

# Top 25 health insurance companies in the U.S.

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Offering health insurance is a major decision for employers, but it can be overwhelming to know where to start, especially for small businesses without an HR staff or a benefits specialist to help.

However, putting in the time and research to set up a formal health benefit plan is well worth the effort. There are several advantages to offering an employer-sponsored health insurance plan, including helping to retain and attract employees, making your business stand out, and contributing towards a happy and healthy workforce.

In this article, we'll list the top 25 health insurance companies in the United States and share alternative health benefit options for employers interested in something other than traditional group health insurance plans.

**Find out how a cost-saving health reimbursement arrangement (HRA) can help your business in our guide**

## Top 25 U.S. health insurance companies listed by market share

Understanding which health insurance companies are credible and offer a wide range of products and medical providers is a good place to start in your quest to provide great health benefit plans.

Below are the top 25 health insurance companies in the United States listed by size of market share in descending order, according to NAIC<sup>1</sup>.

Rank	Company	Market share in 2022
1.	UnitedHealth Group	15.34%
2.	Elevance Health Inc.	7.16%
3.	Centene Corp.	6.68%
4.	Kaiser Foundation	6.18%
5.	Humana	6.03%
6.	CVS Health	5.82%

7.	Health Care Services Corporation (HCSC)	3.53%
8.	Cigna Health	2.39%
9.	Molina Healthcare Inc.	1.99%
10.	Guidewell Mutual Holding	1.84%
11.	Independence Health Group Inc.	1.76%
12.	California Physician's Service	1.40%
13.	Highmark Group	1.32%
14.	Blue Cross of California	1.15%
15.	Blue Cross Blue Shield of Michigan	1.11%
16.	Blue Cross Blue Shield of New Jersey	1.11%
17.	Caresource	0.93%
18.	UPMC Health System	0.90%
19.	Blue Cross Blue Shield of North Carolina	0.79%
20.	Carefirst Inc.	0.70%
21.	Metropolitan	0.69%
22.	Point32Health Inc.	0.63%
23.	Health Net of California, Inc.	0.63%
24.	Local Initiative Health Authority	0.61%
25.	Blue Cross Blue Shield of Massachusetts	0.60%

To clarify, the size of the market share doesn't necessarily guarantee quality care nor does it guarantee the company will retain its position throughout the year.

However, market share size is a good indication of competitiveness, financial health, and the structural security of the company, and insurers with higher market shares hold larger direct written premium amounts.

## How much do health insurance companies receive in premiums?

According to the 2022 NAIC Health Insurance Report<sup>1</sup>, U.S. health insurers earned approximately \$1 trillion in total net earned premiums. This was an 11.4% increase in premium spending from U.S. consumers from 2021 at \$898 billion.

UnitedHealth, which takes the top spot in our list above, wrote roughly \$221 billion in premiums in 2022. Blue Cross Blue Shield of Massachusetts, however, wrote \$8.6 billion.

Going forward, the health industry expects continuing increases in medical services needed due to delayed treatment during the COVID-19 pandemic, worsening health conditions, and older and

higher-risk patients needing care.

Considering this, employers of all sizes can better attract and retain their employees by offering a health plan and other additional benefits that will support necessary medical services in the coming years.

## Why HRAs and health stipends can be a better option for small employers

With premium prices rising, it can be hard for small and midsize businesses to budget for group medical insurance. However, there are more options for organizations that can't afford a traditional health benefit plan. Health reimbursement arrangements (HRAs) are one of those options.

An HRA is a health benefit you can use to reimburse employees, tax-free, for out-of-pocket medical services, health insurance premiums, and other healthcare expenses. Employers can manage their budget by setting an allowance, and employees can gain more flexibility and freedom over their health benefits.

Below we'll go over four types of health benefits that might be right for you and your employees.

### **Qualified small employer HRA**

A qualified small employer HRA (QSEHRA) is a health benefit for organizations with fewer than 50 full-time equivalent employees (FTEs) that don't offer a group health insurance plan. Employers can set an allowance that works for their budget, and employees can pick the type of health insurance policy that works best for them and buy what fits their personal medical needs.

The allowance is flexible and can be used to receive tax-free reimbursements for individual health insurance plan premiums and other out-of-pocket costs. If you're wondering what expenses are eligible for reimbursement, our interactive expense tool includes the complete list of expenses outlined by the federal government in IRS Publication 502.

### **Individual coverage HRA**

Like the QSEHRA, the individual coverage HRA (ICHRA) is a health benefit that can reimburse employees tax-free for individual health insurance premiums and other medical services and expenses.

However, the ICHRA is available for employers of all sizes and can be used as a stand-alone benefit or offered alongside a group health insurance plan, as long as the ICHRA isn't offered to employees using your group plan.

The ICHRA is customizable, so employers can make it fit their needs by setting different allowance amounts according to 11 employee classes. Employees simply choose to opt in or opt out of the benefit before it begins and attest at the beginning of each month that they are still covered by individual health insurance to use the benefit.

## Integrated HRA

If you want to keep your group health insurance or switch to a high-deductible health plan (HDHP) to save on premiums, the integrated HRA is for you.

The integrated HRA, also known as a group coverage HRA (GCHRA), is for employers of all sizes offering a group health insurance plan who want to supplement their benefit plan alongside traditional medical insurance. Similar to QSEHRA and ICHRA, it's a tax-free reimbursement method for employers who want greater control over their health insurance costs.

Integrated HRAs come with some unique perks over other HRAs. Employers can set an unlimited allowance amount, a pre-determined deductible, and a cost-sharing amount for employees. Similar to ICHRA, there are seven employee classes that you can use to customize your integrated HRA.

Once the benefit is designed, employees can begin receiving reimbursements for eligible out-of-pocket costs that aren't fully paid for by their group health insurance plan.

## Health stipend

Another way to provide your employees with flexible benefits is with a health stipend. Health stipends are handy because they're less regulated by the federal government than other traditional health benefits, including HRAs. So particularly for small employers, stipends may be easier to manage. However, this benefit type is also for employers of all sizes.

Stipends are a flat amount of money given to employees to spend on whatever the employer wants to allow, such as a health insurance policy (including supplemental plans, like dental insurance and vision coverage) and other medical expenses. The money provided is treated as extra wages added to your employees' paychecks. This makes the amount taxable at the end of the year, but your employees will have more choice in what they can spend their stipend money on overall.

However, a stipend doesn't satisfy the Affordable Care Act's employer mandate for organizations with 50 or more FTEs. Larger organizations will need to offer a group plan or an HRA to maintain compliance.

## How PeopleKeep can help you provide employee benefits

HRAs and stipends are an excellent way for you to provide a health benefit, but you might be concerned about administering them. Luckily, PeopleKeep's HRA administration software and stipend software can help you administer your employee benefits quickly and easily.

PeopleKeep gives employers a simple and effective platform to manage their benefits. Our team of experts focuses on the details, like documentation review and compliance, so you don't have to.

From helping you design your benefits to award-winning customer support for your employees, PeopleKeep has what you need to add affordable and comprehensive benefits to your compensation package.