

MASSACHUSETTS DIVISION OF INSURANCE
SUMMARY OF 2024 MEMBERSHIP IN EMPLOYMENT-SPONSORED
SELF-FUNDED HEALTH BENEFIT PLANS^{1,2,3,4}

Employers Using Other Companies³ to Administer Self-Funded Plans

- In 2024, 23 Third Party Administrators (TPAs) and insurance carriers reported administering the hospital/medical benefits within self-funded health benefit plans for 1,290 Massachusetts employers. Thirty TPAs reported administering ancillary benefits (for behavioral health care, pharmacy, dental/vision, and imaging) for 5,483 Massachusetts employers.

Proportion of Self-Funded Accounts Covering Massachusetts Mandated Health Benefits

- Among the 35 identified health benefits statutorily mandated to be within insured health benefit plans in 2023, the TPAs reported that 17 of those benefits were covered in full or partially for more than 90% of members of self-funded plans. Each of the other 18 mandated benefits was covered in full or in part for between 73% and 89% of members of self-funded plans:
 - Autism Spectrum Disorder Treatment – covered in full or part for 84% of members
 - Cleft Palate and Cleft Lip – covered in full or part for 88% of members
 - Clinical Trials to Treat Cancer – covered in full or part for 88% of members
 - COVID tests, vaccines, and treatment – covered in full or part for 86% of members
 - Early Intervention Services – covered in full or part for 78% of members
 - Hearing Aids for Children – covered in full or part for 80% of members
 - Hearing Screening for Newborns – covered in full or part for 86% of members
 - HIV Associated Lipodystrophy Treatment – covered in full or part for 82% of members
 - Hormone Replacement Therapy – covered in full or part for 87% of members
 - Hypodermic Syringes or Needles – covered in full or part for 88% of members
 - Infertility Treatment – covered in full or part for 85% of members
 - Low Protein Food Products for Inherited Amino Acid and Organic Acid Diseases (PKU) – covered in full or part for 82% of members
 - Nonprescription Enteral Formulas – covered in full or part for 78% of members
 - Off-label Uses of Prescription Drugs to Treat AIDS – covered in full or part for 84% of members
 - Off-label Uses of Prescription Drugs to Treat Cancer – covered in full or part for 84% of members
 - PANS/PANDAS – covered in full or part for 85% of members
 - Scalp Hair Prostheses for Cancer Patients – covered in full or part for 85% of members
 - Special medical formulas approved by the commissioner of the department of public health – covered in full or part for 74% of members
 - Tobacco cessation products – covered in full or part for 85% of members

¹ The Massachusetts Division of Insurance is required to collect and report the information included in this report to the Massachusetts Legislature annually according to Section 40 of Chapter 288 of the Acts of 2010, according to the parameters identified in 211 CMR 148.00 and 211 CMR 149.00.

² When employers or unions provide employment-based health benefit coverage to employees and elect to finance the costs of covered health services from their own financial resources – rather than purchasing insured health coverage from health insurance carriers – the coverage is referred to as self-funded employment-sponsored health benefit plans. The information about self-funded plans presented in this report is based upon materials submitted by third-party administrators and otherwise licensed insurance carriers for the self-funded health plans they administer on behalf of employers and unions. The reported figures were reviewed for completeness and consistency but were not audited by the Division of Insurance.

³ When employers elect to self-fund their employment-based health benefit plans, they may contract with a Third-Party Administrator or an otherwise licensed insurance carrier to administer the benefits for their covered employees.