between the two periods, the count of marriages overall actually rose substantially; from 176,065 in the twelve months prior to the dependent eligibility expansion, the number of marriages increased to 179,599 in the twelve months after. Standardizing for differences in the total number of marriages, I find that 9.92% of marriages in the twelve months prior to the dependent

eligibility expansion involved a 25-year-old partner. In contrast, only 9.63% of marriages in the twelve months following the dependent eligibility expansion involved a 25-year-old partner. To compare corresponding months, Figure 1 graphs the proportion of marriages involving a 25-year-old partner before and after the ACA dependent eligibility expansion (September 2009-August 2010 and October 2010-September 2011, respectively). As this figure demonstrates, the share of marriages that involved a 25-year-old partner is lower for all but two months (October and August) after the ACA expansion compared to the same rates prior to this expansion.

As traditional significance testing is inappropriate when using complete population data, to assess whether this difference is meaningful, I turn to permutation testing. I compare the observed count of marriages involving a 25-year-old spouse in the year following the dependent care expansion to similar counts in years simulated with data from before this expansion. For the simulation, I constructed synthetic years by randomly selecting months from before the ACA expansion (2000-2009). For example, one such synthetic year might include January 2001, February 2009, March 2003, and so on. Estimating the count of corresponding marriages in 1,000 such simulations, I found only 4% of synthetic years with estimated counts lower than that observed in the year following the dependent health insurance eligibility expansion. Figure 2 shows the distribution of these simulated counts, with the red line representing the count of marriages involving a 25-year-old spouse observed in the year following the dependent eligibility expansion. Despite the small difference between the count (and percentage) of marriages involving 25-year-old spouses before and after the ACA's dependent eligibility expansion, the simulations show us that the count of such marriages following the expansion is especially low.

CONCLUSION

Following the ACA's expansion of dependent health insurance eligibility, marriage among the newly eligible was lower than it had been previously. In terms of both raw counts and percentages of all marriages, fewer marriages following this expansion involved a newly eligible (i.e., 25-year-old) partner. The permutation test suggests that the level of marriage in the newly eligible population is uncommonly low by the standards of recent history.

These results suggest that the change in eligibility to remain on a parent's health insurance plan may have influenced individuals' decision to marry. For individuals newly eligible to stay on parental health insurance plans, the need for spousal health insurance may have declined, which reduced the benefits of marrying. Though any potential effect is slight, the result does highlight the potential mutability of marital decision making in the face of policy and economic pressures.

However, there are a few notable limitations to this study. First, historical change co-occurring over the same period can threaten the validity of this form of single population time series. Delays in when individuals marry, as well as increasing rates of remarriage, have resulted in increasing ages at marriage. In fact, the average age at marriage increased in Texas almost 2.5 years between 2000 and 2014 alone. Though constraining the comparison between two immediately adjacent years does mitigate the threat from longer term trends, changes in marital behavior offer an alternative explanation for the results. In exploring the outcome over the slightly longer term, I found that the September 2008-August 2009 had about the same number of marriages involving 25-year-olds as the "pre-ACA" period used in the paper (i.e., September 2009-August 2010). Thus, the difference between the periods before and after the dependent eligibility expansion does not appear to be the result of an ongoing decline in the share of marriages to those aged 25. A second potential threat to this study is the nature of the data itself. Though the marriage index contains all marriages within Texas, this both includes couples who marry in Texas but reside elsewhere and excludes Texas residents who marry in other states.

Figure 1: Percent of Marriages Involving a Partner who is age 25
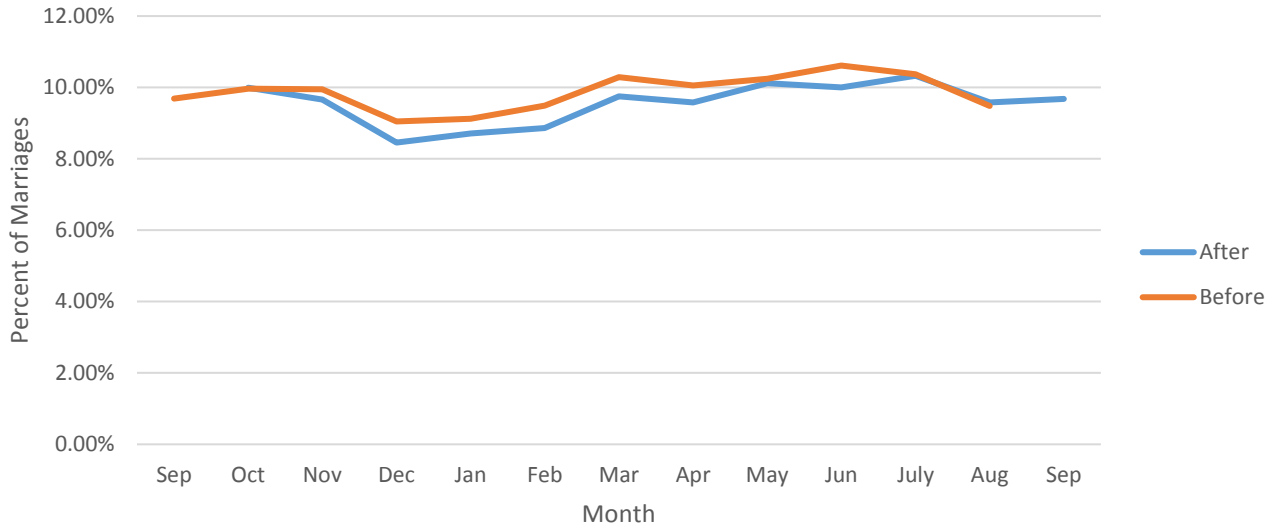

Figure 2: Comparison of Observed Eligible Marriages following Dependent Eligibility Expansion to Simulated Counts from Pre-ACA Marriage Data