

HEALTH PLAN TRENDS  
*among employers*  
TEXAS



**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 Texas, the survey includes employee benefits plans offered by 671 employers covering nearly 46,000 employees to offer valuable benchmark data.

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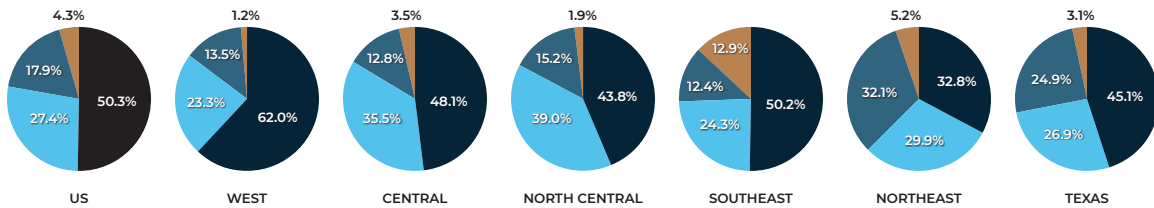
For Texas employers interested in making the most informed health care plan decisions possible, it’s crucial to compare your plans and costs not just to national benchmarks, but to peers in your state and region. This State Trends Report highlights key benchmarks to help you strategically manage plan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

## TOP PLANS IN TEXAS

**PREFERRED** provider organization (PPO) plans dominate most of the nation and are also popular in Texas. Approximately 27% of health plans in Texas are high deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans. Surprisingly, nearly 25% of plans in Texas are health maintenance organization (HMO)/exclusive provider organization (EPO) plans, which is higher than the national and central U.S. prevalence rates. Point of service (POS) plans are not common in Texas.

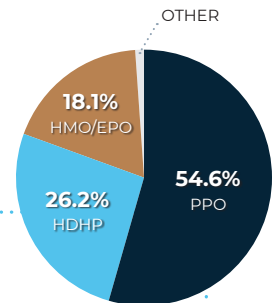
## PLAN PREVALENCE IN TEXAS

PLAN TYPE	US	WEST	CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	TEXAS
PPO	50.3%	62.0%	48.1%	43.8%	50.2%	32.8%	45.1%
HDHP	27.4%	23.3%	35.5%	39.0%	24.3%	29.9%	26.9%
HMO/EPO	17.9%	13.5%	12.8%	15.2%	12.4%	32.1%	24.9%
POS	4.3%	1.2%	3.5%	1.9%	12.9%	5.2%	3.1%



## PREVALENCE VS. ENROLLMENT

IN TEXAS, 54.6% OF EMPLOYEES ENROLL IN PPO PLANS, WHILE 26.2% OF EMPLOYEES SELECT AN HDHP, AND 18.1% OF EMPLOYEES CHOOSE AN HMO/EPO PLAN.

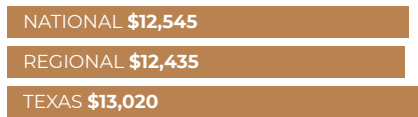


## COST COMPARISONS

**IN GENERAL,** PPO plans in Texas are more expensive than national and regional averages, however, HDHP and HMO/EPO plan costs in the state are lower than national and regional averages. PPO plans cost \$13,020 per employee annually on average while HDHPs and HMO/EPO plans in Texas cost \$10,462 and \$10,579, respectively, per employee per year on average.

### AVERAGE TOTAL COST PER EMPLOYEE PER YEAR

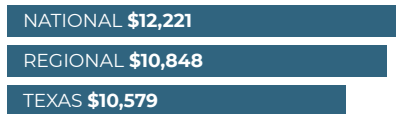
#### PPO



#### HDHP



#### HMO/EPO



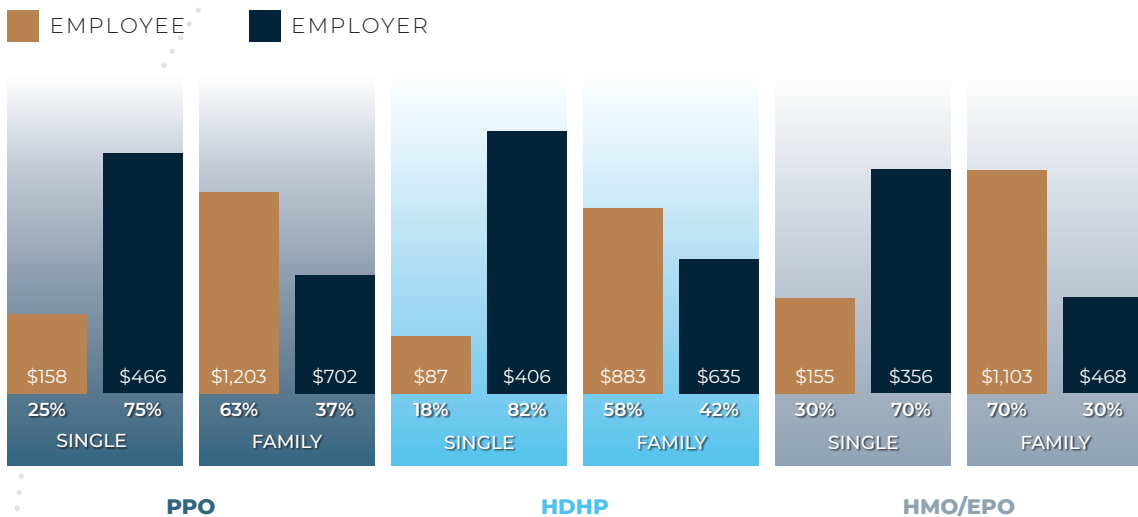
#### POS



### SETTING THE MONTHLY CONTRIBUTION FOR EMPLOYEES

Texas employers typically pick up 75% of PPO plan premiums for singles and 37% of family premiums, compared to the national 75/43 single/family employer contributions for these plans. Employers offering HDHPs in the state are covering 82% of single premiums and 42% of family premiums, compared to the 80/58 single/family split found nationally for these plans.

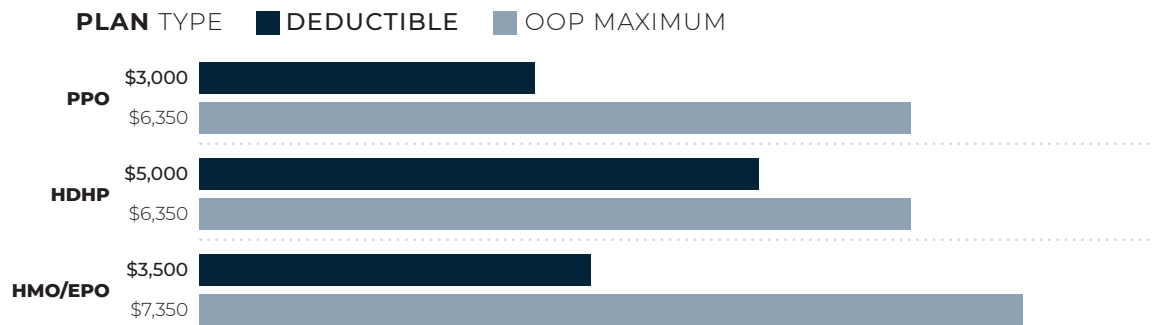
### AVERAGE MONTHLY PREMIUM CONTRIBUTIONS



## SETTING DEDUCTIBLES AND OUT-OF-POCKET COSTS

In Texas, the median in-network PPO plan deductible for singles is \$3,000. By comparison, the national median PPO plan deductible is \$1,800 for singles; in the central region, it is \$2,000. The median in-network deductible for singles on HDHPs in Texas is \$5,000, compared to \$3,000 nationally and \$4,250 in the Central U.S.

## MEDIAN SINGLE DEDUCTIBLES AND OUT-OF-POCKET COSTS



TEXAS HDHPS FOR SINGLES TYPICALLY INCLUDE A \$930 EMPLOYER CONTRIBUTION TO HEALTH SAVINGS ACCOUNTS (HSAs) OR HEALTH REIMBURSEMENT ARRANGEMENTS (HRAs) TO HELP DEFRAY OUT-OF-POCKET COSTS.





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