

HEALTH PLAN TRENDS

group size & industry

KENTUCKY



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 Kentucky, the survey includes employee benefit plans offered by 164 employers covering nearly 19,000 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
- Three of the top industries in Kentucky

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

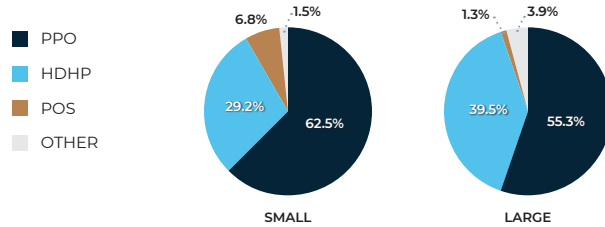
UBA EMPLOYEE BENEFITS BENCHMARKING provides data from employer groups of all sizes. Group size has a tremendous impact on cost, making it an important benchmark for any employer.

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

Preferred provider organization (PPO) plans are the most common plan type in Kentucky, especially among smaller groups. Large employers in Kentucky have more interest in high deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans, compared to small businesses in the state. In a distant third in terms of prevalence, small groups in Kentucky offer point of service (POS) plans while nearly 4% of large groups offer health maintenance organization (HMO)/exclusive provider organization (EPO) plans.

PREVALENCE OF PLAN TYPE BY GROUP SIZE

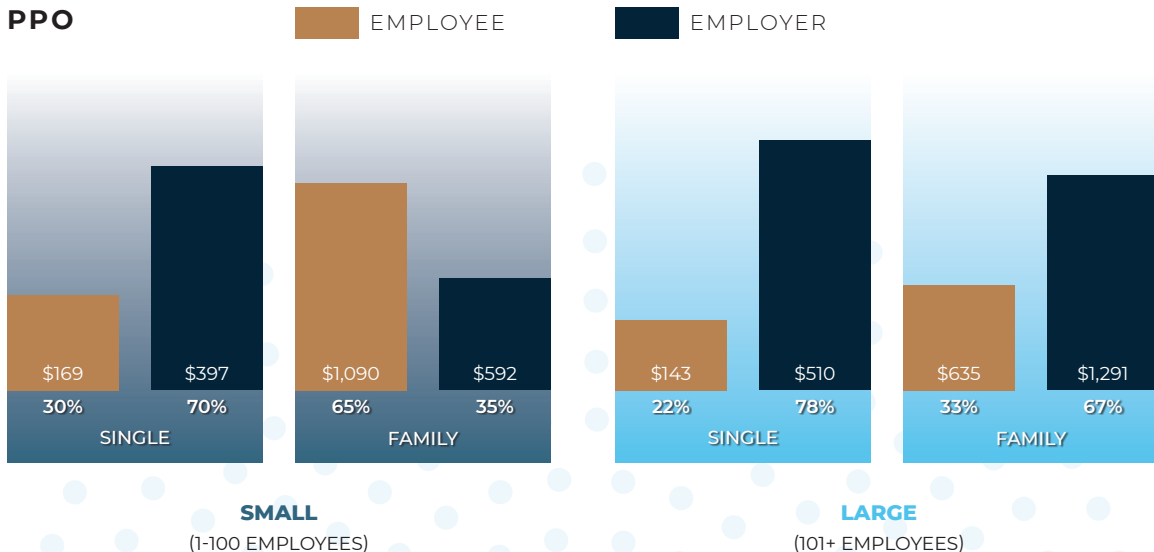
GROUP SIZE	PPO	HDHP	POS
SMALL (1-100 EMPLOYEES)	62.5%	29.2%	6.8%
LARGE (101+ EMPLOYEES)	55.3%	39.5%	1.3%



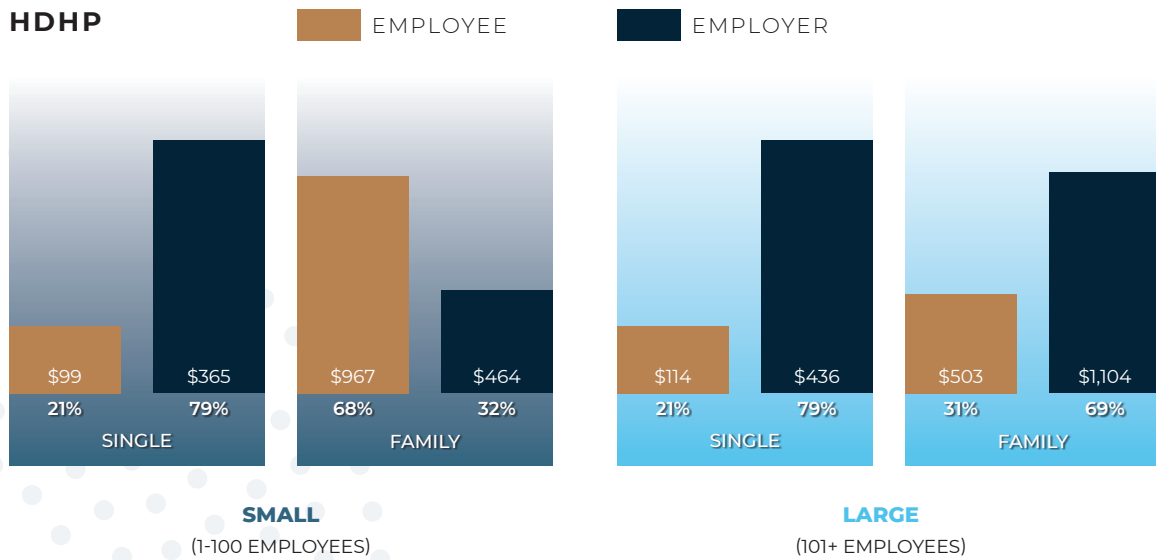
HOW MUCH DO MY SIZE-BASED PEERS PAY PER EMPLOYEE?

Large businesses in Kentucky contribute the highest percentage toward PPO plan premiums, particularly for families. These large groups also pay significantly more toward family HDHP 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?

Kentucky’s PPO plan deductibles for singles, especially among small businesses in the state, are higher than those found nationally and regionally. Nationally, the PPO plan median in-network deductible is \$1,800 for singles; in the north central U.S. it is \$1,750. Small employers in Kentucky have higher out-of-pocket maximums for employees compared to larger groups.

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

GROUP SIZE	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
SMALL (1-100 EMPLOYEES)	\$2,500	\$6,000	\$3,000	\$6,000
LARGE (101+ EMPLOYEES)	\$2,000	\$5,500	\$3,000	\$4,750

TOP BENCHMARKS BY INDUSTRY

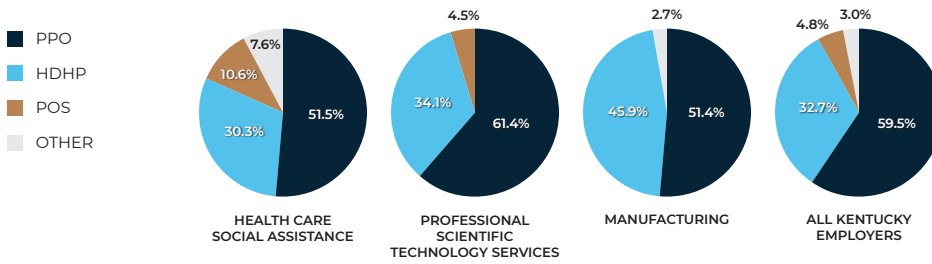
IN KENTUCKY, three of the top industries studied in UBA’s Employee Benefits Benchmarking are Health Care/Social Assistance, Professional/Scientific/Technology Services, and Manufacturing.

WHAT TYPES OF PLANS DO MY INDUSTRY PEERS OFFER?

While all the top industries in Kentucky prefer PPO plans, the Manufacturing industry in the state has strong interest in HDHPs.

PREVALENCE OF PLAN TYPE BY INDUSTRY

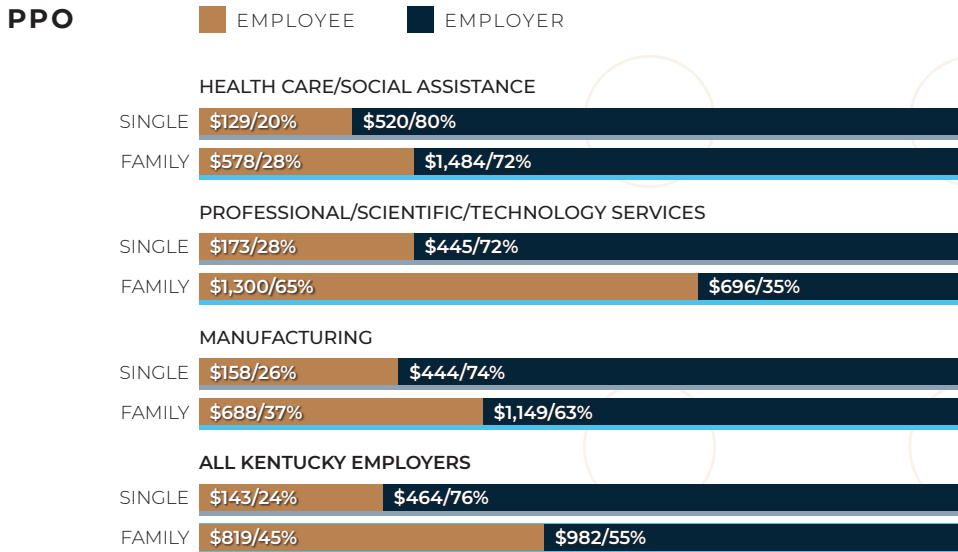
TOP 3 KENTUCKY INDUSTRIES	PPO	HDHP	POS
HEALTH CARE/SOCIAL ASSISTANCE	51.5%	30.3%	10.6%
PROFESSIONAL/SCIENTIFIC/TECHNOLOGY SERVICES	61.4%	34.1%	4.5%
MANUFACTURING	51.4%	45.9%	0.0%
ALL KENTUCKY EMPLOYERS	59.5%	32.7%	4.8%



HOW MUCH DO MY INDUSTRY PEERS PAY PER EMPLOYEE?

The Health Care/Social Assistance industry in Kentucky pays the highest percentage of PPO plan premiums while the Professional/Scientific/Technology Services sector in the state covers the lowest percentage of these premiums, particularly for families. The Health Care/Social Assistance industry covers nearly all of HDHP single premiums and the Manufacturing industry in Kentucky pays a significant portion of HDHP family premiums. The Professional/Scientific/Technology Services industry covers much less of HDHP family premiums compared to other industries in the state.

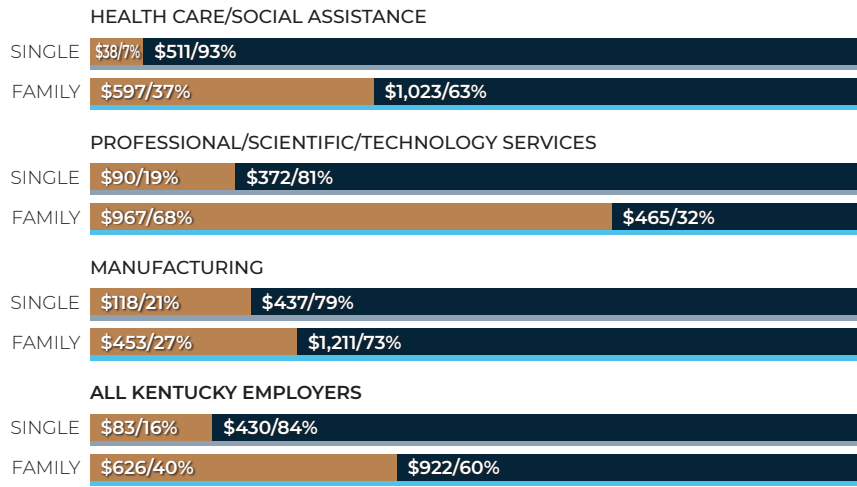
AVERAGE MONTHLY PREMIUM CONTRIBUTION



AVERAGE MONTHLY PREMIUM CONTRIBUTION

HDHP

EMPLOYEE EMPLOYER



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

The top industries in the Kentucky have generally aligned their health plan deductibles and out-of-pocket maximums with the state medians. However, the Professional/Scientific/Technology Services industry in Kentucky has low out-of-pocket maximums for employees on HDHPs.

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

TOP 3 KENTUCKY INDUSTRIES	PPO		HDHP	
	DEDUCTIBLE	OOP MAXIMUM	DEDUCTIBLE	OOP MAXIMUM
HEALTH CARE/SOCIAL ASSISTANCE	\$2,000	\$6,000	\$3,225	\$6,300
PROFESSIONAL/SCIENTIFIC/TECHNOLOGY SERVICES	\$2,000	\$5,500	\$3,000	\$4,000
MANUFACTURING	\$2,500	\$6,000	\$3,000	\$5,000
ALL KENTUCKY EMPLOYERS	\$2,500	\$5,600	\$3,000	\$5,000



REREADY 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.

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REPORT
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