

Understanding HMO Insurance Premium Rates

The state share is required to be 85% of the total HMO premium capped at the dollar amount of the state share for the same coverage level under the SHP PPO. Employees are responsible for paying 15% of the HMO premium plus any amount above the cap. Premium cost shares are determined through collective bargaining and the coordinated compensation process.

HMO rates are determined by the carrier based on their anticipated costs including medical, prescription, and behavioral health and substance use disorder claim expenses for the coming calendar year. In 2022 all of the HMOs reached the point where the state share of the premium met the cap. For 2024 the SHP PPO rates remain the same, so the rate increases by the HMOs were over the cap and have a larger impact on the employee share of the premium. Premiums for each benefit plan are located on the [Insurance Rates](#) webpage.

Note: McLaren Health Plan and Physicians Health Plan (PHP) have withdrawn their health insurance offering to state employees and retirees effective January 1, 2024.

CY2024 Biweekly Premium Share								
Blue Care Network (BCN)	Total HMO premium (state and employee shares)	85% of total HMO premium	SHP PPO state premium (cap) - the most the state can pay for the HMO	HMO cost over SHP PPO cap (difference between 85% and PPO cap)	15% of total HMO premium	CY2024 employee premium rate (15% of total HMO premium + HMO cost over SHP PPO cap)	CY2023 employee premium rate	Biweekly increase in employee share from between CY23 to CY24
Employee Only	\$347.79	\$295.62	\$235.11	\$60.51	\$52.17	\$112.68	\$80.38	\$32.30
Employee and Spouse	\$782.53	\$665.15	\$528.99	\$136.16	\$117.38	\$253.54	\$180.85	\$72.69
Employee and Child(ren)	\$608.64	\$517.34	\$411.44	\$105.90	\$91.30	\$197.20	\$140.66	\$56.54
Full Family	\$1,043.37	\$886.86	\$705.32	\$181.54	\$156.51	\$338.05	\$241.13	\$96.92

CY2024 Biweekly Premium Share								
Health Alliance Plan (HAP)	Total HMO premium (state and employee shares)	85% of total HMO premium	SHP PPO state premium (cap) - the most the state can pay for the HMO	HMO cost over SHP PPO cap (difference between 85% and PPO cap)	15% of total HMO premium	CY2024 employee premium rate (15% of total HMO premium + HMO cost over SHP PPO cap)	CY2023 employee premium rate	Biweekly increase in employee share from between CY23 to CY24
Employee Only	\$358.78	\$304.96	\$235.11	\$69.85	\$53.82	\$123.67	\$91.75	\$31.92
Employee and Spouse	\$807.26	\$686.17	\$528.99	\$157.18	\$121.09	\$278.27	\$206.44	\$71.83
Employee and Child(ren)	\$627.87	\$533.69	\$411.44	\$122.25	\$94.18	\$216.43	\$160.57	\$55.86
Full Family	\$1,076.35	\$914.90	\$705.32	\$209.58	\$161.45	\$371.03	\$275.25	\$95.78