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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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PUBLIC EMPLOYER CONTRIBUTIONS TO MEDICAL BENEFIT PLANS ANNUAL COST LIMITATIONS – CALENDAR YEAR 2014

For a medical benefit plan coverage year beginning on or after January 1, 2012, MCL 15.563 sets a limit on the amount that a public employer may contribute to a medical benefit plan.

For medical benefit plan coverage years beginning on or after January 1, 2013, MCL 15.563 provides that the dollar amounts that are multiplied by the number of employees with each coverage type be adjusted annually. Specifically, the dollar amounts shall be adjusted, by October 1 of each year, by the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available. For calendar year 2013, the limit on the amount that a public employer may contribute to a medical benefit plan was set to the sum of the following:

- $5,692.50 times the number of employees with single person coverage
- $11,385.00 times the number of employees with individual and spouse coverage
- $15,525.00 times the number of employees with family coverage.

The limits for 2014 will equal the 2013 limits increased by the percentage change in the medical care component from the period September 2011-August 2012 to the period September 2012-August 2013, which equaled an increase of **2.9 percent**.

Thus, for medical benefit plan coverage years beginning on or after January 1, 2014, the limit on the amount that a public employer may contribute to a medical benefit plan equals the sum of the following:

- **$5,857.58** times the number of employees with single person coverage
- **$11,715.17** times the number of employees with individual and spouse coverage
- **$15,975.23** times the number of employees with family coverage.

September 19, 2013

Andy Dillon
State Treasurer