

The Underinsured: Defined

While there is no official definition of underinsurance many have adopted a measure often credited to the Commonwealth Fund.

- The measure was developed by Cathy Schoen and first used by the Commonwealth Fund in 2003.

Commonwealth Fund measure:

- For those insured all year:

- Income above 200% FPL - actual OOP costs, excluding premium, over the prior 12 months are equal to 10% or more of household income
- Income below 200% FPL -- actual OOP costs, excluding premium, over the prior 12 months are equal to 5% or more of household income
- or
- Deductible constitutes 5% or more household income.

- The Vermont Department of Health (VDH) also adopted this measure in the 2018 Vermont Household Health Insurance Survey (VHHIS).

200% FPL for reference:

2020 Household Size	1	2	3	4	5	6
200% FPL	\$25,520	\$34,480	\$43,440	\$52,400	\$61,360	\$70,320