

## HEALTH PLAN TRENDS

### *group size & industry*

#### MINNESOTA



**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 Minnesota, the survey includes employee benefit plans offered by 343 employers covering more than 14,000 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 and large employers
- Four of the top industries in Minnesota

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

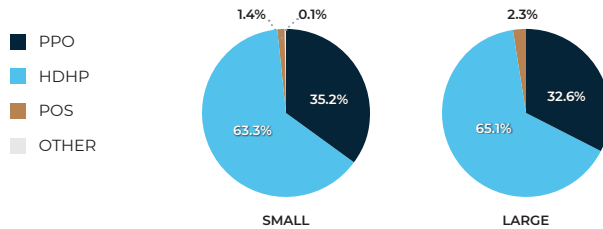
**UBA EMPLOYEE BENEFITS BENCHMARKING** provides data from employer groups of all sizes. Group size has a tremendous impact on cost, making it an important benchmark for any employer.

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

High deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans, are the most prevalent plan type in Minnesota. After HDHPs, employers choose preferred provider organization (PPO) plans. A few larger organizations are offering point of service (POS) plans while health maintenance organization (HMO)/exclusive provider organization (EPO) plans are virtually nonexistent in the state.

### PREVALENCE OF PLAN TYPE BY GROUP SIZE

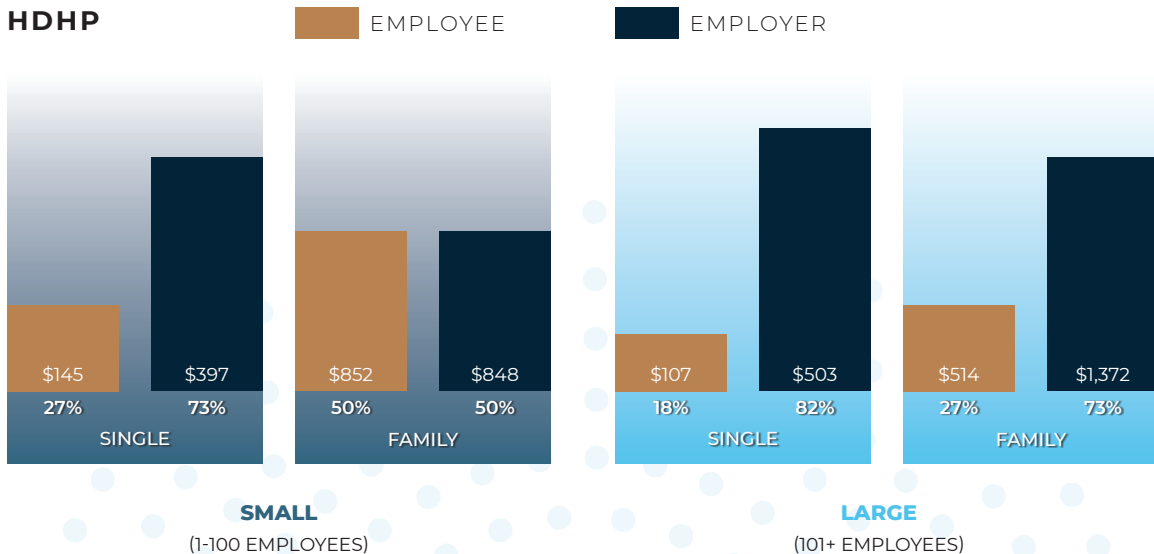
GROUP SIZE	PPO	HDHP	POS
SMALL (1-100 EMPLOYEES)	35.2%	63.3%	1.4%
LARGE (101+ EMPLOYEES)	32.6%	65.1%	2.3%



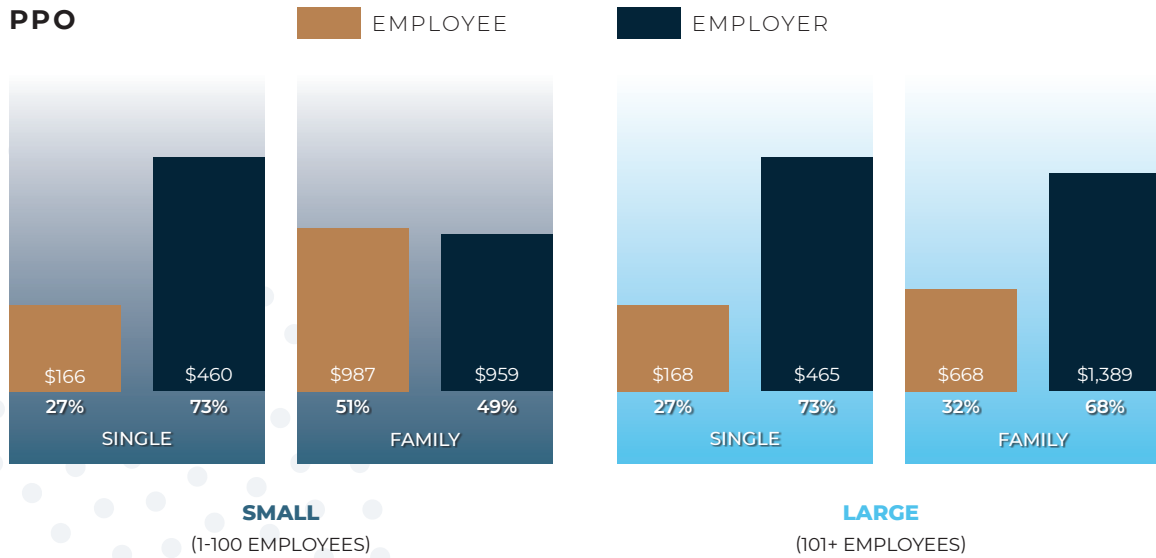
### HOW MUCH DO MY SIZE-BASED PEERS PAY PER EMPLOYEE?

Larger businesses in Minnesota contribute the most toward HDHP plan premiums for singles and families. In addition, these large groups are paying a higher percentage of family PPO plan premiums compared to their smaller counterparts.

### AVERAGE MONTHLY PREMIUM CONTRIBUTION SPLIT



**AVERAGE MONTHLY PREMIUM CONTRIBUTION SPLIT**



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

Large groups in Minnesota have lower median in-network HDHP deductibles for singles compared to small businesses in the state. Large groups in Minnesota also have lower HDHP deductibles than the regional median of \$4,250 in the central U.S., but higher than the national median of \$3,000. Small groups in Minnesota a lower in-network PPO plan deductibles for singles compared to larger groups and to regional and national medians. The nation median PPO in-network deductible is \$1,800 for singles; in the central U.S. it is \$2,000. Small businesses in Minnesota are setting higher out-of-pocket maximums for singles than their larger counterparts.

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

GROUP SIZE	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
SMALL (1-100 EMPLOYEES)	\$1,000	\$5,750	\$4,000	\$4,300
LARGE (101+ EMPLOYEES)	\$1,500	\$4,250	\$3,575	\$4,000

**TOP BENCHMARKS BY INDUSTRY**

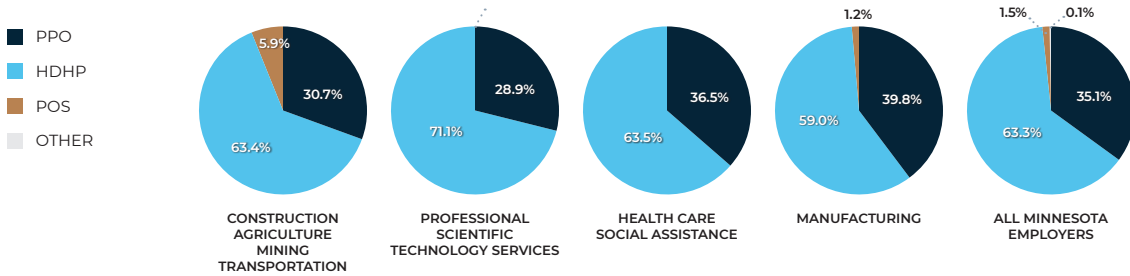
**IN MINNESOTA**, four of the top industries studied in UBA’s Employee Benefits Benchmarking are Construction/Agriculture/Mining/Transportation, Professional/Scientific/Technology Services, Health Care/Social Assistance, and Manufacturing.

**WHAT TYPES OF PLANS DO MY INDUSTRY PEERS OFFER?**

The Professional/Scientific/Technology Services industry in Minnesota has an above-average prevalence of HDHPs. The Manufacturing industry has an above-average prevalence of PPO plans, and the Construction/Agriculture/Mining/Transportation sector has an above-average prevalence of POS plans.

## PREVALENCE OF PLAN TYPE BY INDUSTRY

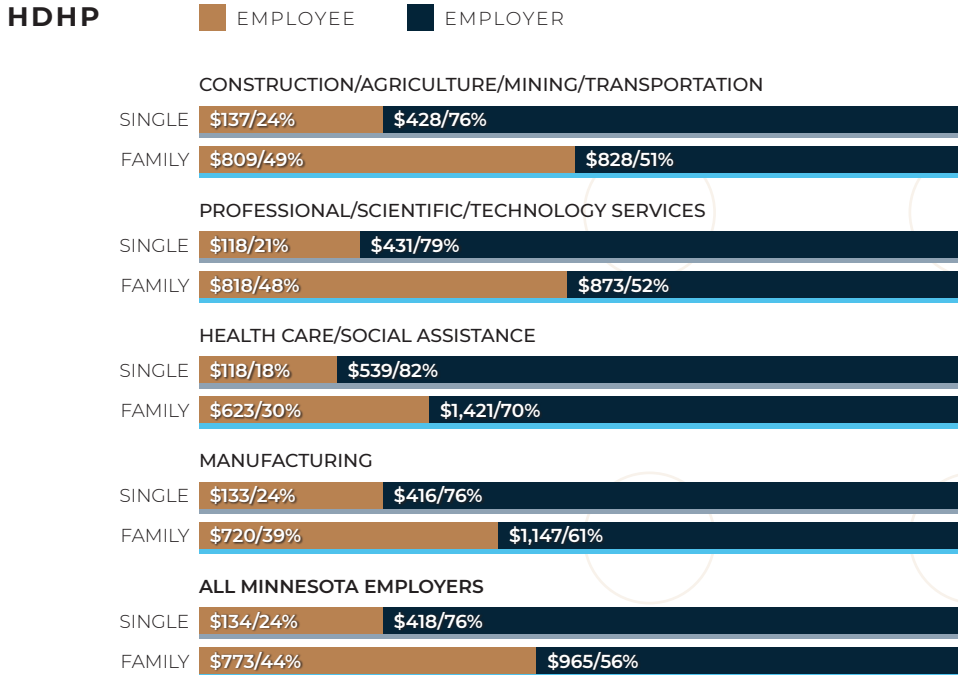
TOP 4 MINNESOTA INDUSTRIES	PPO	HDHP	POS
CONSTRUCTION/AGRICULTURE/MINING/TRANSPORTATION	30.7%	63.4%	5.9%
PROFESSIONAL/SCIENTIFIC/TECHNOLOGY SERVICES	28.9%	71.1%	0.0%
HEALTH CARE/SOCIAL ASSISTANCE	36.5%	63.5%	0.0%
MANUFACTURING	39.8%	59.0%	1.2%
<b>ALL MINNESOTA EMPLOYERS</b>	<b>35.1%</b>	<b>63.3%</b>	<b>1.5%</b>



## HOW MUCH DO MY INDUSTRY PEERS PAY PER EMPLOYEE?

The Health Care/Social Assistance industry in Minnesota pays an above-average percentage of premiums for PPO plans and HDHPs. The Construction/Agriculture/Mining/Transportation sector contributes the least toward family health plan premiums.

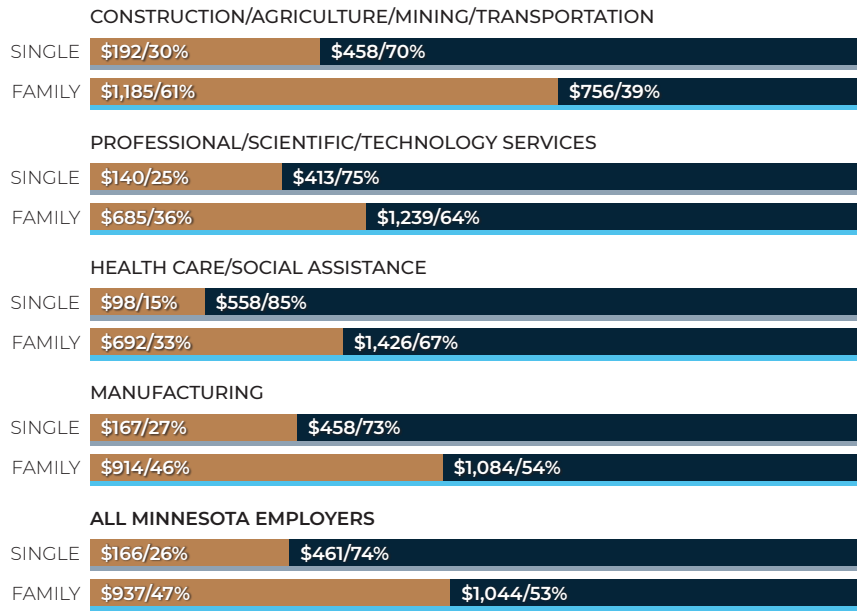
## AVERAGE MONTHLY PREMIUM CONTRIBUTION



**AVERAGE MONTHLY PREMIUM CONTRIBUTION**

**PPO**

EMPLOYEE EMPLOYER



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

The Health Care/Social Assistance industry in Minnesota has lower plan deductibles and out-of-pocket maximums for singles than other top industries in the state. The Construction/Agriculture/Mining/Transportation industry has set HDHP deductibles and out-of-pocket maximums for singles above the state median.

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

TOP 4 MINNESOTA INDUSTRIES	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
CONSTRUCTION/AGRICULTURE/MINING/TRANSPORTATION	\$1,000	\$5,750	\$4,250	\$4,500
PROFESSIONAL/SCIENTIFIC/TECHNOLOGY SERVICES	\$1,000	\$5,750	\$4,100	\$4,250
HEALTH CARE/SOCIAL ASSISTANCE	\$1,000	\$4,500	\$3,500	\$4,000
MANUFACTURING	\$1,000	\$5,750	\$3,500	\$4,300
ALL MINNESOTA EMPLOYERS	\$1,000	\$5,750	\$4,000	\$4,300



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