

HEALTH PLAN TRENDS

among employers

ARIZONA



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 Arizona the survey includes employee benefits plans offered by 193 employers covering nearly 25,000 employees to offer valuable benchmark data..

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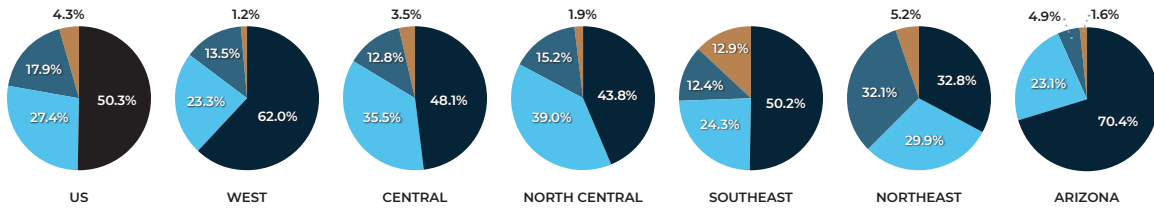
For Arizona employers interested in making the most informed health care plan decisions possible, it’s crucial to compare your plans and costs not just to national benchmarks, but to peers in your state and region. This State Trends Report highlights key benchmarks to help you strategically manage plan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

TOP PLANS IN ARIZONA

PREFERRED provider organization (PPO) plans dominate most of the nation, particularly in Arizona. High deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans garner about 23% of the market. Health maintenance organization (HMO)/exclusive provider organization (EPO) plans and point of service (POS) plans are not common in Arizona.

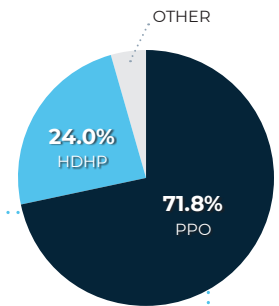
PLAN PREVALENCE IN ARIZONA

PLAN TYPE	US	WEST	CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	ARIZONA
PPO	50.3%	62.0%	48.1%	43.8%	50.2%	32.8%	70.4%
HDHP	27.4%	23.3%	35.5%	39.0%	24.3%	29.9%	23.1%
HMO/EPO	17.9%	13.5%	12.8%	15.2%	12.4%	32.1%	4.9%
POS	4.3%	1.2%	3.5%	1.9%	12.9%	5.2%	1.6%



PREVALENCE VS. ENROLLMENT

IN ARIZONA, 71.8% OF EMPLOYEES ENROLL IN PPO PLANS, WHILE 24.0% OF EMPLOYEES CHOOSE AN HDHP.

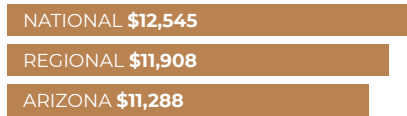


COST COMPARISONS

IN GENERAL, health plans in Arizona are less expensive than national and regional averages. For example, on average, PPO plans cost \$11,288 per employee annually, while HDHPs in Arizona cost \$10,128 per employee per year.

AVERAGE TOTAL COST PER EMPLOYEE PER YEAR

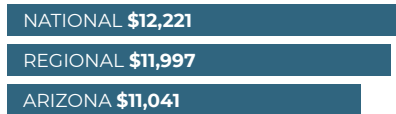
PPO



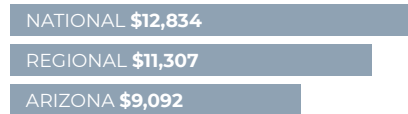
HDHP



HMO/EPO



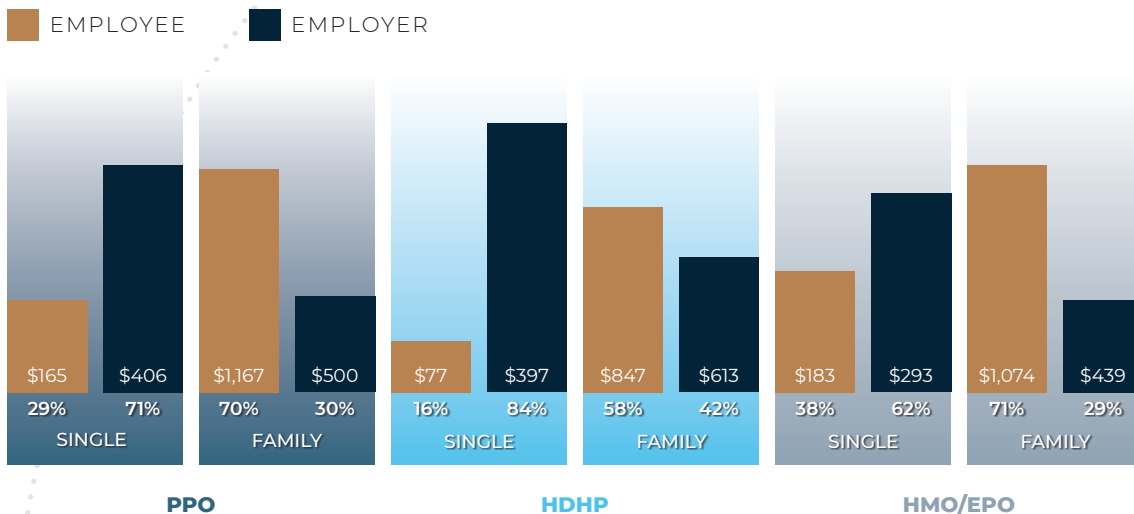
POS



SETTING THE MONTHLY CONTRIBUTION FOR EMPLOYEES

Arizona employers typically pick up 71% of PPO plan premiums for singles and 30% of family premiums, compared to the national 75/43 single/family employer contributions for these plans. Employers offering HDHPs in the state cover 84% of single premiums and 42% of family premiums compared to the 80/58 single/family split found nationally for these plans.

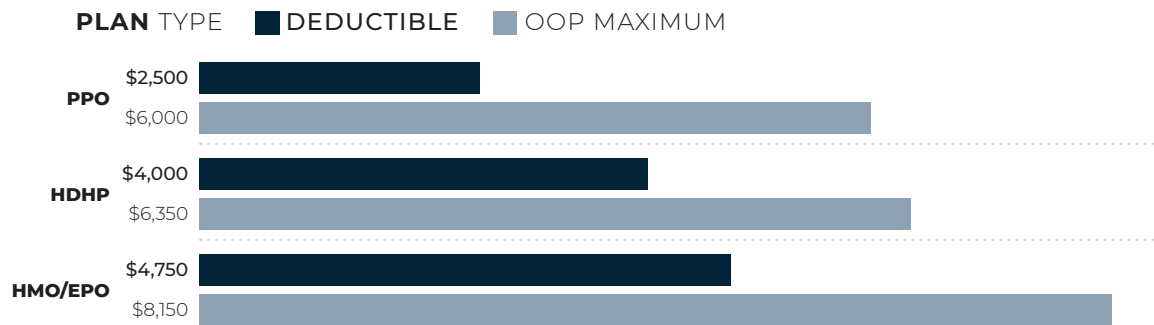
AVERAGE MONTHLY PREMIUM CONTRIBUTIONS



SETTING DEDUCTIBLES AND OUT-OF-POCKET COSTS

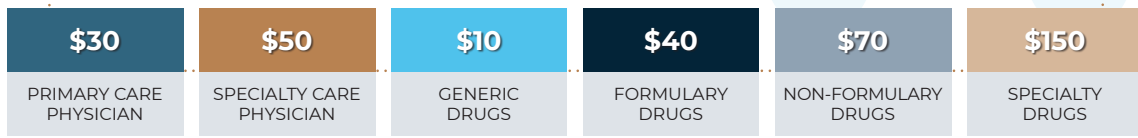
Arizona’s median in-network PPO plan deductible for singles is \$2,500. By comparison, the national median PPO plan deductible is \$1,800 for singles; in the western region, it is \$1,500. The median in-network deductible for singles on HDHPs in Arizona is \$4,000, compared to \$3,000 nationally and \$3,500 in the West.

MEDIAN SINGLE DEDUCTIBLES AND OUT-OF-POCKET COSTS



ARIZONA HDHPS FOR SINGLES TYPICALLY INCLUDE A \$600 EMPLOYER CONTRIBUTION TO HEALTH SAVINGS ACCOUNTS (HSAS) OR HEALTH REIMBURSEMENT ARRANGEMENTS (HRAS) TO HELP DEFRAY OUT-OF-POCKET COSTS.

AVERAGE PPO PLAN COPAYS IN ARIZONA





REALLY READY TO OFFER RAVED-ABOUT HEALTH PLANS?

A UBA Partner Firm is ready to help.
Make informed health plan decisions
that retain top talent and help recruit
new talent.

REQUEST A
BENCHMARKING
REPORT

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847-675-5578

cara@1706advisors.com

<https://1706advisors.com/>