

WHERE DO OUR PREMIUMS GO?

For many Minnesotans, health insurance is one of our biggest monthly expenses—and the price goes up every year. To understand why health insurance is so expensive, it helps to know that health insurance premiums pay for medical care. Our premiums are so expensive because care is so expensive.

For the 4.9 million people insured by Council members, the premiums we pay don't go to Wall Street investors—they pay for the care we need. **On average, out of every \$100 Minnesotans spend on premiums, about \$90 goes directly to medical bills.** The \$10 of our premiums pay for everything else it takes to keep insurance companies working, including paying taxes, helping policyholders get care, paying claims, selling insurance, salaries for employees, medical reserves and more.

That's good news, because paying for care is exactly what premiums *should* do. To make sure premiums always go to pay for medical care, the Council the Minnesota Department of Commerce and the Minnesota Department of Health collect information about how our insurance companies spend the resources we have entrusted to them.

In 2017, here's where our insurance premiums went:

“*the premiums we pay don't go to Wall Street investors—they pay for the care we need.*”

