

**9506.0040 PREMIUM PAYMENTS.**

Subpart 1. **Premium payments.** Applicants and enrollees must pay a premium to enroll and to continue enrollment in MinnesotaCare. The amount of premium is the total of the following:

A. \$4 per month for each child in a family whose family income is at or below 150 percent of federal poverty guidelines; and

B. for any family member not included under item A, a premium calculated under Minnesota Statutes, section 256L.15.

A premium payment table and an explanation of the table is available upon request from the department.

Subp. 2. **Gross annual family income.** "Gross annual family income" means the total income of all family members determined according to items A to C:

A. the income of self-employed persons, as defined in Minnesota Statutes, section 256L.01, subdivision 4;

B. the income of wage earners, including all wages, salaries, commissions, and other benefits received as monetary compensation from employers before any deduction, disregard, or exclusion, calculated by determining:

(1) income in the four calendar months immediately preceding the month of application for MinnesotaCare, multiplied by three to reflect a 12-month period; or

(2) if the wage earner is employed on a seasonal basis or receives income too infrequently or irregularly to be calculated under subitem (1), total income for the past 12 months; and

C. the following unearned income received in the four calendar months immediately preceding the month of application, multiplied by three to reflect a 12-month period:

(1) Supplemental Security Income under title XVI of the Social Security Act;

(2) Social Security benefits;

(3) veterans' administration benefits;

(4) railroad retirement benefits;

(5) unemployment benefits;

(6) workers' compensation benefits;

(7) child support;

- (8) spousal maintenance or support payments; and
- (9) income from any other source, including interest, dividends, and rent.

Applicants and enrollees must report to the department any changes from the amounts reported in items A to C that exceed \$50 per month. Changes may be reported as a percentage increase or decrease. Gross annual family income will be recalculated by projecting the adjusted income for 12 months.

Subp. 3. **Premiums paid monthly, quarterly, or annually.** Applicants and enrollees may choose to pay premiums on a monthly, quarterly, or annual basis and may change payment schedules at the time a premium is due.

Subp. 4. **Billing notices.** The department shall mail premium payment billing notices as follows:

- A. for monthly premiums, by the first day of the month preceding the month for which coverage will be provided;
- B. for quarterly premiums, by the first day of the month preceding the first month of the quarter for which coverage will be provided; and
- C. for annual premiums, by the first day of the month preceding the first month of the year for which coverage will be provided.

Subp. 5. **Premium payment dates.** Premium payments are due as follows:

- A. An initial premium must be received by the department within four months after the date on the applicant's first premium notice.
- B. Subsequent premiums must be received by the department as follows:
  - (1) monthly premiums by the 15th of the month preceding the month for which the premium is paid;
  - (2) quarterly premiums by the 15th of the month preceding the first month of the quarter for which the premium is paid; and
  - (3) annual premiums by the 15th of the month preceding the first month of the year for which the premium is paid.

Subp. 6. **Disenrollment.** The commissioner shall disenroll enrollees who fail to pay the required premium when due. MinnesotaCare coverage terminates the last day of the calendar month following the due date specified in subpart 5 unless the premium is received by noon of the last business day of the calendar month following the due date.

Subp. 7. **Reenrollment.** An enrollee disenrolled for failure to pay the required premium may reenroll as provided in items A to D.

A. The enrollee:

(1) may not reenroll until four calendar months after the date coverage terminates, unless the person demonstrates good cause for nonpayment; and

(2) must comply with parts 9506.0010 to 9506.0100 and pay the unpaid premium for any month in which coverage was provided.

B. Good cause for nonpayment does not exist if a person chooses to pay other family expenses instead of the MinnesotaCare premium.

C. Good cause for nonpayment means, generally, circumstances beyond an enrollee's control or that were not reasonably foreseeable that excuse an enrollee's failure to pay the required premium when due, including circumstances such as:

(1) because of serious physical or mental incapacity or illness, the enrollee fails to pay the premium;

(2) the enrollee voluntarily disenrolls under the mistaken belief that other health coverage is available; or

(3) the enrollee does not receive a regular source of income on which the enrollee has relied to pay the required premium.

D. The commissioner shall determine whether good cause exists based on the weight of the supporting evidence submitted by the person to demonstrate good cause.

Subp. 8. **Premium payment adjustments.** The commissioner shall adjust enrollees' premium payments upon receipt of the audit information required under part 9506.0060, subparts 1 and 2. Adjustments to premium payments are effective on the first day of the month following issuance of an adjusted premium invoice.

**Statutory Authority:** *MS s 256.9352; 256L.02*

**History:** *19 SR 1286; L 1998 c 407 art 5 s 47*

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