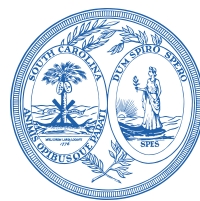


# 2021 50-State Survey



**PEBA**<sup>SM</sup>  
SC Retirement Systems  
and State Health Plan

# Survey methodology

The South Carolina Public Employee Benefit Authority (PEBA) solicits and gathers information from across the nation regarding the premiums that public employers and employees are paying for health insurance. For purposes of our analysis, the 50 states are divided into four geographical regions: the West, Midwest, Northeast and South.

The tier structure of health plans varies from state to state. The South Carolina State Health Plan operates under a “four-tier” structure, which means that contributions vary according to four levels of coverage:

- Employee only (EO)
- Employee/spouse (E/S)
- Employee/children (E/C)
- Full family (FF)


Many states use two-, three- or four-tier premium structures. A two-tier structure is defined generally as one with employee only and employee/dependent coverage levels. A three-tier structure consists of employee only, employee/dependent and full family coverage.

The tier structure has a significant impact on contribution levels. In a two-tier structure, plans typically spread the cost of dependent coverage across all employees with dependents, resulting in employees covering only a spouse or dependents paying higher rates than equivalently priced plans in a four-tier structure.

### Composite calculation

We calculated composite employer, employee and total contribution rates for the most prevalent plan in each state and compared them to our most prevalent plan, the State Health Plan Standard Plan. To do so, we took the percentage of Standard Plan subscribers enrolled in each coverage level and applied those percentages to each state’s rate for that coverage level. In addition, we adjusted

South Carolina Public Employee Benefit Authority  
**Survey of State Employee Health Insurance Programs**



PEBA  
SC Retirement Systems  
and State Health Plan

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**CONTACT INFORMATION**

Agency/Organization: \_\_\_\_\_

Contact Name/ Title: \_\_\_\_\_

Department: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

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**PLAN STRUCTURE AND RATE INFORMATION**

1. What type of structure does your state use to categorize active employee subscribers into different premium groups (tiers)? (2-tier, 3-tier, or 4-tier) For example: (sub. only, sub./spouse, subscriber/child(ren), full family) = 4-tier \_\_\_\_\_
2. What is the name of your plan with the highest number of enrollees? \_\_\_\_\_
3. Do you offer a high-deductible health plan (HDHP) that can be paired with a Health Savings Account? \_\_\_\_\_  
What percentage of your enrollees have chosen the HDHP? \_\_\_\_\_
4. What will your most populated plan’s rates be as of January 1, 2021, for each of these different tier groups? Please use the plan with the most active subscribers enrolled and indicate the plan’s type below (i.e. PPO, POS, HMO). These rates are in effect from \_\_\_\_\_ to \_\_\_\_\_.

Tier (For example, subscriber only, full family, etc.)	Employee Contribution	Employer Contribution	Total Monthly

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**OTHER QUESTIONS**

5. Is your most populated plan still grandfathered under the Affordable Care Act? \_\_\_\_\_
6. Does your office also coordinate drug benefits for retirees? \_\_\_\_\_. If yes, will your state be participating in the CMS Retiree Drug Subsidy program for your plan year 2021? \_\_\_\_\_. Is your state considering dropping prescription drug coverage for retirees? \_\_\_\_\_
7. Does your state have differing premiums based upon tobacco usage? Please explain. \_\_\_\_\_

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Thank you for participating in this survey. Please fax the completed survey to:  
Kevin B. Crosby, Program Coordinator  
PEBA Healthcare Policy Unit  
FAX: 803.740.1437  
PHONE: 803.734.0577  
- OR - Email to: [kcrosby@peba.sc.gov](mailto:kcrosby@peba.sc.gov)

premiums to reflect the percentage of subscribers paying higher tobacco surcharges.

**Please note:** Our analysis uses the 2021 coverage levels when comparing the 2021 and previous year’s rates. As a result, composite rates for previous years will differ slightly from previous publications.

For states that do not use a four-tier structure, the rate an employee would pay for the equivalent coverage under the four-tier structure was used in calculating the composite rates.

The percentages for each coverage level, as of January 2021, are:

- Employee only (EO) 57.31 percent
- Employee/spouse (E/S) 16.60 percent
- Employee/children (E/C) 13.02 percent
- Full family (FF) 13.07 percent

# Plan design

## The State Health Plan vs. Southern states' plans

### Annual deductibles

The annual deductible for the State Health Plan of \$490 in 2021 was lower than the regional average annual deductible of \$699. In comparison to other regional states, six states had a lower individual deductible and seven states had a higher individual deductible.

The State Health Plan's annual family deductible of \$980 was higher than five regional states while lower than eight regional states. The regional average annual family deductible was \$1,531.

### Coinsurance (in-network)

South Carolina's coinsurance ratio, the percentage of in-network costs after deductibles and copayments that both the plan and employee will pay, remained unchanged in 2021. Like nine of the 13 other regional states, the State Health Plan pays 80 percent of these costs while employees pay the remaining 20 percent. Four regional states pay greater than an 80 percent coinsurance share.

All regional states cap the amount of coinsurance individuals and families pay before the plan

### 2021 Southern region plan comparison

Plan design on January 1, 2021	South Carolina	Regional state comparisons		
		Lower benefit	Same benefit	Higher benefit
Deductible — individual	\$490	7 states	None	6 states
Deductible — family	\$980	8 states	None	5 states
Coinsurance (in-network)	80% plan 20% subscriber	None	9 states	4 states
Coinsurance max — individual (in-network)	\$2,800	10 states	None	3 states
Coinsurance max — family (in-network)	\$5,600	10 states		3 states
Office visits	\$14 per visit copayment plus 20% subscriber coinsurance	3 states	None	10 states
Retail prescription drug copayments (30-day supply)				
Generic	\$9	10 states	None	3 states
Preferred brand	\$42	7 states	None	6 states
Non-preferred brand	\$70	8 states	None	5 states
Prescription drug copayment maximum	\$3,000	2 states	None	11 states
Prescription drug deductible	\$0	5 states	8 states	None
Copayment				
Hospital inpatient	\$0	8 states	5 states	None
Hospital outpatient	\$105	3 states	None	10 states
Emergency room	\$175 (subscriber pays 20% coinsurance after copayments)	5 states	None	8 states

pays at 100 percent of covered costs. South Carolina has coinsurance maximums of \$2,800 per individual and \$5,600 per family. The State Health Plan's coinsurance maximums were lower than 10 regional states. Three states have lower coinsurance maximums than the State Health Plan.

### **Prescription drug copayments**

Under the State Health Plan's three-tier prescription drug copayment program for retail prescriptions, members pay \$9 for generics, \$42 for preferred brands and \$70 for non-preferred brand drugs. Ten states had higher generic copayments while only three states had lower generic copayments. The State Health Plan's preferred brand copayment was lower than seven states and was higher than six states. Eight regional states had higher non-preferred brand copayments than the State Health Plan.

### **Copayments**

Like five other regional states, South Carolina does not have an inpatient hospital copayment.

The State Health Plan's \$105 outpatient hospital copayment was higher than that of 10 regional states. The emergency room copayment of \$175 was higher than eight of the other 13 regional states.

# South Carolina composites

The State Health Plan Standard Plan is South Carolina’s plan of choice among most active employees. The majority of active subscribers, 87.3 percent, chose the State Health Plan in 2021, nearly unchanged from the 87.2 percent who chose the plan in 2020.

### Total composite rate

The actual employer and employee premiums remained the same for the State Health Plan in 2021 for the third year in a row. As a result, the composite has held steady during that time. The State Health Plan’s total composite rate of \$734.26 in 2021 was up slightly from \$734.18 in 2020. During the past five years, the State Health Plan’s total composite has grown an average 1.7 percent annually.

In comparison with other states in the South region, the State Health Plan’s total composite was the second lowest at only 76.2 percent of the regional average total composite of \$963.04. The State Health Plan’s total composite also compared

### 2021 State Health Plan Standard Plan premiums

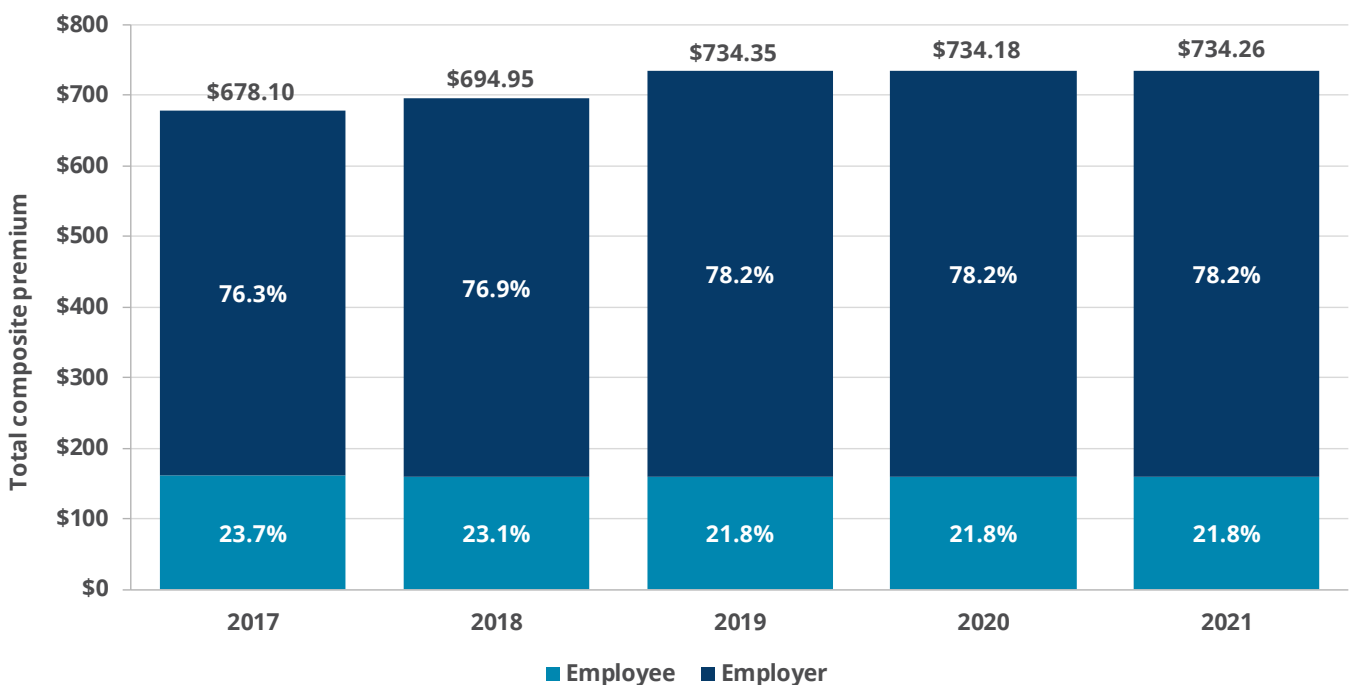
	Employee	Employer	Total rate
Employee only	\$97.68	\$402.70	\$500.38
Employee/spouse	\$253.36	\$797.68	\$1,051.04
Employee/children	\$143.86	\$618.06	\$761.92
Full family	\$306.56	\$998.72	\$1,305.28
Composite rate	\$160.08	\$574.18	\$734.26

favorably nationally, the third lowest in the nation and only 65.5 percent of the national average.

### Employer composite rate

The State Health Plan’s employer composite rate was \$574.18 in 2021, unchanged from the previous two years. The employer composite has grown an average 2.3 percent annually the past five years.

### South Carolina employee/employer share of total composite rates





When compared to the regional average, State Health Plan employers paid a lesser share of the total composite rate at 78.2 percent. The regional average employer composite share of the total composite rate in 2021 was 79.1 percent.

Nationally, the State Health Plan's employer composite ranked as the third lowest, only 60.6 percent of the national composite rate. The State Health Plan's employer share of the total composite was 5.8 percentage points less than the national average employer share of 84.0 percent.

### Employee composite rate

The State Health Plan's employee composite was \$160.08 in 2021. The employee composite was lower than nine regional states and below the regional employee composite average of \$190.98. The State Health Plan's employee composite has decreased for seven of the past eight years.

The 2021 employee composite rate's 21.8 percent share of the total composite rate is higher than

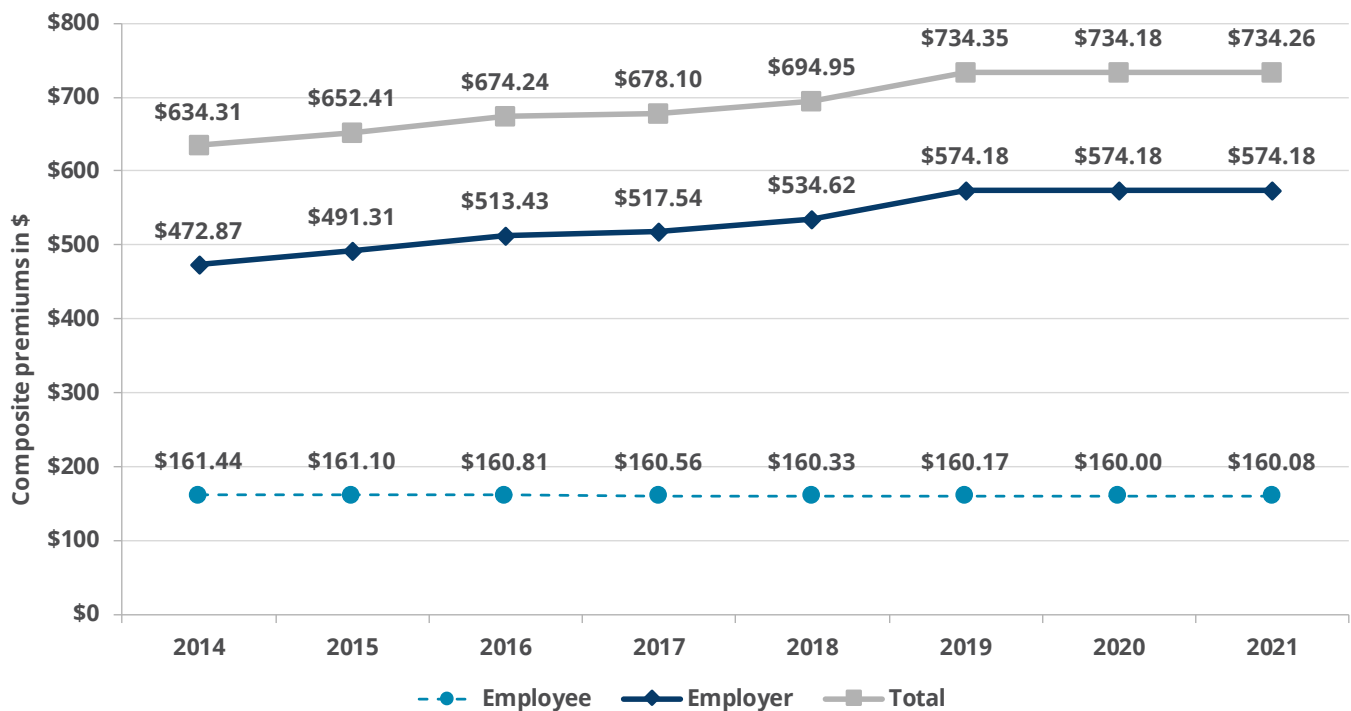
the regional average employee composite share of 20.9 percent. Employees in only five of the other 13 regional states pay a larger percentage of the total composite rate.

When compared nationally, the State Health Plan's employee composite was lower than 27 states in 2021. The State Health Plan's employee share of the total composite was nearly six percentage points higher than the national average employee share of 16.0 percent.

### State Health Plan composites regional/national rankings

	From lowest to highest	
	Regional (14 states)	National (50 states)
<b>Total composite</b>	2 <sup>nd</sup>	3 <sup>rd</sup>
<b>Employer composite</b>	3 <sup>rd</sup>	3 <sup>rd</sup>
<b>Employee composite</b>	5 <sup>th</sup>	23 <sup>rd</sup>

### State Health Plan composite rates history: 2014-2021



# Regional composites

## Regional total composite

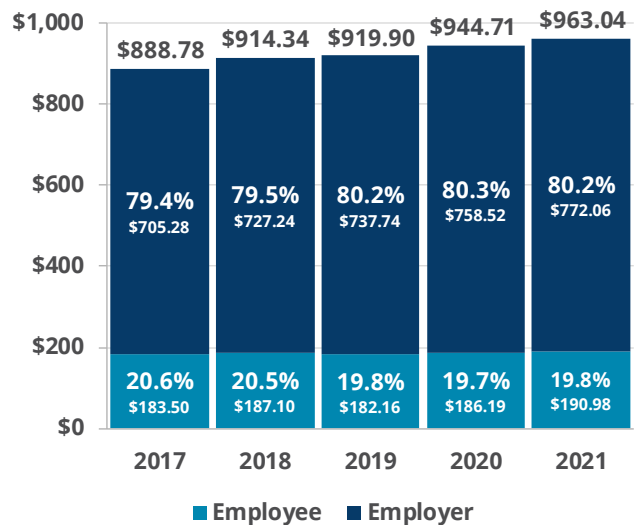
The Northeast had the highest regional total composite rate at \$1,260.78 in 2021, a 1.8 percent increase from \$1,238.02 in 2020. The South's total composite rate was the lowest in the nation at \$963.04 in 2021, a 1.9 percent increase from \$944.71 in 2020.

Over the past five-year period, the Midwest's average annual growth rate of 3.3 percent has led regional total composite growth rates. The Northeast's average annual rate of growth of 1.6 percent was the lowest.

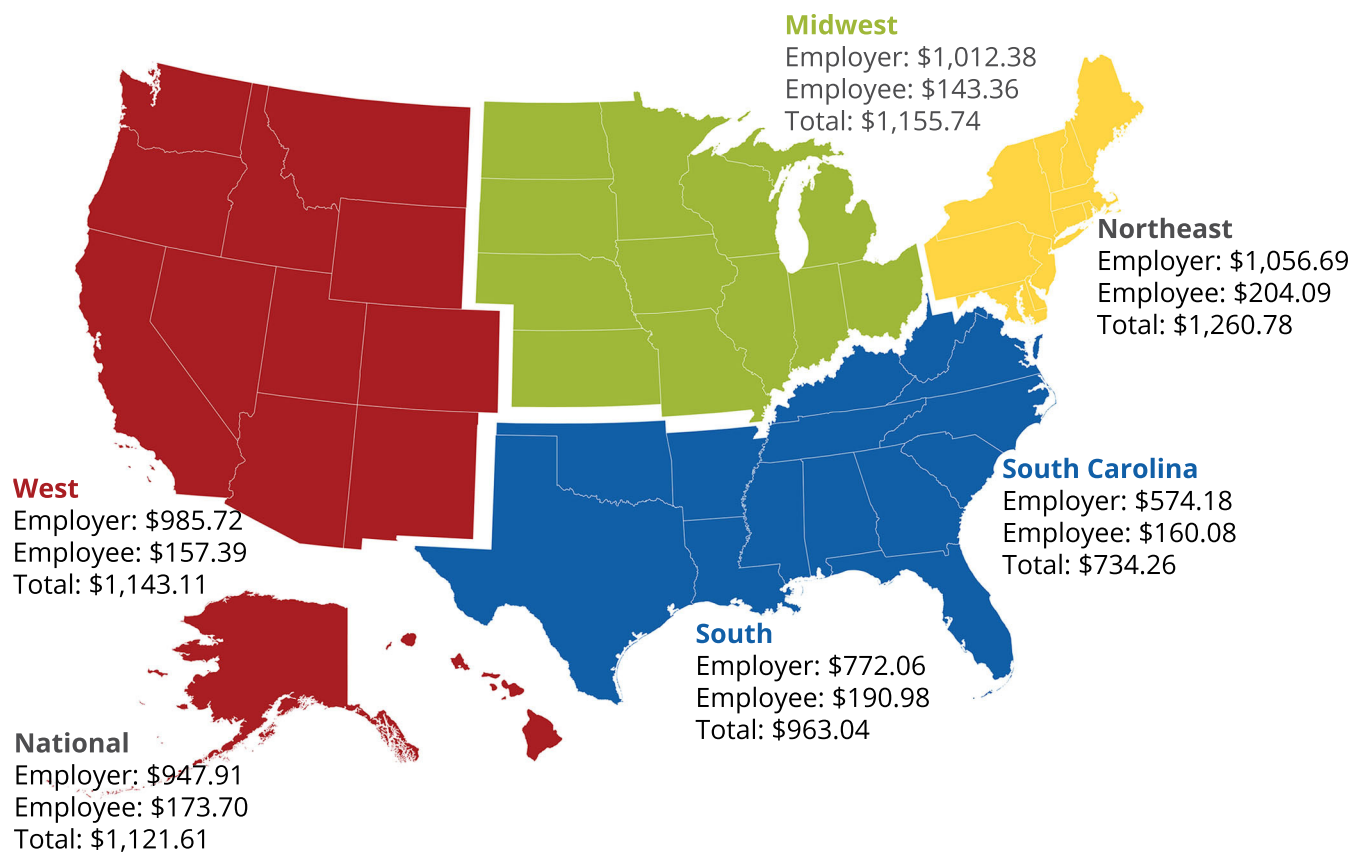
## Regional employer composite

Employers in the Northeast region paid the highest employer composite rate in 2021 at \$1,056.69, a 1.6 percent increase from \$1,039.54 in 2020. The South had the lowest regional employer composite in 2021 at \$772.06, a 1.8 percent increase from \$758.52 in 2020.

## Southern region employee/employer share of total composite rates



The Midwest region's employers paid the largest share of their regional total composite rate at 87.6 percent. In contrast, employers in the South region paid the lowest employer share of the total composite at 80.2 percent in 2021.



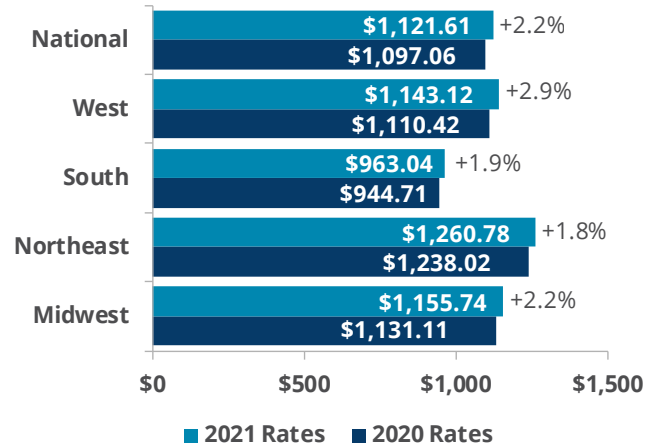
## Regional employee composite

Employees in the Northeast paid the largest regional employee composite in the nation at \$204.09 in 2021, up 2.8 percent from \$198.48 in 2020. Over the past five years, the Northeast's employee composite rate has grown an average 0.2 percent annually.

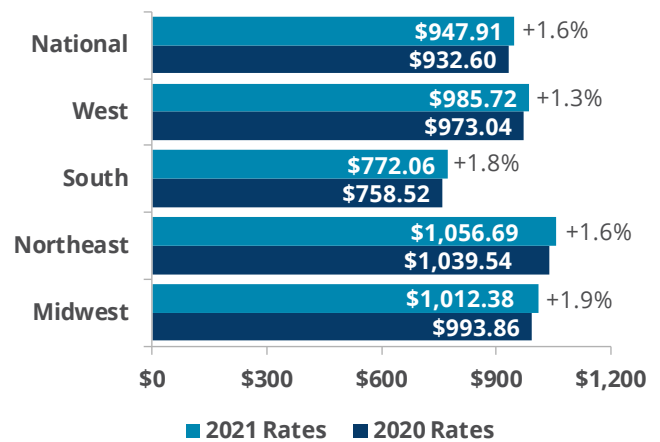
Employees in the South region pay the largest regional share of their total composite rate at 19.8 percent. In comparison, the Midwest region's employee share of their total composite rate was 12.4 percent.

## 2021 and 2020 regional composite averages

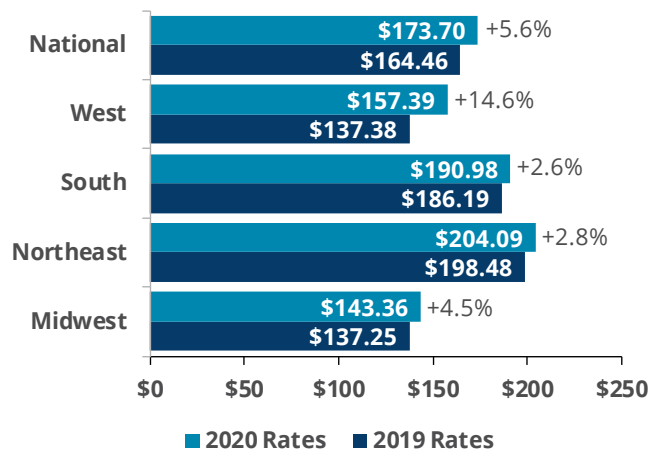
### Total composite rates



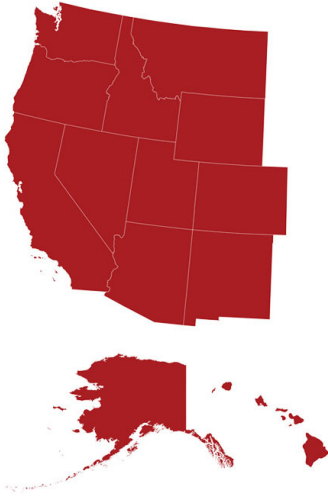
### Employer composite rates



### Employee composite rates



## West



- Employer: \$985.72
- Employee: \$157.39
- Total: \$1,143.11

13 states including:  
Alaska, Arizona,  
California, Colorado,  
Hawaii, Idaho,  
Montana, Nevada,  
New Mexico, Oregon,  
Utah, Washington and  
Wyoming

The West region's total composite rate for 2021 was \$1,143.11, up 2.9 percent from \$1,110.42 in 2020. During the past five-year period, the region's total composite rate has grown an average 2.4 percent annually.

The 2021 employer composite rate for the West region was \$985.72, up 1.3 percent from \$973.04 in 2020.

Employers in the West paid the second-highest regional share of their total composite rate at 86.2 percent. The region's employer composite rate grew an average 2.9 percent annually the past five-year period.

Employees in the West paid only 13.8 percent of the regional total composite average. The region's employee composite rate of \$157.39 in 2021 was the second-lowest in the nation, and it was up 14.6 percent from \$137.38 in 2020. Over the past five years, the West's regional employee composite rate has grown an average of 0.9 percent annually, the second-lowest regional employee composite growth rate in the nation.

## Midwest



- Employer: \$1,012.38
- Employee: \$143.36
- Total: \$1,155.74

12 states including:  
Illinois, Indiana, Iowa,  
Kansas, Michigan,  
Minnesota, Missouri,  
Nebraska, North  
Dakota, Ohio, South  
Dakota and Wisconsin

The Midwest region's total composite rate was \$1,155.74 in 2021, up 2.2 percent from \$1,131.11 in 2020.

The Midwest's total composite was the second-highest in the nation and grew an average 3.3 percent annually the past five years. The five-year annual average growth rate was the highest in the nation.

The Midwest's regional employer composite was \$1,012.38 in 2021, up 1.9 percent from \$993.86 in 2020. The region's employer composite grew on average 3.6 percent annually the past five years. Midwest employers paid the highest regional share of their total composite rate at 87.6 percent.

Employees in the Midwest paid the lowest regional employee composite rate at \$143.36 in 2021, up 4.5 percent from \$137.25 in 2020. Employees in the Midwest paid only 12.4 percent of the region's total composite average, the sixth consecutive year that the employee share was less than 15.0 percent.

## Northeast



- Employer: \$1,056.69
- Employee: \$204.09
- Total: \$1,260.78

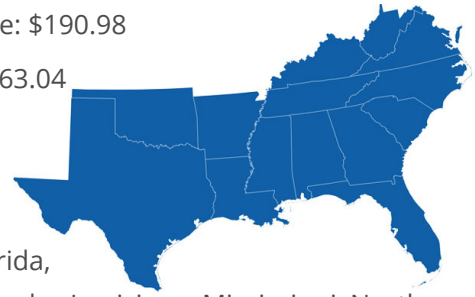
11 states including:  
Connecticut, Delaware,  
Maine, Maryland,  
Massachusetts, New  
Hampshire, New Jersey, New  
York, Pennsylvania, Rhode  
Island and Vermont

The Northeast region had the highest regional total composite rate in the nation in 2021 at \$1,260.78, up 1.8 percent from \$1,238.02 in 2020. The Northeast's total composite rate's five-year annual growth rate average of 1.6 percent was the nation's lowest.

Employers in the Northeast paid the largest regional employer composite rate at \$1,056.69 in 2021, up 1.6 percent from \$1,039.54 in 2020. The region's employer composite has grown an average 1.9 percent annually the past five years, the lowest regional five-year employer composite growth rate in the nation. The employer composite rate was 83.8 percent of the region's total composite rate, second lowest in the nation.

The region's employee composite rate rose 2.8 percent in 2021 to \$204.09. Over a five-year period, the Northeast's employee composite has grown an average of 0.2 percent annually, the lowest regional employee composite growth rate in the nation. Employees in the Northeast paid the second-highest share of the total composite rate at 16.0 percent.

## South



- Employer: \$772.06
- Employee: \$190.98
- Total: \$963.04

14 states  
including:  
Alabama,  
Arkansas, Florida,  
Georgia, Kentucky, Louisiana, Mississippi, North  
Carolina, Oklahoma, South Carolina, Tennessee,  
Texas, Virginia and West Virginia

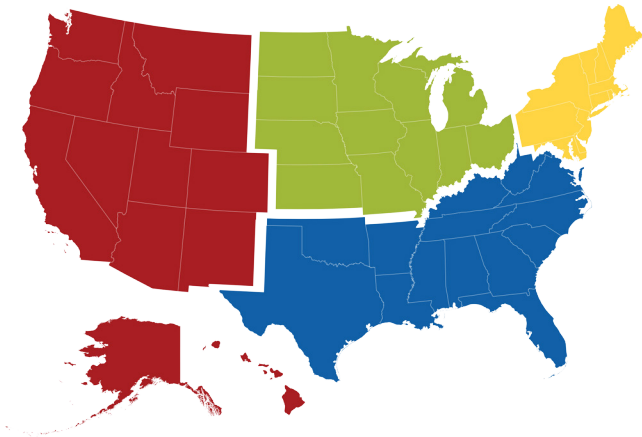
The total composite rate for the South region was \$963.04 in 2021, up 1.9 percent from \$944.71 in 2020. The South posted the lowest regional total composite rate in the nation, a ranking it has maintained since 2002. Over the past five years, growth in the South's total composite rate averaged 2.8 percent annually.

For more than a decade, the South continues to have the greatest amount of cost sharing between employers and employees. In 2021, employers in the South paid 80.2 percent of the region's total composite rate with an employer composite rate of \$772.06. In comparison, the next lowest regional employer composite share was the Northeast's 83.8 percent share of their total composite rate.

The South's employer composite grew 1.8 percent in 2021, below the five-year average annual growth rate of 3.1 percent.

Employees in the South had a composite rate of \$190.98 in 2021, up 2.6 percent from \$186.19 in 2020. The region's employees paid the highest share of the total composite rate at 19.8 percent.

# National composites



### Total composite

The national total composite rate of \$1,121.61 in 2021 was up 2.2 percent from \$1,097.06 in 2020. The rate has grown an average of 2.5 percent annually during the past five years.

### Employer composite

The national employer composite grew 1.6 percent to \$947.91 in 2021 from \$932.60 in 2020. Over the past five years, the national employer composite rate has grown an average of 2.8 percent annually. Employers paid 84.5 percent of the national total composite rate in 2021.

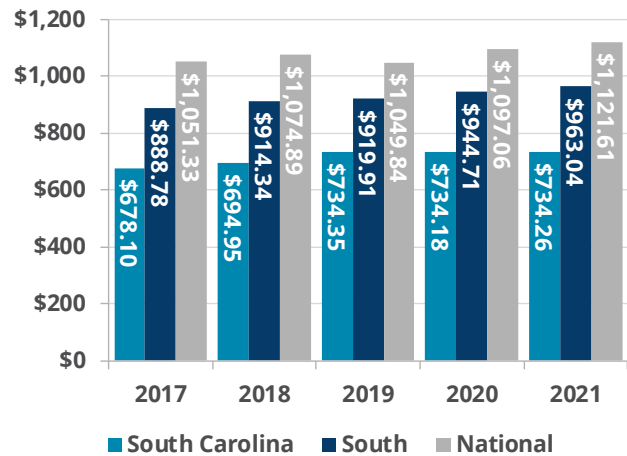
### Employee composite

The national employee composite rate was \$173.70 in 2021, up 5.6 percent from \$164.46 in 2020. During the past five years, the employee composite has grown an average of 0.8 percent annually.

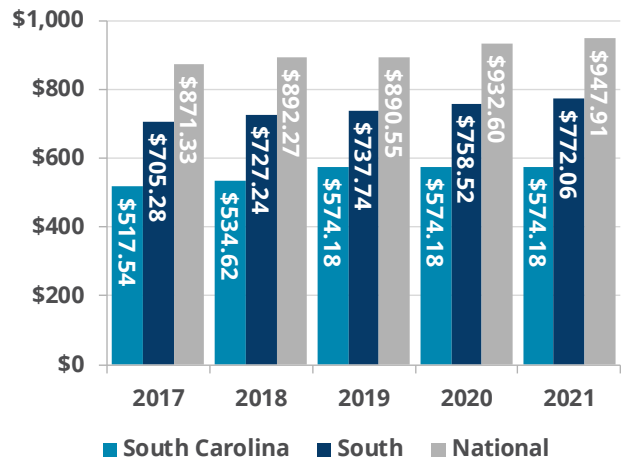
Employees paid 15.5 percent of the total composite rate in 2021. In 2020, the employee share was 15.0 percent of the total composite rate.

## Composite rate trends

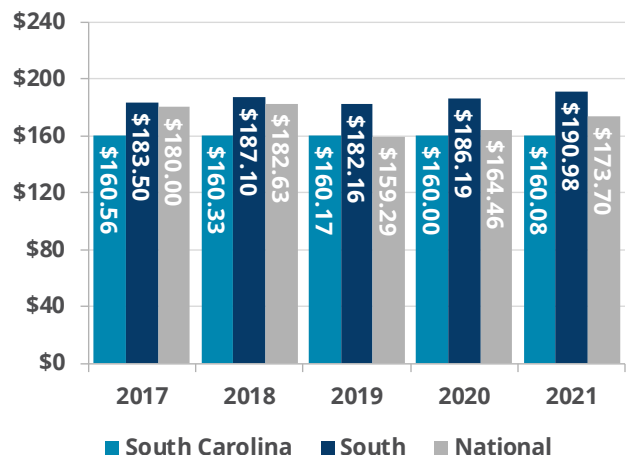
### Total composite rates



### Employer composite rates

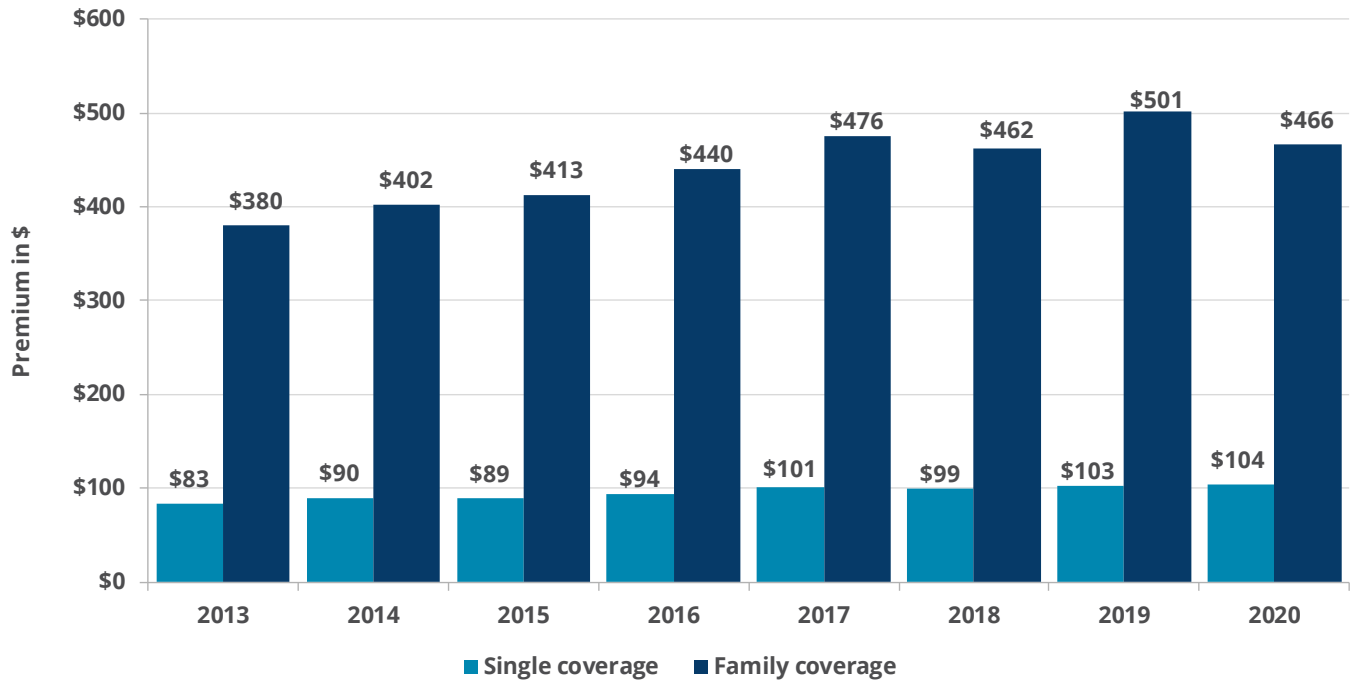


### Employee composite rates





## Contributions paid by covered workers for single and family coverage: 2013-2020



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2020



# PEBA<sup>SM</sup>

SC Retirement Systems  
and State Health Plan

**South Carolina Public Employee Benefit Authority**

*Serving those who serve South Carolina*

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