

Chartbook Section 4

Individual & Small Group Health Insurance Markets

Section 4: Individual and Small Group Health Insurance Markets

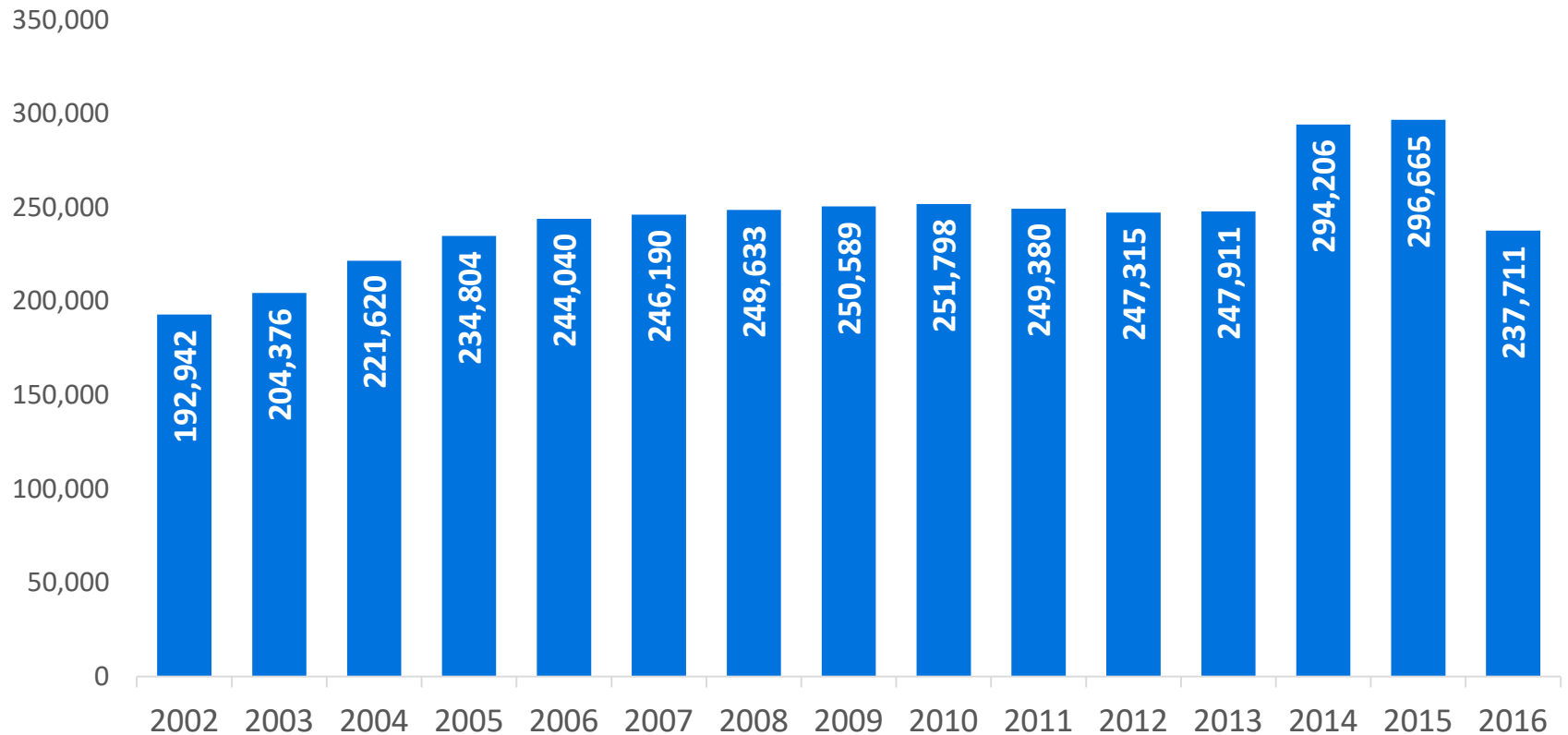
- **Individual market trends**
 - Enrollment
 - Premiums
 - Health plan market shares
 - Benefits
- **Small group market trends**
 - Enrollment
 - Premiums
 - Health plan market shares
 - Benefits

A summary of the charts and graphs contained within is provided on the [MDH website](#). Direct links are listed on each page. Please contact the Health Economics Program at 651-201-3550 or health.hep@state.mn.us if additional assistance is needed for accessing this information.

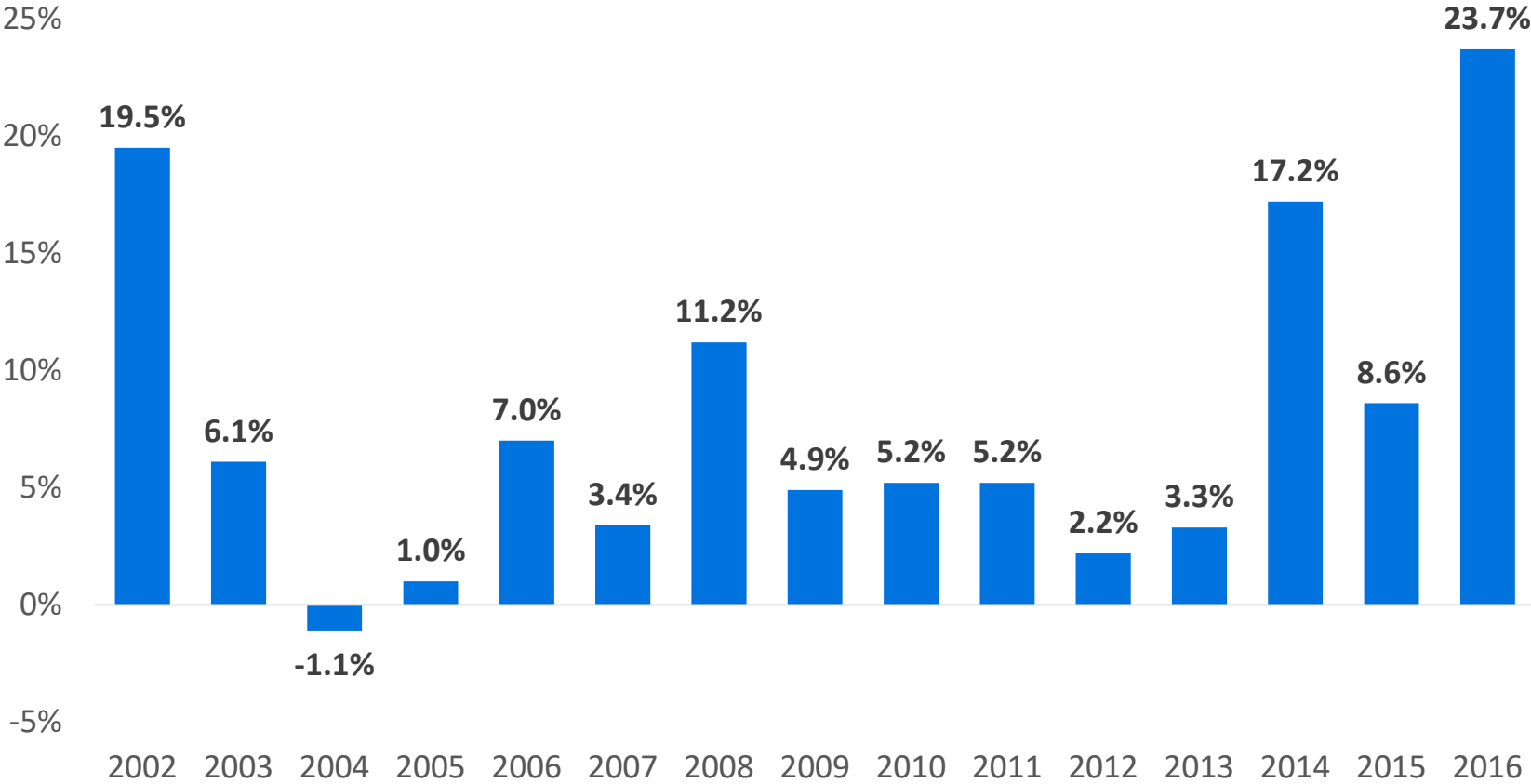
INDIVIDUAL (NON-GROUP) MARKET

A health insurance market where individuals purchase health insurance coverage directly; plans can cover one person (single coverage) or dependents (family coverage). Referred to as the individual or non-group market, because plans are purchased by an individual rather than as part of a group.

Enrollment Trends in Minnesota's Individual Market, 2002 to 2016

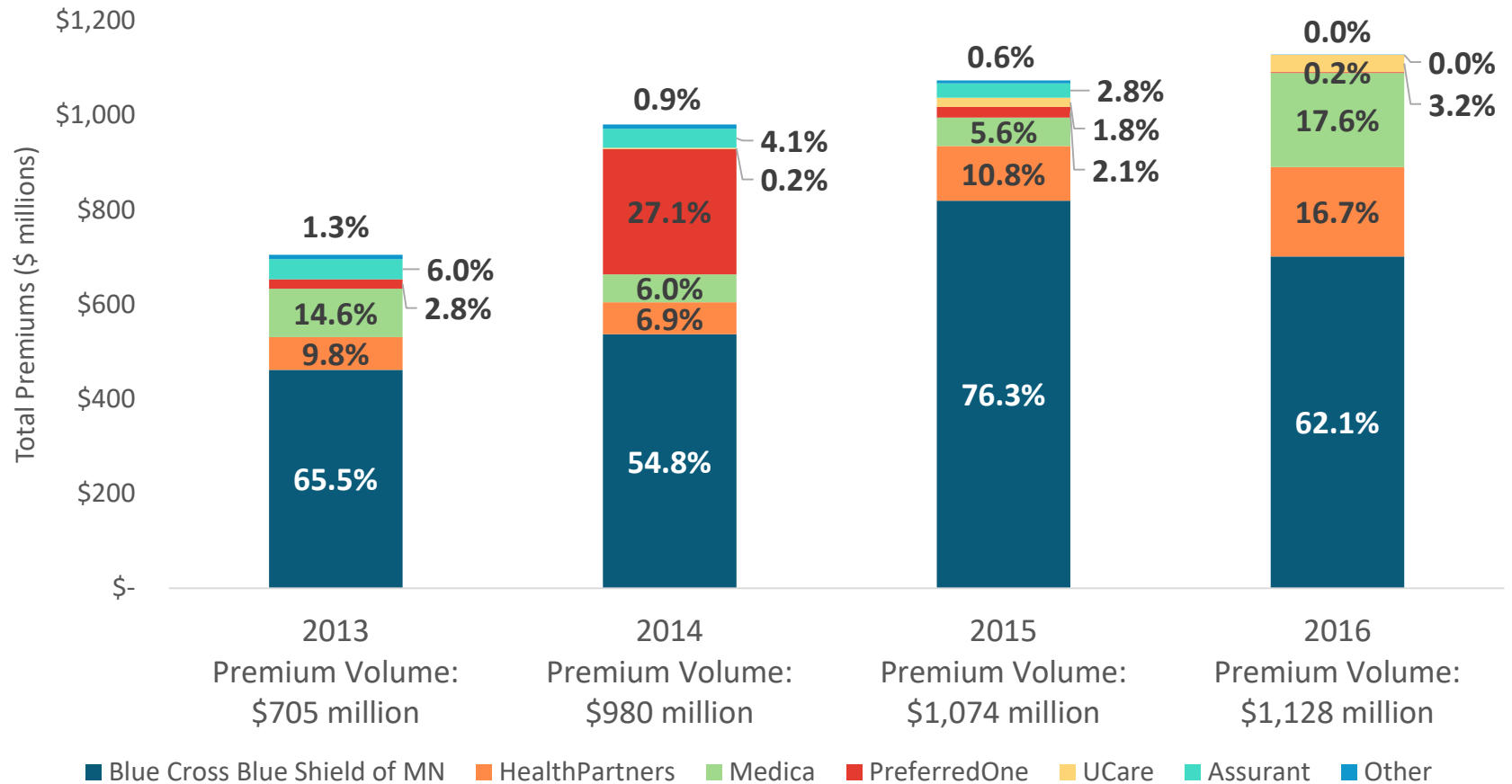


Premium Increases in Minnesota's Individual Market, 2002 to 2016



Source: MDH Health Economics Program; Health Plan Financial and Statistical Report and National Association for Insurance Commissioners (2016 only). Based on total per-member-per-month premiums collected.

Health Plan Market Shares: Individual Market, 2013 to 2016

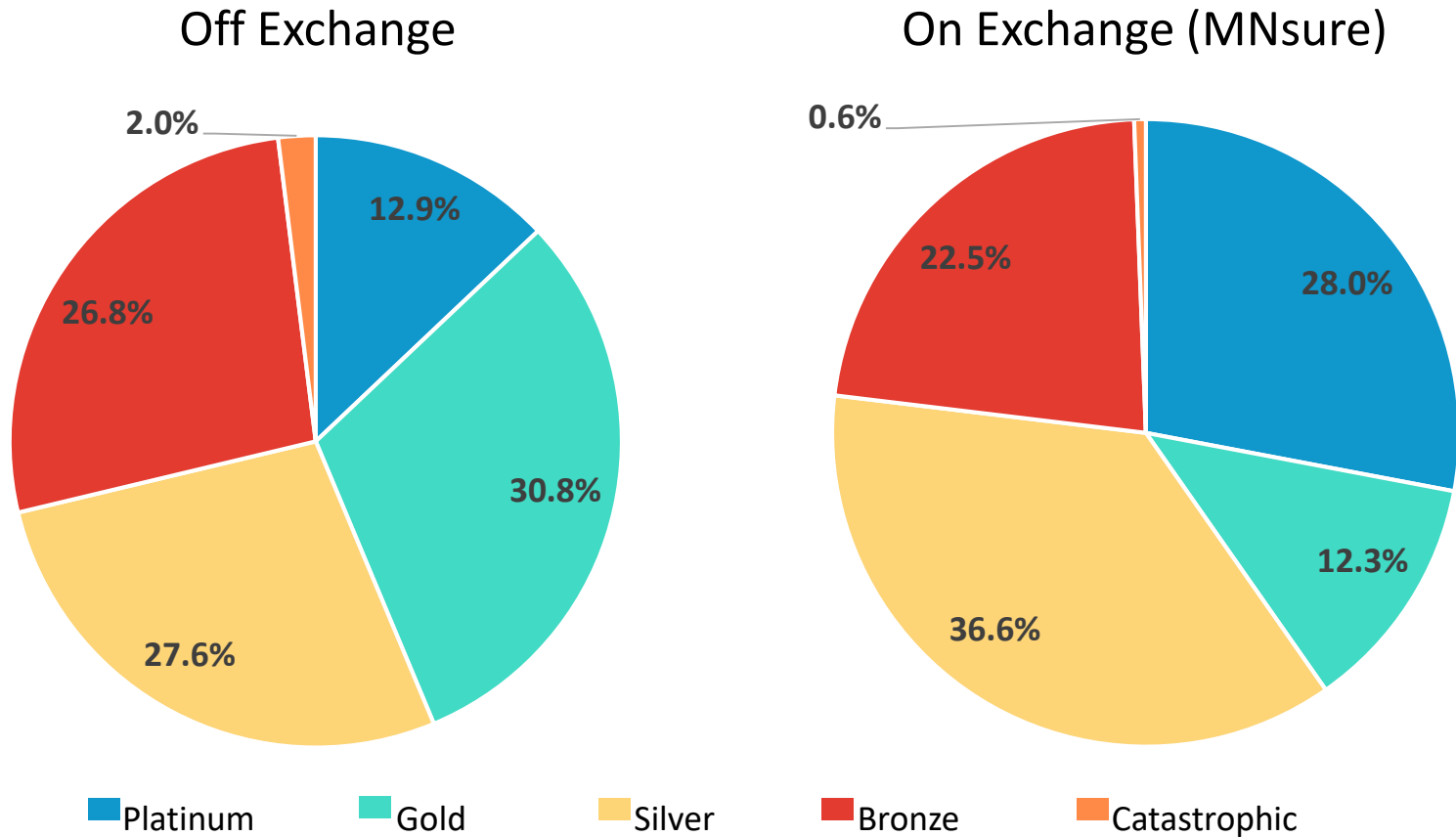


Note: Companies with common ownership have been combined for purposes of this analysis.

Source: MDH Health Economics Program; Health Plan Financial and Statistical Report and National Association of Insurance Commissioners (2016 only). Market share is based on percent of total premiums collected.

[Summary of Graph](#)

Individual Market Enrollment by Metal Level On and Off Exchange, 2014

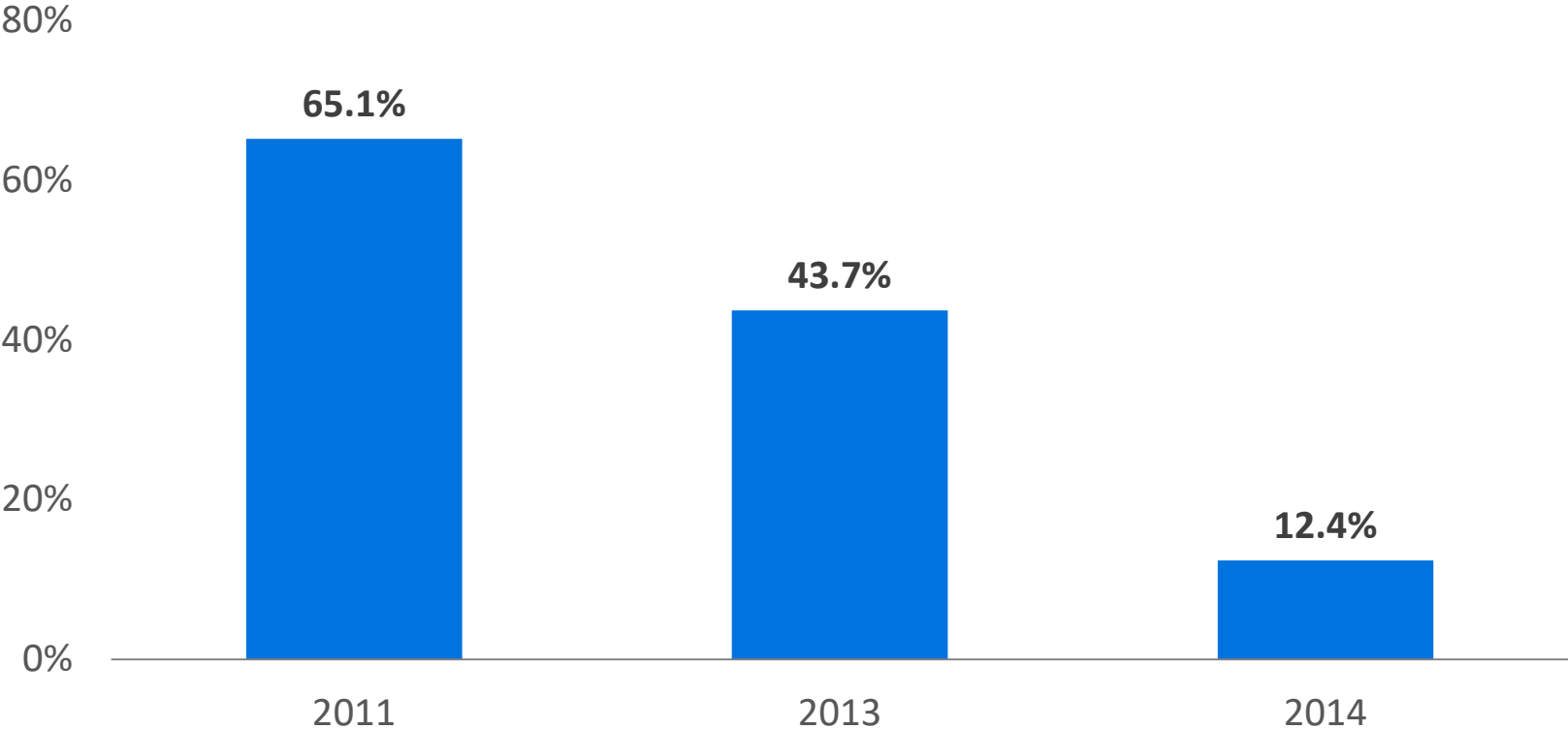


Note: All plans have an actuarial value (AV), which estimate the percent of health care costs the plan will coverage for an average consumer. As of 2014, metal levels were assigned based off the plan AV. Platinum represents an AV of 90%, Gold 80%, Silver 70%, Bronze 60%, and Catastrophic <60%. Enrollment by metal level excludes grandfathered plans. Plans could be purchased from the state’s health insurance exchange, MNsure, or directly from a health plan or broker (off-exchange).

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

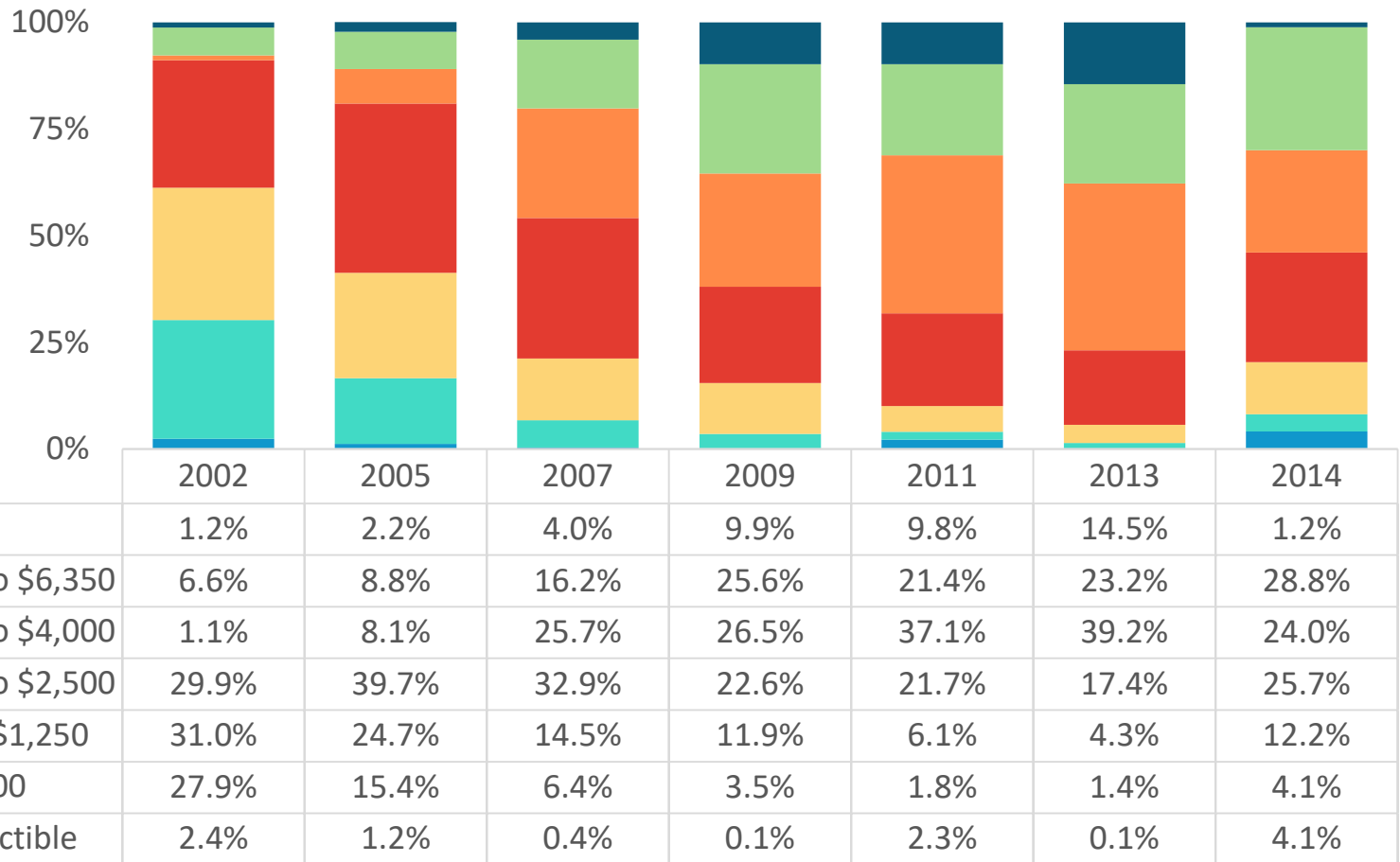
[Summary of Graph](#)

Grandfathered Status Product Enrollment in the Individual Market, 2011 to 2014 (by total share of enrollment)



Note: With the exception of slide 7, all slides contain grandfathered plans.
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.
[Summary of Graph](#)

Distribution of Per Person Annual Deductibles in the Individual Market, 2002 to 2014 (by share of total enrollment)

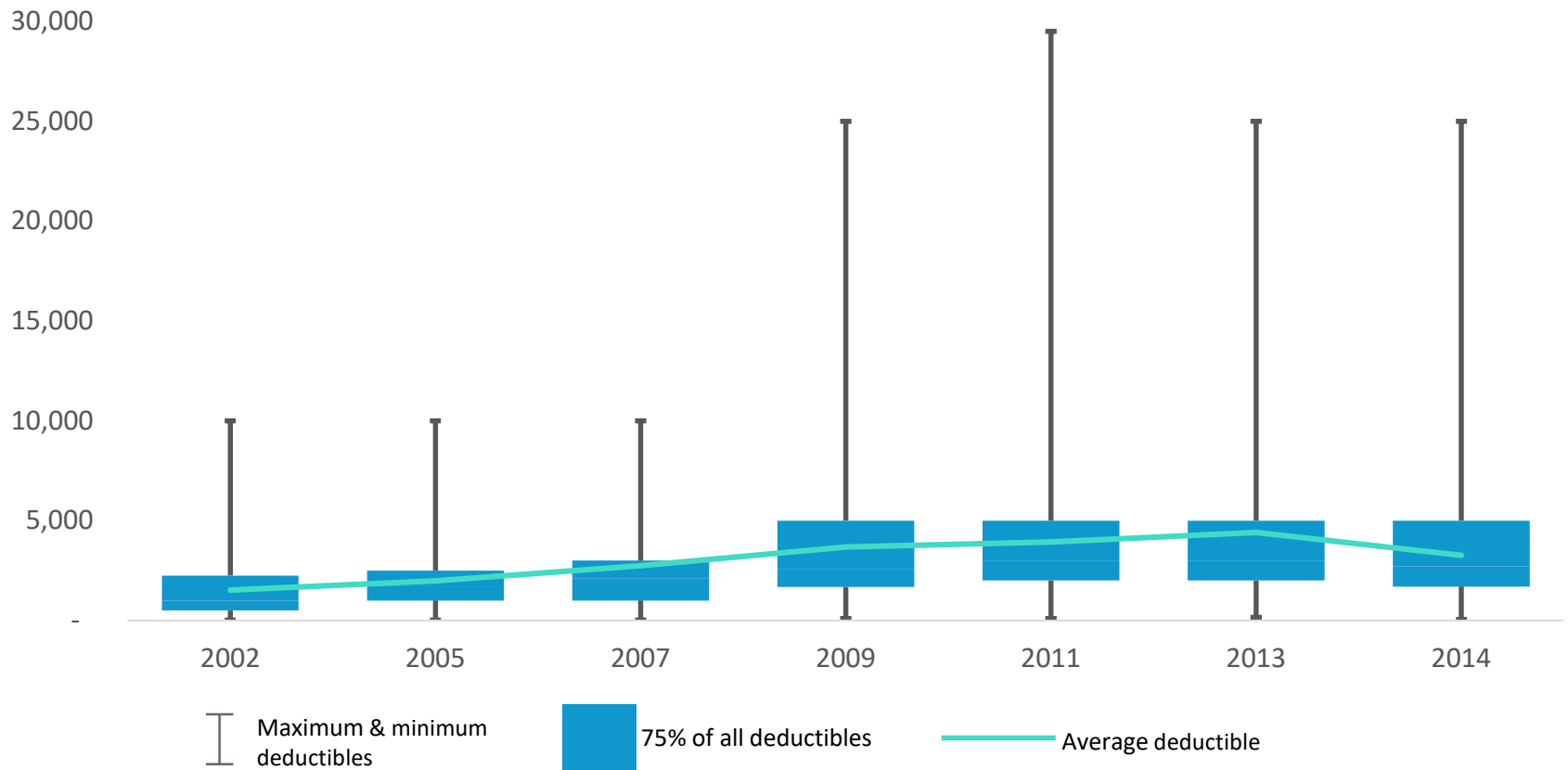


Note: Category distribution excludes those in plans that are only available as family-only coverage and those in plans with a “per sickness” deductible, as deductibles in these plans cover more than one person, or are not based on a calendar year.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Average and Range for Per Person Annual Deductibles in the Individual Market, 2002 to 2014 (by share of total enrollment)

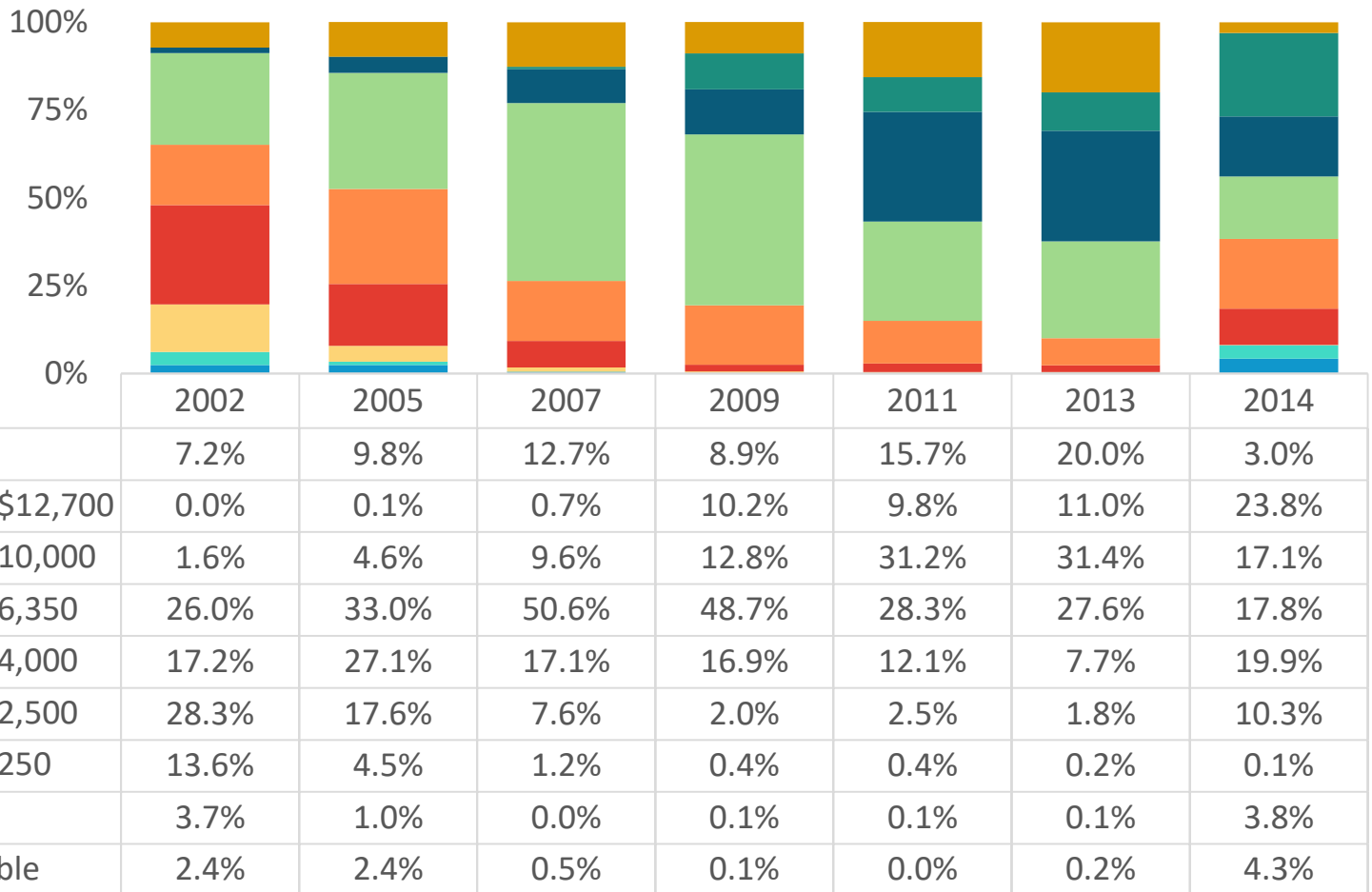


Note: Category distribution excludes those in plans that are only available as family-only coverage and those in plans with a “per sickness” deductible, as deductibles in these plans cover more than one person, or are not based on a calendar year.

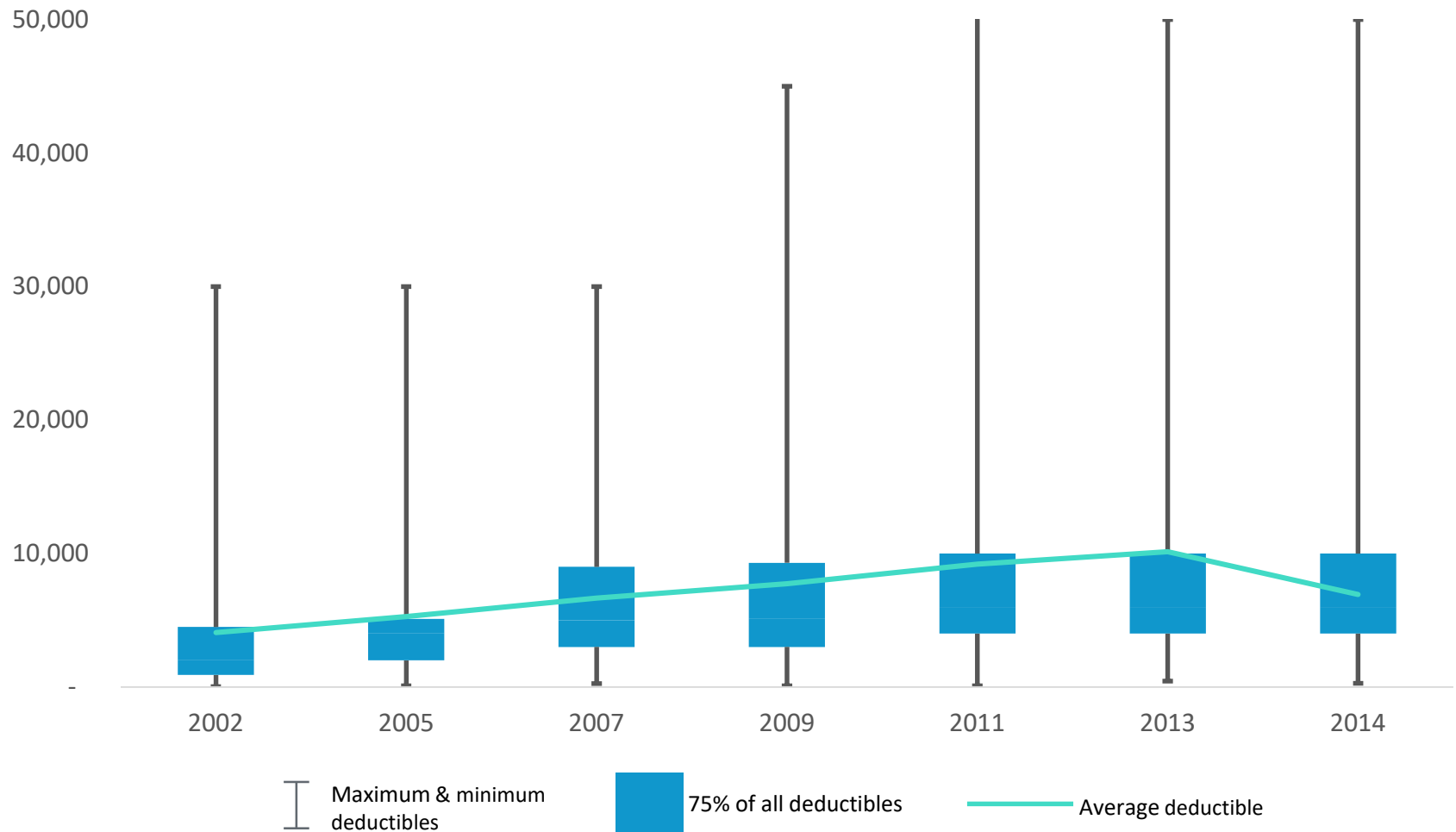
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Family Level Annual Deductibles in the Individual Market, 2002 to 2014



Distribution of Family Level Deductibles in the Individual Market, 2002 to 2014

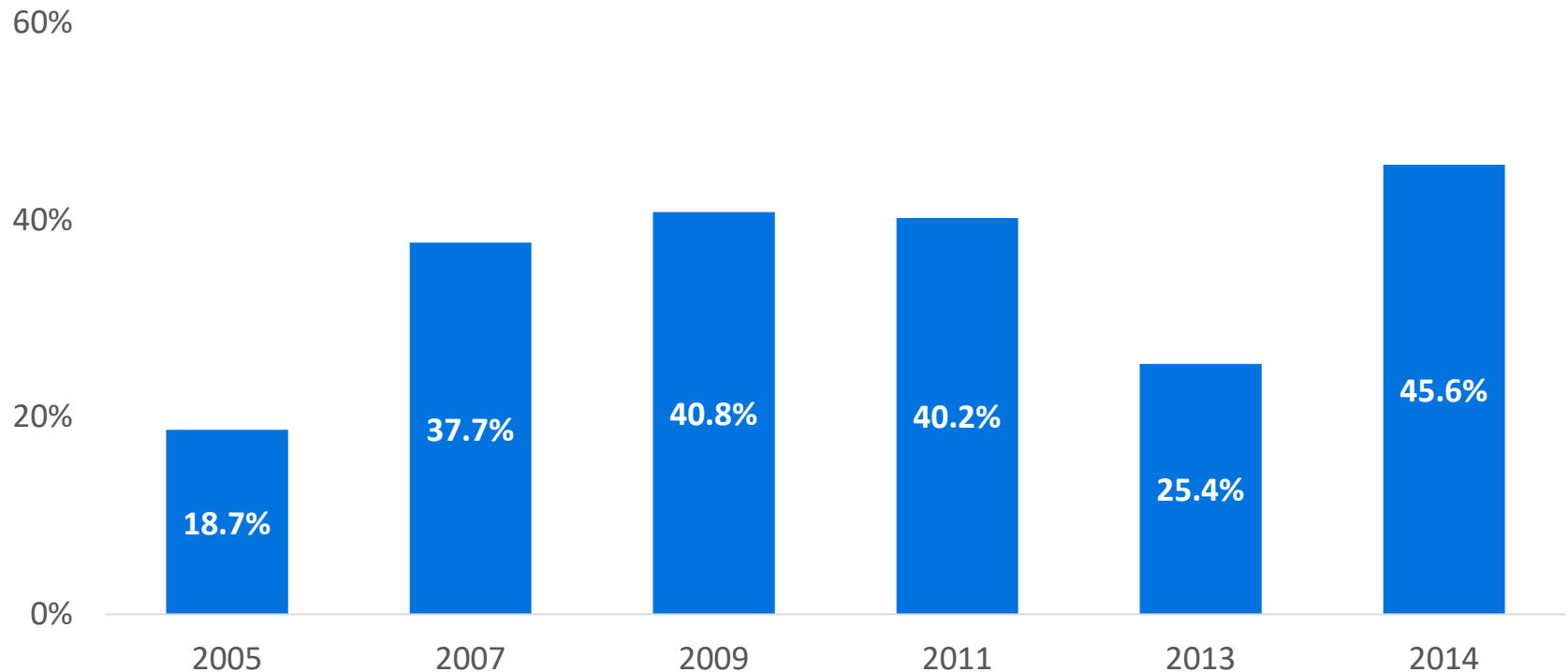


For 2011, the maximum family deductible was \$150,000.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Individual Market Enrollment in High Deductible Health Plans with Health Savings Account Eligibility, 2005 to 2014



Note: This is the percent of plans that are Qualified High Deductible Health Plans, as determined by the Internal Revenue Service (for 2014 the minimum deductible is \$1,250), and have the option to be paired with a Health Savings Account (HSA). The proportion of people with and HAS is unknown. In the 2009 survey firms did not reliably report on HSA pairing, therefore the portion of HDHP plans was determined using only the IRS minimum deductible guideline. In 2011, the plans identified whether it was a HDHP plan. This difference in reporting methodology may be reflected in the 2011 total.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Office Visit Cost-Sharing Requirements in the Individual Market, 2002 to 2014

(by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
No Cost Sharing	25.8%	36.4%	46.8%	60.1%	56.4%	50.0%	56.5%
Copayment	5.5%	0.9%	1.7%	0.0%	7.7%	11.0%	15.8%
Coinsurance	68.3%	62.7%	50.2%	39.8%	30.5%	21.7%	13.9%
Copayment & Coinsurance	0.5%	0.0%	1.3%	0.2%	5.5%	17.3%	13.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Plans with only a deductible and no copayment or coinsurance are included in No Cost Sharing.
 Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

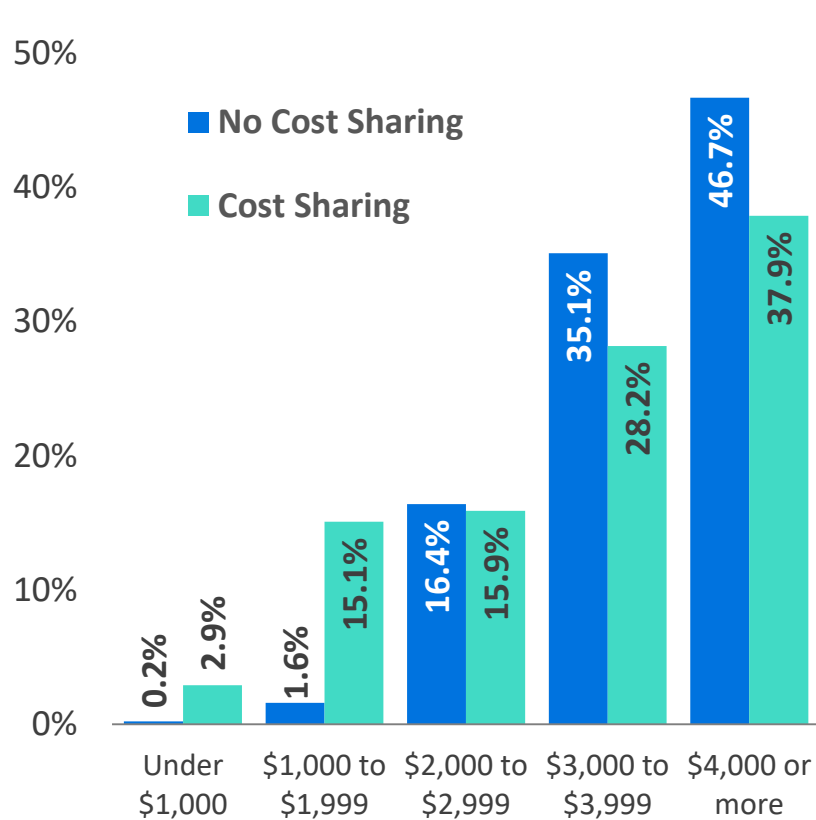
Cost-Sharing Requirements for Hospitalization in the Individual Market, 2002 to 2014 (by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
10% Coinsurance	33.0%	41.1%	48.9%	0.0%	0.4%	0.0%	0.9%
20% Coinsurance	64.6%	58.1%	45.7%	35.1%	31.4%	26.1%	14.6%
Greater than 20% Coinsurance	0.8%	0.8%	3.8%	3.2%	3.6%	12.5%	8.2%
Copayment	1.6%	0.0%	0.0%	4.0%	1.2%	0.0%	1.4%
Copayment & Coinsurance	0.0%	0.0%	0.3%	1.6%	0.6%	0.4%	4.0%
No Cost Sharing	0.0%	0.0%	1.3%	56.1%	62.9%	61.0%	71.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

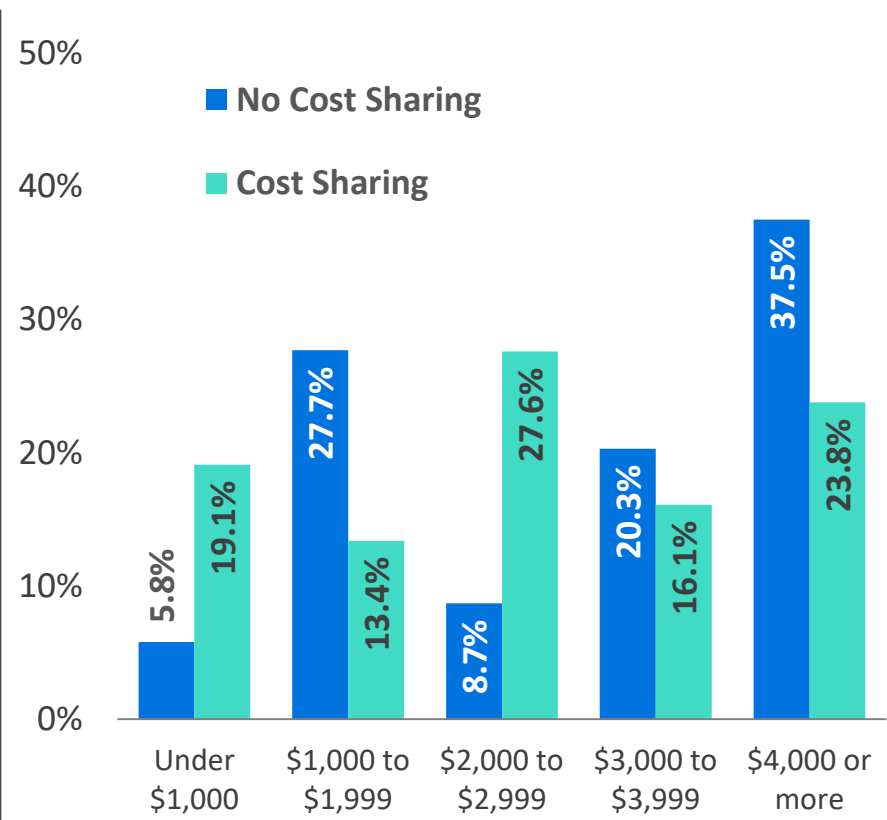
Note: Plans with only a deductible and no copayment or coinsurance are included in No Cost Sharing.
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

Deductible Levels and Cost-Sharing for Office Visits in the Individual Market

2013

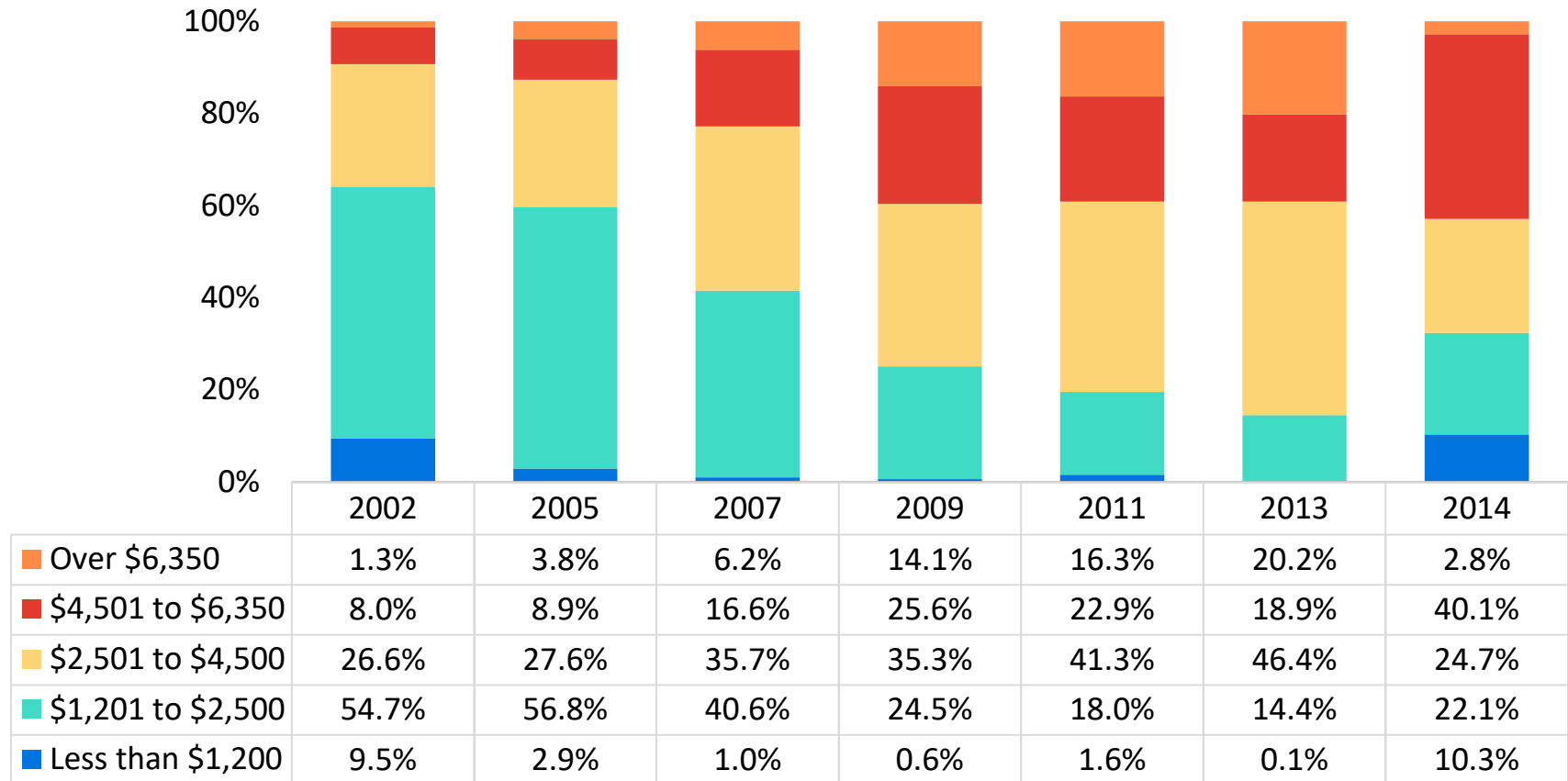


2014



Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.
[Summary of Graph](#)

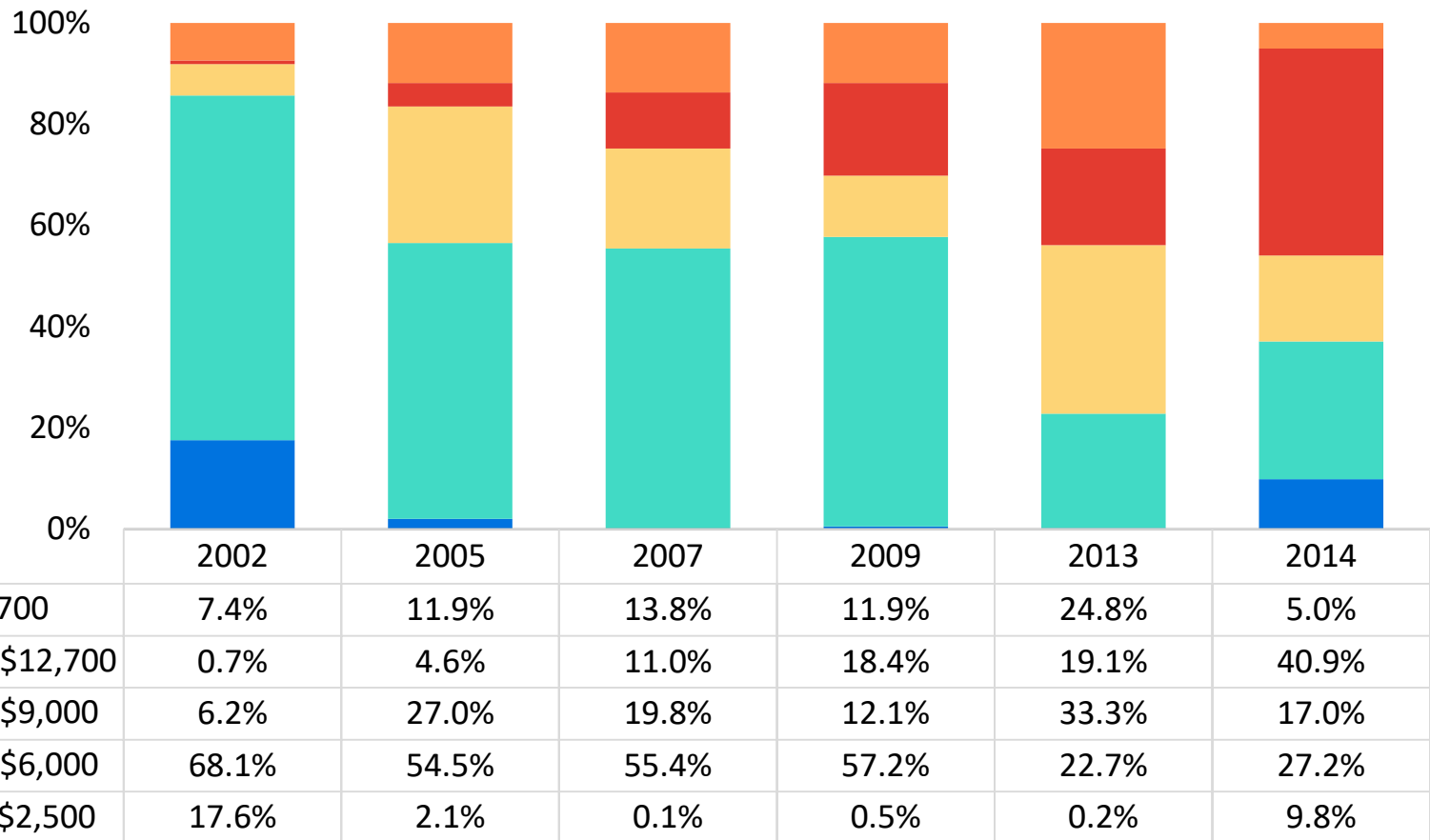
Per Person Out-of-Pocket Limits in the Individual Market, 2002 to 2014 (by share of total enrollment)



Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Family Level Out-of-Pocket Limits in the Individual Market, 2002 to 2014 (by share of total enrollment)

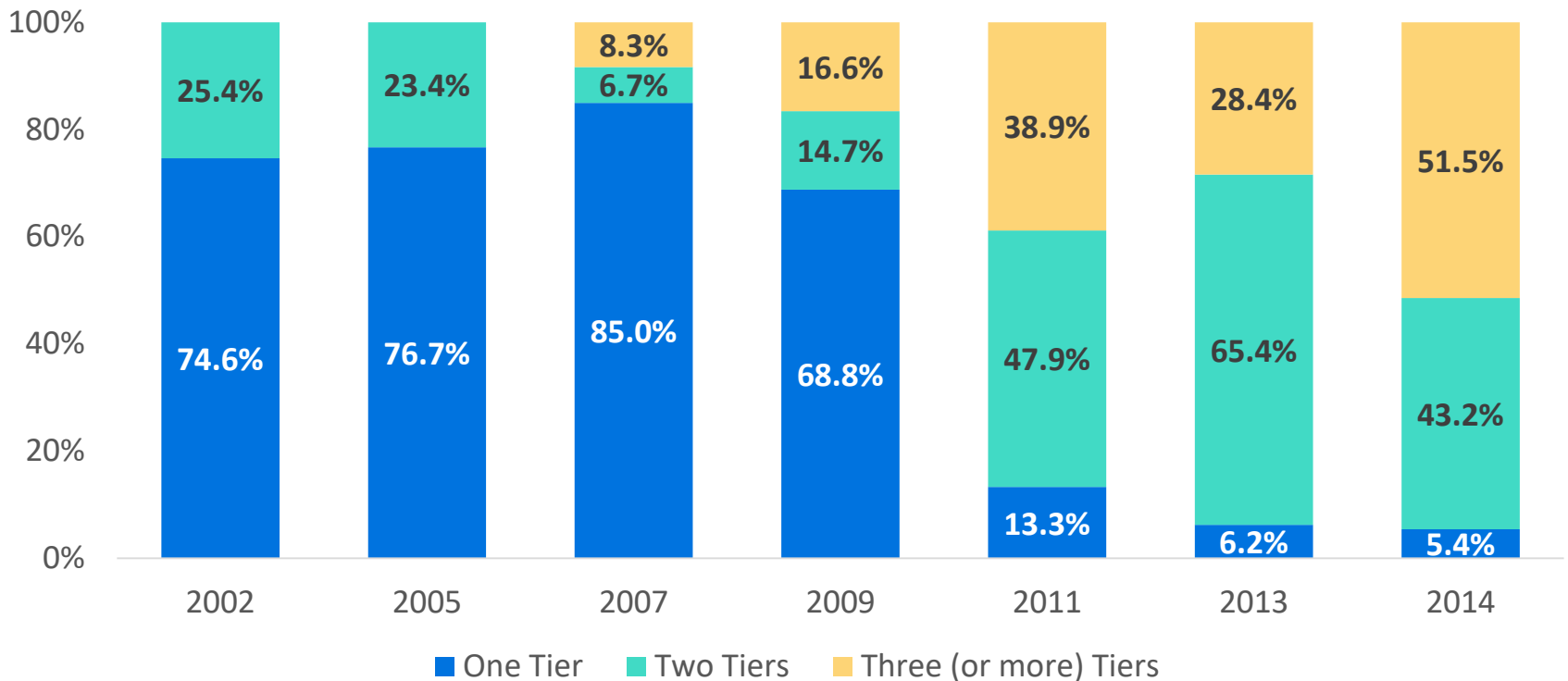


Note: Family out of pocket maximums were not gathered in the 2011 Small Group and Individual Market Survey. Includes Grandfathered plans.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Number of Tiers for Prescription Drug Benefits in the Individual Market, 2002 to 2014 (by share of total enrollment)

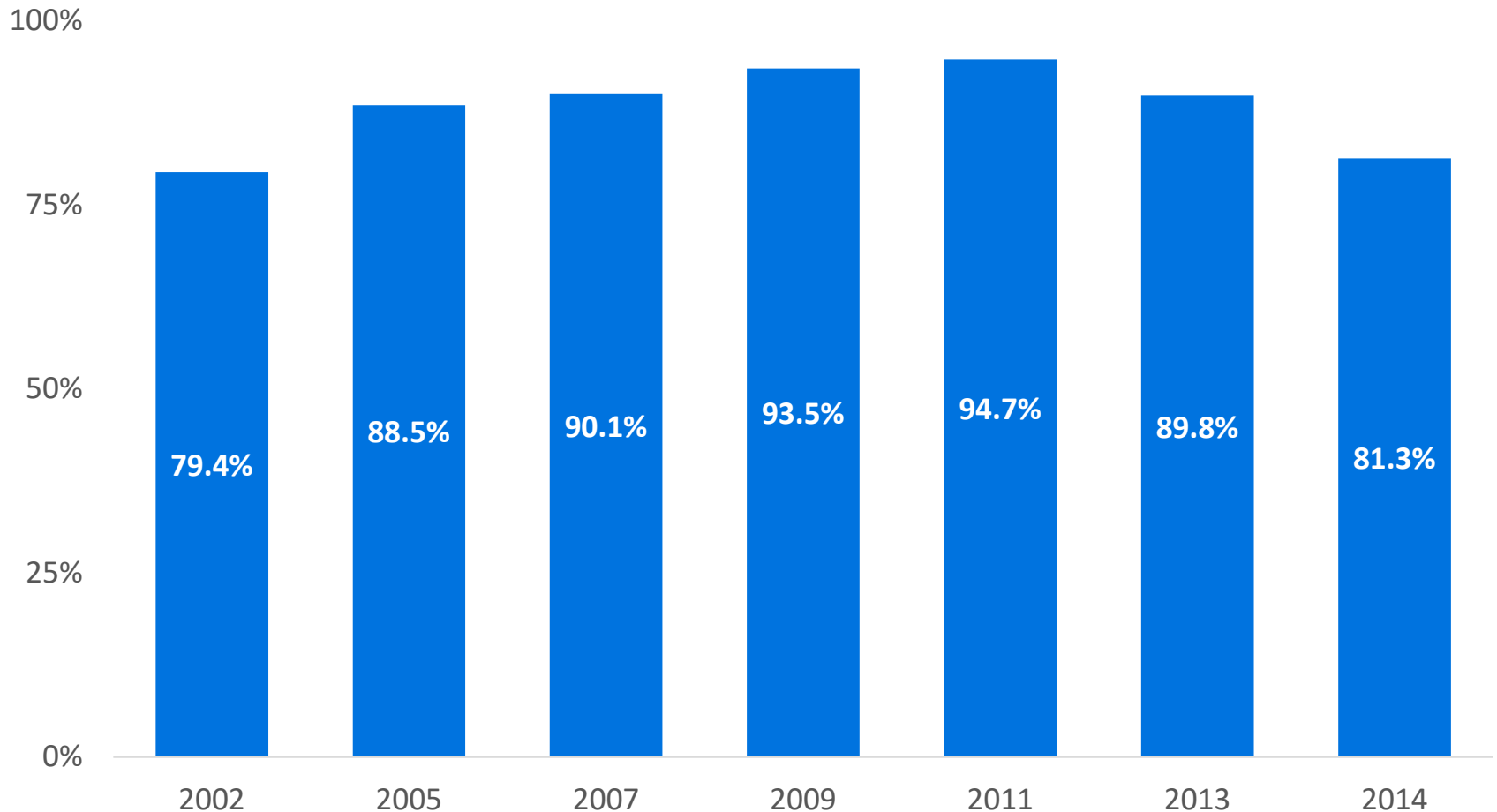


Note: Due to changes in regulations, all individual market plans offered prescription drug coverage as of 2013. Prior to 2013, over 95% of people were enrolled in plans with some prescription drug coverage.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Individual Market Enrollees with a Separate Prescription Drug Deductible, 2002 to 2014



Note: Separate Prescription Drug Deductible may be \$0.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Out-of-Pocket Limits for Prescription Drugs in the Individual Market, 2002 to 2014

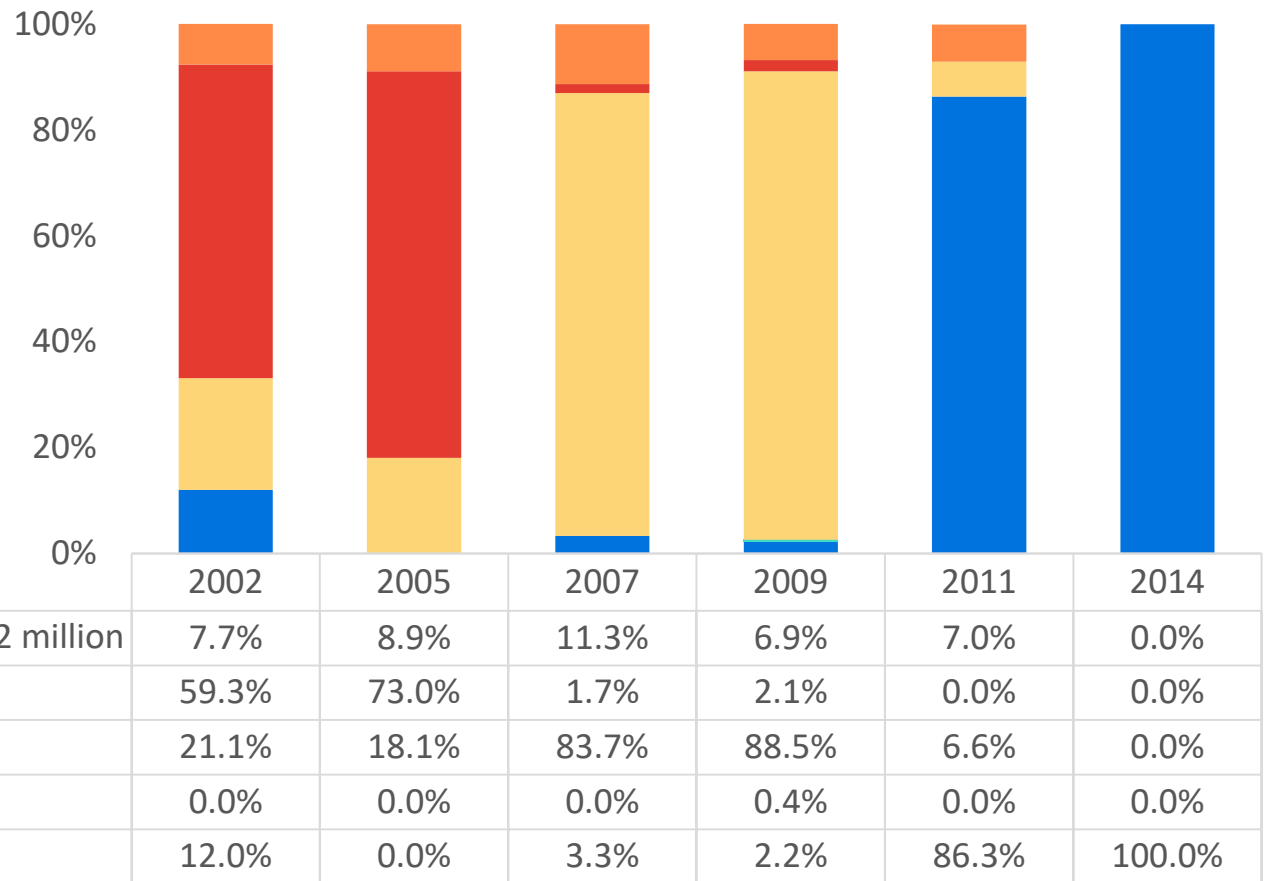
(by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
No Separate Prescription Drug Out-of-Pocket Limit	96.9%	100.0%	96.1%	96.0%	97.6%	98.5%	99.2%
Separate Prescription Drug Out-of-Pocket Limit ¹	3.1%	0.0%	3.9%	4.0%	2.4%	1.5%	0.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

¹ General health plan out-of-pocket limits apply.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

Lifetime Limit on Benefits in the Individual Market, 2002 to 2014 (by share of total enrollment)

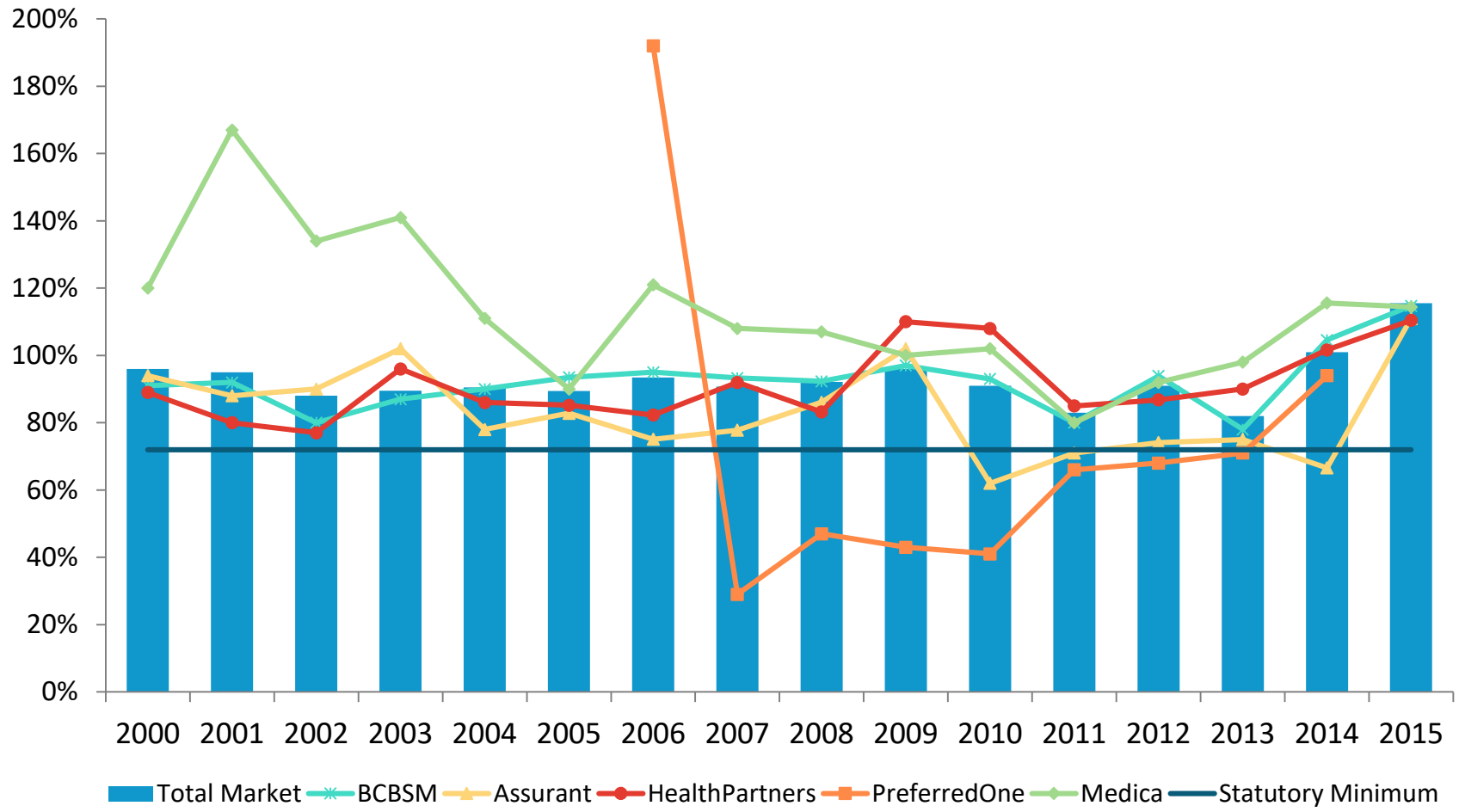


Note: This data was not collected with the most recent survey due to health reform's removal of lifetime and annual benefit limits.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Loss Ratio Experience in the Individual Market, 2000 to 2015



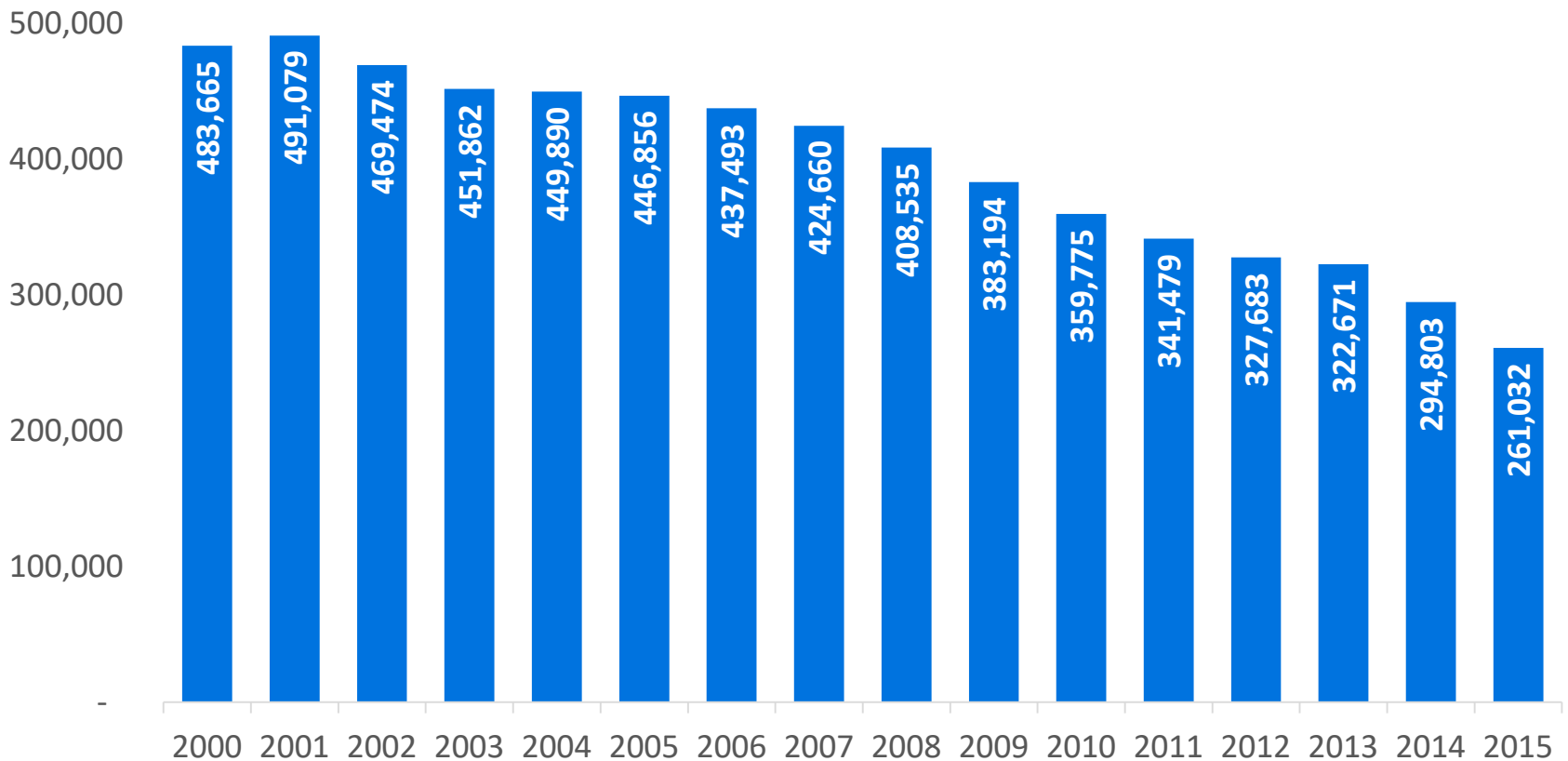
Note: Companies with common ownership have been combined for purposes of this analysis. Data was not available in 2015 for PreferredOne.
 Source: Minnesota Department of Commerce, "Report of 2015 Loss Ratio Experience for Health Plan Companies" October, 2016. Loss Ratios and statutory minimums presented are State Loss Ratios.

[Summary of Graph](#)

SMALL GROUP MARKET

Health insurance coverage purchased for employees by employers with 2 to 50 employees.

Enrollment Trends in Minnesota's Small Group Health Insurance, 2000 to 2015

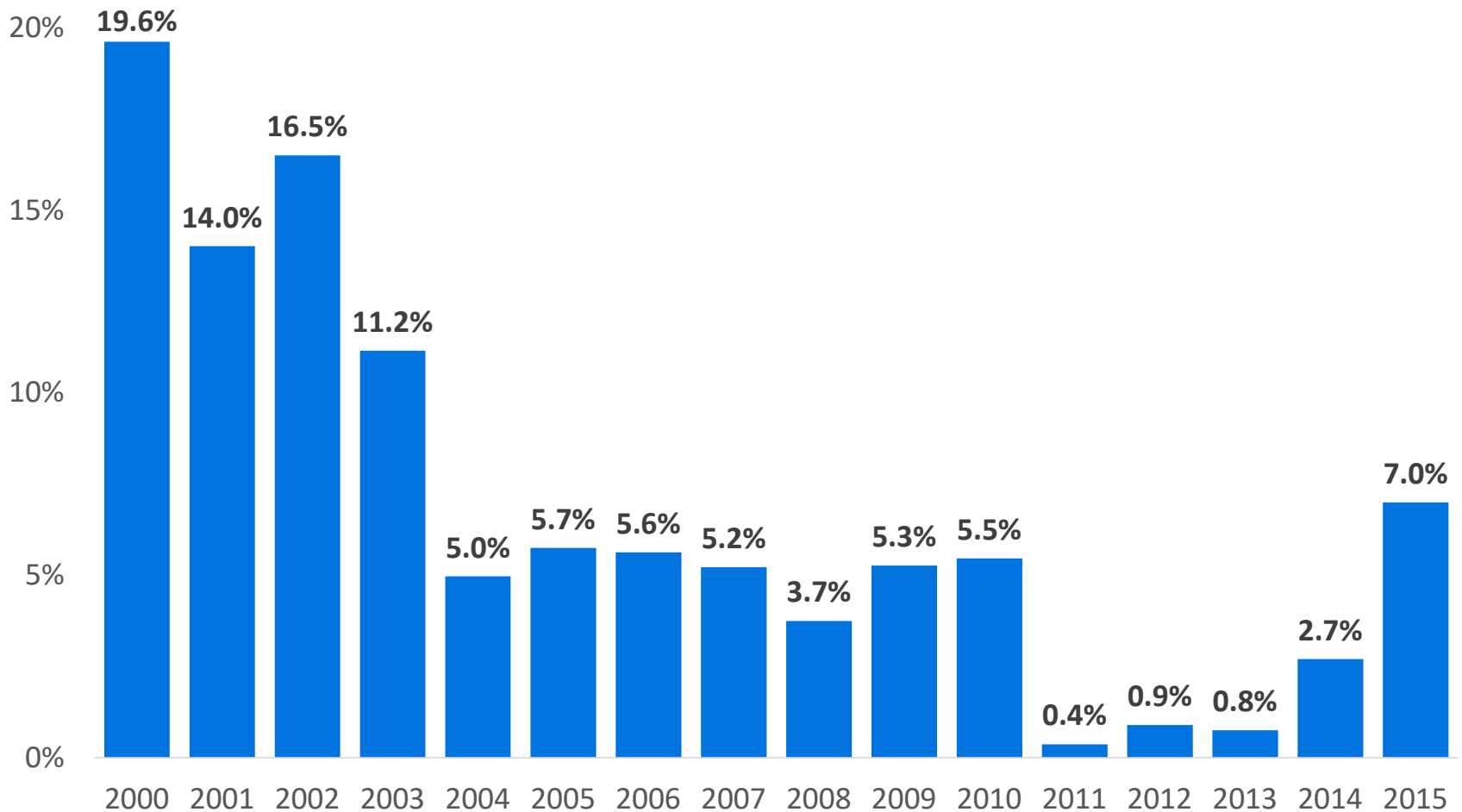


Fully Insured market only.

Source: MDH Health Economics Program; Health Plan Financial and Statistical Report.

[Summary of Graph](#)

Percent Change in Premiums Per Member in Minnesota's Small Group Market, 2000 to 2015

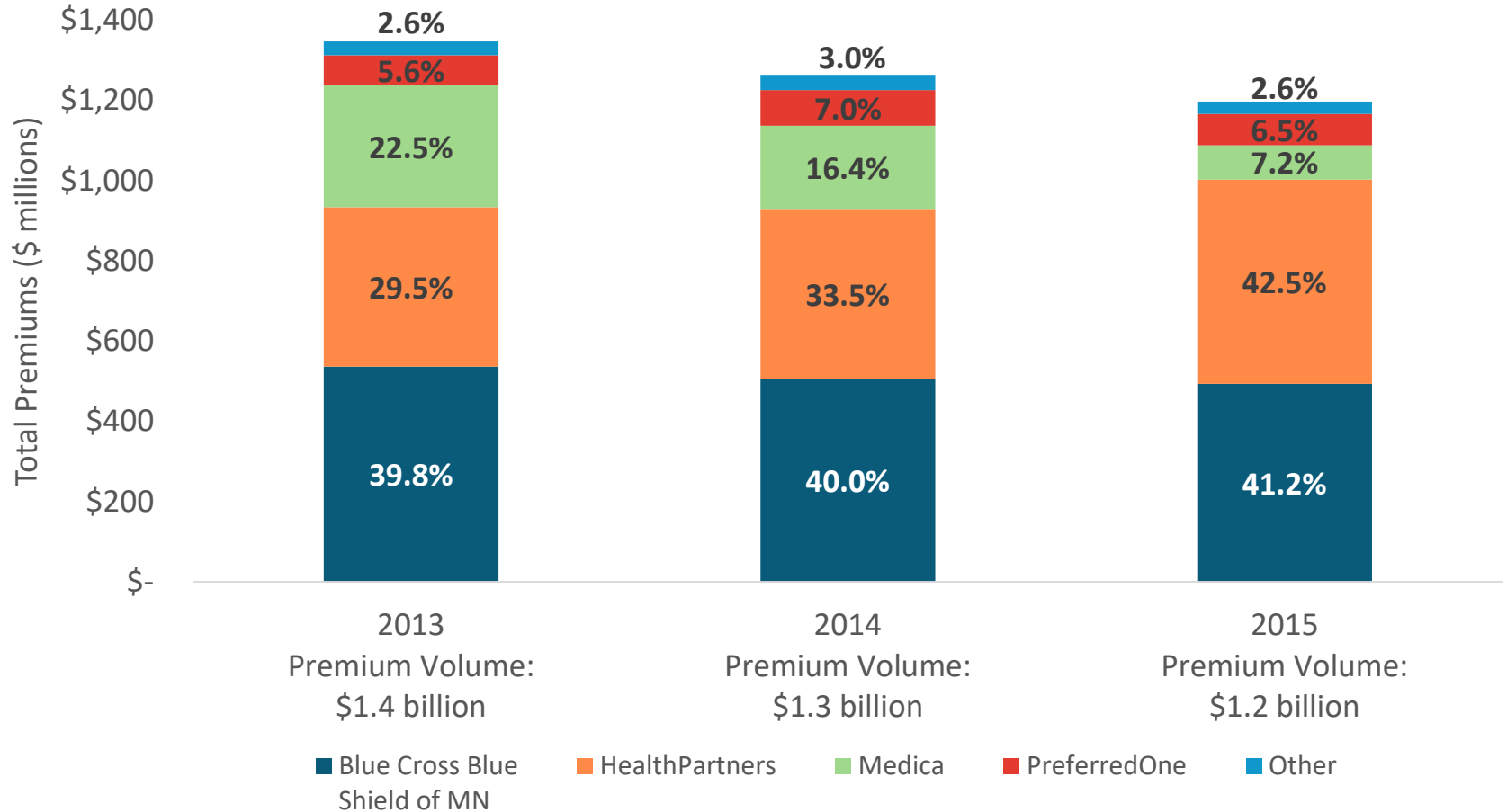


Fully Insured market only.

Source: MDH Health Economics Program; Health Plan Financial and Statistical Report. Based on total per-member-per-month premiums collected.

[Summary of Graph](#)

Health Plan Market Shares: Small Group Market, 2013 to 2015

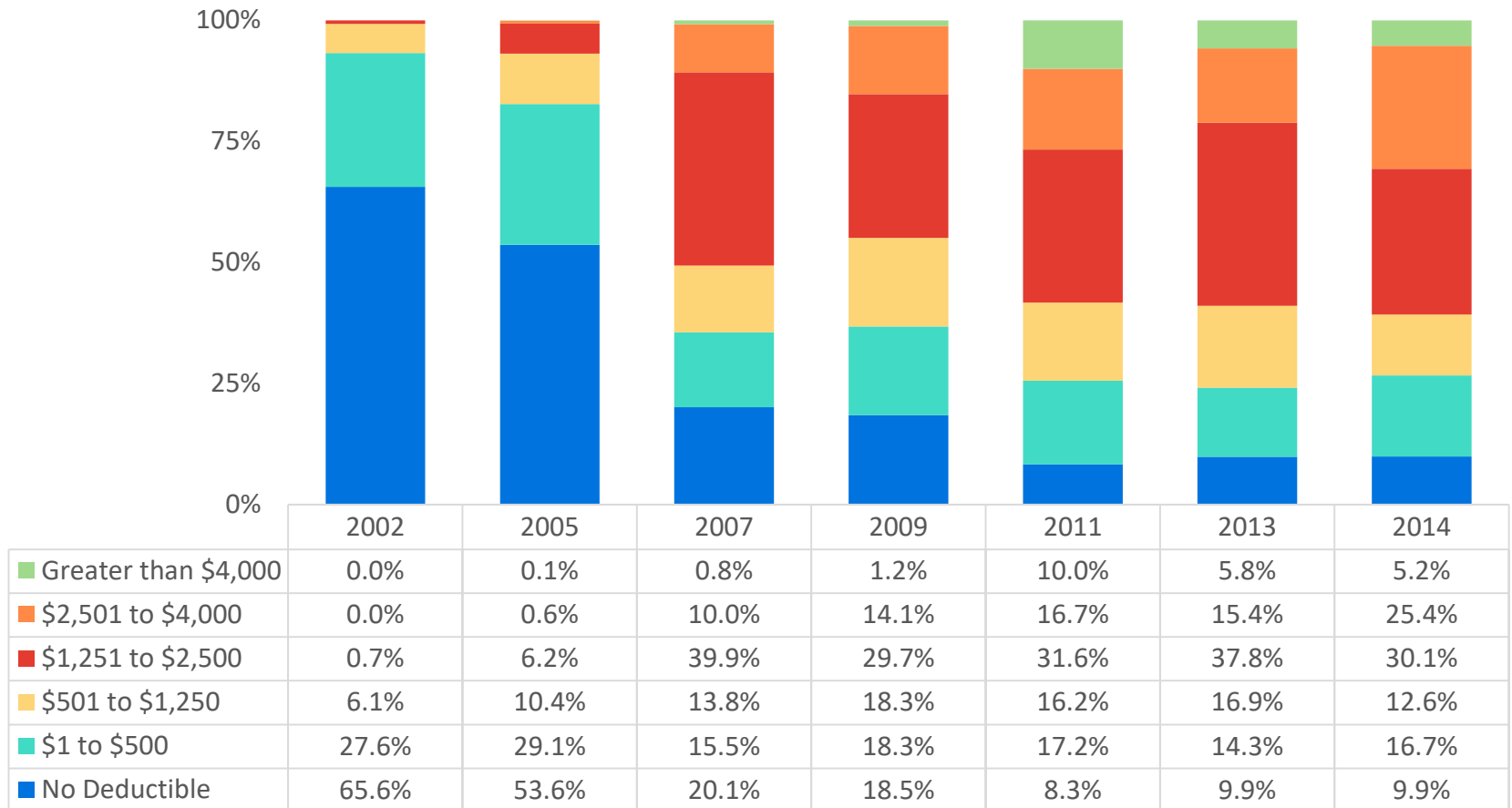


Note: Companies with common ownership have been combined for purposes of this analysis.

Source: MDH Health Economics Program; Health Plan Financial and Statistical Report. Market share is based on percent of total premiums collected.

[Summary of Graph](#)

Distribution of Per Person Deductibles in the Small Group Market, 2002 to 2014

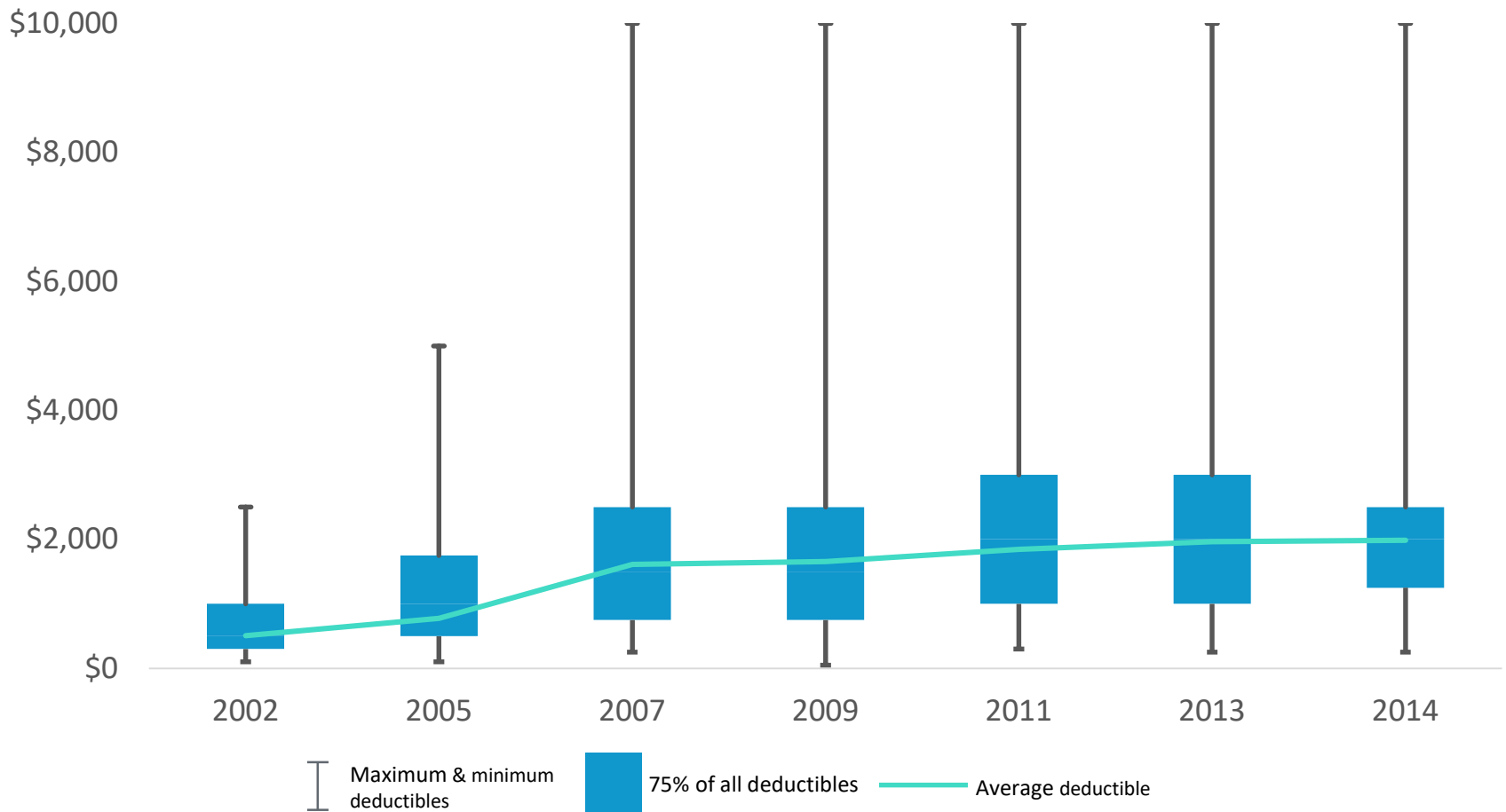


Note: In 2013 and 2014, less than 1% of enrollees had deductibles above \$6,350, the maximum out of pocket under the Affordable Care Act (ACA) compliant plans. Deductible levels are per person.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Average and Range for Per Person Annual Deductibles in the Small Group Market, 2002 to 2014 (by share of total enrollment)

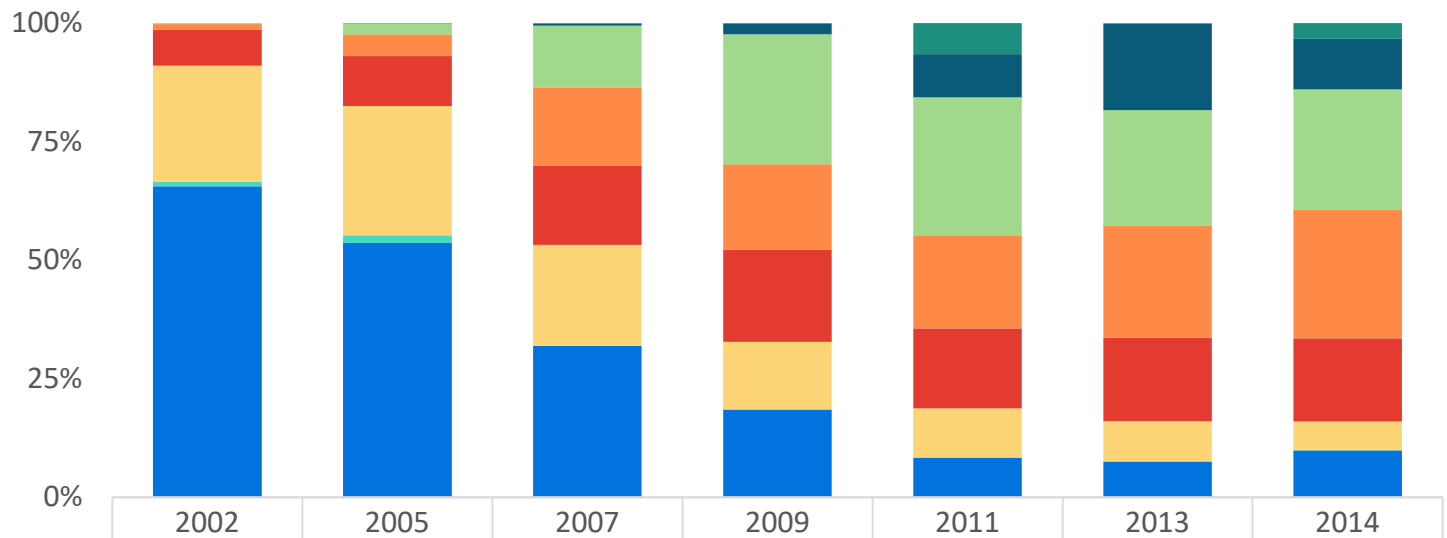


Note: Results exclude plans with a \$0 deductible.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Distribution of Family Level Deductibles in the Small Group Market, 2002 to 2014 (by share of total enrollment)

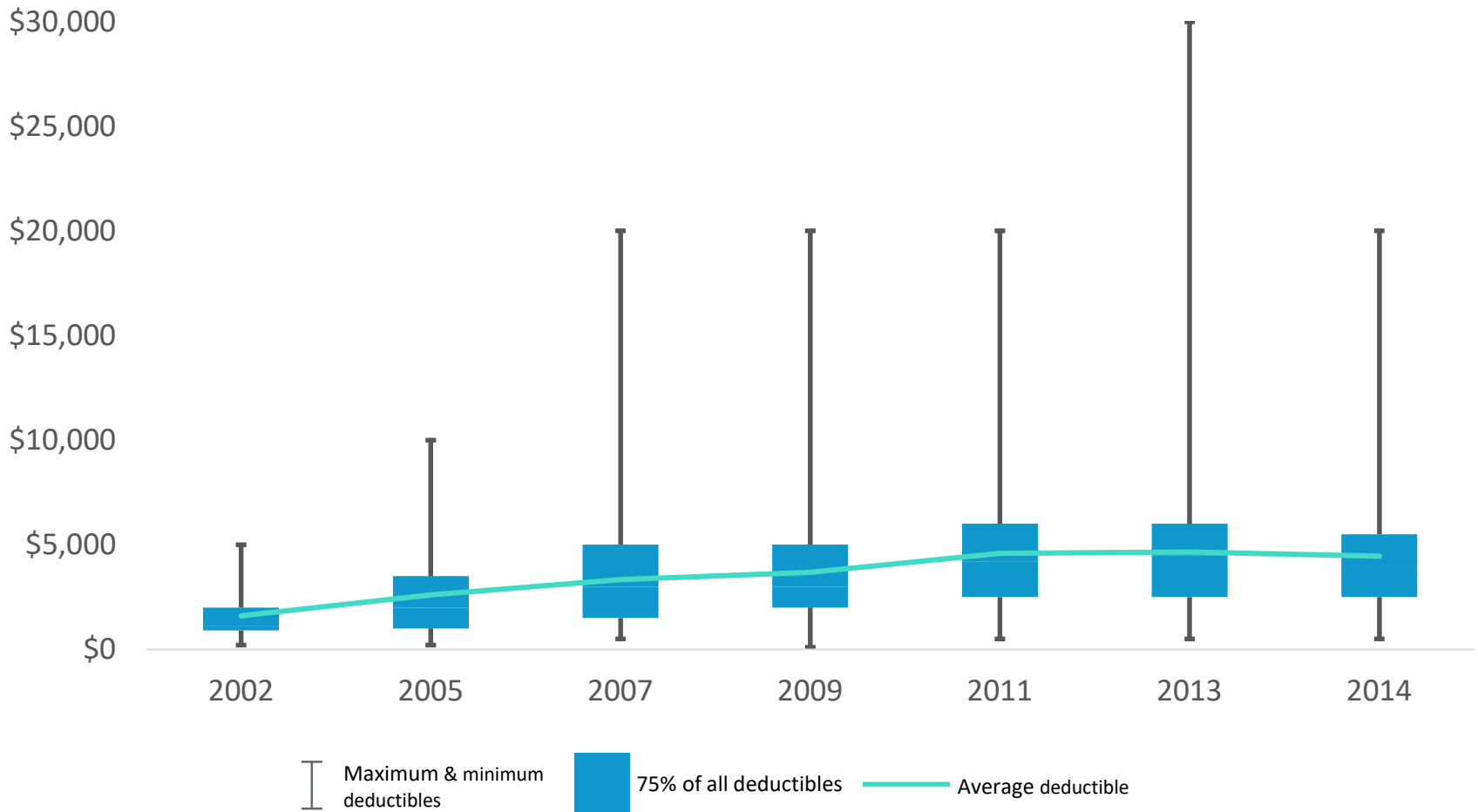


	2002	2005	2007	2009	2011	2013	2014
■ Greater than \$12,700	0.0%	0.0%	0.0%	0.0%	6.5%	0.2%	3.3%
■ \$6,351 to \$12,700	0.0%	0.1%	0.5%	2.3%	9.1%	18.2%	10.7%
■ \$4,001 to \$6,350	0.2%	2.3%	13.0%	27.4%	29.1%	24.3%	25.4%
■ \$2,501 to \$4,000	1.2%	4.6%	16.5%	18.1%	19.6%	23.7%	27.2%
■ \$1,251 to \$2,500	7.6%	10.5%	16.8%	19.4%	16.9%	17.6%	17.5%
■ \$501 to \$1,250	24.5%	27.3%	21.3%	14.3%	10.4%	8.5%	6.1%
■ \$1 to \$500	0.9%	1.7%	0.1%	0.1%	0.0%	0.0%	0.0%
■ No Deductible	65.6%	53.6%	31.9%	18.5%	8.3%	7.6%	9.9%

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Distribution of Family Level Annual Deductibles in the Small Group Market, 2002 to 2014 (by share of total enrollment)

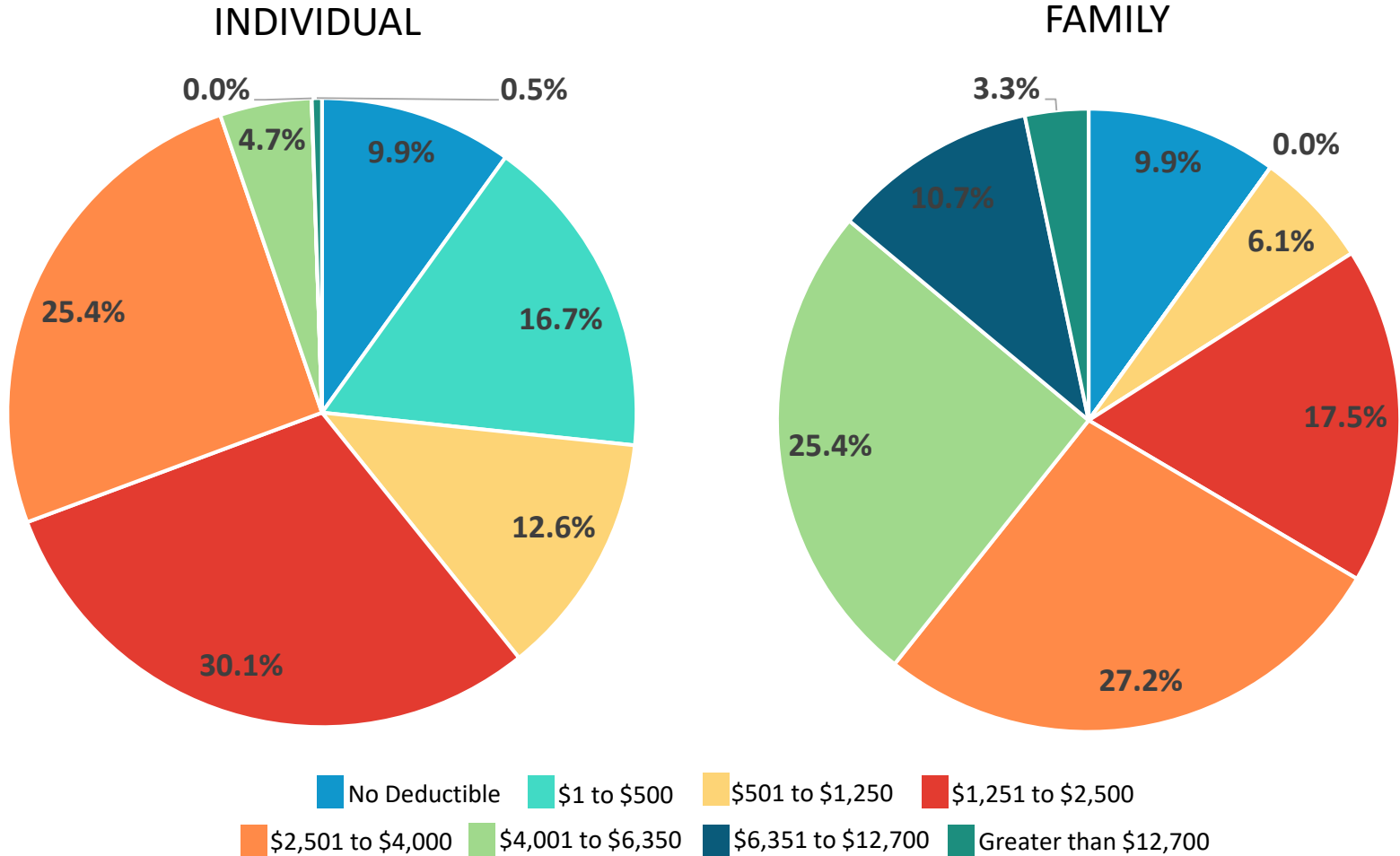


Note: Results exclude plans with a \$0 deductible.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

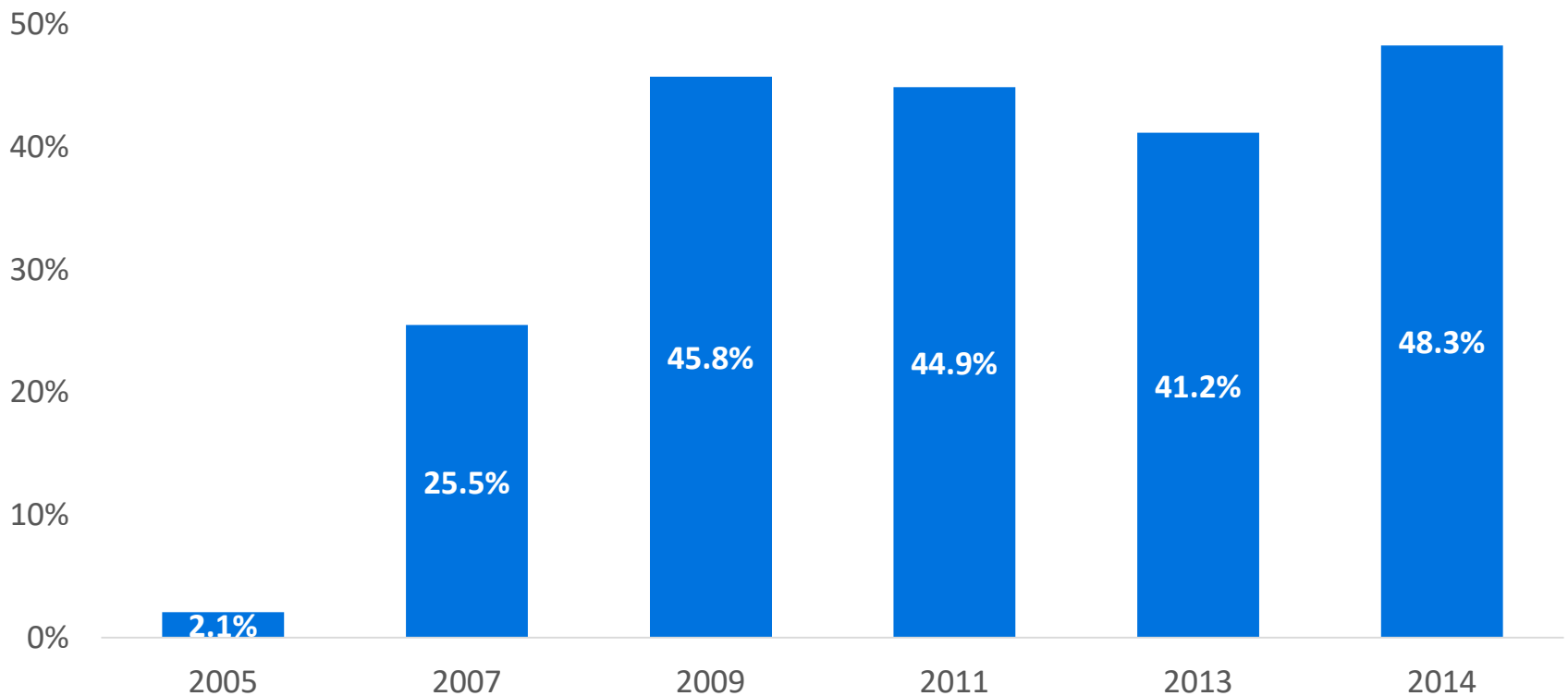
Distribution of Deductibles in the Small Group Market, 2014 by share of total enrollment



Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.
[Summary of Graph](#)

Small Group Market Enrollment in High Deductible Health Plans with Health Savings Account (HSA) Eligibility, 2005 to 2014

(by share of total enrollment)

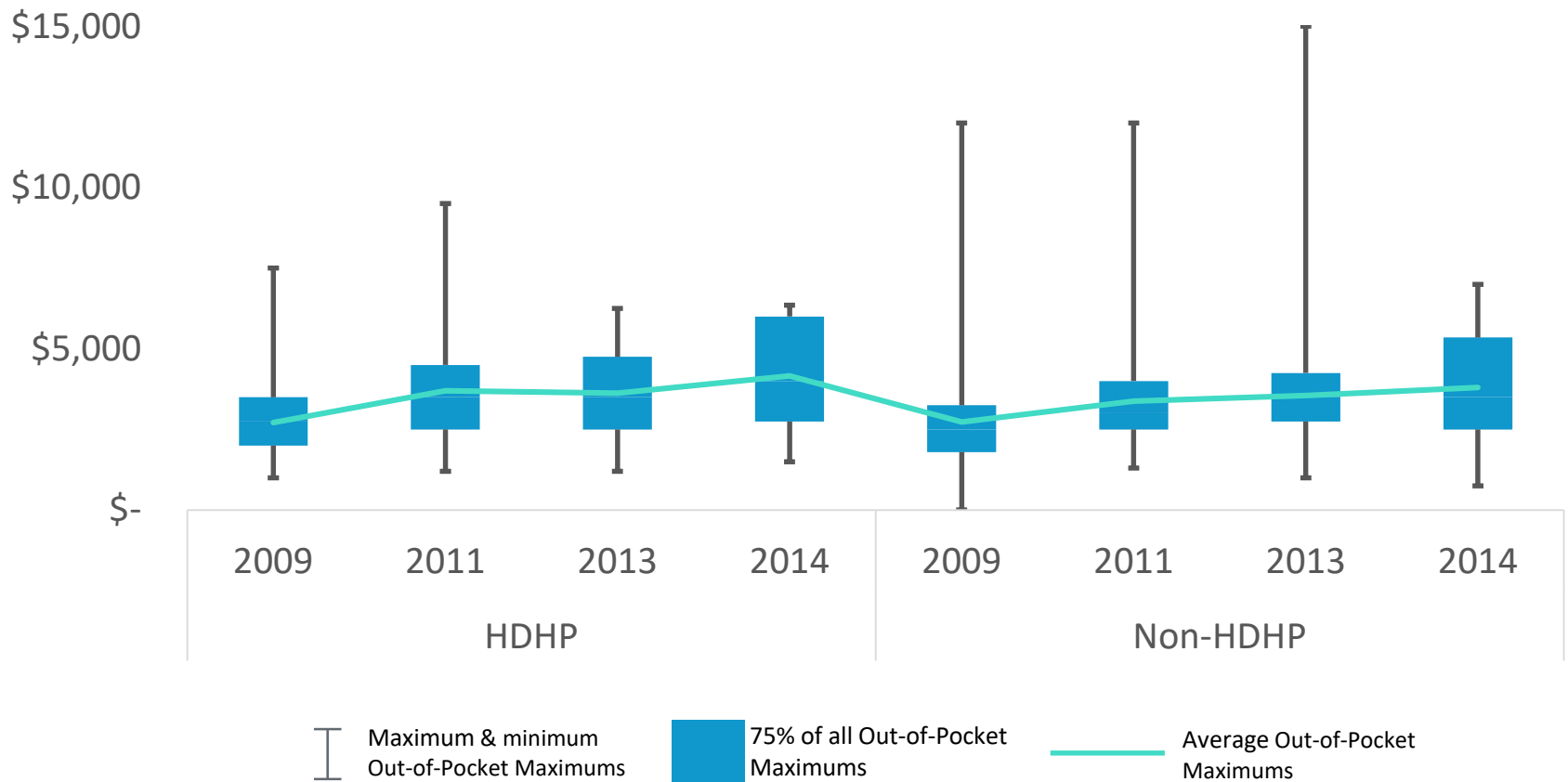


Note: This is the percent of plans that are Qualified High Deductible Health Plans, as determined by the Internal Revenue Service (for 2014 the minimum deductible is \$1,250), and have the option to be paired with a Health Savings Account (HSA). The proportion of people with and HAS is unknown. Prior to 2006, HSAs and similar options were rare.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Comparison of Individual Out-of-Pocket Maximums between Those in High Deductible Health Plans (HDHP) & Those in Non-HDHP in the Small Group Market, 2009-2014



HDHPs include plans with individual deductibles over \$1,250, but they do not necessarily have a Health Savings Account (HSA) option.

Cost Sharing data as displayed in the 2009 Chartbook was not collected in 2011.

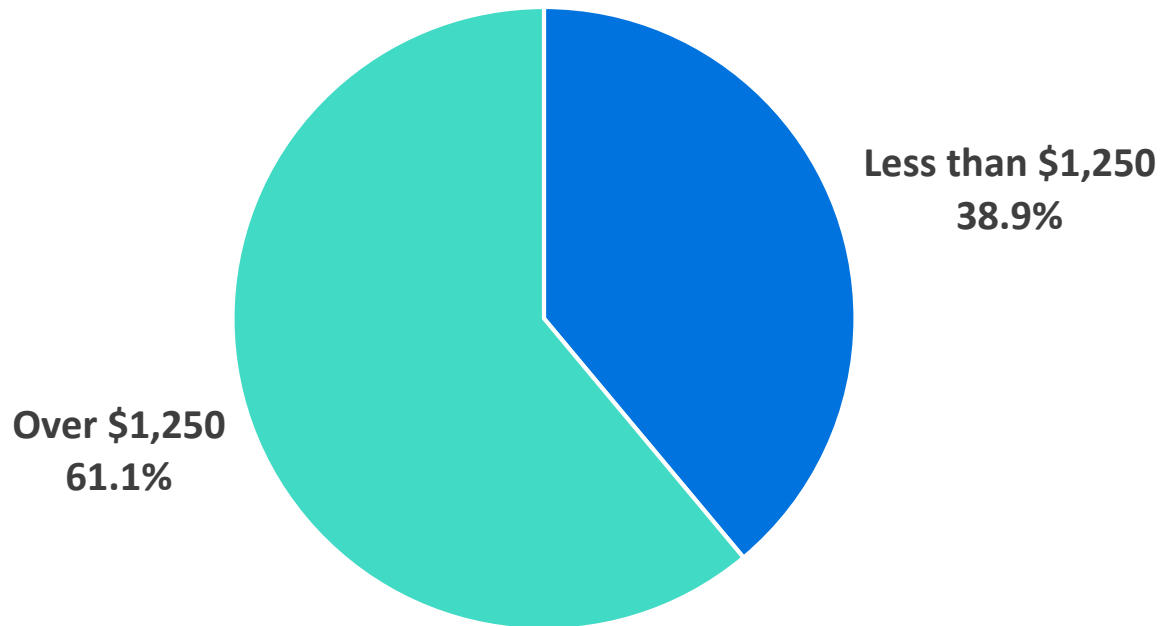
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Distribution of Individual Out-of-Pocket Maximums between Those in High Deductible Health Plans (HDHP) & Those in Non-HDHP in the Small Group Market

	2011		2013		2014	
	Non-HDHP	HDHP	Non-HDHP	HDHP	Non-HDHP	HDHP
Less than \$2,000	24.9%	16.2%	6.2%	20.3%	1.3%	14.7%
\$2,000 to \$2,999	34.4%	32.1%	29.7%	26.1%	13.7%	27.8%
\$3,000 to \$3,999	30.2%	32.1%	26.8%	24.9%	35.5%	34.3%
Over \$4,000	10.5%	19.6%	37.3%	28.8%	49.6%	23.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Portion of Small Group Enrollees with Deductibles over \$1,250 in 2014



Note: The minimum deductible in the IRS definition of High Deductible Health Plan (HDHP) was \$1,250 in 2014 for an individual plan. Not all plans with deductibles over this amount are classified HDHP by the IRS because they do not meet other requirements for the HDHP designation. This slide shows all enrollees with a deductible burden that meets the IRS minimum requirement regardless of whether or not they meet other HDHP criteria.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

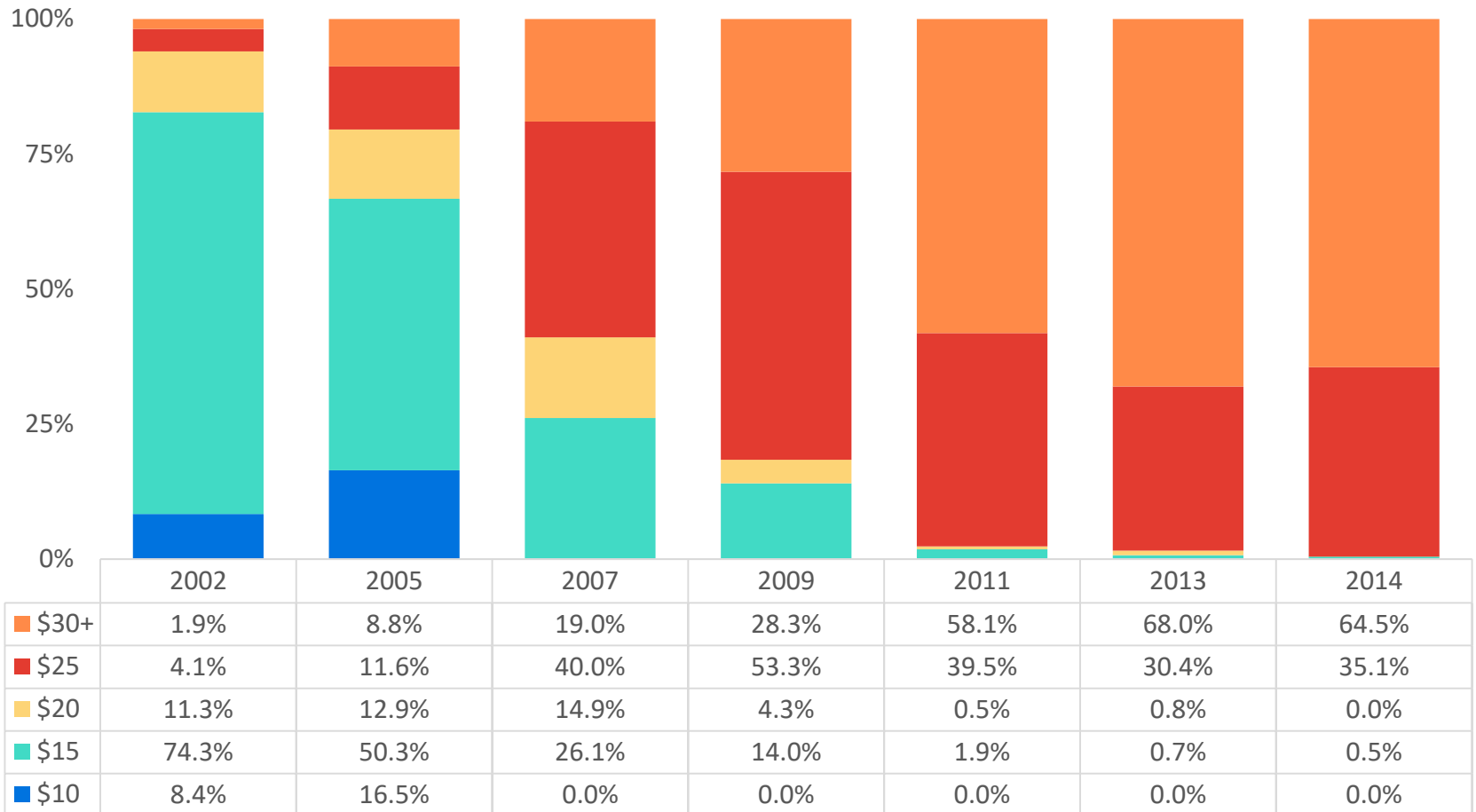
[Summary of Graph](#)

Office Visit Cost Sharing Requirements in the Small Group Market, 2002 to 2014 (by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
No Cost Sharing	0.0%	0.0%	20.8%	36.8%	35.9%	33.4%	36.0%
Copayment	70.3%	86.9%	66.2%	36.3%	8.4%	6.8%	0.3%
Coinsurance	27.9%	10.8%	8.9%	12.7%	13.2%	18.9%	20.9%
Copayment & Coinsurance	1.8%	2.4%	4.2%	14.2%	42.5%	40.9%	42.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: If plan had tiered cost sharing, the lowest cost sharing was used in this analysis.
Plans with only a deductible and no copayment or coinsurance are included in No Cost Sharing.
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

Distribution of Office Visit Copayments in the Small Group Market, 2002 to 2014 (by share of enrollment)

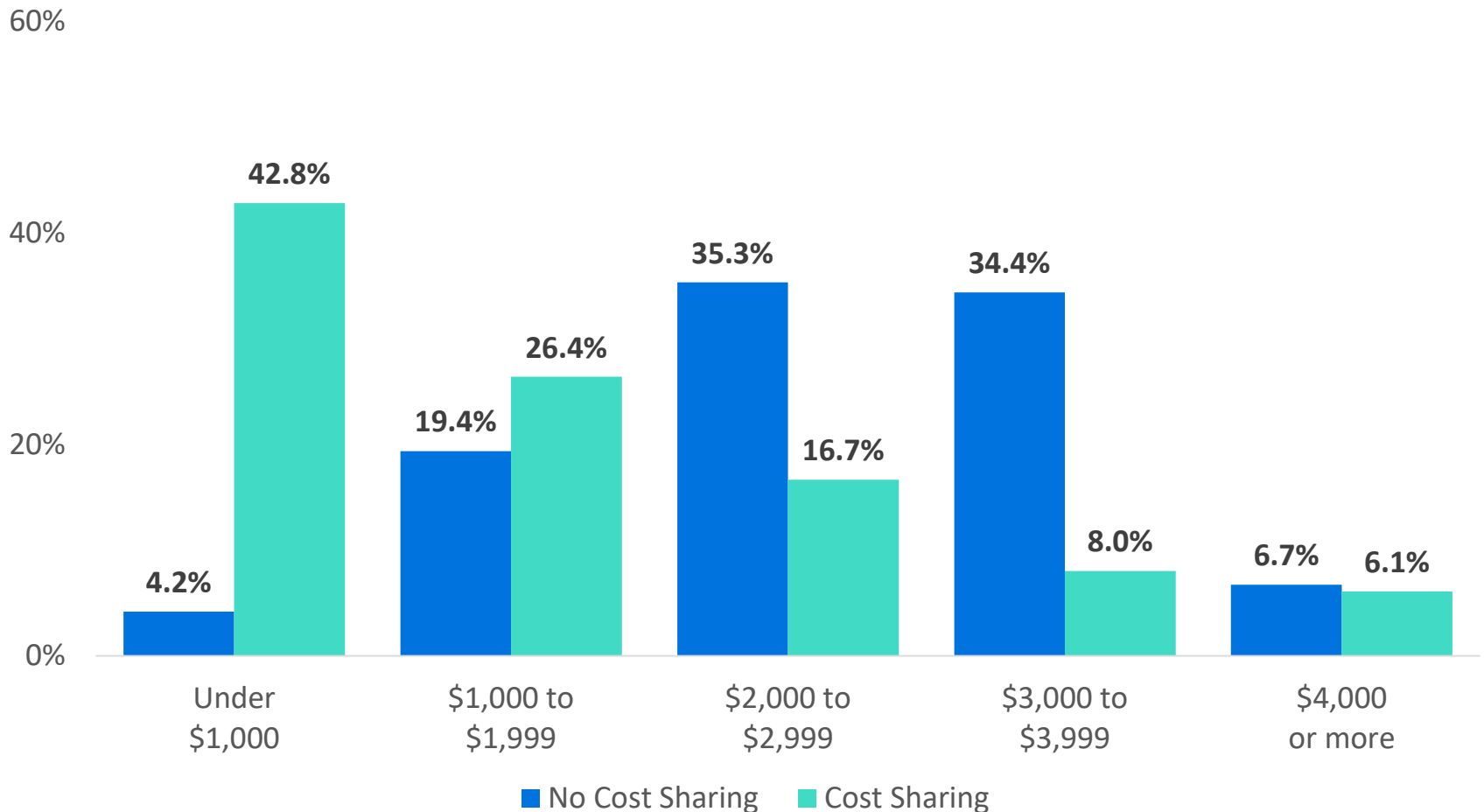


Note: Includes only enrollees who have an office visit copayment.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Deductibles and Cost-Sharing for Office Visits in the Small Group Market, 2014



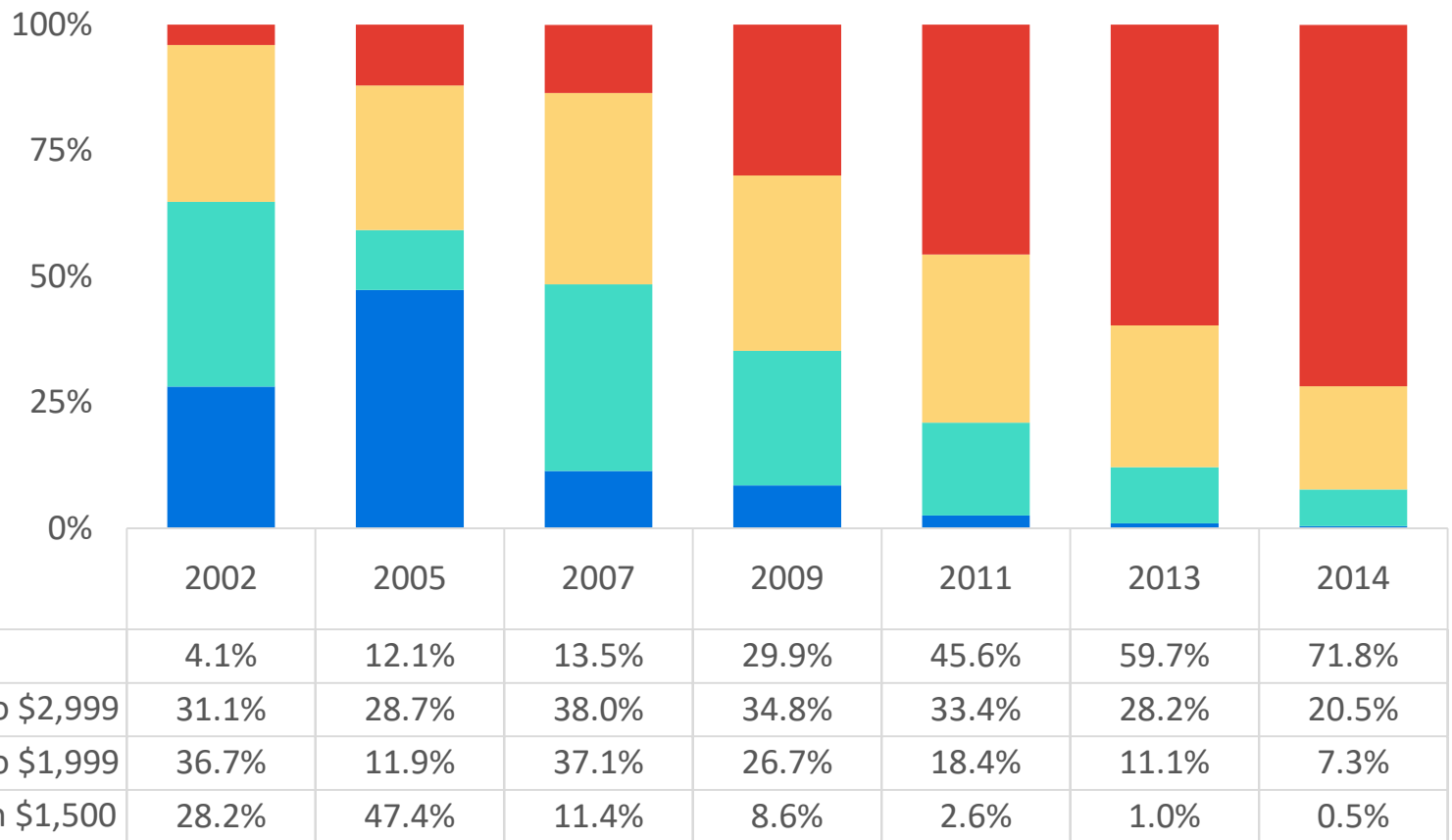
Cost Sharing Requirements for Hospitalizations in the Small Group Market, 2002 to 2014

(by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
≤10% Coinsurance	3.7%	4.2%	1.2%	0.1%	0.2%	0.6%	0.4%
11-20% Coinsurance	85.0%	92.9%	59.5%	25.5%	11.4%	24.0%	21.2%
Greater than 20% Coinsurance	2.3%	2.2%	1.2%	28.0%	44.1%	35.2%	34.1%
Copayment & Coinsurance	9.1%	0.8%	0.1%	0.0%	0.0%	0.0%	8.1%
No Cost Sharing	0.0%	0.0%	38.0%	46.4%	44.4%	40.2%	36.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Plans with only a deductible and no copayment or coinsurance are included in No Cost Sharing.
 Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

Per Person Out-of-Pocket Limits in the Small Group Market, 2002 to 2014 (by share of total enrollment)

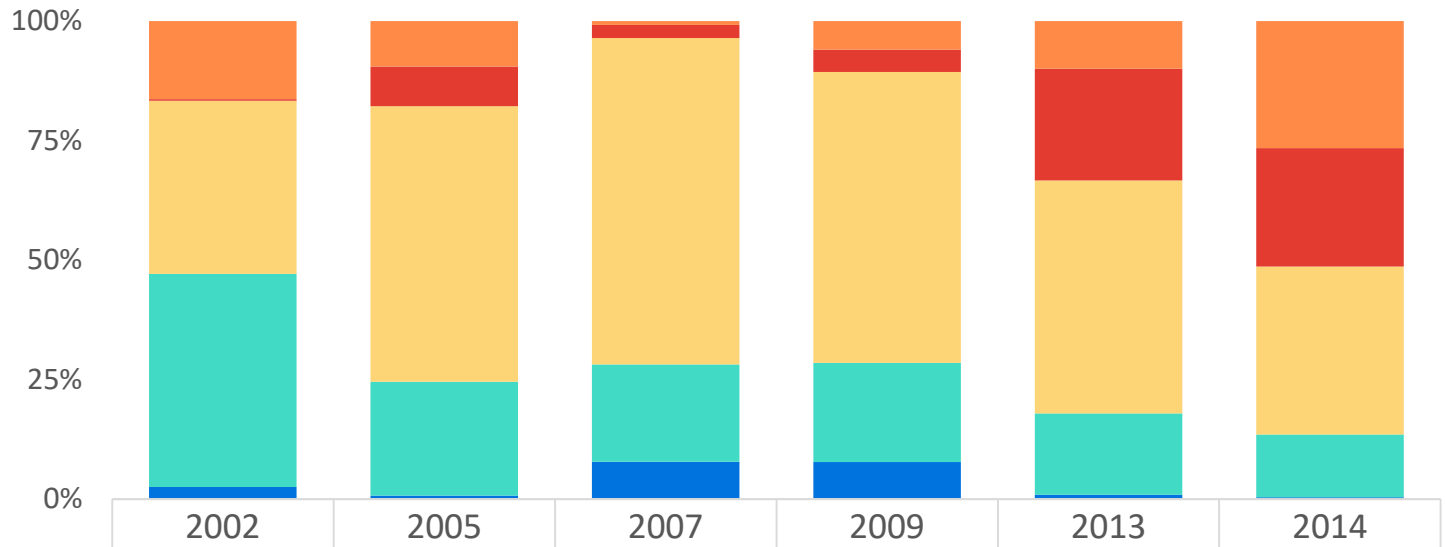


Note: Out-of-pocket limit applies to covered services only.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

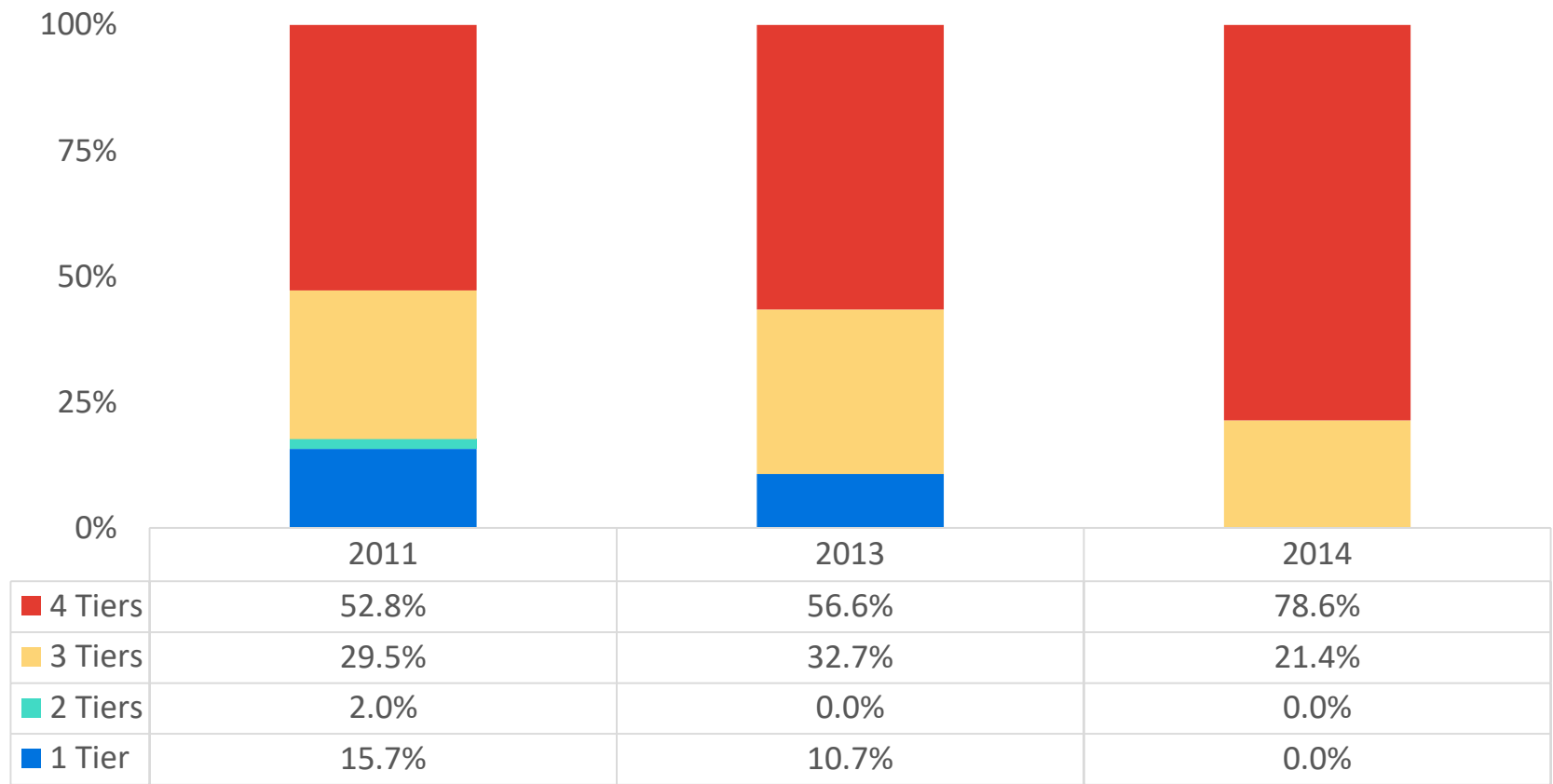
Family Level Out-of-Pocket Limits in the Small Group Market, 2002 to 2014 (by share of total enrollment)



■ \$10,000 +	16.3%	9.5%	0.8%	6.0%	10.0%	26.6%
■ \$7,500 to \$10,000	0.4%	8.3%	2.8%	4.7%	23.4%	24.8%
■ \$5,000 to \$7,500	36.2%	57.6%	68.3%	60.8%	48.7%	35.1%
■ \$2,500 to \$5,000	44.6%	23.8%	20.4%	20.8%	17.0%	13.1%
■ Less than \$2,500	2.6%	0.7%	7.8%	7.8%	0.9%	0.4%

Note: Out-of-pocket limit applies to covered services only. This data was not collected in 2011.
Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.
[Summary of Graph](#)

Number of Tiers for Prescription Drug Copayments or Coinsurance in the Small Group Market, 2011-2014 (by share of total enrollment)



Note: Number of tiers for prescription drugs was not collected before 2011.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

[Summary of Graph](#)

Prescription Drug Out-of-Pocket Limits in the Small Group Market, 2002 to 2014

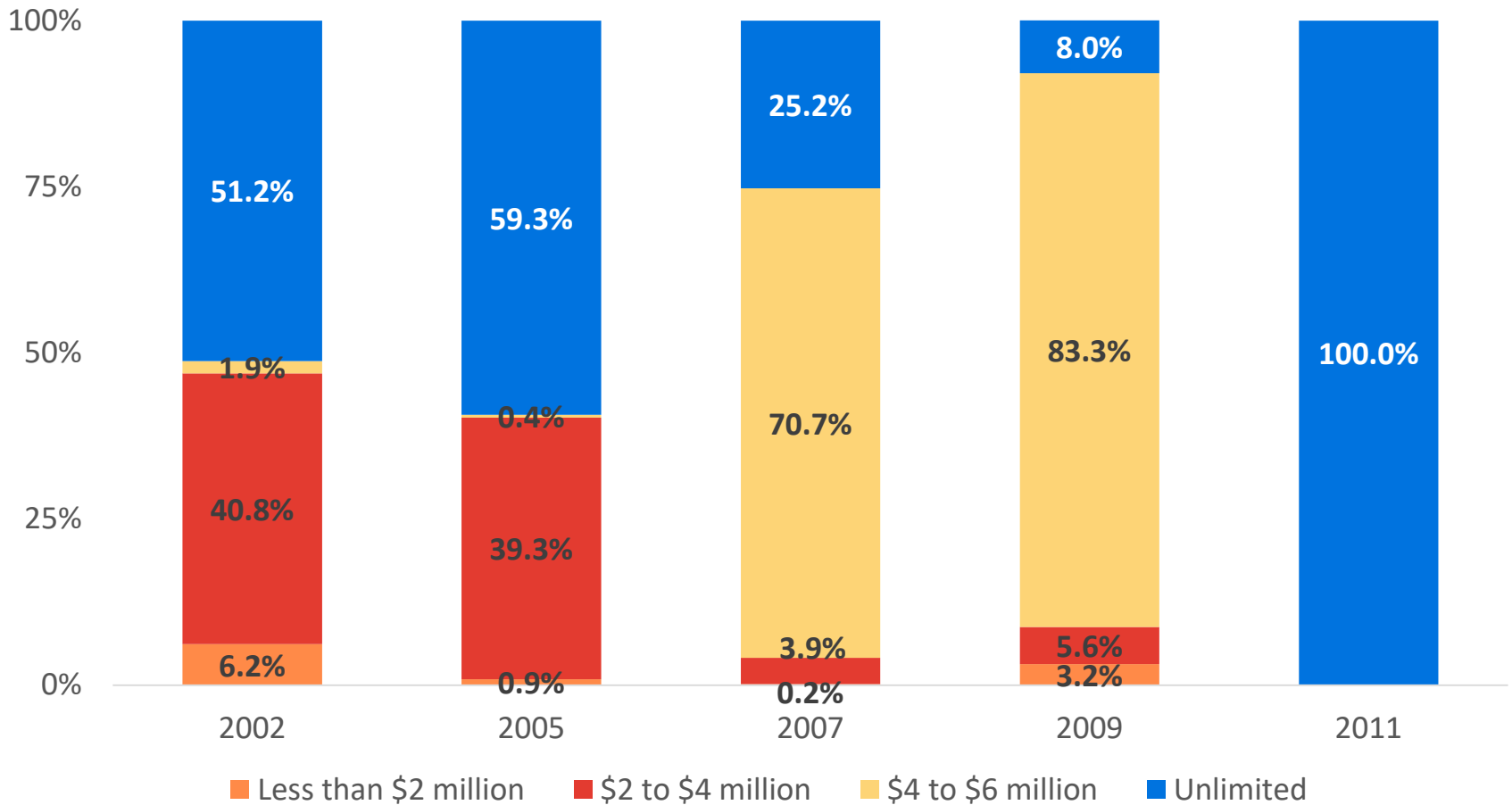
(by share of total enrollment)

	2002	2005	2007	2009	2011	2013	2014
No Separate Prescription Drug Out-of-Pocket Limit	40.7%	62.5%	70.0%	72.3%	79.6%	74.1%	100.0%
Separate Prescription Drug Out-of-Pocket Limit ¹	59.3%	37.5%	30.0%	27.7%	20.4%	25.9%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

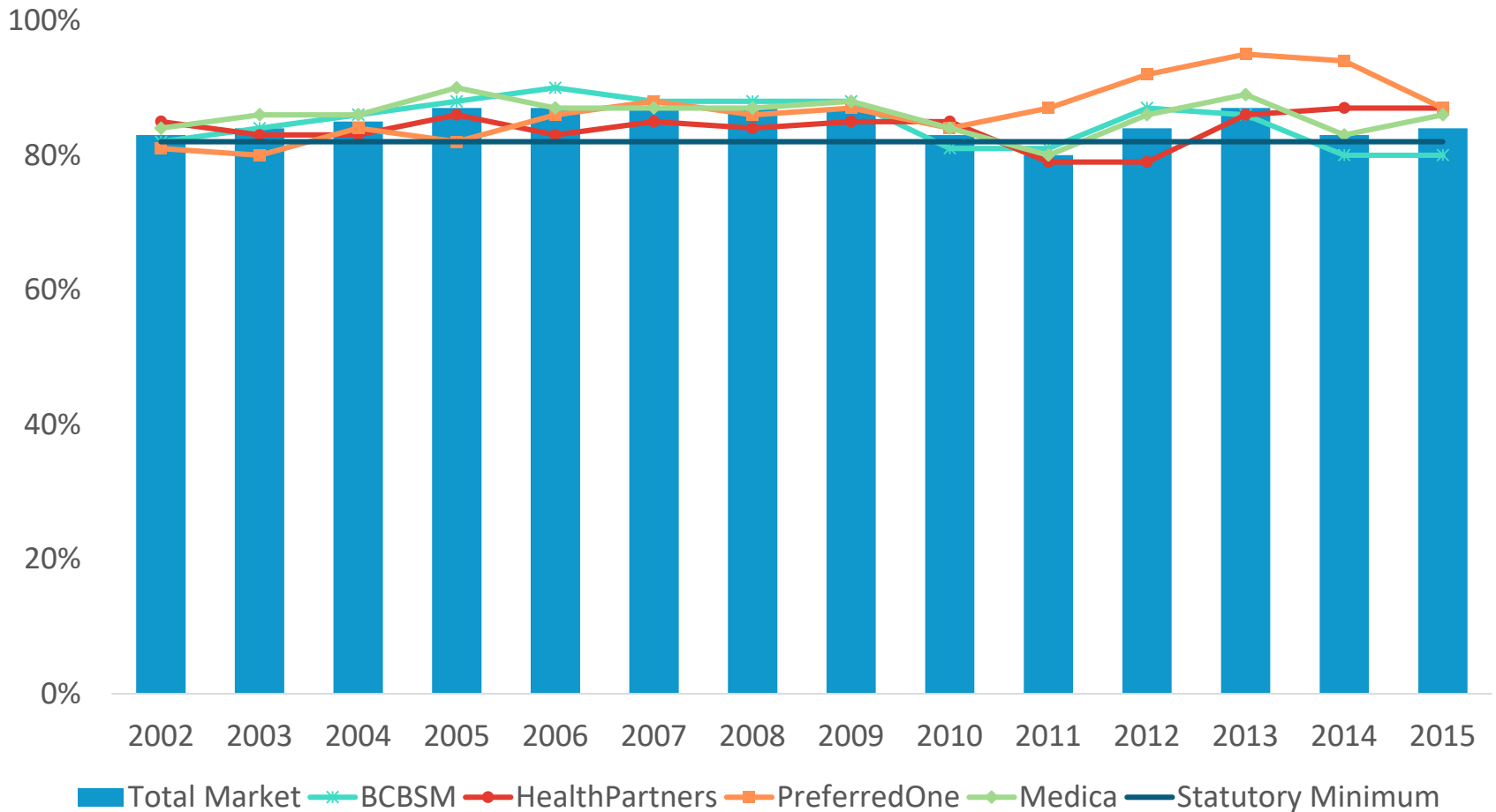
¹ General health plan out-of-pocket limits apply.

Source: MDH Health Economics Program analysis of Small Group and Individual Market Survey.

Lifetime Limit on Benefits in the Small Group Market, 2002 to 2011



Loss Ratio Experience in the Small Group Market, 2002 to 2015



Note: Companies with common ownership have been combined for purposes of this analysis.

Source: Minnesota Department of Commerce, "Report of 2015 Loss Ratio Experience for Health Plan Companies" October, 2016. Loss Ratios and statutory minimums presented are State Loss Ratios.

[Summary of Graph](#)

Additional Information from the Health Economics Program Available Online

- **Health Economics Program Home Page**
 - <http://www.health.state.mn.us/healthconomics>
- **Health Economics Program Publications**
 - <http://www.health.state.mn.us/divs/hpsc/hep/publications/index.html>
- **Health Care Market Statistics (Chartbook Updates)**
 - <http://www.health.state.mn.us/divs/hpsc/hep/chartbook/index.html>

A summary of the charts and graphs contained within is provided at Chartbook Summaries - Section 4. Direct links are listed on each page. Please contact the Health Economics Program at 651-201-3550 or health.hep@state.mn.us if additional assistance is needed for accessing this information.