

FACT SHEET | 25 Percent Health Insurance Premium Rebate

2017 Budget for a Better Minnesota

In October 2016, Governor Mark Dayton proposed a 25 percent health insurance premium rebate for Minnesotans who purchase health insurance in the individual market, but do not qualify for federal tax credits. Governor Dayton is again proposing a commonsense solution to provide a 25 percent premium rebate, bringing immediate relief to Minnesotans. The Governor's direct relief would reduce average 2017 rate increases from 55 percent to 16 percent for individuals with incomes over \$47,520 and families of four with incomes over \$97,200, but who do not qualify for federal tax credits.

Below, find more information on how the Governor's plan would work for affected Minnesotans.

Why Provide Rebates for Healthcare Premiums?

- There are 125,000 Minnesotans expected to purchase health coverage on the individual market in 2017 who will not receive federal tax credits.
- These individuals and families are shouldering the burden of the health insurers' 50 percent to 66 percent premium increases in 2017.
- Any Minnesotan purchasing coverage on the individual market should first go to MNsure to confirm whether they are eligible for federal tax credits.

Who Would Qualify?

- This proposed 25 percent health insurance premium rebate is targeted to help Minnesotans who purchase coverage on the individual market and whose income is above the federal tax credit eligibility: 400 percent of the federal poverty level, or \$47,520 for an individual and \$97,200 for a family of four.
- For qualified consumers, who did not receive federal tax credits, the rebate would automatically reduce consumers' monthly 2017 premiums by 25 percent.
- Overall, the Governor's rebate reduces the 2017 rate increases from an average 55 percent increase to a 16 percent increase.

How Would Minnesotans Receive the Rebate?

- Governor Dayton's proposed 25 percent health insurance premium rebate would be available to qualified Minnesotans when they pay their monthly premiums to the health insurers.
- The rebate would be administered by health insurers, who would receive state funding to reduce qualified consumers' monthly premium bill by 25 percent.
- This is the fastest, most efficient way to keep more money in the pockets of Minnesotans who do not qualify for federal tax credits.

How Rebates Would Impact Different Premium Scenarios

Below, see how the Governor's proposed 25 percent health insurance premium rebate would impact different premium scenarios for a silver plan.

Premium Scenario	Monthly Premium, Current Projected	Monthly Premium, Dayton Plan	Monthly Projected Rebate
Family of four (two 50-year-old parents and two kids) in Rochester	\$2,378	\$1,784	\$594
Family of four (two 50-year-old parents and two kids) in Duluth	\$1,934	\$1,451	\$483
Family of four (two 50-year-old parents and two kids) in the Metro Area	\$1,652	\$1,239	\$413
55-year-old in Rochester	\$968	\$726	\$242
55-year-old in Duluth	\$775	\$581	\$194
55-year-old in the Metro Area	\$638	\$479	\$159
40-year-old in Rochester	\$555	\$416	\$139
40-year-old in Duluth	\$444	\$333	\$111
40-year-old in the Metro Area	\$366	\$275	\$91

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