



# 2022 National Health Benefits Analysis

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Evaluating  
Employee Choice



*In 2014, one of our co-founders, Scott, was sick and tired of paying \$1,400 per month for his family's health plan. He figured there had to be a better way for the average American to access more affordable quality health coverage. His research brought him to the individual market, where he found family options as low as \$400 per month. At this point, he realized that if this option could serve his family, why couldn't it serve thousands of families across the country?*

*Health insurance has changed. It's unknown and scary, and quite frankly it's oftentimes painful. Organizations have limited options at price points that are often prohibitive to both the employer and the employee. Couple that alongside high annual rate increases, and health insurance cost is becoming unsustainable.*

*For these reasons, we launched a company entirely focused on helping employers change from expensive, traditional group health insurance plans to affordable, personalized, managed individual plans.*

*So who is Remodel Health? Founded in 2015, Remodel Health's purpose is to help organizations fund their mission while caring for their staff. We are a company that uses technology to take advantage of opportunities to deliver quality benefits at quality prices.*

— Austin Lehman, CEO



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# ABOUT REMODEL HEALTH

Since 2016, Remodel Health has revolutionized the way health benefits are delivered to employees! The establishment of the Affordable Care Act allowed employers the incredible opportunity to empower their employees to choose their own individual health plans. Today, employers are moving away from offering a traditional group plan and instead offering something called **managed individual health benefits**.

Similar to the way pension plans were replaced by 401(k) plans in the 1980s, the managed individual model allows the employer to offer money to employees, then allowing employees the opportunity to select and purchase their own unique health plan.

There are many advantages to providing managed individual health benefits – for both employers *and* employees! Perhaps the most important is that it fixes the misconception that “one size fits all” when it comes to healthcare. Companies are made up of individual people – representing many different ages, household sizes, incomes, medical needs and so much more. Yet somehow, over the last several decades, these unique details have been neglected by traditional group plans, leaving employees both unsatisfied and vulnerable when it comes to their healthcare.

This is precisely why Remodel Health has been passionately paving the way over the years in health benefits, making it easier than ever to enjoy personalized plans that are both affordable and high quality! Remodel Health has helped employers deliver better benefits to their teams while also saving over \$70,000,000 collectively!



REMODEL  
HEALTH  
RESEARCH

4

YEARS OF DATA

445,367

UNIQUE DATA POINTS

## Overview

The following is a statistical analysis of proprietary data researched by Remodel Health to **better understand employee health benefits preferences and options**.

## Evaluation

- + **Employee choices** and key demographics
- + Vital elements of **Marketplace plans**
- + **Breakdowns** by state
- + Industry-specific **employee selections**



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# EMPLOYEE SELECTIONS

## What types of health benefits plans do employees *want*?

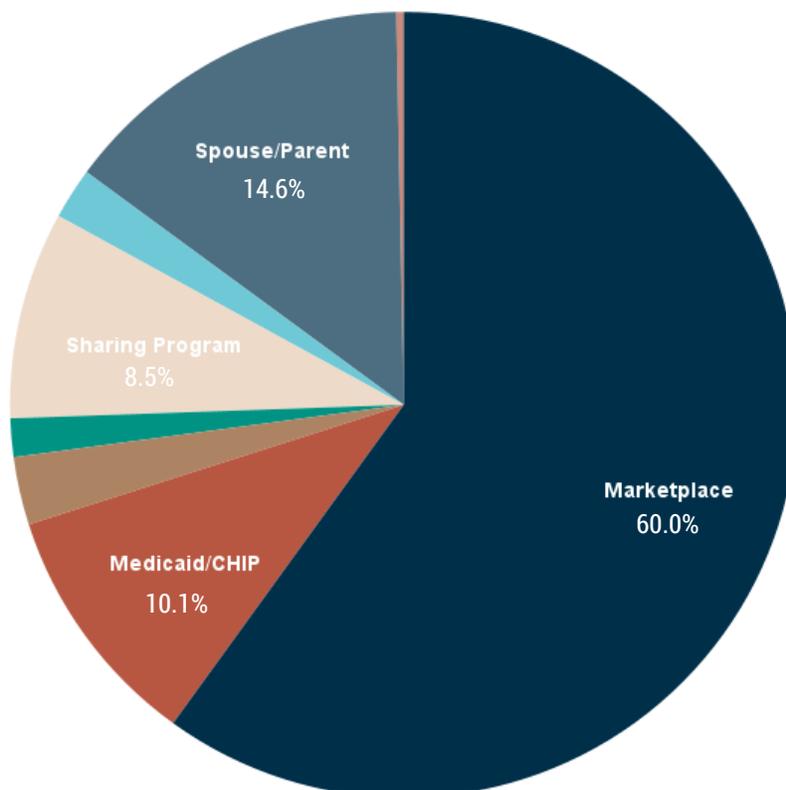
When people are given the opportunity to make their own choices, individual preferences are naturally revealed. This is certainly true for health benefits!

Our research shows that when employers give their employees money and the opportunity to select their own health benefits plans, there are eight different types of plans that employees choose! This highlights the principle that one size never fits all when it comes to what fits employees best.

It also means that if an employer is still providing an outdated traditional style of group health plans, they are in fact missing out on a prime opportunity to provide a more satisfying benefit to their employees. As employers search for ways to improve their team's benefits package, ensuring that personalized options are available to their employees has never been more crucial.

## If given the choice, what would *you* choose?

Employee Health Benefits Selection in a Managed-Individual Setting



Note: No series shown for statistics less than 8%.

Source: Remodel Health Member Data, 2019-2022

# EMPLOYEE SELECTIONS

PLAN TYPE	PERCENTAGE CHOSEN	DESCRIPTION
● <b>Marketplace</b>	60.0%	Guaranteed-issue plans available through Healthcare.gov.
● <b>Spouse/Parent</b>	14.6%	These are plans available through a family member in the household.
● <b>Medicaid/CHIP</b>	10.1%	High-quality, low-cost coverage, based on household eligibility.
● <b>Sharing Programs</b>	8.5%	Communities that facilitate sharing medical bills between membership.
● <b>Medicare</b>	2.8%	High-quality, low-cost coverage for those 65 years and older.
● <b>Short-Term</b>	2.1%	May last 364 days, with national network & copays, but won't cover pre-ex.
● <b>Off Exchange</b>	1.6%	Private plans purchased directly from an insurance carrier.
● <b>Veterans Affairs</b>	0.3%	Coverage for veterans that has been earned through military service.



DATA  
HIGHLIGHTS

**60%** OF EMPLOYEES  
CHOOSE MARKETPLACE

Offering a single group health plan to your team automatically closes the door on the *best fit* for a significant number of your employees.

# BENEFITS OF MARKETPLACE PLANS

## What makes individual Marketplace plans *different*?

Our research shows that when given the choice, 60% of employees will choose an individual plan from the Marketplace. Individual health insurance plans that are purchased on the Individual Marketplace are known as Marketplace plans. These plans are often seen as very attractive for two primary reasons:



### MARKETPLACE PLANS ARE GUARANTEED-ISSUE.

One of the largest changes to individual plans made by the Affordable Care Act was the requirement that they cover preexisting conditions. This means when someone purchases an individual plan, their cost will not incur any changes based on their current or future medical condition.



### MARKETPLACE PLANS UNLOCK TAX CREDIT DISCOUNTS.

Tax credits are an opportunity for individuals to receive money from the government as assistance for items that would otherwise cost more money. The Advanced Premium Tax Credit (APTC) was established by the Affordable Care Act to assist with the cost of Marketplace plans. When an individual is not offered a traditional group health plan by their employer, they become eligible for this tax credit.

The Advanced Premium Tax Credit is then available to offset the cost of any health plan hosted on the Marketplace, and when applicable, can even discount a person's cost down to \$0. For convenience, the tax credit is sent directly to the insurance carrier to discount the cost of the premium in advance.

**79.5%** OF ALL INDIVIDUALS ARE **ELIGIBLE FOR TAX CREDITS**

# BENEFITS OF MARKETPLACE PLANS

## The results of applying Advanced Premium Tax Credits.

As you begin with the guaranteed-issue coverage of Marketplace plans and apply the discounts as dollars to be saved, we certainly see the driving factors for its continued and growing popularity.

When this amount of savings per employee is multiplied across an entire organization, it quickly compounds into a significant and positive impact on financial opportunity and stability.

Many employers will choose to improve their overall benefit using those newly regained resources as a strategy to best attract and retain the top talent on their teams.



### DATA HIGHLIGHTS

The results of using Advanced Premium Tax Credits are *profound*.

AVERAGE **DISCOUNT**  
PERCENTAGE

**59.4%**

AVERAGE MONTHLY  
AMOUNT OF **TAX CREDITS**

**\$632**

AVERAGE **MONTHLY COST** OF  
PLAN (AFTER TAX CREDIT)

**\$376**

# DEMOGRAPHICS BY SELECTION

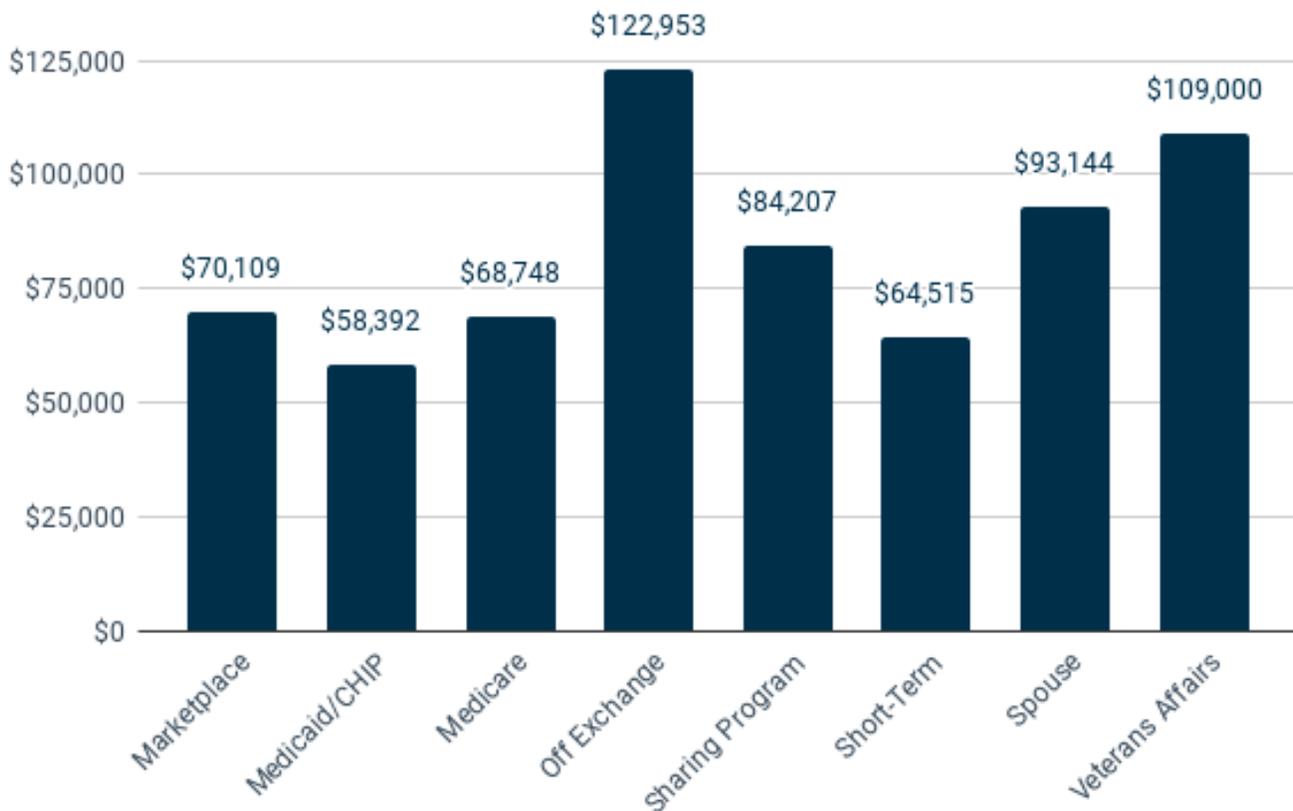
## How do people choose which individual plan is *best* for them?

You may be wondering how employees decide which individual plan is best for them and their families. After all, not every plan is a good fit for everyone. But how is one to know?

The answer lies within the data! Various household details and demographics contribute towards peoples' decisions when selecting their health benefits. Household income, for example, is one of the leading factors employees can use to determine which plan type is best. Below, you can see a breakdown of how average income correlates to plan choice.

### Does your *income* affect your choice?

Average Household Income and Its Effect on Health Benefits Choice



Source: Remodel Health  
Member Data, 2019-2022

# DEMOGRAPHICS BY SELECTION

How various demographics correlate with plan choice.

<u>Plan Type</u>	<u>Age</u>	<u>People on Plan</u>	<u>Household Income</u>
Marketplace	44	2	\$70,109
Medicaid/CHIP	39	4	\$58,392
Medicare	66	1	\$68,748
Off Exchange	48	2	\$122,953
Sharing Program	41	2	\$84,207
Short-Term	39	1	\$64,515
Spouse	45	2	\$93,144
Veterans Affairs	46	2	\$109,000



## DATA HIGHLIGHTS

One size *never* fits all when considering employee health benefits.

### Special Programs

(including Medicaid/CHIP) represents households with a large number of people needing coverage and below-average income

### Sharing & Spouse

represents households with multiple people needing coverage and above-average income

### Off Exchange

represents people who were likely ineligible for Advanced Premium Tax Credits and opted to go directly to an insurance carrier

### Marketplace

represents households with multiple people needing coverage and an average income

# TRENDS FROM 2020-2022

## Do employees choose *different* plans each year?

When looking back over the last three years, we can begin to see a few trends emerge when it comes to employee choice. With this new knowledge, employers are able to better design their health benefits packages.

A few things to consider: Employee life changes impact eligibility, new insurance carriers become available, medical conditions are discovered, and so much more. However, these data provide a framework that features the movements of individual preference.

## How might your choices *change*?

Trends in Employee Health Benefits Plan Participation

### 2020



### 2021



### 2022



■ Marketplace ■ Medicaid/CHIP ■ Medicare ■ Off Exchange ■ Sharing Program ■ Short-Term ■ Spouse/Parent

Source: Remodel Health Member Data, 2019-2022

# TRENDS FROM 2020-2022

14.2%

INCREASE IN  
MARKETPLACE

4.8%

SHIFT IN  
SHARING PROGRAMS

8.5%

INCREASE IN  
PARENT/SPOUSE



## DATA HIGHLIGHTS

### What are the likely *reasons* for change?

#### Marketplace Plans

**Increased** selection from 2020 to 2021 could be due to growing public awareness of APTCs. Certain legislation has served to enhance them further, and carrier and plan availability has grown significantly.

#### Sharing Programs

A **shift** in selection from 2020 to 2021 could also be due to growing public awareness of APTCs. Individuals who initially made a cost-conscious selection for a Sharing Program changed to the discounted and guaranteed-issue Marketplace plans.

#### Spouse/ Parent

**Increase** in plans provided through a family member. There is certainly convenience of having the whole family on one plan with one ID card. With medical debt at an all-time high in the United States, more families understand the importance of just one deductible to limit household risk.

# 10 FEATURED STATES ON MARKETPLACE

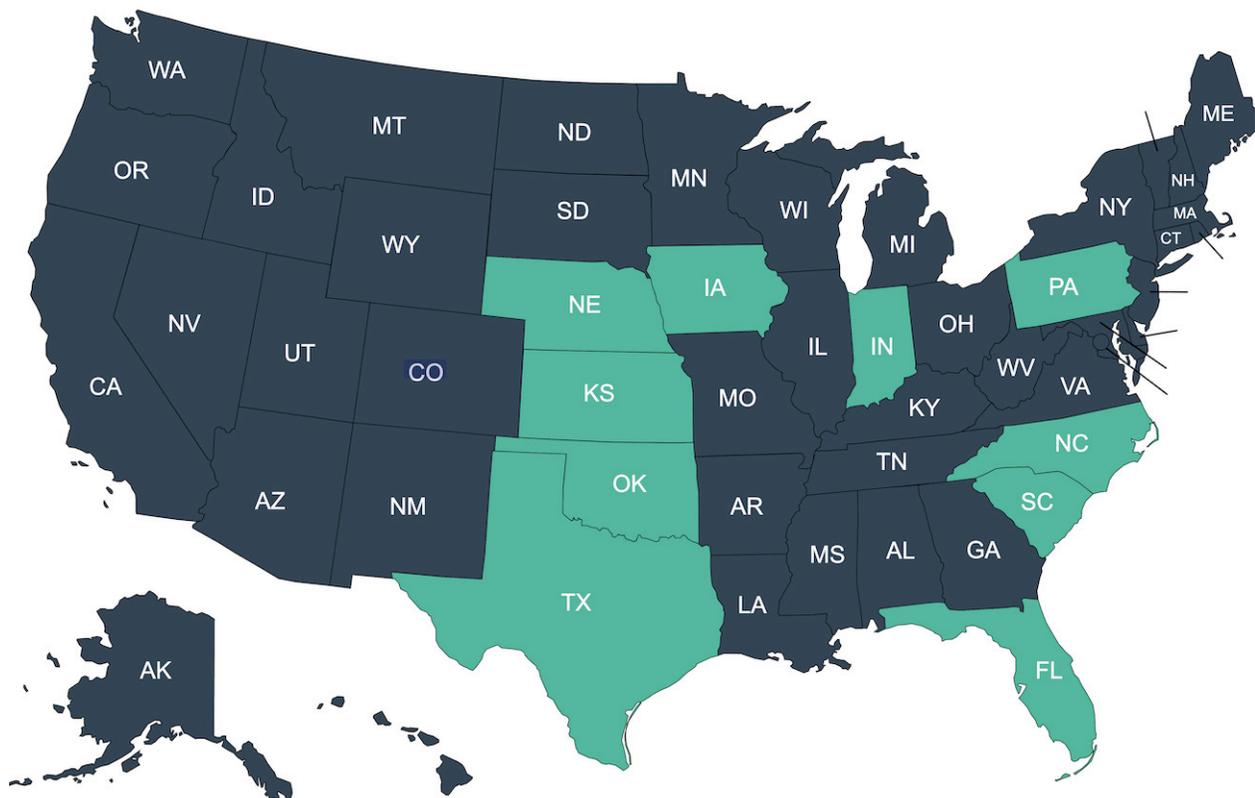
## Where do Marketplace plans have the most *impact*?

While Marketplace plans have seen success throughout the United States, it is helpful to highlight a few states seeing the most powerful impacts of APTCs. Below and on the next page we've highlighted the average savings per state and their respective tax credits available. These things actively help individuals discount the cost of their individual coverage.

Please keep in mind that all 50 states have some level of tax credits available. So even if your state is not highlighted, don't worry. There are still huge savings available when adopting a managed individual model thanks to APTCs!

## Tax credits from coast to coast

Ten Featured Advanced Premium Tax Credit States, in Order of Impact



Source: Remodel Health  
Member Data, 2019-2022

# 10 FEATURED STATES ON MARKETPLACE

## Average savings and tax credits available per state.

<u>State</u>	<u>Monthly Tax Credits</u>	<u>Percentage Discounted</u>	<u>New Premium</u>
NE	\$1,035	78.27%	\$287
IN	\$954	54.20%	\$517
IA	\$856	83.44%	\$169
KS	\$856	65.03%	\$407
OK	\$692	63.64%	\$395
PA	\$690	63.26%	\$400
SC	\$668	68.49%	\$307
NC	\$657	75.66%	\$211
TX	\$599	62.82%	\$354
FL	\$543	50.95%	\$522

**\$8,948** AVERAGE ANNUAL  
TAX CREDITS PER INDIVIDUAL

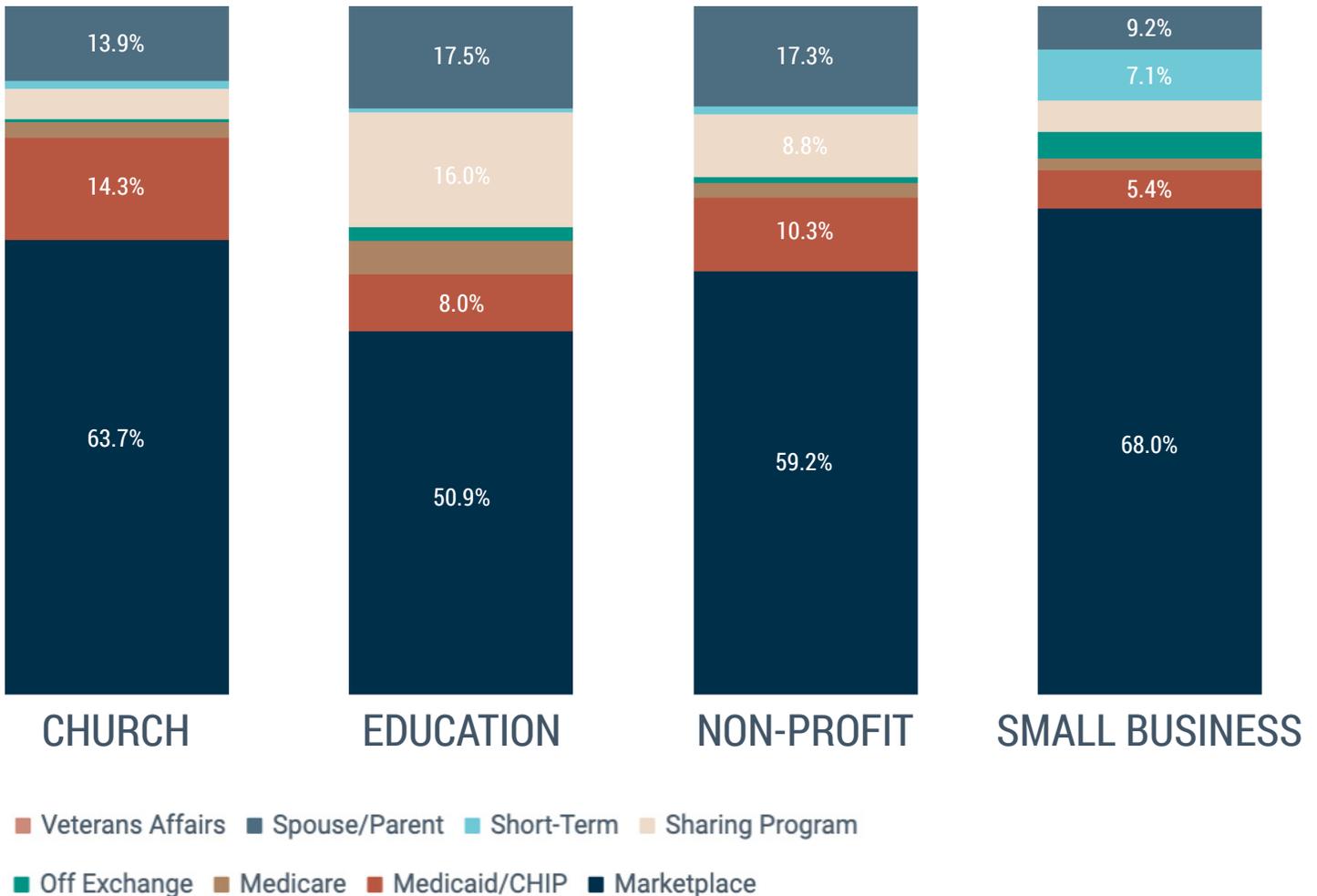
# SELECTIONS BY INDUSTRY

## How does business type impact health benefits options?

Understanding employee demographics helps us explore the differences between industries, as well. Employers should consider industry norms and trends when designing their health benefits package for their organization. This will help employees feel cared for and seen on an individual level!

### Does *industry* affect your choice?

Employee Health Benefits Selection by Industry

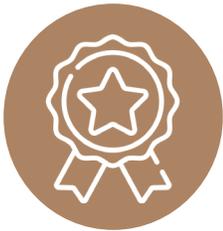


Note: No series shown for statistics less than 5%.  
 Source: Remodel Health Member Data, 2019-2022

# SELECTIONS BY INDUSTRY

## Designing a benefits plan for your industry and people.

You know your people and your industry better than anyone. So when designing your new health benefits package, keep these key takeaways in mind!



### MEDICARE

Medicare is crucial for many individuals within higher education. In the case of tenured faculty, the transition into Medicare using managed individual health benefits allows individuals the support they need to ensure they take advantage of the improved benefits and coverages of this program.



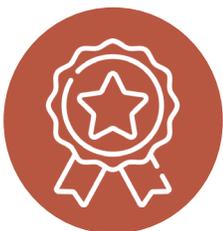
### SHARING PROGRAMS

Healthcare sharing programs are regularly adopted by Christian employers to enjoy the faith-based nature to the program along with the significant affordability of this option. Preexisting conditions are not covered, but these solutions regularly work for healthy individuals.



### OFF EXCHANGE PLANS

Private off exchange plans are popular for higher wage earners in small businesses since their above average incomes decrease the amount of subsidies they receive on Marketplace plans. While still taxable, exchange plans may have similar or improved coverage at a similar to lower costs when purchased directly from the insurance carrier.



### MEDICAID/CHIP

Church employees may be eligible for IRS “housing allowances” and see a lower adjusted gross income (AGI) on their annual tax return. This decrease in AGI often provides eligibility for special programs such as family Medicaid or CHIP (Children’s Health Insurance Program) at low or no-cost. The result is a dramatic improvement of coverage and decrease to overall exposure.



\$70M+ IMPACT



*Revolutionize the way health benefits are delivered to your employees.*



Remodel Health has helped employers **regain and repurpose \$70,000,000+** back into the budgets of their organizations by leaving old group plans and moving into managed individual health benefits. Based on the many data we have analyzed, **this can be your organization, too!**

Your first step is to run your very own Health Benefits Analysis—but instead of it being national, it's based exclusively on the data from your team. Designed as the **most comprehensive health benefits evaluation available** in the United States, no other analysis will provide you this level of detail. We are here to help you make the change and save dollars back into your budget while caring better for your team.

**Ditch your traditional group health benefits once and for all.**

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[remodelhealth.com/analysis](https://remodelhealth.com/analysis)





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