

## **APPROACHES TO THE QUESTION OF AFFORDABILITY**

The literature identifies five primary approaches to defining affordability:

1. **Public Program Standards**: How do current public programs define affordability?
2. **Current Spending on Healthcare**: What amount do people currently spend on health care? One measure of what is affordable comes from the percentage of income that families typically spend on health care.
3. **Household Budgets**: How much does a family have to spend on healthcare after subtracting expenses for other essential items? The strength of using budgets is to gauge actual spending on necessities such as housing, food, and transportation to determine what health costs are appropriate. Economic research supports examining the behaviors of people with similar incomes to evaluate affordability.
4. **Take up rates and Price Elasticity**: Estimations of “take-up rates” (the price of a health plan at which a person decides to enroll) may be a useful tool to identify what an individual or family considers unaffordable. This measure is likely most useful for people with low and moderate incomes. Except for more extreme cases, for individuals higher on the income scale, it becomes harder to argue people cannot *afford* insurance, even if they would not voluntarily buy it, if they have adequate discretionary funds available to purchase insurance.
5. **Public Opinion Research**

### **1. BACKGROUND ON PUBLIC PROGRAM STANDARDS**

**Current Minnesota Programs**: Minnesota has three primary public health care programs. Medical Assistance and General Assistance Medical Care (GAMC) provide free health care for very low-income Minnesotans (with small co-pays in certain instances). MinnesotaCare is Minnesota's health care program for working families under which enrollees pay a premium that is set on a income-based sliding scale.

**Medical Assistance (MA)** is provided to families on MFIP, pregnant woman who are at or below 280% FPG, children up 150% of poverty, and the elderly and disabled who are at or below 100% FPG (\$10,210/year for an adult). With a few exceptions, Minnesota pays 50% of the cost; the federal government pays the other 50%.

**General Assistance Medical Care (GAMC)** is available to adults without children who are at or below 75% of poverty. Minnesota pays 100% of the cost of this program.

**MinnesotaCare** Enrollees pay premiums that are set on an income-based sliding scale, with the maximum premium currently set at 8.8% of income.<sup>1</sup> There are no deductibles. The current income eligibility limit is 275% FPG for families (\$47,232/year for a family of three) and 175% FPG for adults without children (\$17,868/year for an individual). The eligibility for adults without children goes up to 200% January 1, 2008.

There are other eligibility restrictions: 1) a person does not qualify if his or her employer offers to cover 50% or more of the cost of health insurance premiums; 2) a person must be uninsured for at least four months, unless he or she is on MA; 3) a person cannot have had access to employer-based coverage for the previous 18 months; and 4) assets cannot exceed of \$10,000 for an individual and \$20,000 for a family of two or more.<sup>2</sup>

**Federal SCHIP Standards**

Federal guidelines for SCHIP set total cost sharing (premium, deductibles, copayments) at a maximum of 5% of family income.

**2. CURRENT PRIVATE MARKET SPENDING ON HEALTH CARE: INDIVIDUAL MARKET**

A review of identical private health insurance policies available for purchase by Minnesota residents on eHealthinsurance.com as of August 2007 yielded the following results:

**TABLE 1**

<u>NO PREEXISTING CONDITIONS (PRIVATE MARKET)</u>	<u>TOTAL OUT OF POCKET SPENDING (PREMIUMS + \$2,050 DEDUCTIBLE)</u>	<u>PROPORTION OF INCOME SPENT ON HEALTH INSURANCE AND INCOME REQUIRED AT THAT LEVEL</u>		
		<u>6%<sup>3</sup></u>	<u>10%</u>	<u>15%</u>
27 Year Old Male:	\$3,622	\$60,366	\$36,220	\$24,146
57 Year Old Female:	\$6,112	\$102,000	\$61,200	\$40,746
61 Year Old Male:	\$6,520	\$108,700	\$65,200	\$43,480
Family of 4 (Parents 30s):	\$8,268	\$137,800	\$82,680	\$55,120
Family of 4 (Parents 50s):	\$11,221	\$187,016	\$112,210	\$74,740

<sup>1</sup> The 2007 MinnesotaCare premium scale is attached and found at <http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4139-ENG>.

<sup>2</sup> Homes resided in by the enrollee and motor vehicles used for employment purposes do not count against the asset limit. MINN. STAT. § 256L.17 (2007); *see also* MINN. STAT. § 256B.056, subd. 3c (2007) (MinnesotaCare asset limitations for families and children also exclude capital and operating assets of a trade or business up to \$200,000).

<sup>3</sup> These columns indicate the income a person/family would need for such a premium to equal 6%, 10% or 15% of pre-tax income.

**TABLE 2**

<u>PREEXISTING CONDITIONS (MCHA)</u>	<u>TOTAL OUT OF POCKET SPENDING (PREMIUMS + \$2,050 DEDUCTIBLE)</u>	<u>PROPORTION OF INCOME SPENT ON HEALTH INSURANCE AND INCOME REQUIRED AT THAT LEVEL</u>		
		<u>6%</u>	<u>10%</u>	<u>15%</u>
27 Year Old Male:	\$3,882	\$64,700	\$38,820	\$25,880
57 Year Old Female:	\$6,912	\$115,200	\$69,120	\$46,080
61 Year Old Male:	\$7,474	\$124,556	\$74,740	\$49,826
Family of 4 (Parents 30s):	\$8,948	\$149,133	\$89,480	\$59,653
Family of 4 (Parents 50s):	\$12,617	\$210,283	\$126,170	\$84,113

Table 2 shows how private insurance is especially unaffordable for individuals who have pre-existing health conditions. Minnesota Comprehensive Health Association (MCHA) is a parallel private insurance market for Minnesota residents who are turned down for individual coverage due to a pre-existing health conditions. MCHA enrollees are guaranteed coverage but must pay premiums that are between 101 and 125 percent of the average market rate. MCHA does not receive government funding. It is subsidized by assessments on insurance companies and health plans.

**3. ANALYSIS OF HOUSEHOLD BUDGETS**

The JOBS NOW Coalition has analyzed household budgets in Minnesota for several years. The information in the following charts is taken from the group’s 2007 study. See [www.jobsnowcoalition.org](http://www.jobsnowcoalition.org).

**Note:** The list of expenses does not include any money for retirement savings. The list of expenses also ignores income and payroll taxes. The following matrix provides a snapshot of likely payroll and income taxes assessed on a number of family-types.

		Two parents, both working, two children	Two parents, one working, two children	One parent, two children	One single adult
100% FPG	Income	\$20,650	\$20,650	\$17,170	\$10,210
	Taxes	(\$5,014)	(\$5,014)	(\$5,020)	\$1,005
200% FPG	Income	\$41,300	\$41,300	\$34,340	\$20,420
	Taxes	\$3,836	\$3,836	\$2,308	\$3,546
300% FPG	Income	\$61,950	\$61,950	\$51,510	\$30,630
	Taxes	\$9,545	\$9,729	\$8,177	\$6,414
400% FPG	Income	\$82,600	\$82,600	\$68,680	\$40,840
	Taxes	\$15,128	\$15,323	\$12,733	\$9,193

“FPG” stands for Federal Poverty Guidelines, for calendar year 2007.

<b>Family of Four: Two Children, Both Parents Working</b>			
	<b>Metro</b>	<b>Northwest MN</b>	<b>Southeast MN</b>
Food	\$569	\$569	\$569
Housing	\$1,119	\$660	\$803
Transportation	\$644	\$655	\$667
Child Care	\$990	\$581	\$743
Clothing/Other necessities	\$290	\$290	\$290
Monthly Total	\$3,612	\$2,755	\$3,072
Annual Total	\$43,344	\$33,060	\$36,864
Family at 100% FPG (Monthly)	\$1,720	\$1,720	\$1,720
Family at 100% FPG (Annual)	\$20,650	\$20,650	\$20,650
Amount left for health care and other expenses*	- \$1,892/month or -\$22,704/yr	- \$1,035/month or -\$12,420/yr	- \$1,352/month or -\$16,224/yr
Family at 200% FPG (Monthly)	\$3,442	\$3,442	\$3,442
Family at 200% FPG (Annual)	\$41,300	\$41,300	\$41,300
Amount left for health care and other expenses*	-\$170/mth or -\$2,040/yr	\$687/month or \$8,244/yr	\$370/month or \$4,440/yr
Family at 300% FPG (Monthly)	\$5,163	\$5,163	\$5,163
Family at 300% FPG (Annual)	\$61,950	\$61,950	\$61,950
Amount left for health care and other expenses	\$1,551/mth or \$18,612/yr	\$2,408/mth or \$28,896/yr	\$2,091/mth or \$25,092/yr

	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>9.6%</b>
	\$34 (approx)	\$38 (approx)	\$43 (approx)	\$34
	\$408/yr (approx)	\$456/yr (approx)	\$516/yr (approx)	\$408/yr (approx)
	(2% of income)	(2.2% of income)	(2.5% of income)	(2% of income)
	\$161 (approx)	\$189 (approx)	\$196 (approx)	\$206 (approx)
	\$1,932/yr (approx)	\$2,268/yr (approx)	\$2,352/yr (approx)	\$2,472/yr (approx)
	(4.6% of income)	(5.4% of income)	(5.6% of income)	(5.9% of income)
	\$310	\$361	\$413	\$496
	\$3,720/yr	\$4,332/yr	\$4,956/yr	\$5,952/yr
	(6% of income)	(7% of income)	(8% of income)	(9.6% of income)

\*At 200% FPG, a family in MN would be eligible for MNCare.  
Numbers have been rounded to the nearest dollar amount.

<b>Family of Four: Two Children, One Parent Working, One not Working</b>			
	<b>Metro</b>	<b>Northwest MN</b>	<b>Southeast MN</b>
Food	\$569	\$569	\$569
Housing	\$1,119	\$660	\$803
Transportation	\$421	\$442	\$449
Child Care	\$0	\$0	\$0
Clothing/Other necessities	\$290	\$290	\$290
Monthly Total	\$2,399	\$1,961	\$2,111
Annual Total	\$28,788	\$23,532	\$25,332
Family at 100% FPG (Monthly)	\$1,720	\$1,720	\$1,720
Family at 100% FPG (Annually)	\$20,650	\$20,650	\$20,650
Amount left for health care and other expenses*	-\$679/month or -\$8,148/yr	-\$241/month or -\$2,892/yr	-\$391/month or -\$4,692/yr
Family at 200% FPG (Monthly)	\$3,442	\$3,442	\$3,442
Family at 200% FPG (Annually)	\$41,300	\$41,300	\$41,300
Amount left for health care and other expenses*	\$1,043/mth or \$12,516/yr	\$1,481/mth or \$17,772/yr	\$1,331/mth or \$15,972yr
Family at 300% FPG (Monthly)	\$5,163	\$5,163	\$5,163
Family at 300% FPG (Annually)	\$61,950	\$61,950	\$61,950
Amount left for health care and other expenses	\$2,764/mth or \$33,168/yr	\$3,202/mth or \$38,424/yr	\$3,052/mth or \$36,624/yr

	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>9.6%</b>
	\$34 (approx)	\$38 (approx)	\$43 (approx)	\$34
	\$408/yr (approx)	\$456/yr (approx)	\$516/yr (approx)	\$408/yr
	(2% of income)	(2.2% of income)	(2.5% of income)	(2% of income)
	\$161 (approx)	\$189 (approx)	\$196 (approx)	\$206 (approx)
	\$1,932/yr (approx)	\$2,268/yr (approx)	\$2,352/yr (approx)	\$2,472/yr (approx)
	(4.6% of income)	(5.4% of income)	(5.6% of income)	(5.9% of income)
	\$310	\$361	\$413	\$496
	\$3,720/yr	\$4,332/yr	\$4,956/yr	\$5,952/yr
	(6% of income)	(7% of income)	(8% of income)	(9.6% of income)

\*At 200% FPG, a family in MN would be eligible for MNCare.

Numbers have been rounded to the nearest dollar amount.

<b>Family of Three: Two Children and One Parent Working</b>			
	<b>Metro</b>	<b>Northwest MN</b>	<b>Southeast MN</b>
Food	\$407	\$407	\$407
Housing	\$855	\$523	\$629
Transportation	\$421	\$442	\$449
Child Care	\$990	\$581	\$743
Clothing/Other necessities	\$263	\$263	\$263
Monthly Total	\$2,936	\$2,216	\$2,491
Annual Total	\$35,232	\$26,592	\$29,892
Family at 100% FPG (Monthly)	\$1,431	\$1,431	\$1,431
Family at 100% FPG (Annually)	\$17,170	\$17,170	\$17,170
Amount left for health care and other expenses*	-\$1,505/mth or -\$18,060/yr	-\$785/month or -\$9,420/yr	- \$1,060/month or -\$12720/yr
Family at 200% FPG (Monthly)	\$2,862	\$2,862	\$2,862
Family at 200% FPG (Annually)	\$34,340	\$34,340	\$34,340
Amount left for health care and other expenses*	-\$74/mth or -\$888/yr	\$646/month or \$7,752/yr	\$371/month or \$4,452/yr
Family at 300% FPG (Monthly)	\$4,293	\$4,293	\$4,293
Family at 300% FPG (Annually)	\$51,510	\$51,510	\$51,510
Amount left for health care and other expenses	\$1,357/mth or \$16,284/yr	\$2,077/mth or \$24,924/yr	\$1,802/mth or \$21,624/yr

	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>9.6%</b>
\$20 (approx)	\$22 (approx)	\$27 (approx)	\$29 (approx)	\$29 (approx)
\$240/yr (approx) (1.4% of income)	\$264/yr (approx) (1.5% of income)	\$324/yr (approx) (1.9% of income)	\$348/yr (approx) (2% of income)	\$348/yr (approx) (2% of income)
\$120 (approx)	\$166 (approx)	\$143 (approx)	\$149 (approx)	\$149 (approx)
\$1,440/yr (approx) (4.2% of income)	\$1,992/yr (approx) (5.8% of income)	\$1,716/yr (approx) (5% of income)	\$1,788/yr (approx) (5.2% of income)	\$1,788/yr (approx) (5.2% of income)
\$258	\$301	\$343	\$412	\$412
\$3,096/yr (6% of income)	\$3,612/yr (7% of income)	\$4,116/yr (8% of income)	\$4,944/yr (9.6% of income)	\$4,944/yr (9.6% of income)

\*At 200% FPG, a family in MN would be eligible for MNCare.  
Numbers have been rounded to the nearest dollar amount.

<b>Single Adult</b>			
	<b>Metro</b>	<b>Northwest MN</b>	<b>Southeast MN</b>
Food	\$217	\$217	\$217
Housing	\$705	\$415	\$480
Transportation	\$421	\$442	\$449
Child Care	\$0	\$0	\$0
Clothing/Other necessities	\$176	\$176	\$176
Monthly Total	\$1,519	\$1,250	\$1,322
Annual Total	\$18,228	\$15,000	\$15,864
100% FPG (Monthly)	\$851	\$851	\$851
100% FPG (Annually)	\$10,210	\$10,210	\$10,210
Amount left for health care and other expenses*	-\$668/mth or -\$8,016/yr	-\$399/month or -\$4,788/yr	-\$471/month or -\$5,652/yr
200% FPG (Monthly)	\$1,702	\$1,702	\$1,702
200% FPG (Annually)	\$20,420	\$20,420	\$20,420
Amount left for health care and other expenses	\$183/mth or \$2,196/yr	\$452/month or \$5,424/yr	\$380/month or \$4,560/yr
300% FPG (Monthly)	\$2,553	\$2,553	\$2,553
300% FPG (Annually)	\$30,630	\$30,630	\$30,630
Amount left for health care and other expenses	\$1,034/mth or \$12,408/yr	\$1,303/month or \$15,636/yr	\$1,231/month or \$14,772/yr

\*At 100% FPG, a single adult without children would be eligible for MNCare.

Numbers have been rounded to the nearest dollar amount.

	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>9.6%</b>
\$15 (approx)	\$15 (approx)	\$17 (approx)	\$19 (approx)	\$19 (approx)
\$180/yr (approx)	\$180/yr (approx)	\$204/yr (approx)	\$228/yr (approx)	\$228/yr (approx)
(1.8% of income)	(1.8% of income)	(2% of income)	(2.2% of income)	(2.2% of income)
\$80 (approx)	\$94 (approx)	\$99 (approx)	\$104 (approx)	\$104 (approx)
\$960/yr (approx)	\$1,128/yr (approx)	\$1,188/yr (approx)	\$1,248/yr (approx)	\$1,248/yr (approx)
(4.7% of income)	(5.5% of income)	(5.8% of income)	(6.1% of income)	(6.1% of income)
\$153	\$179	\$204	\$245	\$245
\$1,836/yr	\$2,148/yr	\$2,448/yr	\$2,940/yr	\$2,940/yr
(6% of income)	(7% of income)	(8% of income)	(9.6% of income)	(9.6% of income)

#### 4. TAKE-UP RATES

Economist Kenneth Thorpe developed a “take-up rate” formula for Vermont’s health reform to assess how many uninsured would enroll. Thorpe estimated price elasticity for health insurance at -0.5 meaning that for every 10 percent decline in the price of insurance, 5 percent of the uninsured will enroll. In addition to the price sensitivity of enrollment, Thorpe took into account the share of the health premium as part of household income and the amount of public subsidy.

**Table 4: Thorpe’s Take-up Formula**

<b>Percent FPL</b>	<b>Monthly Premium Most Enroll</b>	<b>Premium as % income</b>	<b>Monthly Premium Nearly All Enroll</b>	<b>Premium as % income</b>
150% FPL	\$27	2.2%	\$15	1.2%
301% FPL	\$175	6.8%	\$83	3.4%
500% FPL	\$288	6.9%	\$138	3.4%

This formula is a measure of what people would choose to purchase and is best viewed as a “lower bound” of affordability. We have little Minnesota-specific information on this issue. Also note that Thorpe’s formula only uses premiums, and does not account for other out-of-pocket-costs. If other cost-sharing of approximately \$25/month is added in, total health spending at the level which “nearly all” people with incomes just above 300% FPL would voluntarily enroll in a health plan would be \$108 per month, or 4% of income.

#### 5. PUBLIC OPINION RESEARCH

I am unaware of any Minnesota-specific public opinion research on the subject.

#### RESOURCES

Barber and Miller, *Affordable Healthcare for All: What Does Affordable Really Mean?* (Community Catalyst, April 2007) [http://www.communitycatalyst.org/doc\\_store/publications/affordable\\_health\\_care\\_for\\_all\\_apr07.pdf](http://www.communitycatalyst.org/doc_store/publications/affordable_health_care_for_all_apr07.pdf)

Holahan, Hadley & Bloomberg, *Setting a Standard of Affordability for Health Insurance Coverage in Massachusetts* (Urban Institute) [http://www.bcbsmafoundation.org/foundationroot/en\\_US/documents/affordability-aug06-FINAL.pdf](http://www.bcbsmafoundation.org/foundationroot/en_US/documents/affordability-aug06-FINAL.pdf).

*The Cost of Living in Minnesota 2007* (Jobs Now Coalition) [http://www.jobsnowcoalition.org/vertical/Sites/{9F1D3C88-376F-4061-9B43-420D6164008}/uploads/COLM\\_2007\\_final\\_web.pdf](http://www.jobsnowcoalition.org/vertical/Sites/{9F1D3C88-376F-4061-9B43-420D6164008}/uploads/COLM_2007_final_web.pdf)

Blumberg, Holahan, Hadley, and Nordahl, *Setting A Standard Of Affordability For Health Insurance Coverage*, *Health Affairs* (July/August 2007; 26(4): w463-w473).

Bundorf and Pauly, *Is health insurance affordable for the uninsured?* (*Journal of Health Economics*. Vol. 25 Issue 4 Page 650 July 2006)

Dubay, Holahan, and Cook, *The Uninsured and the Affordability of Health Insurance Coverage*, (*Health Affairs*, 26, no. 1 2007).

# MinnesotaCare Premiums

## Family Size: 1

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 0.00	\$ 46.69	\$ 4	X	X
46.70	93.39	4	X	X
93.40	140.09	4	X	X
140.10	186.79	4	X	X
186.80	233.49	4	X	X
233.50	280.19	4	X	X
280.20	326.89	5	X	X
326.90	373.59	5	X	X
373.60	420.29	6	X	X
420.30	467.00	7	X	X
467.01	490.41	9	X	X
490.42	513.83	9	X	X
513.84	537.24	9	X	X
537.25	560.65	10	X	X
560.66	584.06	10	X	X
584.07	607.48	11	X	X
607.49	630.89	11	X	X
630.90	654.30	12	X	X
654.31	677.71	12	X	X
677.72	701.13	12	X	X
701.14	724.54	16	X	X
724.55	747.95	17	X	X
747.96	771.36	17	X	X
771.37	794.78	18	X	X
794.79	818.19	19	X	X
818.20	841.60	19	X	X
841.61	851.00	19	X	X
851.01	888.43	24	X	X
888.44	911.84	25	X	X
911.85	935.25	26	X	X
935.26	958.66	34	X	X
958.67	982.08	35	X	X

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## Family Size: 1

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 982.09	\$ 1,005.49	\$ 36	X	X
1,005.50	1,028.90	37	X	X
1,028.91	1,052.31	37	X	X
1,052.32	1,075.73	38	X	X
1,075.74	1,099.14	39	X	X
1,099.15	1,122.55	40	X	X
1,122.56	1,145.96	41	X	X
1,145.97	1,169.38	42	X	X
1,169.39	1,192.79	51	X	X
1,192.80	1,216.20	52	X	X
1,216.21	1,239.61	53	X	X
1,239.62	1,263.03	54	X	X
1,263.04	1,286.44	55	X	X
1,286.45	1,309.85	56	X	X
1,309.86	1,333.26	57	X	X
1,333.27	1,356.68	58	X	X
1,356.69	1,380.09	59	X	X
1,380.10	1,403.50	60	X	X
1,403.51	1,426.91	75	X	X
1,426.92	1,450.33	76	X	X
1,450.34	1,473.74	77	X	X
1,473.75	1,497.15	79	X	X
1,497.16	1,520.56	80	X	X
1,520.57	1,543.98	81	X	X
1,543.99	1,567.39	82	X	X
1,567.40	1,590.80	84	X	X
1,590.81	1,614.21	85	X	X
1,614.22	1,637.64	86	X	X
1,637.65	1,661.05	106	X	X
1,661.06	1,684.46	107	X	X
1,684.47	1,702.00	108	X	X
1,702.01	1,731.29	118	X	X

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## Family Size: 1

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 1,731.30	\$ 1,754.70	\$ 120	X	X
1,754.71	1,778.11	122	X	X
1,778.12	1,801.52	123	X	X
1,801.53	1,824.94	125	X	X
1,824.95	1,848.35	127	X	X
1,848.36	1,871.75	128	X	X
1,871.76	1,895.16	158	X	X
1,895.17	1,918.58	160	X	X
1,918.59	1,941.99	162	X	X
1,942.00	1,965.40	164	X	X
1,965.41	1,988.81	166	X	X
1,988.82	2,012.23	168	X	X
2,012.24	2,035.64	170	X	X
2,035.65	2,059.05	172	X	X
2,059.06	2,082.46	174	X	X
2,082.47	2,105.89	176	X	X
2,105.90	2,129.30	208	X	X
2,129.31	2,152.71	210	X	X
2,152.72	2,176.12	212	X	X
2,176.13	2,199.54	214	X	X
2,199.55	2,222.95	217	X	X
2,222.96	2,246.36	219	X	X
2,246.37	2,269.77	221	X	X
2,269.78	2,293.19	224	X	X
2,293.20	2,316.60	226	X	X
2,316.61	2,340.00	228	X	X
2,340.01	2,340.01 and above are not eligible			
Some current enrollees, whose income exceeds the limit, may continue coverage for a period of time by paying the maximum premium:		\$350	X	X

\* These tables do not adequately deal with cases which include children with a \$4 premium. Use the tables to calculate the adult premium required in these cases. For example, to approximate the premium for a 3-person family (1 adult and 2 children with a \$4 premium), calculate the adult premium and add the \$4 premium per child.

# MinnesotaCare Premiums

## Family Size: 2

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 0.00	\$ 58.29	\$ 4	\$ 8	X
58.30	116.59	4	8	X
116.60	174.89	4	8	X
174.90	233.19	4	8	X
233.20	291.49	4	8	X
291.50	349.79	4	8	X
349.80	408.09	4	8	X
408.10	466.39	4	8	X
466.40	524.69	4	8	X
524.70	583.00	4	8	X
583.01	614.94	5	11	X
614.95	646.88	6	11	X
646.89	678.81	6	12	X
678.82	710.75	6	13	X
710.76	742.69	7	13	X
742.70	774.63	7	14	X
774.64	806.56	7	14	X
806.57	838.50	7	15	X
838.51	870.44	8	15	X
870.45	902.38	8	16	X
902.39	934.31	11	21	X
934.32	966.25	11	22	X
966.26	998.19	11	23	X
998.20	1,030.13	12	23	X
1,030.14	1,062.06	12	24	X
1,062.07	1,094.00	12	25	X
1,094.01	1,125.94	13	26	X
1,125.95	1,141.00	13	26	X
1,141.01	1,189.81	16	33	X
1,189.82	1,221.75	17	34	X
1,221.76	1,253.69	22	45	X
1,253.70	1,285.63	23	46	X

# MinnesotaCare Premiums

## Family Size: 2

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 1,285.64	\$ 1,317.56	\$ 23	\$ 47	X
1,317.57	1,349.50	24	48	X
1,349.51	1,381.44	25	49	X
1,381.45	1,413.38	25	50	X
1,413.39	1,445.31	26	51	X
1,445.32	1,477.25	26	53	X
1,477.26	1,509.19	27	54	X
1,509.20	1,541.13	27	55	X
1,541.14	1,573.06	33	67	X
1,573.07	1,605.00	34	68	X
1,605.01	1,636.94	35	70	X
1,636.95	1,668.88	36	71	X
1,668.89	1,700.81	36	72	X
1,700.82	1,732.75	37	74	X
1,732.76	1,764.69	38	75	X
1,764.70	1,796.63	38	77	X
1,796.64	1,828.56	39	78	X
1,828.57	1,860.50	40	79	X
1,860.51	1,892.44	50	99	X
1,892.45	1,924.38	51	101	X
1,924.39	1,956.31	51	103	X
1,956.32	1,988.25	52	105	X
1,988.26	2,020.19	53	106	X
2,020.20	2,052.13	54	108	X
2,052.14	2,084.06	55	110	X
2,084.07	2,116.00	56	111	X
2,116.01	2,147.94	56	113	X
2,147.95	2,179.88	57	115	X
2,179.89	2,211.81	70	141	X
2,211.82	2,243.75	71	143	X
2,243.76	2,282.00	72	145	X
2,282.01	2,307.63	79	158	X

# MinnesotaCare Premiums

## Family Size: 2

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 2,307.64	\$ 2,339.56	\$ 80	\$ 160	X
2,339.57	2,371.50	81	163	X
2,371.51	2,403.44	82	165	X
2,403.45	2,435.38	83	167	X
2,435.39	2,467.31	85	169	X
2,467.32	2,499.25	86	171	X
2,499.26	2,531.19	106	211	X
2,531.20	2,563.13	107	214	X
2,563.14	2,595.06	108	217	X
2,595.07	2,627.00	110	219	X
2,627.01	2,658.94	111	222	X
2,658.95	2,690.88	112	225	X
2,690.89	2,722.81	114	227	X
2,722.82	2,754.75	115	230	X
2,754.76	2,786.69	116	233	X
2,786.70	2,818.63	118	235	X
2,818.64	2,850.56	139	278	X
2,850.57	2,882.50	140	281	X
2,882.51	2,914.44	142	284	X
2,914.45	2,946.38	144	287	X
2,946.39	2,978.31	145	290	X
2,978.32	3,010.25	147	293	X
3,010.26	3,042.19	148	297	X
3,042.20	3,074.13	150	300	X
3,074.14	3,106.06	151	303	X
3,106.07	3,138.00	153	306	X
3,138.01	3,138.01 and above are not eligible			
Some current enrollees, whose income exceeds the limit, may continue coverage for a period of time by paying the maximum premium:		\$350	\$700	X

\* These tables do not adequately deal with cases which include children with a \$4 premium. Use the tables to calculate the adult premium required in these cases. For example, to approximate the premium for a 3-person family (1 adult and 2 children with a \$4 premium), calculate the adult premium and add the \$4 premium per child.

# MinnesotaCare Premiums

## Family Size: 3

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 0.00	\$ 70.89	\$ 4	\$ 8	\$ 12
70.90	141.79	4	8	12
141.80	212.69	4	8	12
212.70	283.59	4	8	12
283.60	354.49	4	8	12
354.50	425.39	4	8	12
425.40	496.29	4	8	12
496.30	567.19	4	8	12
567.20	638.09	4	8	12
638.10	709.00	4	8	12
709.01	749.34	4	9	13
749.35	789.68	5	9	14
789.69	830.01	5	10	15
830.02	870.35	5	10	15
870.36	910.69	5	11	16
910.70	951.03	6	11	17
951.04	991.36	6	12	17
991.37	1,031.70	6	12	18
1,031.71	1,072.04	6	13	19
1,072.05	1,112.38	7	13	20
1,112.39	1,152.71	9	17	26
1,152.72	1,193.05	9	18	27
1,193.06	1,233.39	9	19	28
1,233.40	1,273.73	10	19	29
1,273.74	1,314.06	10	20	30
1,314.07	1,354.40	10	20	31
1,354.41	1,394.74	11	21	32
1,394.75	1,431.00	11	22	32
1,431.01	1,475.41	14	27	41
1,475.42	1,515.75	14	28	42
1,515.76	1,556.09	18	37	55
1,556.10	1,596.43	19	38	57

# MinnesotaCare Premiums

## Family Size: 3

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

<b>Gross monthly income</b>		<b>Estimated Premium*</b>		
<b>from</b>	<b>to</b>	<b>1 person covered</b>	<b>2 people covered</b>	<b>3 people covered</b>
\$ 1,596.44	\$ 1,636.76	\$ 19	\$ 39	\$ 58
1,636.77	1,677.10	20	40	60
1,677.11	1,717.44	20	41	61
1,717.45	1,757.78	21	42	63
1,757.79	1,798.11	21	43	64
1,798.12	1,838.45	22	44	65
1,838.46	1,878.79	22	45	67
1,878.80	1,919.13	23	46	68
1,919.14	1,959.46	28	56	83
1,959.47	1,999.80	28	57	85
1,999.81	2,040.14	29	58	87
2,040.15	2,080.48	30	59	89
2,080.49	2,120.81	30	60	90
2,120.82	2,161.15	31	61	92
2,161.16	2,201.49	31	63	94
2,201.50	2,241.83	32	64	96
2,241.84	2,282.16	32	65	97
2,282.17	2,322.50	33	66	99
2,322.51	2,362.84	41	83	124
2,362.85	2,403.18	42	84	126
2,403.19	2,443.51	43	86	128
2,443.52	2,483.85	44	87	131
2,483.86	2,524.19	44	88	133
2,524.20	2,564.53	45	90	135
2,564.54	2,604.86	46	91	137
2,604.87	2,645.20	46	93	139
2,645.21	2,685.54	47	94	141
2,685.55	2,725.88	48	96	143
2,725.89	2,766.21	59	117	176
2,766.22	2,806.55	59	119	178
2,806.56	2,846.89	60	121	181
2,846.90	2,862.00	61	122	183

# MinnesotaCare Premiums

## Family Size: 3

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 2,862.01	\$ 2,927.56	\$ 67	\$ 133	\$ 200
2,927.57	2,967.90	68	136	203
2,967.91	3,008.24	69	137	206
3,008.25	3,048.58	70	139	209
3,048.59	3,088.91	71	141	212
3,088.92	3,129.25	72	143	215
3,129.26	3,169.59	88	176	265
3,169.60	3,209.93	89	179	268
3,209.94	3,250.26	90	181	271
3,250.27	3,290.60	92	183	275
3,290.61	3,330.94	93	185	278
3,330.95	3,371.28	94	188	281
3,371.29	3,411.61	95	190	285
3,411.62	3,451.95	96	192	288
3,451.96	3,492.29	97	194	292
3,492.30	3,532.63	98	197	295
3,532.64	3,572.96	116	232	348
3,572.97	3,613.30	117	235	352
3,613.31	3,653.64	119	237	356
3,653.65	3,693.98	120	240	360
3,693.99	3,734.31	121	243	364
3,734.32	3,774.65	123	245	368
3,774.66	3,814.99	124	248	372
3,815.00	3,855.33	125	251	376
3,855.34	3,895.66	127	253	380
3,895.67	3,936.00	128	256	384
3,936.01	3,936.01 and above are not eligible			
Some current enrollees, whose income exceeds the limit, may continue coverage for a period of time by paying the maximum premium:		\$350	\$700	\$1,050

\* These tables do not adequately deal with cases which include children with a \$4 premium. Use the tables to calculate the adult premium required in these cases. For example, to approximate the premium for a 3-person family (1 adult and 2 children with a \$4 premium), calculate the adult premium and add the \$4 premium per child.

# MinnesotaCare Premiums

## Family Size: 4

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

<b>Gross monthly income</b>		<b>Estimated Premium*</b>		
<b>from</b>	<b>to</b>	<b>1 person covered</b>	<b>2 people covered</b>	<b>3 people covered</b>
\$ 0.00	\$ 82.79	\$ 4	\$ 8	\$ 12
82.80	165.59	4	8	12
165.60	248.39	4	8	12
248.40	331.19	4	8	12
331.20	413.99	4	8	12
414.00	496.79	4	8	12
496.80	579.59	4	8	12
579.60	662.39	4	8	12
662.40	745.19	4	8	12
745.20	828.00	4	8	12
828.01	876.83	5	10	15
876.84	925.65	5	11	16
925.66	974.48	6	11	17
974.49	1,023.30	6	12	18
1,023.31	1,072.13	6	13	19
1,072.14	1,120.95	7	13	20
1,120.96	1,169.78	7	14	21
1,169.79	1,218.60	7	14	21
1,218.61	1,267.43	7	15	22
1,267.44	1,316.25	8	16	23
1,316.26	1,365.08	10	21	31
1,365.09	1,413.90	11	21	32
1,413.91	1,462.73	11	22	33
1,462.74	1,511.55	11	23	34
1,511.56	1,560.38	12	24	35
1,560.39	1,609.20	12	24	36
1,609.21	1,658.03	13	25	38
1,658.04	1,706.85	13	26	39
1,706.86	1,721.00	13	26	39
1,721.01	1,804.50	16	33	49
1,804.51	1,853.33	22	44	66
1,853.34	1,902.15	23	45	68

# MinnesotaCare Premiums

## Family Size: 4

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 1,902.16	\$ 1,950.98	\$ 23	\$ 46	\$ 69
1,950.99	1,999.80	24	47	71
1,999.81	2,048.63	24	49	73
2,048.64	2,097.45	25	50	75
2,097.46	2,146.28	25	51	76
2,146.29	2,195.10	26	52	78
2,195.11	2,243.93	27	53	80
2,243.94	2,292.75	27	54	82
2,292.76	2,341.58	33	66	100
2,341.59	2,390.40	34	68	102
2,390.41	2,439.23	35	69	104
2,439.24	2,488.05	35	71	106
2,488.06	2,536.88	36	72	108
2,536.89	2,585.70	37	73	110
2,585.71	2,634.53	37	75	112
2,634.54	2,683.35	38	76	114
2,683.36	2,732.18	39	78	116
2,732.19	2,781.00	40	79	119
2,781.01	2,829.83	50	99	149
2,829.84	2,878.65	50	101	151
2,878.66	2,927.48	51	103	154
2,927.49	2,976.30	52	104	156
2,976.31	3,025.13	53	106	159
3,025.14	3,073.95	54	108	162
3,073.96	3,122.78	55	109	164
3,122.79	3,171.60	56	111	167
3,171.61	3,220.43	56	113	169
3,220.44	3,269.25	57	115	172
3,269.26	3,318.08	70	141	211
3,318.09	3,366.90	71	143	214
3,366.91	3,415.73	72	145	217
3,415.74	3,442.00	73	146	219

# MinnesotaCare Premiums

## Family Size: 4

July 1, 2007 – June 30, 2008

These tables are intended to approximate the required premium as calculated by the premium calculation program. The premium calculation performed by the system is the official calculation.

Gross monthly income		Estimated Premium*		
from	to	1 person covered	2 people covered	3 people covered
\$ 3,442.01	\$ 3,513.37	\$ 80	\$ 160	\$ 240
3,513.38	3,562.20	81	163	244
3,562.21	3,611.02	82	165	247
3,611.03	3,659.85	84	167	251
3,659.86	3,708.67	85	169	254
3,708.68	3,757.50	86	172	258
3,757.51	3,806.32	106	212	318
3,806.33	3,855.15	107	215	322
3,855.16	3,903.97	109	217	326
3,903.98	3,952.80	110	220	330
3,952.81	4,001.62	111	223	334
4,001.63	4,050.45	113	225	338
4,050.46	4,099.27	114	228	342
4,099.28	4,148.10	115	231	346
4,148.11	4,196.92	117	234	350
4,196.93	4,245.75	118	236	355
4,245.76	4,294.57	139	279	418
4,294.58	4,343.40	141	282	423
4,343.41	4,392.22	143	285	428
4,392.23	4,441.05	144	289	433
4,441.06	4,489.87	146	292	438
4,489.88	4,538.70	147	295	442
4,538.71	4,587.52	149	298	447
4,587.53	4,636.35	151	301	452
4,636.36	4,685.17	152	305	457
4,685.18	4,734.00	154	308	462
4,734.01	4,734.01 and above are not eligible			

Some current enrollees, whose income exceeds the limit, may continue coverage for a period of time by paying the maximum premium:

\$ 350

\$ 700

\$ 1,050

\* These tables do not adequately deal with cases which include children with a \$4 premium. Use the tables to calculate the adult premium required in these cases. For example, to approximate the premium for a 3-person family (1 adult and 2 children with a \$4 premium), calculate the adult premium and add the \$4 premium per child.