



Department of Health, Executive Yuan Press Release

Date	96.7.27	Division	Bureau of National Health Insurance	Reference No.	
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Subject: National Health Insurance (NHI) insurable income adjusted beginning August 1st due to increase in minimum wage

On July 1st the government adjusted the minimum wage to NT\$17,280, the NHI insurable income grading table has been adjusted accordingly; adjustment details are as follows:

1. In accordance with article 21 of the National Health Insurance (NHI) Act, the minimum insurable income in the NHI Insurable Income Grading Table has been changed from NT\$15,840 to NT\$17,280, following the adjustment in minimum wage.
2. In line with the new minimum wage and with article 21 of the NHI Act which has provisions for adjustments to the NHI Insurable Income Grading Table, as well as with article 41 of Enforcement Rules of the NHI Act which has provisions for participating occupational unions to file from grade 6 of NHI Insurable Income Grading Table, the insurable income of NT\$19,200 has been adjusted to NT\$21,000.
3. The insurable income for military personnel, government employees, public office holders, and personnel in private schools as stated in article 22-1 of the NHI Act is to be based upon the insured's total amounts of wages multiplied by the ratio of the most recent yearly average insurable income of the insured and

the average regular wages from various industries announced by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan. Thus, the ratio for military personnel, government employees, public office holders and personnel in private schools has been adjusted from 87.04% to 90.67%.

4. The insurable income for farmers and fishermen has not been adjusted since 1999. In consideration of fairness between the different industry's premium base adjustments, the same level of minimum insurable income for occupational unions is applicable for farmers and fishermen as well. The insurable income is adjusted from NT\$19,200 to NT\$21,000.
5. The insurance premium for compulsory military servicemen, substitute civil servicemen and individuals from low income households equals to the average amount of the premium contributions nationwide in accordance with regulations. Therefore, in compliance with statutory provisions, it is adjusted from NT\$1,078 to NT\$1,317.
6. The insurance premium for insured registered through township offices is adjusted based on the same increment as that of the minimum wage (9.09%) in consideration for fairness of premium base adjustments and financial burden. It is adjusted from NT\$1,007 to NT\$1,099.

In summary, the adjustment in premium base made by provisions of the NHI Act due to changes in the minimum wage is estimated to affect 12.3 million people. The average monthly insurance premium is increased approximately NT\$34 per person (NT\$1.1/day) and the estimated increase in total insurance revenues is approximately NT\$13.2 billion a year.

Adjustments per Official Announcements		Previous announcement's adjustment date	Amount Increase (100mil/year)	Affected insurance subjects	
				Number of people (10,000s)	Amount (NT\$/month /person)
1	Minimum insurable income from the	July 1998	14	215	15

	Grading table adjusted to NT\$17,280 in light of minimum wage changes.				
2	Insurance Ratio for public employees changed from 87.04% to 90.67%.	April 2005	15	145	28
3	Minimum insurable income for occupational union workers adjusted from NT\$19,200 to NT\$21,000.	January 1998	22	249	44
4	Insurable income for farmers and fishermen adjusted from NT\$19,200 to NT\$ 21,000.	July 1998	31	309	24
5	Fixed insurance premium for compulsory military servicemen, substitute civil servicemen and individuals from low income households is adjusted from NT\$1,078 to NT\$1,317.	September 2002	12	-	-
6	Fixed insurance premium for insured registered through township offices NT\$1,007 to NT\$1,099 in light of changes in minimum wage.	July 1998	38	312	52
Subtotal			132	1,230	34

Note: The insurance premium for compulsory military servicemen, substitute civil servicemen and low income households is 100 percent subsidized by the government; therefore there is no increase in insurance premium for the subject.

Based on the current provisions of the NHI insurance premium, the insurance premium for each category of insured is calculated based upon the insured's insurable income and the contribution share of the insured. However, due to recent concerns over the financial capability of the insured; the insurance amount for some of the insured has not been adjusted as required by NHI's related regulations. This current adjustment is solely for the purpose of preserving the equitability of the entire insurance premium base by eliminating some of the preferential measures granted by the government to certain groups due to consideration of special policies.

In order to ensure the medical rights of the disadvantaged groups, the government has provided premium subsidies through intermediary agencies to low income households, the disabled, the elderly over 70 years old and children under the age of 3 of lower middle income households, unemployed indigenous individuals, and unemployed workers. In addition, those who are considered economically disadvantaged and who do not qualify any of the descriptions above can apply for premium installment payments or interest-free loan from relief funds, or can be

referred by the Bureau of National Health Insurance to charity organizations for assistance. Thus, this current adjustment has no impact on the disadvantaged group.