

The Importance of Subsidies for Louisianans

Subsidies that help families to obtain insurance are a critical part of national health reform. We encourage the Senate Finance Committee to create subsidies for families up to 400% of the Federal Poverty Level.

703,000 Louisianans would be helped by subsidies to 400% FPL. In Louisiana, 18% of uninsured people are between 250 - 400% FPL. Subsidies would provide critical coverage for the working poor.

FPL level	Total population	Uninsured Individuals
Below 100%	693,000	231,000
100 - 199%	855,000	248,000
200 - 249%	446,000	74,000
250 - 299%	380,000	67,000
300 - 349%	247,000	59,000
350 - 399%	213,000	24,000
TOTAL	2,835,000	703,000

Source: U.S Census Bureau, 2006-07 Averages from Current Population Survey, Annual Social and Economic Supplement, 2008

Premiums are out of reach for low- and middle-income families without employer-sponsored coverage. Without subsidies, coverage is unaffordable to the majority of Louisiana's poor and middle class families.

Average Family Premium in Louisiana	Percent of income for a family of three			
	250% FPL	300% FPL	350% FPL	400% FPL
\$10,796	23.6%	19.7%	16.8%	14.7%

Source: Kaiser Family Foundation. State Health Facts. Average Family Premium for Employer-Based Health Insurance, 2006.

While a family earning 300% FPL with an employer contribution for coverage would pay about \$3,023, or 5.5% of their income toward premiums, those without employer coverage could pay 19.7% of their income, or \$10,796. **Subsidies create a fair playing field.**