
MinnesotaCare provides subsidized health care coverage to low-income individuals. The program is administered by the Minnesota Department of Human Services (DHS) under federal guidance as a basic health program under the Affordable Care Act (ACA). DHS, in cooperation with MNsure, the state's health insurance exchange, is responsible for processing applications and determining eligibility.

Eligibility

Most MinnesotaCare enrollees are parents and caretakers, children ages 19 to 20, and adults without children. To be eligible for MinnesotaCare, an individual must meet the following criteria:

- Have gross income that is greater than 133 percent of the federal poverty guidelines (FPG) (\$19,391 for a household of one) but does not exceed 200 percent of FPG (\$27,180 for a household of one). Exceptions to the income floor are made for certain groups of individuals.
- Not be eligible for Medical Assistance (MA). This requirement has the effect of shifting the vast majority of pregnant women and children from MinnesotaCare to MA.
- Not have access to subsidized health coverage that, as defined in the ACA, is affordable (the employee pays no more than 8.39 percent of income for employee and dependent coverage for 2024) and provides minimum value (pays for at least 60 percent of medical expenses on average).
- Not have minimum essential health coverage (defined in the ACA as coverage under Medicare, Medicaid and other government programs, employer-sponsored coverage, individual market coverage, and other specified coverage).
- Be a resident of Minnesota. Enrollees must meet the residency requirements of the MA program.

Covered services

Enrollees age 21 and over are covered for most, but not all, services covered under MA. Covered services include physician care, hospitalization, prescription drugs, therapy services, and a wide range of other health care services. Services not covered include personal care attendant services, private duty nursing, nursing home care, ICF/DD (intermediate care facility for persons with developmental disabilities), and special transportation services.

Children receive coverage for a broader range of services than adults.

Premiums and cost-sharing

Enrollees age 21 and older pay monthly, per-person premiums based on a sliding scale. The premiums for 2021 through 2025 are lower than the premiums that applied for 2020, as part of compliance with federal legislation that increased premium tax credits under the ACA. Persons under age 21, persons with incomes less than 160 percent of FPG (for coverage for 2021 through 2025), and American Indians

and Alaska Natives are not charged premiums. Adult enrollees are subject to copayments and other cost-sharing for specified services.

Provider reimbursement

Enrollees receive health care services through prepaid health plans. The MinnesotaCare program pays prepaid health plans a monthly capitation payment for each MinnesotaCare enrollee. MinnesotaCare does not set provider reimbursement rates; these rates are instead the result of negotiation between health care providers and the prepaid health plan.

Expenditures and funding

In fiscal year 2022, the MinnesotaCare program paid \$636.7 million for medical services provided to enrollees. Eighty-eight percent of this cost was paid for by the federal government, 6 percent by the state, and 6 percent by enrollees through premium payments and cost-sharing.

The state receives from the federal government basic health program payments intended to reflect the subsidies that MinnesotaCare enrollees would have otherwise received through MNsure.

State funding for MinnesotaCare and other health care access initiatives is provided by a tax of 1.6 percent on the gross revenues of health care providers and a tax of 1 percent on the premiums of nonprofit health plan companies. The Commissioner of Management and Budget is required to reduce the rate of the tax on health care provider revenues if certain financial criteria are met.

Recipients

As of August 2023, 107,843 individuals were enrolled in the MinnesotaCare program.

Application procedure

MinnesotaCare applications can be obtained by calling the Department of Human Services (1-800-657-3672) or MNsure, the state's health insurance exchange (1-855-366-7873). Applications are also available at county human services agencies and other locations.

For more information: See the longer House Research Department publication *MinnesotaCare* for more on the administration, eligibility, benefits, premiums, funding and expenditures, recipients, and other aspects of the program.



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