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About the Maine Health Management Coalition

The Maine Health Management Coalition (MHMC) is a non-profit organization whose over 50 members include public and private purchasers, providers, health plans, and consumers working together to improve the value of health care in Maine.
About This Report

In 2016 the Maine Health Management Coalition reinstituted its Employer Benefit Survey, which surveys Maine employers about the benefits they offer to employees and their dependents. The survey was last conducted in 2010, and resumed last year in response to requests from Coalition members.

This Summary Report of survey results provides a valuable picture of health insurance benefits offered by employers in Maine. Individual purchasers can also use the data to compare their benefits to those offered by other employers in the state. Such information can be useful in informing purchasers’ decisions about their future plan offerings and plan renewals.

The results provide key information about employer-based health insurance in Maine, including data on:

- The types of plans offered by employers in Maine
- Premiums by plan type
- Deductibles, copays, coinsurance, and out-of-pocket maximums
- Pharmacy plans
- Wellness and disease management initiatives

In all, 34 employers or plan sponsors responded to the online survey. Respondents include both Coalition members and non-members, and represent government, health care, higher education, private sector, and other sectors. As not all respondents answered every question, the number of respondents varies, and is noted on each chart. The survey was conducted in April 2016, so data reflect plans in place at that time.

The survey included over 80 questions, many with multiple parts. Information on some questions was not included due to insufficient responses. A respondent’s answer to a particular question also may have been excluded if the response was incomplete or difficult to interpret. In addition, respondents identified a small number of minor exceptions relative to some responses that were immaterial to overall trends; those exceptions were not included in the data. Members who have questions about survey topics not covered in the summary report are invited to contact the Coalition (at lnolan@mehmc.org) to determine whether additional information is available.

The Coalition wishes to thank the many employers and plan sponsors who took the time to participate in the survey, as well as the brokers who assisted their clients with this effort. We also are grateful to Employee Benefits Solutions for their help in structuring and co-authoring the survey tool.

The Coalition plans to conduct the survey on a regular basis, providing our members with ongoing data on current benefit offerings, as well as trends over time.
The 34 respondents to the survey represented a range of workforce sizes, from under 200 to more than 3,000. Health care industry respondents were divided fairly evenly across workforce size, as were respondents in the “other” category, which includes several for-profit businesses as well as some non-profit organizations. Government respondents tended to be larger, with all four respondents representing workforces of over 1,000.
Benefits Offered to Full- & Part-Time Employees

Over 90 percent of responding employers and plan sponsors offer full-time employees medical, dental, short- and long-term disability, and life insurance benefits. Vision benefits are offered by 75 percent of respondents to full-time workers. Fewer respondents offer benefits to part-time employees. Of those who do, medical and dental benefits were most likely to be offered.

Data based on 32 respondents for all but medical, which had 33 respondents.
The minimum number of hours that an employee needs to work to qualify for full-time benefits varies among respondents, but over 90 percent have minimum hour requirements of 30 hours or more for both medical and dental benefits. For both medical and dental, the most common cut-off for full-time benefit eligibility is 30 hours.
Domestic Partner Benefits

Over 80 percent of respondents offer medical, dental, and vision benefits to domestic partners. Benefits may be subsidized or unsubsidized.

Data based on 34 respondents for medical, 33 for dental, and 25 for vision.
Respondents offer 89 different medical plans. The most commonly offered plan is a PPO (preferred provider organization) without HRA (health reimbursement arrangement), with 31 such plans available from respondents. HDHPs (high deductible health plans) with HSAs (health savings accounts) are another frequent offering, with 24 such plans offered by respondents.

Data based on 32 respondents and 89 plans
Most of the employers and plan sponsors who provided responses, including most of the health industry and higher education respondents, offer employees two or three medical plan options. Over 80 percent of respondents offer three or fewer plans, with less than 20 percent offering four or more plans.
Among respondents, half of employees are enrolled in individual contracts, with the next largest percentage—23 percent—enrolled in family contracts.

Employee Enrollment by Contract Type

Data based on 19 respondents and 49 plans.
Among respondents, 85 percent have waiting periods before new employees become eligible for medical benefits. For one third of respondents, employees become eligible on the first day of the month following 30 days of employment; for another 24 percent of respondents, employee eligibility begins on the first day of the month following the hiring date.
70 percent of respondents provide subsidized medical benefits to dependents. Over three-quarters of health care sector and higher education employers offer subsidized dependent benefits, as do all government sector respondents. Among respondents from other sectors, the practice is less common, with four of nine respondents—or 44 percent—subsidizing dependent benefits.

Data based on 30 respondents
Nearly one third (32 percent) of respondents offer medical coverage to retired employees. Coverage rates were highest among respondents from the higher education and government sectors, where 7 out of 9 respondents offer coverage to retirees.

Data based on 34 respondents
Utilization of Tiered Networks

Among the 89 plans offered by respondents, 50 of them - or 56 percent - include a tiered network.

Just over half of respondents (53 percent) only offer plans with tiered networks, although participation in tiered network plans varies by market segment. Nearly 75 percent of health industry respondents only offer plans with tiered networks, compared to 40 percent of higher education respondents, 25 percent of government respondents, and 38 percent of other respondents.

Data based on 32 respondents and 89 plans
Tiered networks impact employee cost sharing through adjustments to copays, coinsurance, and/or deductibles. 37 percent of plans adjust all three—copays, coinsurance, and deductibles—based on network tier.
Respondents provided premium information on 41 plans. Among those, average monthly premiums for individuals vary by plan type, from $489 for high deductible health plans (with HSAs) to $731 for PPO (with HRA).

**DATA DETAIL**

Average Monthly Premium by Plan Type - Individual

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Average Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDHP w/ HSA</td>
<td>$489</td>
</tr>
<tr>
<td>EPO*</td>
<td>$510</td>
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<tr>
<td>HMO</td>
<td>$641</td>
</tr>
<tr>
<td>POS</td>
<td>$650</td>
</tr>
<tr>
<td>PPO w/o HRA</td>
<td>$681</td>
</tr>
<tr>
<td>PPO w/ HRA*</td>
<td>$731</td>
</tr>
</tbody>
</table>

*EPO and PPO w/HRA based on data from one plan only.

Data based on 18 respondents and 41 plans.
Average Monthly Premium by Plan Type - Family

High deductible plans and PPOs without HRAs have the lowest and highest average monthly premiums for families, at $1,340 and $1,917, respectively.

*EPO and PPO w/HRA based on data from one plan only.

Data based on 18 respondents and 41 plans
Respondents provided premium data on 11 PPO (without HRA) plans. Monthly premiums for individuals range from $480 to $898, and average $681 across the 11 plans. For families, monthly premiums average $1,917, ranging from $1,295 to $2,667.

Data based on 9 respondents and 11 plans.
Respondents provided premium data on 13 high deductible health plans (with HSAs). Monthly premiums for individuals average $489, and range from $307 to $602. For families, premiums average $1,340, ranging from $922 up to $1,680.

Data based on 11 respondents and 13 plans.
Respondents provided premium data on 8 HMO plans. For individuals, monthly premiums range from $457 to $878, with an average of $641. Among families, premiums range from $1,235 to $2,079, averaging $1,754.

Data based on 6 respondents and 8 plans
Respondents provided premium data on 7 POS plans. Average monthly premiums for individuals range from $510 to $763, averaging $650.

For families, monthly premiums range from $987 to $2,061, averaging $1,692.
Among respondents, 61 percent base employee premium contributions on a set dollar amount, while 18 percent calculate contributions as a percentage of premium. Another 18 percent base contributions on other factors, while one employer offers plans that base contributions on both a set dollar amount and a percentage basis. Among a subsection of 26 respondents, 38 percent have a tiered contribution approach based on income and 62 percent do not.

**Data Detail**

Data based on 28 respondents.

*Totals may not add to 100 percent due to rounding.*
Medical Premiums & Employee Contributions by Plan - Individual

Monthly employee premium contributions for individual plans vary, from no required contribution up to 31 percent. Over half (56 percent) of the plans have employee contributions of 16 percent or less; the average employee contribution is 15 percent.

Data based on 12 respondents and 25 plans
Monthly employee premium contributions for family plans range from 13 percent to 71 percent. The average employee contribution is 38 percent, more than double the 15 percent average employee contribution for individual plans. Nearly half (48 percent) of family plans have employee contributions between 25 percent and 45 percent.

Medical Premiums & Employee Contributions by Plan - Family

Data based on 12 respondents and 25 plans
Respondents provided information about 31 PPO plans (without HRAs). For individuals, in-network deductibles range from $200 up to $4,000, and average $1,347. For families, in-network deductibles (for 29 plans) range from $400 to $8,000, and average $2,765.
Respondents provided information about 22 HDHPs (with HSAs). For individuals, in-network deductibles range from $1,500 to $5,000, and average $2,395. For families, in-network deductibles range from $3,000 to $10,000, and average $4,745.

Data based on 17 respondents and 22 plans
HMO In-Network Deductibles

Individual

<table>
<thead>
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<th>Deductible Range</th>
<th>Count</th>
</tr>
</thead>
<tbody>
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<td>$0</td>
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<tr>
<td>$400-500</td>
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</tr>
<tr>
<td>$1,500</td>
<td>2</td>
</tr>
<tr>
<td>$2,500</td>
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</table>

Family

<table>
<thead>
<tr>
<th>Deductible Range</th>
<th>Count</th>
</tr>
</thead>
<tbody>
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<td>$0</td>
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</tr>
<tr>
<td>$800</td>
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<td>$2,000</td>
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</tr>
<tr>
<td>$3,000</td>
<td>2</td>
</tr>
<tr>
<td>$5,000</td>
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</tbody>
</table>

Respondents provided information about 11 HMO plans. For individuals, in-network deductibles range from zero to $2,500, and average $855. For families, in-network deductibles range from zero to $5,000, and average $1,691.

Data based on 10 respondents and 11 plans
Respondents provided information about 12 POS plans. For individuals, in-network deductibles range from zero to $2,500, and average $529. For families, in-network deductibles range from zero to $5,000, and average $1,042.
Copays for PCP Visits

Preferred Network

In-Network

Preferred: Data based on 22 respondents and 41 plans
In-Network: Data based on 28 respondents and 61 plans

Copays for PCP visits within a preferred network range from zero to $30, with $20 copays the most common. Copays for in-network visits range from zero to $40, with $20 again the most common copay.
Copays for preferred network specialist services vary among respondents, ranging from zero to $50, with $40 copays the most common.

For in-network specialist services, copays range from zero to $60, with $25, $40, and $50 copays the most common.

DATA DETAIL

Copays for Specialists

**Preferred Network**

- $0: 6
- $15: 3
- $20: 3
- $25: 6
- $30: 0
- $35: 3
- $40: 9
- $45: 0
- $50: 3
- $60: 0

**In-Network**

- $0: 5
- $15: 2
- $20: 10
- $25: 11
- $30: 3
- $35: 4
- $40: 11
- $45: 1
- $50: 11
- $60: 1

Preferred: Data based on 20 respondents and 33 plans
In-Network: Data based on 28 respondents and 59 plans
Copays for Emergency Room Visits

Preferred Network

In-Network

Out-of-Network

Data Detail

Copays for preferred network emergency room visits range from zero to $200, with $100 copays the most common. For both in-network and out-of-network emergency room visits, copays vary from zero to $300, with zero, $100, and $150 the most common copays.

Preferred: Data based on 18 respondents and 30 plans / In-Network: Data based on 27 respondents and 59 plans / Out-of-Network: Data based on 21 respondents and 41 plans
Copays for urgent care visits within a preferred network range from zero to $75. In-network visits range from zero to $150, with $25 and $50 copays the most common. Out-of-network copays range from zero to $150.

**Preferred Network**

- $0: 5
- $20: 5
- $25: 6
- $30: 0
- $35: 0
- $40: 3
- $50: 5
- $70: 0
- $75: 3
- $100: 0
- $150: 0

**In-Network**

- $0: 6
- $20: 4
- $25: 11
- $30: 1
- $35: 2
- $40: 5
- $50: 10
- $70: 0
- $75: 5
- $100: 5
- $150: 6

**Out-of-Network**

- $0: 6
- $20: 0
- $25: 3
- $30: 0
- $35: 0
- $40: 0
- $50: 3
- $70: 1
- $75: 3
- $100: 3
- $150: 4

Preferred: Data based on 15 respondents and 27 plans / In-Network: Data based on 25 respondents and 55 plans / Out-of-Network: Data based on 10 respondents and 23 plans
Employee Out-of-Pocket Maximum

In-Network

Out-of-Network

Out-of-pocket maximums for in-network services vary, ranging from $500 to $7,000 for individuals and $1,000 to $14,000 for families. For individuals, $3,000 and $5,000 are the most common maximums. For families, $6,000 and $10,000 maximums are the most common.

Out-of-pocket maximums for out-of-network services range from $1,500 to $13,200 for individuals and $3,000 to $20,000 for families. Among individuals, $3,000 and $5,000 are the most common maximums. For families, the most common maximums are $6,000 and $10,000.
The majority of respondents—59 percent—offer more than one pharmacy plan, with 38 percent offering three or more. All of the respondents from the government sector offer just one plan.

Data based on 29 respondents and 64 plans

Data DETAIL
Number of Tiers Offered by Rx Plan

- 2 Tiers: 2
- 3 Tiers: 26
- 4 Tiers: 14
- 5 Tiers: 1

Data based on 26 respondents and 43 plans

Over 60 percent of Rx plans offered by respondents have three tiers, while another third have four tiers.
In over half of pharmacy plans, employee cost-sharing is in the form of copays only. Other plans require a variety of employee contributions, including coinsurance, deductibles, and combinations of copays, coinsurance, and deductibles.

Data based on 28 respondents and 59 plans.
Copays vary both within and across tiers. Not surprisingly, copays for higher tier drugs tend to be higher than copays for lower tier drugs. In some instances, copays are used in conjunction with coinsurance and/or deductibles.
For Tier 1 drugs, copays range from zero to $20, with $10 copays the most common. Among Tier 2 drugs, copays range from $10 to $50, with $20 and $30 the most common.
30-Day Prescription Copay, by Tier (cont'd)

Tier 3 drug copays range from $30 to $100, with $50 copays the most common. Tier 4 drug copays range from $40 to $200, with most copays set at $50.
Copays vary both within and across tiers. Not surprisingly, copays for higher tier drugs tend to be larger than copays for lower tier drugs. In some instances, copays are used in conjunction with coinsurance and/or deductibles.

DATA DETAIL
Tier 1: Data based on 14 respondents and 19 plans  /  Tier 2: Data based on 13 respondents and 18 plans  /  Tier 3: Data based on 13 respondents and 18 plans  /  Tier 4: Data based on 4 respondents and 5 plans  /  Tier 5: Data based on 1 respondent and 1 plan
90-Day Prescription Copay, by Tier

For Tier 1 drugs, copays range from zero to $40, with $30 copays most common. Among Tier 2 drugs, copays range from $20 to $100, with copays between $50 and $90 most common.

Tier 1: Data based on 14 respondents and 19 plans / Tier 2: Data based on 13 respondents and 18 plans / Tier 3: Data based on 13 respondents and 18 plans / Tier 4: Data based on 4 respondents and 5 plans / Tier 5: Data based on 1 respondent and 1 plan
Tier 3 copays range from $60 to $200, while copays for the four respondents offering Tier 4 drugs range from $80 to $150.
Subsidized Dental & Orthodontia Benefits

Nearly three-quarters of respondents offer subsidized dental benefits to employees. Over 50 percent offer subsidized orthodontia benefits for children, while 40 percent offer orthodontia for adults.

Dental: Data based on 31 respondents / Ortho-Kids: Data based on 27 respondents / Ortho-Adults: Data based on 25 respondents
Among those offering subsidized dental and orthodontia benefits, maximum benefits vary. The most common maximum for dental benefits, which is nearly always an annual maximum, is $1,500. Orthodontia maximums are nearly always lifetime caps and range from $1,000 to $2,250.

Dental & Orthodontia Maximum Benefit

Dental: Data based on 20 respondents / Ortho-Kids: Data based on 14 respondents / Ortho-Adults: Data based on 10 respondents
Dental Premiums & Employee Contributions by Plan - Individual

Average Employee Contribution: 38%

Data based on 26 respondents and 27 plans

DATA DETAIL

Monthly premiums for individual dental benefits range from $26 to $50, with an average premium of $38. The average employee contribution is $14—or 38 percent—and the average employer contribution $24.
Dental Premiums & Employee Contributions by Plan - Family

Monthly premiums for family dental benefits range from $68 to $150, with an average premium of $113. The average employee contribution is $64—or 57 percent—and the average employer contribution $49.

Data based on 26 respondents and 27 plans.
Dental Premiums - Employee Contribution

The percentage of the dental premium paid by employees varies among respondents, ranging from no required contribution up to 100 percent. Among individual plans, contributions for nearly 60 percent of the plans are 30 percent or below. For family plans, in contrast, 85 percent of the plans have premium contributions above 30 percent.

Data based on 26 respondents and 27 plans
Respondents were also surveyed on other benefit offerings. Less than 20 percent of respondents offer adoption assistance or paid parental leave. 42 percent of respondents cover infertility diagnoses, with 26 percent covering infertility treatment, and 13 percent covering in vitro fertilization.
Wellness & Disease Management Programs

Respondents offer a range of disease management and wellness programs to employees, including healthy eating, smoking cessation, physical activity, and weight management programs—all four of which are offered by over 65 percent of respondents.

Data based on 27-30 respondents; total responses for each program noted in the bars.
Many of the respondents who offer wellness programs make those services available at the worksite. For instance, 60 percent or more of respondents who offer healthy eating, smoking cessation, physical activity, or weight management programs provide those services at the worksite. Other services offered by respondents, such as asthma management and depression services, are also offered at the worksite, but by a smaller percentage of respondents.

Data based on 12-23 respondents. For specific numbers, see "Yes" bars in the previous chart.
Respondents sometimes adjust employee contributions (typically premiums, but also copays or deductibles) based on employee participation in specific activities, such as completing a health risk assessment or a biometric screening, participating in wellness programs, or using tobacco. Completing a health risk assessment or a biometric screening are the two activities for which respondents are most likely to adjust employee contributions, with 41 percent making adjustments for health risk assessments and 31 percent for biometric screenings. For the remaining activities surveyed, in most instances no more than a quarter of respondents adjust contributions.
Some respondents offer employees other incentives for participation in wellness or disease management programs, such as gift cards, competitions, and raffles. However, utilization of these incentives is not high, with only cash/gift cards and non-cash rewards offered by more than one quarter of respondents.

Data based on 25-29 respondents; total responses for each program noted in the bars.
### Employer Changes to Better Manage Costs in 2014-2016

<table>
<thead>
<tr>
<th>Change</th>
<th>Yes</th>
<th>No</th>
<th>Considering for 2017 or 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased employee contribution for family coverage</td>
<td>1</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td>Increased utilization of health/wellness programs</td>
<td>4</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Increased employee contribution for employee-only coverage</td>
<td>3</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Higher deductibles</td>
<td>4</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Higher copays for emergency room visits</td>
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<tr>
<td>Higher copays for office visits</td>
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<tr>
<td>New or higher pharmacy copays</td>
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<td>16</td>
</tr>
<tr>
<td>Shopped for better priced plan</td>
<td>2</td>
<td>10</td>
<td>14</td>
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<tr>
<td>Added Consumer Directed Health Plans (CDHP) to plan offerings</td>
<td>2</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>New or higher pharmacy deductibles</td>
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<tr>
<td>Offered CDHP as only plan offering</td>
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<td>14</td>
<td>26</td>
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<tr>
<td>Payment for employees who decline coverage</td>
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<td>24</td>
<td>28</td>
</tr>
<tr>
<td>Higher payment for spouses who have employer coverage available</td>
<td>1</td>
<td>2</td>
<td>26</td>
</tr>
</tbody>
</table>

Data based on 27-30 respondents; total responses for each program noted in the bars.

Respondents are employing a variety of strategies to better manage benefit costs. The changes implemented most frequently over the 2014-2016 period include increased employee contribution for both individual and family coverage, increased utilization of health/wellness programs, and higher deductibles. Strategies which have not experienced much uptake among respondents include payments to employees who decline coverage and higher employee contributions to insure spouses who have employer coverage available.