

HEALTH PLAN TRENDS
among employers
MASSACHUSETTS



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 Massachusetts the survey includes employee benefits plans offered by 167 employers covering nearly 37,000 employees to offer valuable benchmark data.

Since 2005, UBA Partner Firms across the U.S. have studied plan design and cost trends among employers on a state, regional, and national basis.

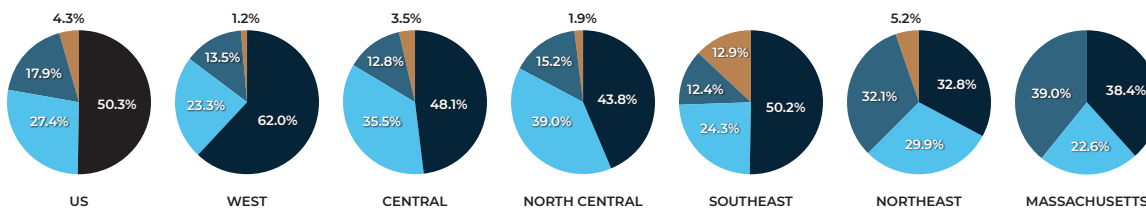
For Massachusetts employers interested in making the most informed health care plan decisions possible, it's crucial to compare your plans and costs not just to national benchmarks, but to peers in your state and region. This State Trends Report highlights key benchmarks to help you strategically manage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

TOP PLANS IN MASSACHUSETTS

PREFERRED provider organization (PPO) plans dominate most of the nation, but Massachusetts employers equally offer PPO plans and health maintenance organization (HMO)/exclusive provider organization (EPO) plans. Approximately 23% of plans are high deductible health plans (HDHPs), sometimes referred to as “consumer-directed” plans. Point of service (POS) plans are rare in the state.

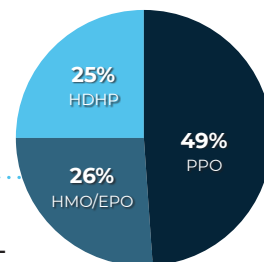
PLAN PREVALENCE IN MASSACHUSETTS

PLAN TYPE	US	WEST	CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	MASSACHUSETTS
PPO	50.3%	62.0%	48.1%	43.8%	50.2%	32.8%	38.4%
HDHP	27.4%	23.3%	35.5%	39.0%	24.3%	29.9%	22.6%
HMO/EPO	17.9%	13.5%	12.8%	15.2%	12.4%	32.1%	39.0%
POS	4.3%	1.2%	3.5%	1.9%	12.9%	5.2%	0.0%



PREVALENCE VS. ENROLLMENT

IN MASSACHUSETTS, 49% OF EMPLOYEES ENROLL IN PPO PLANS, WHILE 26% OF EMPLOYEES CHOOSE AN HMO/EPO PLAN AND 25% OF EMPLOYEES SELECT AN HDHP.

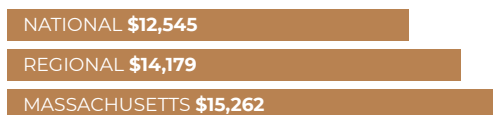


COST COMPARISONS

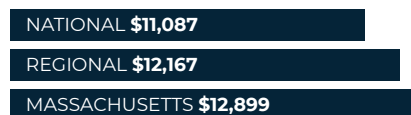
IN GENERAL, health plan costs in Massachusetts are higher than national and regional averages. For example, on average, PPO plans cost \$15,262 per employee annually, while HMO/EPO plans in Massachusetts cost \$14,574 per employee per year.

AVERAGE TOTAL COST PER EMPLOYEE PER YEAR

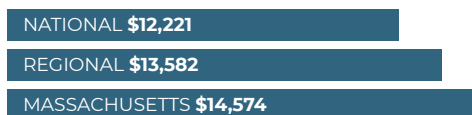
PPO



HDHP



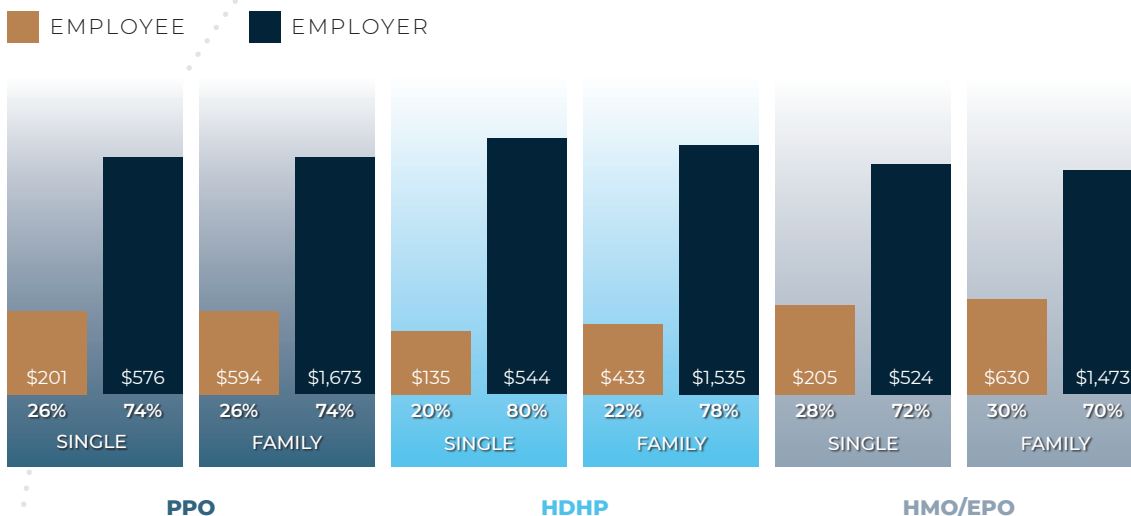
HMO/EPO



SETTING THE MONTHLY CONTRIBUTION FOR EMPLOYEES

Massachusetts employers typically pick up 74% of PPO plan premiums for singles and 74% of family premiums, compared to the national 75/43 single/family employer contributions for these plans. Employers offering HMO/EPO plans in the state cover 72% of single premiums and 70% of family premiums compared to the 75/50 single/family split found nationally for these plans.

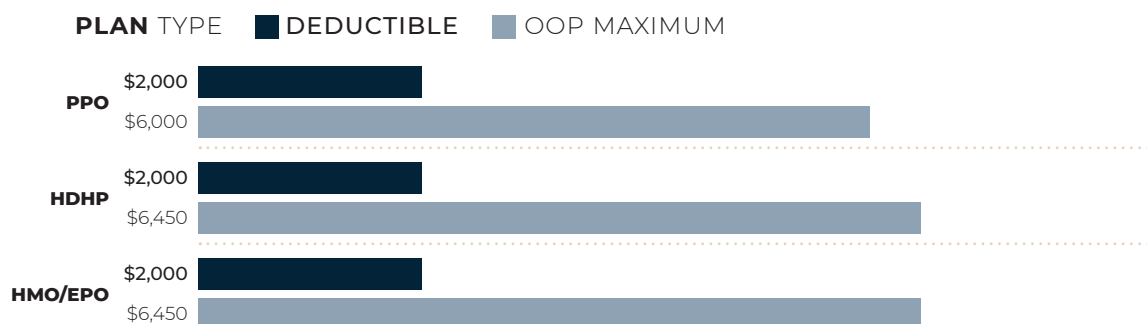
AVERAGE MONTHLY PREMIUM CONTRIBUTIONS



SETTING DEDUCTIBLES AND OUT-OF-POCKET COSTS

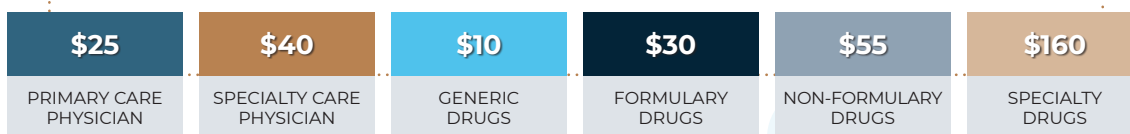
Massachusetts’s median in-network PPO plan deductible for singles is \$2,000 compared to \$1,500 regionally and \$1,800 nationally. The median in-network deductible for singles on HMO/EPO plans in Massachusetts is \$2,000 compared to \$1,500 found nationally and \$2,000 in the Northeast.

MEDIAN SINGLE DEDUCTIBLES AND OUT-OF-POCKET COSTS



MASSACHUSETTS HDHPS FOR SINGLES TYPICALLY INCLUDE A \$750 EMPLOYER CONTRIBUTION TO HEALTH SAVINGS ACCOUNTS (HSAS) OR HEALTH REIMBURSEMENT ARRANGEMENTS (HRAS) TO HELP DEFRAY OUT-OF-POCKET COSTS.

AVERAGE HMO/EPO PLAN COPAYS IN MASSACHUSETTS





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

UNITED BENEFIT ADVISORS® (UBA) is the nation's leading independent employee benefits advisory organization with more than 200 offices throughout the United States, Canada, and Europe. UBA empowers 2,000+ advisors to maintain independence while capitalizing on each other's shared knowledge and market presence to provide best-in-class services and solutions.

LOCAL SERVICE. NATIONAL PRESENCE.