

HEALTH PLAN TRENDS

among employers

MICHIGAN



UNITED BENEFIT ADVISORS® (UBA) has years of experience surveying thousands of employers nationwide regarding their group health plan offerings. The UBA survey is the nation’s definitive employee benefits benchmarking survey. Since 2005, UBA Partner Firms have studied plan design and cost trends among employers on a state, regional, and national basis. Data in the 2023 UBA Employee Benefits Benchmarking Trends Report and State Trends Reports are based on responses from 10,389 employers representing nearly one million employees across the nation—and more than \$28 billion in healthcare dollars spent. In Michigan, the survey includes employee benefits plans offered by 600 employers covering more than 51,000 employees to offer valuable benchmark data.

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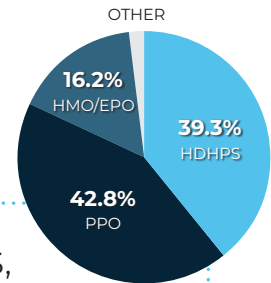
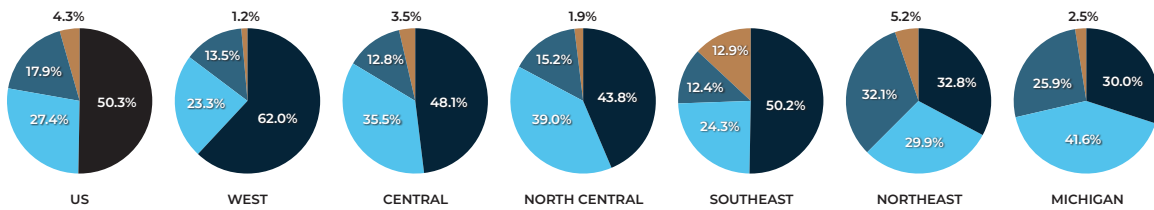
For Michigan employers interested in making the most informed healthcare plan decisions possible, it’s crucial to compare your plans and costs not just to national benchmarks, but to peers in your state and region. This State Trends Report highlights key benchmarks to help you strategically manage plan renewal decisions.

TOP PLANS IN MICHIGAN

PREFERRED provider organization (PPO) plans dominate most of the nation, however only 30% of Michigan employee benefit plans are PPOs. Nearly 42% of plans in Michigan are high deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans. Surprisingly, nearly 26% of plans in Michigan are health maintenance organization (HMO)/exclusive provider organization (EPO) plans, which is above the national or north central U.S. prevalence rates. Point of service (POS) plans are not common in Michigan.

PLAN PREVALENCE IN MICHIGAN

PLAN TYPE	US	WEST	CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	MICHIGAN
PPO	50.3%	62.0%	48.1%	43.8%	50.2%	32.8%	30.0%
HDHP	27.4%	23.3%	35.5%	39.0%	24.3%	29.9%	41.6%
HMO/EPO	17.9%	13.5%	12.8%	15.2%	12.4%	32.1%	25.9%
POS	4.3%	1.2%	3.5%	1.9%	12.9%	5.2%	2.5%



PREVALENCE VS. ENROLLMENT

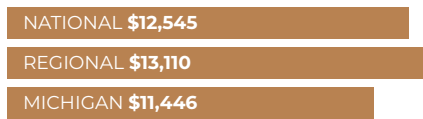
IN MICHIGAN, 39.3% OF EMPLOYEES ENROLL IN HDHPS, WHILE 42.8% OF EMPLOYEES SELECT A PPO PLAN, AND 16.2% OF EMPLOYEES CHOOSE AN HMO/EPO PLAN.

COST COMPARISONS

IN GENERAL, health plans in Michigan are less expensive than national and regional averages. For example, on average, PPO plans cost \$11,446 per employee annually, while HDHPs and HMO/EPO plans in Michigan cost \$9,075 and \$9,456, respectively, per employee per year.

AVERAGE TOTAL COST PER EMPLOYEE PER YEAR

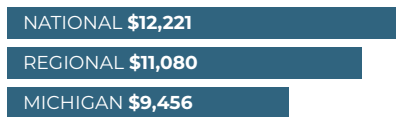
PPO



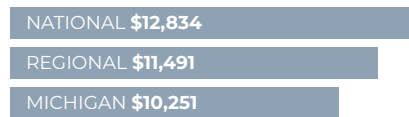
HDHP



HMO/EPO



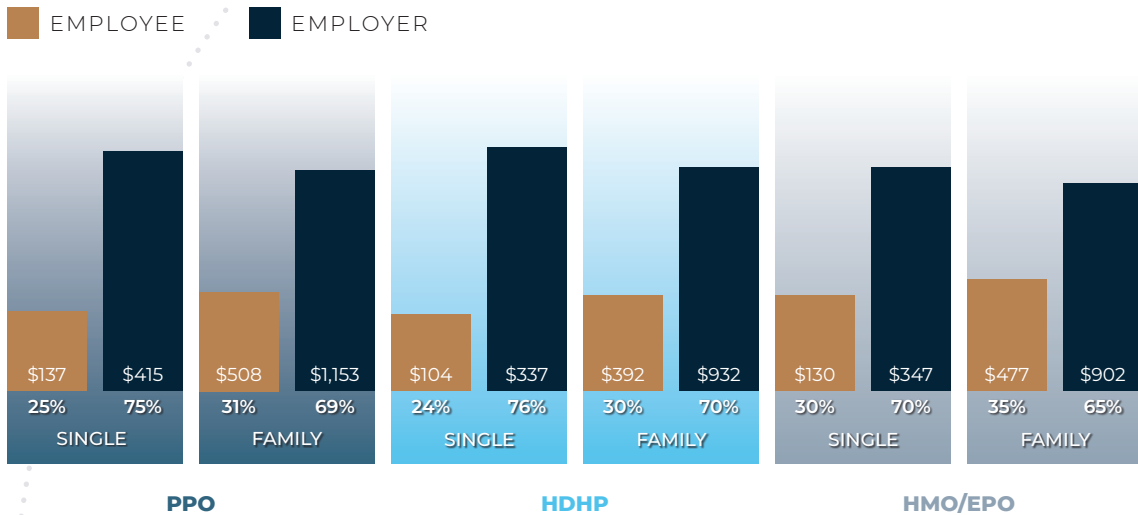
POS



SETTING THE MONTHLY CONTRIBUTION FOR EMPLOYEES

Michigan employers typically pick up about 75% of PPO plan premiums for singles and 69% of family premiums, compared to the national 75/43 single/family employer contributions for these plans. Employers offering HDHPs in the state cover 76% of single premiums and 70% of family premiums, compared to the 80/58 single/family split found nationally for these plans.

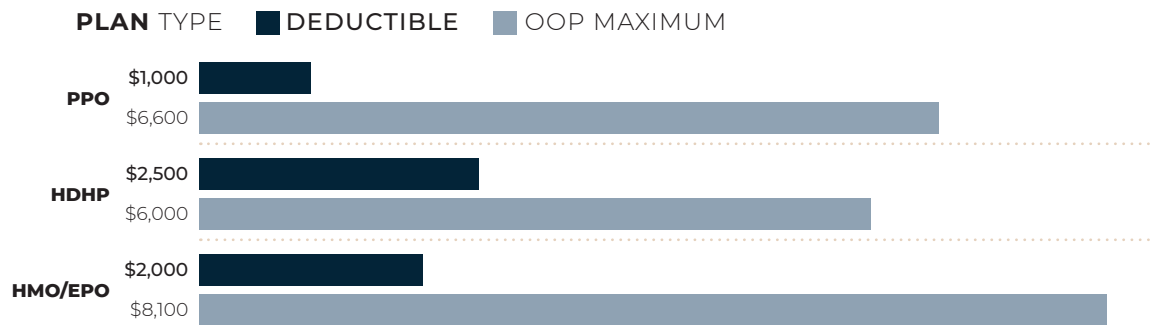
AVERAGE MONTHLY PREMIUM CONTRIBUTIONS



SETTING DEDUCTIBLES AND OUT-OF-POCKET COSTS

Michigan’s median in-network HDHP deductible for singles is \$2,500, compared to \$3,000 nationally and in the north central U.S. The median in-network PPO plan deductible for singles is \$1,000. By comparison, the national median PPO plan deductible is \$1,800 for singles; in the north central region, it is \$1,750.

MEDIAN SINGLE DEDUCTIBLES AND OUT-OF-POCKET COSTS



MICHIGAN HDHPS FOR SINGLES TYPICALLY INCLUDE AN \$820 EMPLOYER CONTRIBUTION TO HEALTH SAVINGS ACCOUNTS (HSAS) OR HEALTH REIMBURSEMENT ARRANGEMENTS (HRAS) TO HELP DEFRAID OUT-OF-POCKET COSTS.





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that retain top talent and help recruit
new talent.

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REPORT

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