



Minnesota Health Care Programs (MHCP)

# Cost Effective Insurance Referral Premium Calculation

CLIENT NAME (LAST, FIRST, MI)	CLIENT CASE NUMBER	DATE
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If everyone covered by the policy is not on Medical Assistance (MA), complete the following chart for each MA eligible person to determine cost effective premiums.

Use the **monthly per person** (prorated) premium and deductible amounts.

FIRST NAME	AGE	CAPITATION	PRORATED MONTHLY PREMIUM	PRORATED MONTHLY DEDUCTIBLE
<b>TOTALS</b>				
		<b>A</b>	<b>B</b>	<b>C</b>

AGE	BASIC CAP
0	\$408.00
1	\$226.00
2	\$211.00
3	\$156.00
4	\$214.00
5	\$214.00
6	\$208.00
7	\$214.00
8	\$208.00
9	\$209.00
10	\$214.00
15	\$214.00
16	\$238.00
17	\$243.00
18	\$232.00
19	\$232.00
20	\$239.00
25	\$283.00
30	\$282.00
35	\$323.00
40	\$274.00
45	\$286.00
50	\$404.00
55	\$384.00
60	\$406.00
64	\$418.00
<b>MA-PW</b>	<b>\$717.00</b>

If the Total Capitation is more than the Total Prorated Premium plus the Total Prorated Deductible, **approve the policy as cost effective.**  $A > B+C$

If the Total Capitation is less than the Total Prorated Premium plus the Total Prorated Deductible, **go to 4 on the decision tree.**  $A < B+C$

If everyone covered by the policy is on Medical Assistance, use the below chart to determine cost effective premiums.

Total Capitation \_\_\_\_\_ Total Monthly Premium \_\_\_\_\_ + Total (Monthly) Prorated Deductible \_\_\_\_\_

If the Total Capitation is more than the Total Monthly Premium plus the Total Prorated (monthly) Deductible, **approve the policy as cost effective.**  $A > B+C$

If the Total Capitation is less than the Total Monthly Premium plus the Total Prorated (monthly) Deductible, **go to 4 on the decision tree.**  $A < B+C$

If you are unable to make the cost-effective decision using this form, fax the following to BRS at (651) 431-7431:

- Cost Effective Insurance Referral Employer or Insurance Company form
- Applicant/Enrollee form
- Premium Calculation form
- Health insurance policy summary of benefits
- Other relevant information