

HEALTH PLAN TRENDS

group size & industry

MICHIGAN



THE UNITED BENEFIT ADVISORS® (UBA) employee benefits survey is the nation's definitive employee benefits benchmarking survey. This valuable data enables meaningful study of trends among different size employer groups, within specific regions and states, and by industry groups. 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 benefit plans offered by 600 employers covering more than 51,000 employees.

With this granular data, UBA Partner Firms help employers avoid the top two benchmarking pitfalls:

- 1) Automatically adopting the practices of the nation's largest employers who are most often studied by other data sets but are not typically the best benchmarks.
- 2) Looking only at plan data supplied by a single carrier.

UBA Partner Firms help employers of all sizes benchmark their employee benefits plans more accurately based on both national and regional trends and also compared to local, industry, and sized-based peers.

This State Trends Report highlights key cost benchmarks among the following groups:

- Small, midsize, and large employers
- Four of the top industries in Michigan

When employers compare their plan to local peers of the same size or industry, the top three questions typically asked are:

- 1) What type of plans do my peers offer?
- 2) What is the cost per employee?
- 3) What are the in-network deductibles and out-of-pocket maximums?

TOP BENCHMARKS BY GROUP SIZE

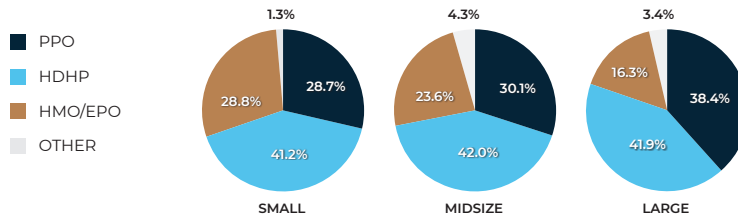
UBA EMPLOYEE BENEFITS BENCHMARKING provides data from employer groups of all sizes. Group size has a tremendous impact on cost, making it an important benchmark for any employer.

WHAT TYPES OF PLANS DO MY SIZE-BASED PEERS OFFER?

Preferred provider organization (PPO) plans are the most commonly offered plan nationally, yet employers in Michigan prefer high deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans. Small groups also have surprising interest in health maintenance organization (HMO)/exclusive provider organization (EPO) plans. Point of service (POS) plans are rare in the state.

PREVALENCE OF PLAN TYPE BY GROUP SIZE

GROUP SIZE	PPO	HDHP	HMO/EPO
SMALL (1-50 EMPLOYEES)	28.7%	41.2%	28.8%
MIDSIZE (51-250 EMPLOYEES)	30.1%	42.0%	23.6%
LARGE (251+ EMPLOYEES)	38.4%	41.9%	16.3%



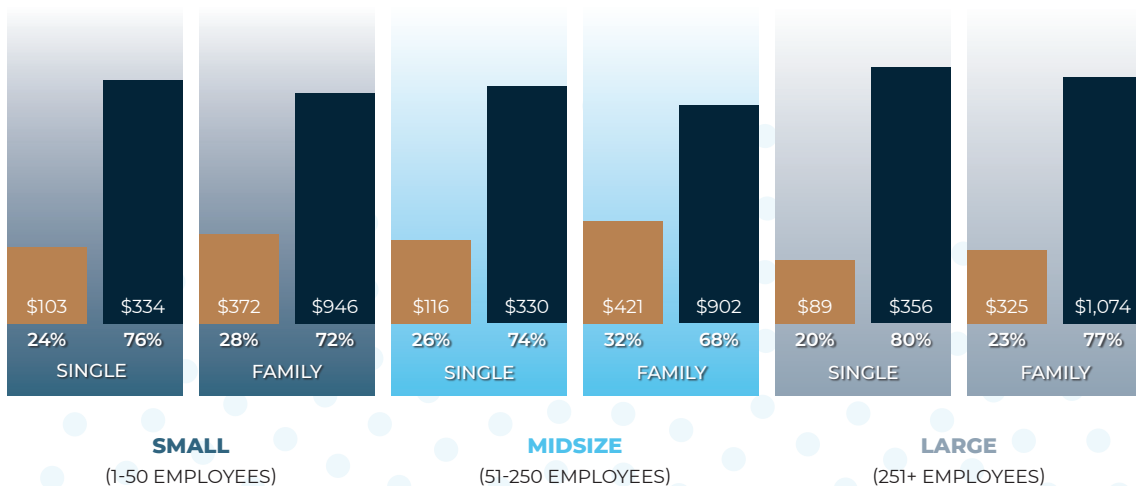
HOW MUCH DO MY SIZE-BASED PEERS PAY PER EMPLOYEE?

Large businesses in Michigan contribute the most toward HDHP premiums compared to their smaller counterparts. Small groups in Michigan pick up more of the PPO plan premiums for singles and families than their midsize counterparts.

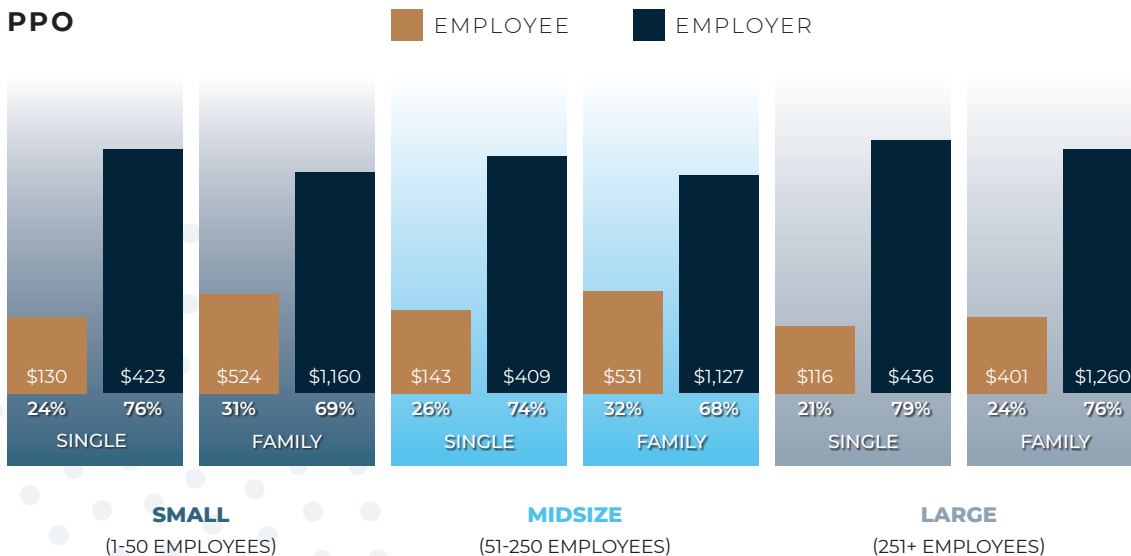
AVERAGE MONTHLY PREMIUM CONTRIBUTION SPLIT

HDHP

EMPLOYEE EMPLOYER



AVERAGE MONTHLY PREMIUM CONTRIBUTION SPLIT



WHAT ARE THE DEDUCTIBLES AND OUT-OF-POCKET COSTS FOR MY SIZE-BASED PEERS?

Deductibles for singles in Michigan are generally lower than those found nationally and regionally. Nationally, the PPO plan median in-network deductible is \$1,800 for singles, and \$1,750 in the north central U.S. For HDHPs, the median in-network deductible is \$3,000 nationally and in the north central U.S. Generally, the larger the business, the lower the out-of-pocket maximums are for single coverage in the state.

MEDIAN SINGLE IN-NETWORK DEDUCTIBLES AND OUT-OF-POCKET COSTS

GROUP SIZE	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
SMALL (1-50 EMPLOYEES)	\$1,000	\$8,150	\$2,350	\$6,000
MIDSIZE (51-250 EMPLOYEES)	\$1,000	\$6,350	\$2,500	\$5,000
LARGE (251+ EMPLOYEES)	\$500	\$4,500	\$2,750	\$5,000

TOP BENCHMARKS BY INDUSTRY

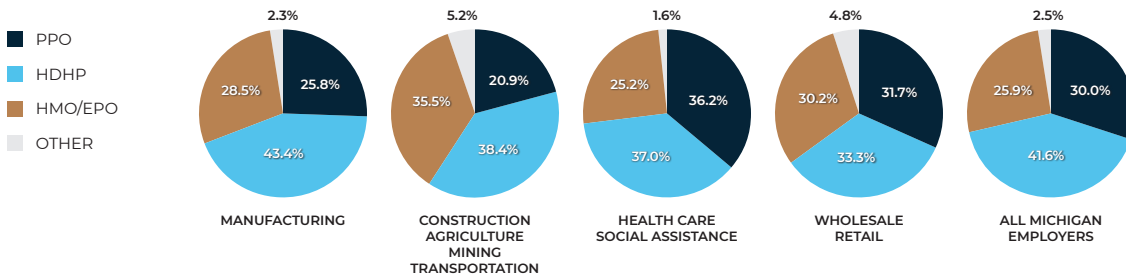
IN MICHIGAN, four of the top industries studied in UBA’s Employee Benefits Benchmarking are Manufacturing, Construction/Agriculture/Mining/Transportation, Health Care/Social Assistance, and Wholesale/Retail.

WHAT TYPES OF PLANS DO MY INDUSTRY PEERS OFFER?

The Health Care/Social Assistance industry in Michigan has an above-average prevalence of PPO plans and the Manufacturing industry in the state has an above-average prevalence of HDHPs. The Construction/Agriculture/Mining/Transportation and Wholesale/Retail sectors have surprising interest in HMO/EPO plans.

PREVALENCE OF PLAN TYPE BY INDUSTRY

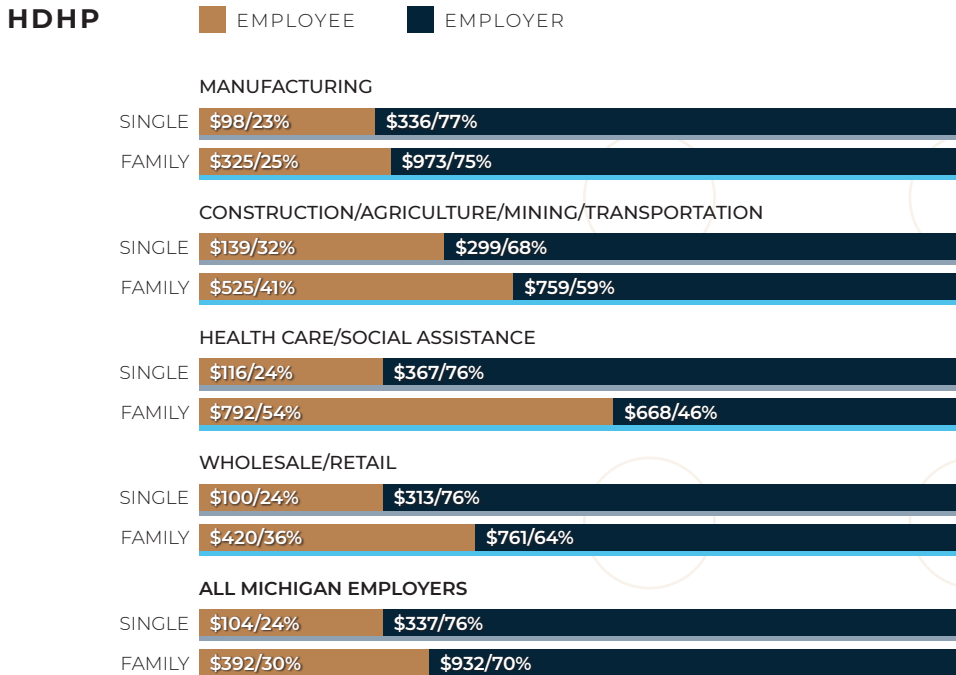
TOP 4 MICHIGAN INDUSTRIES	PPO	HDHP	HMO/EPO
MANUFACTURING	25.8%	43.4%	28.5%
CONSTRUCTION/AGRICULTURE/MINING/TRANSPORTATION	20.9%	38.4%	35.5%
HEALTH CARE/SOCIAL ASSISTANCE	36.2%	37.0%	25.2%
WHOLESALE/RETAIL	31.7%	33.3%	30.2%
ALL MICHIGAN EMPLOYERS	30.0%	41.6%	25.9%



HOW MUCH DO MY INDUSTRY PEERS PAY PER EMPLOYEE?

The Manufacturing industry in Michigan pays an above-average percent of premiums for PPO plans and HDHPs for singles and families. The Health Care/Social assistance industry is paying the least toward HDHP family premiums, while the Construction/Agriculture/Mining/Transportation industry in the state covers the least amount of family PPO plan premiums.

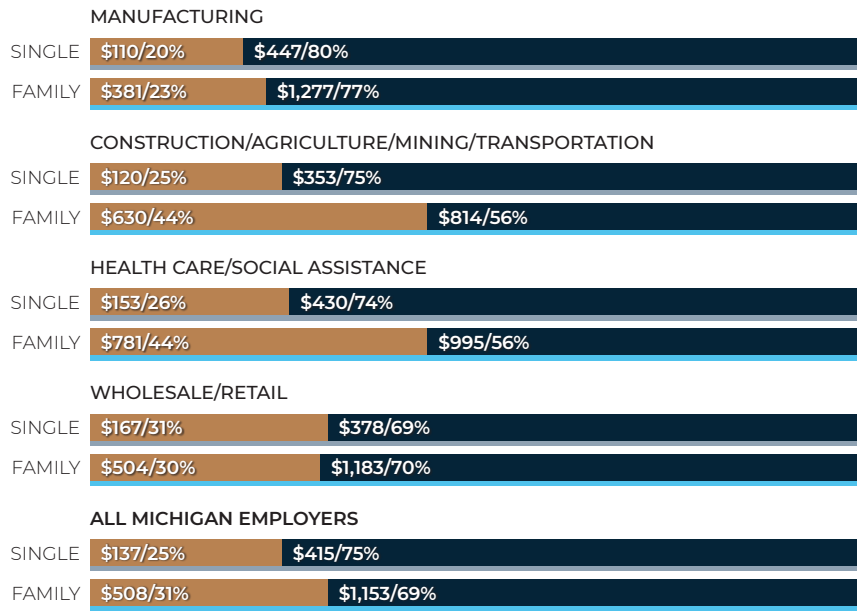
AVERAGE MONTHLY PREMIUM CONTRIBUTION



AVERAGE MONTHLY PREMIUM CONTRIBUTION

PPO

EMPLOYEE EMPLOYER



WHAT ARE THE DEDUCTIBLES AND OUT-OF-POCKET COSTS FOR MY INDUSTRY PEERS?

The Construction/Agriculture/Mining/Transportation industry in Michigan has higher plan deductibles and out-of-pocket maximums than other top industries in the state. The Health Care/Social Assistance industry has a relatively low HDHP deductible and out-of-pocket maximum for singles.

MEDIAN SINGLE IN-NETWORK DEDUCTIBLES AND OUT-OF-POCKET COSTS

TOP 4 MICHIGAN INDUSTRIES	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
MANUFACTURING	\$1,000	\$6,350	\$2,175	\$5,500
CONSTRUCTION/AGRICULTURE/MINING/TRANSPORTATION	\$1,250	\$8,150	\$3,000	\$6,600
HEALTH CARE/SOCIAL ASSISTANCE	\$1,250	\$6,850	\$2,000	\$5,000
WHOLESALE/RETAIL	\$1,000	\$6,600	\$3,000	\$6,450
ALL MICHIGAN EMPLOYERS	\$1,000	\$6,600	\$2,500	\$6,000



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Make informed health plan decisions
that retain top talent and help recruit
new talent.

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REPORT
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