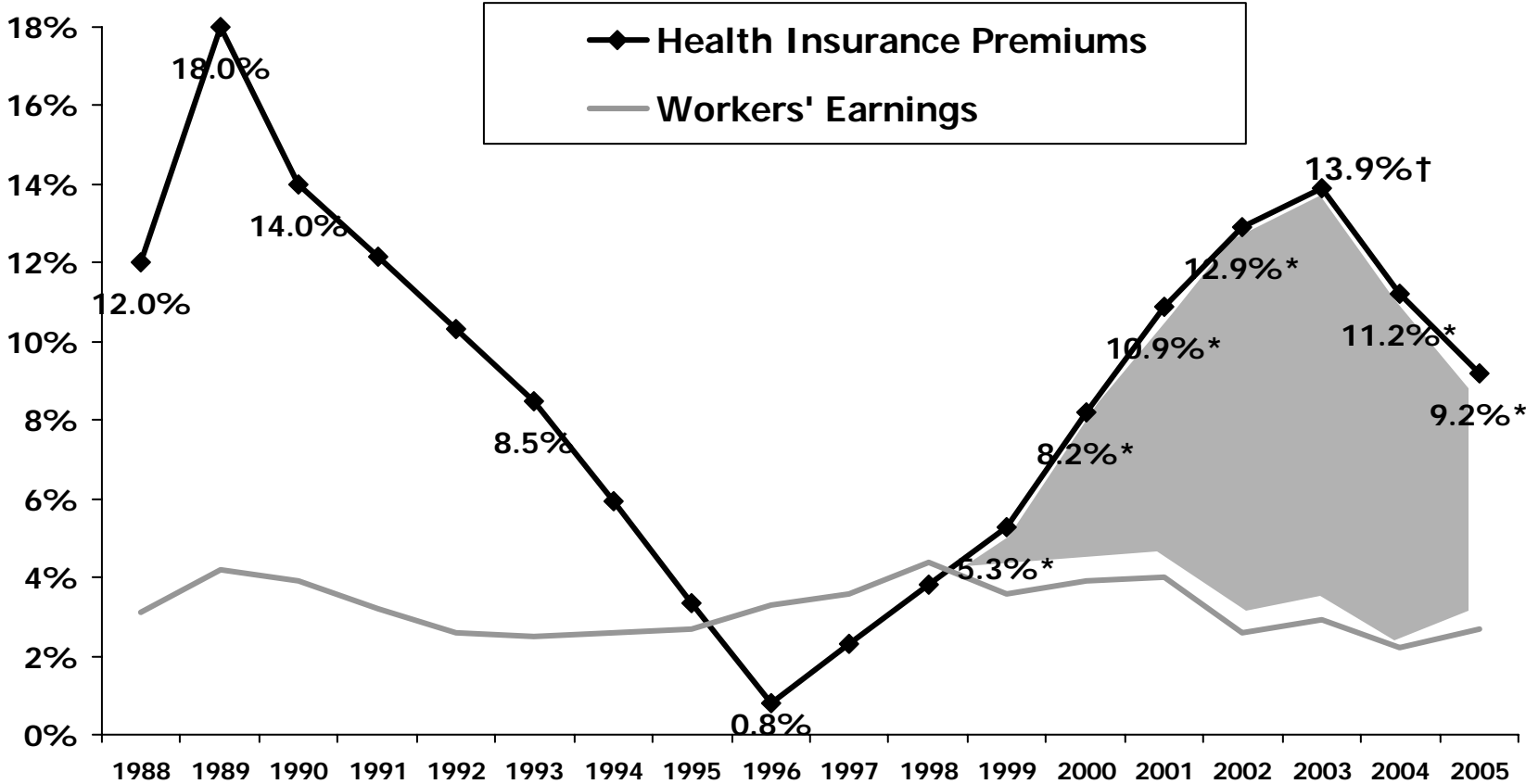


Increases in Health Insurance Premiums and Workers' Earnings, 1988-2005



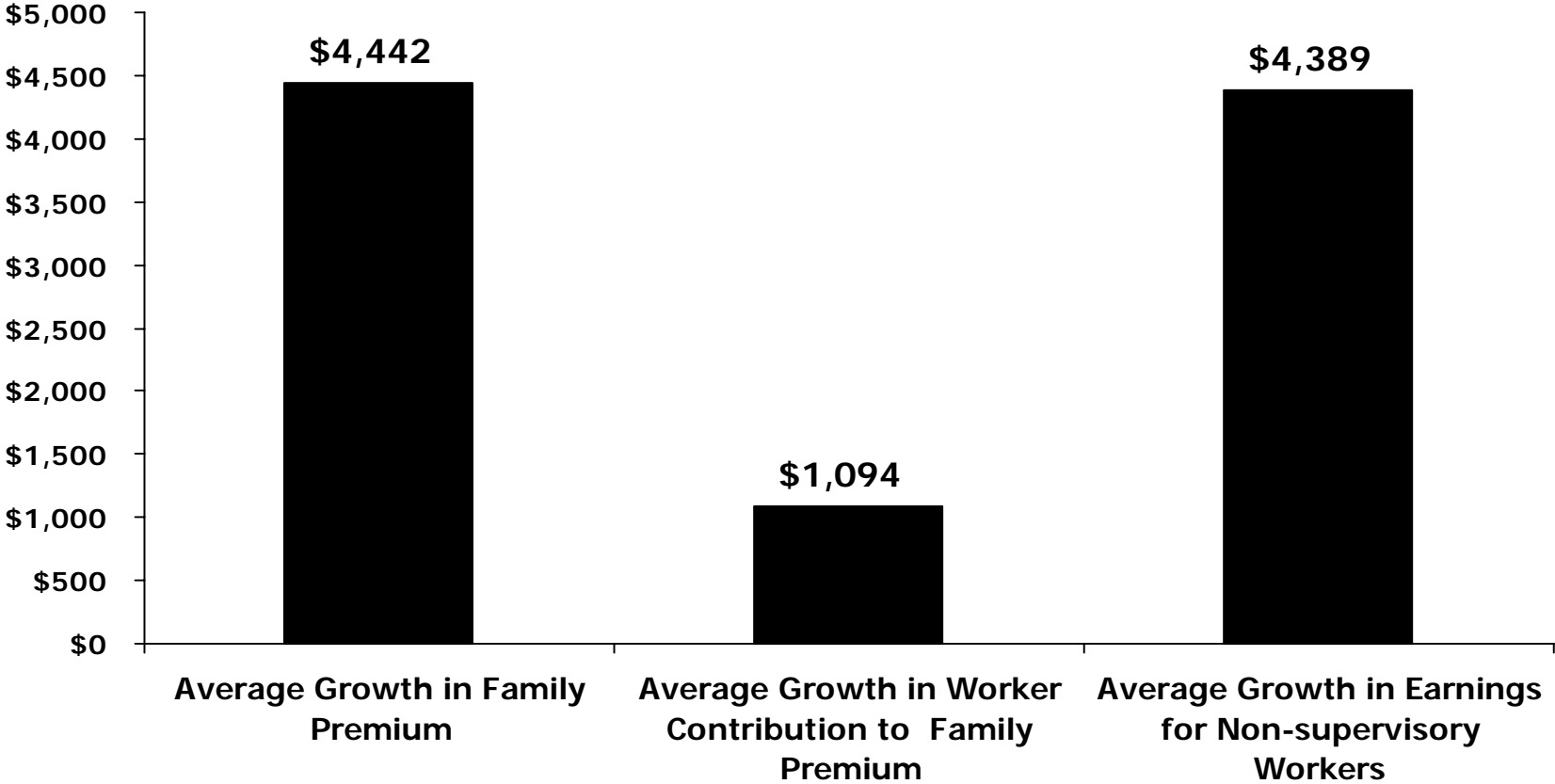
* Estimate is statistically different from the previous year shown at p<0.05. No statistical tests were conducted for years prior to 1999.

† Estimate is statistically different from the previous year shown at p<0.1. No statistical tests were conducted for years prior to 1999.

Note: Data on premium increases reflect the cost of health insurance premiums for a family of four.

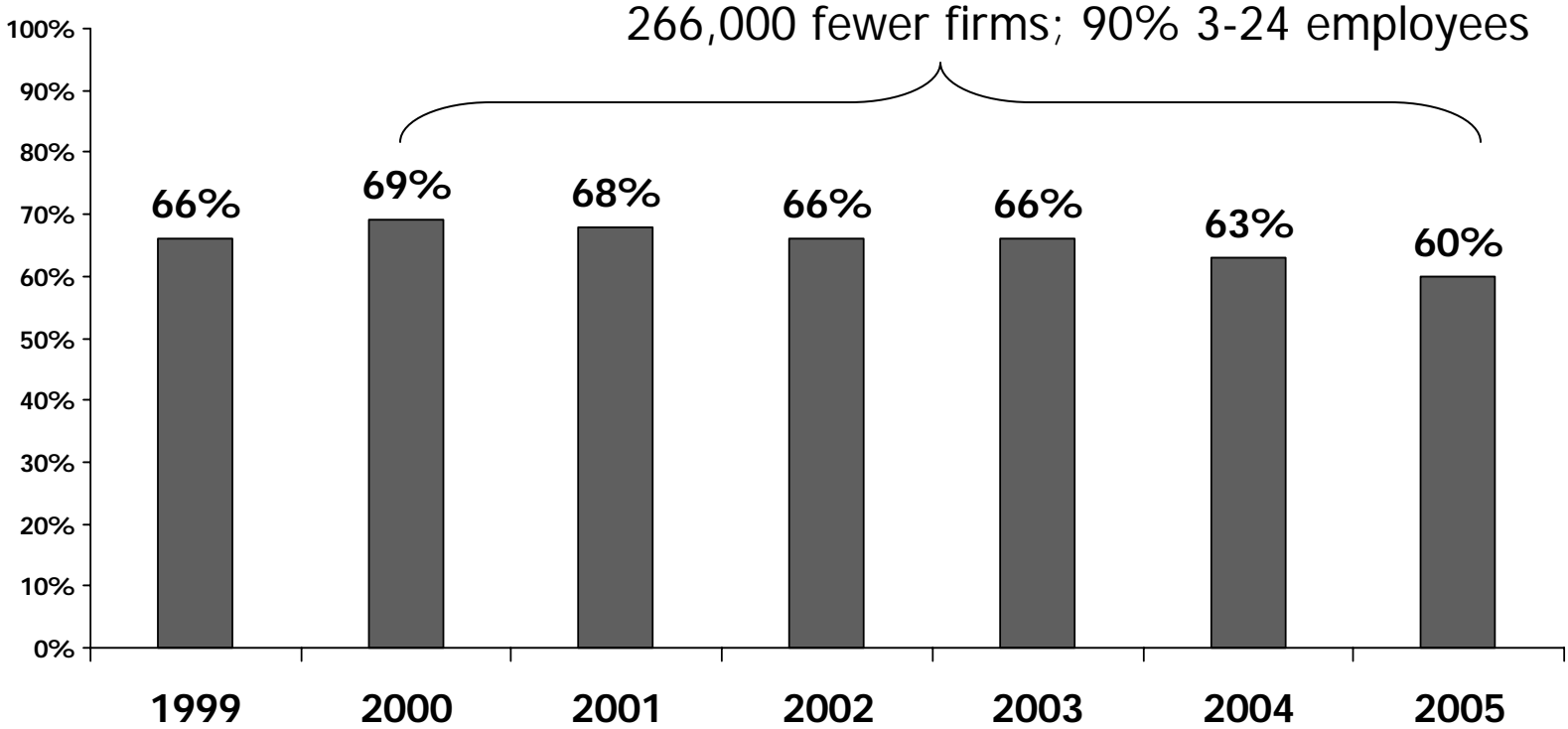
Source: KFF/HRET Survey of Employer-Sponsored Health Benefits: 1999-2005; KPMG Survey of Employer-Sponsored Health Benefits: 1993, 1996; The Health Insurance Association of America (HIAA): 1988, 1989, 1990; Bureau of Labor Statistics, Consumer Price Index (U.S. City Average of Annual Inflation (April to April), 1988-2005; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey (April to April), 1988-2005.

Change in Premium Costs and Earnings, 2000 to 2005



Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 2000 and 2005; earnings growth from Kaiser Family Foundation calculations based on Bureau of Labor Statistics data assuming 2080 hours worked per year

Percentage of All Firms Offering Health Benefits, 1999-2005*

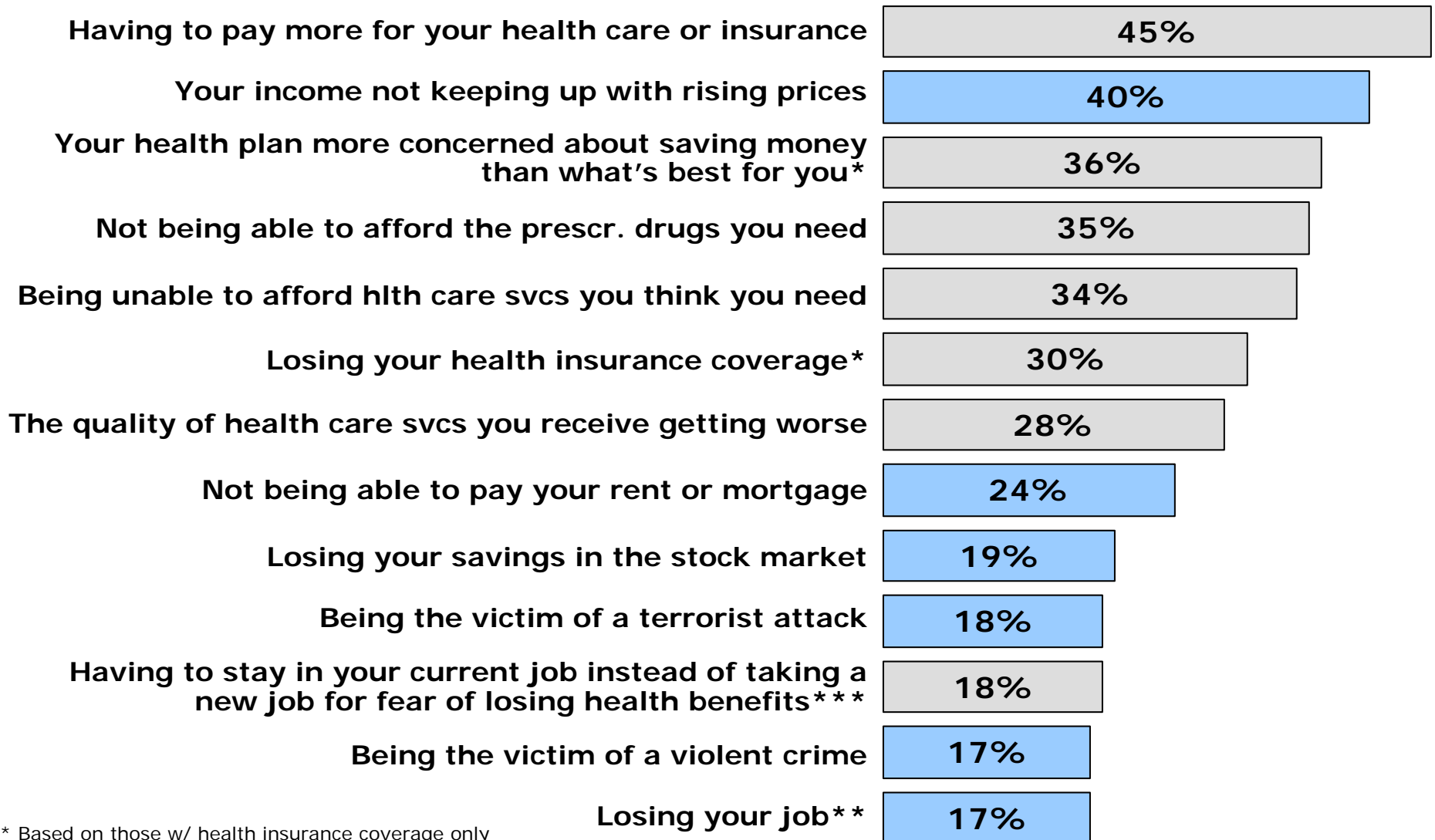


Tests found no statistically different estimates from the previous year shown at $p < .05$.

The 2005 offer rate is not statistically different than the 2004 offer rate at $p < .05$. The difference between the offer rate in 2000 (69%) and the offer rate in 2005 (60%) is statistically significant at $p < .05$.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 1999-2005.

Health Care Worries in Context With Other Worries

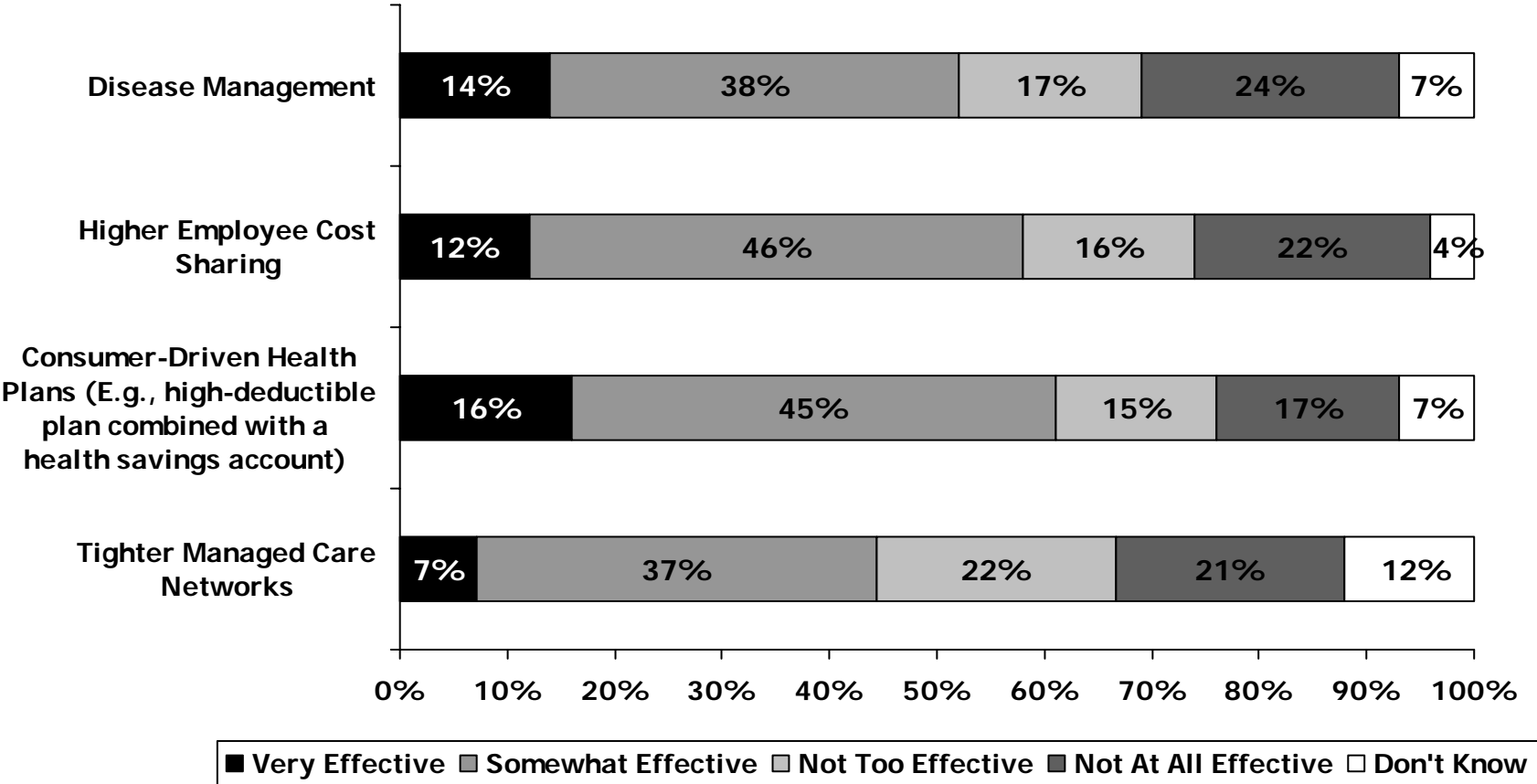


* Based on those w/ health insurance coverage only

** Based on employed only

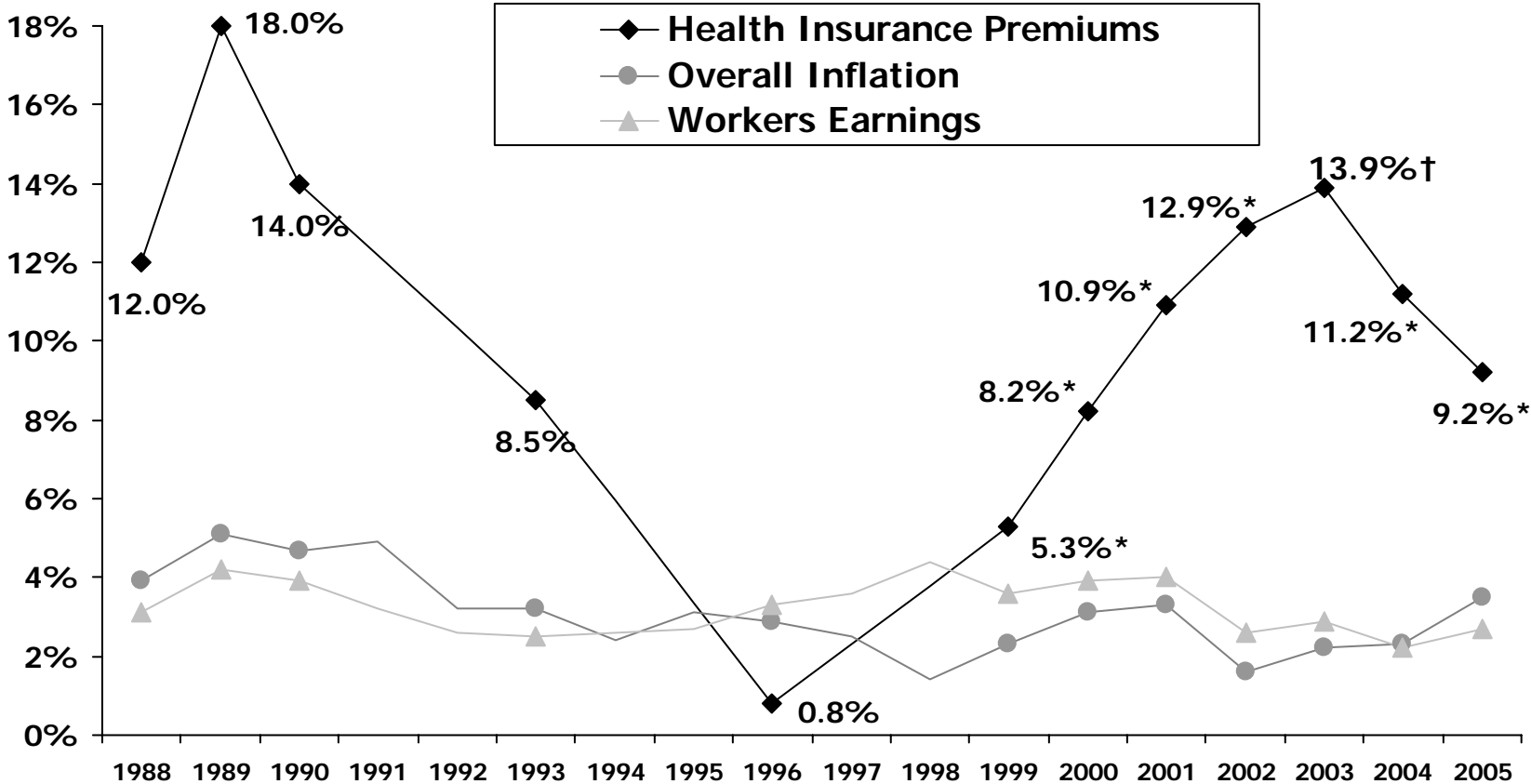
*** Based on those who are employed with health insurance cvg only. Source: Kaiser Family Foundation *Health Poll Report Survey*, June 2005

Distribution of Firms' Opinions on the Effectiveness of the Following Cost Containment Strategies, 2005



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

Increases in Health Insurance Premiums Compared to Other Indicators, 1988-2005



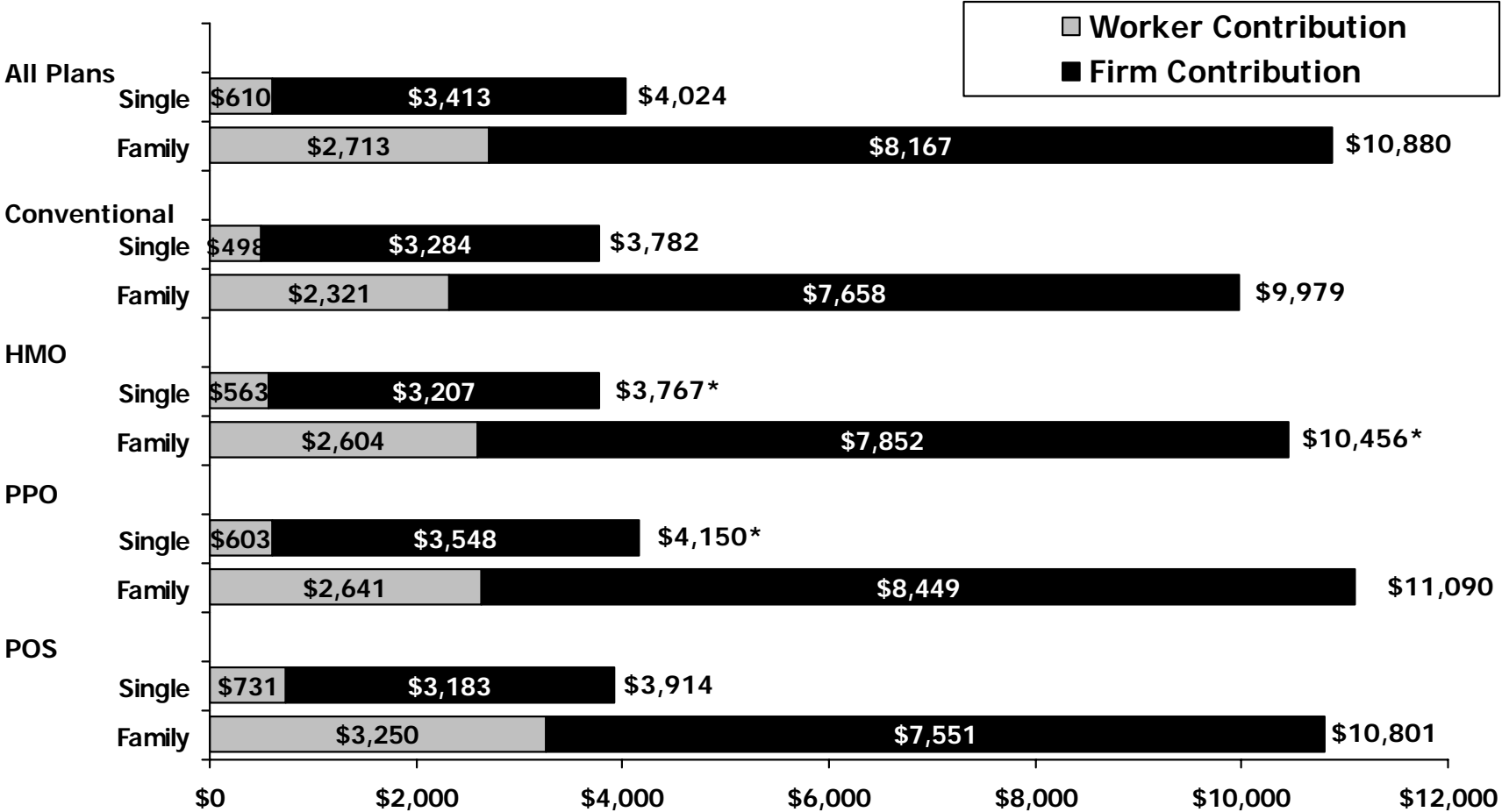
* Estimate is statistically different from the previous year shown at p<0.05. No statistical tests were conducted for years prior to 1999.

† Estimate is statistically different from the previous year shown at p<0.1. No statistical tests were conducted for years prior to 1999.

Note: Data on premium increases reflect the cost of health insurance premiums for a family of four.

Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 1999-2005; KPMG Survey of Employer-Sponsored Health Benefits, 1993, 1996; The Health Insurance Association of America (HIAA), 1988, 1989, 1990; Bureau of Labor Statistics, Consumer Price Index (U.S. City Average of Annual Inflation (April to April), 1988-2005; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey (April to April), 1988-2005.

Average Annual Premiums for Covered Workers, by Plan Type, 2005

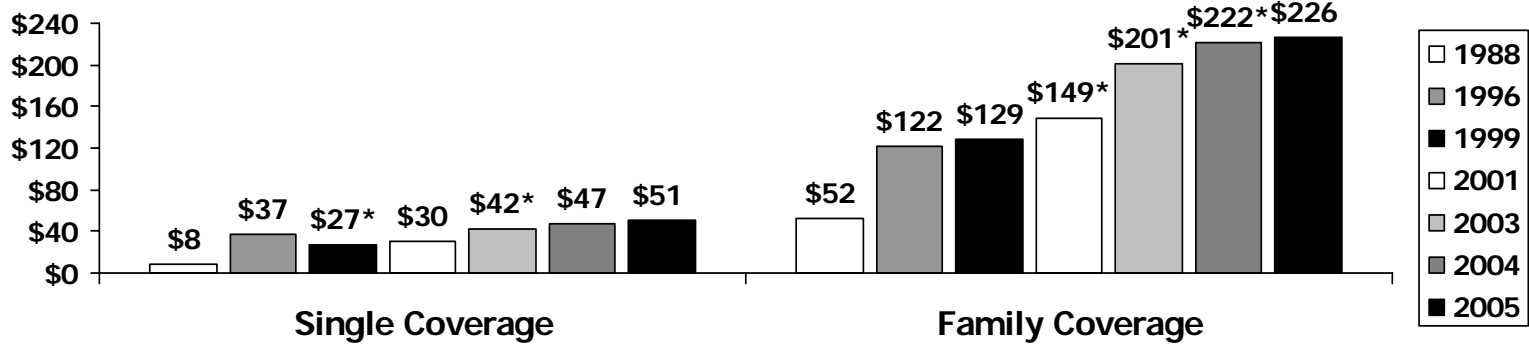


* Estimate of total premium is statistically different from All Plans by coverage type at p<.05.

Note: Family coverage is defined as health coverage for a family of four.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

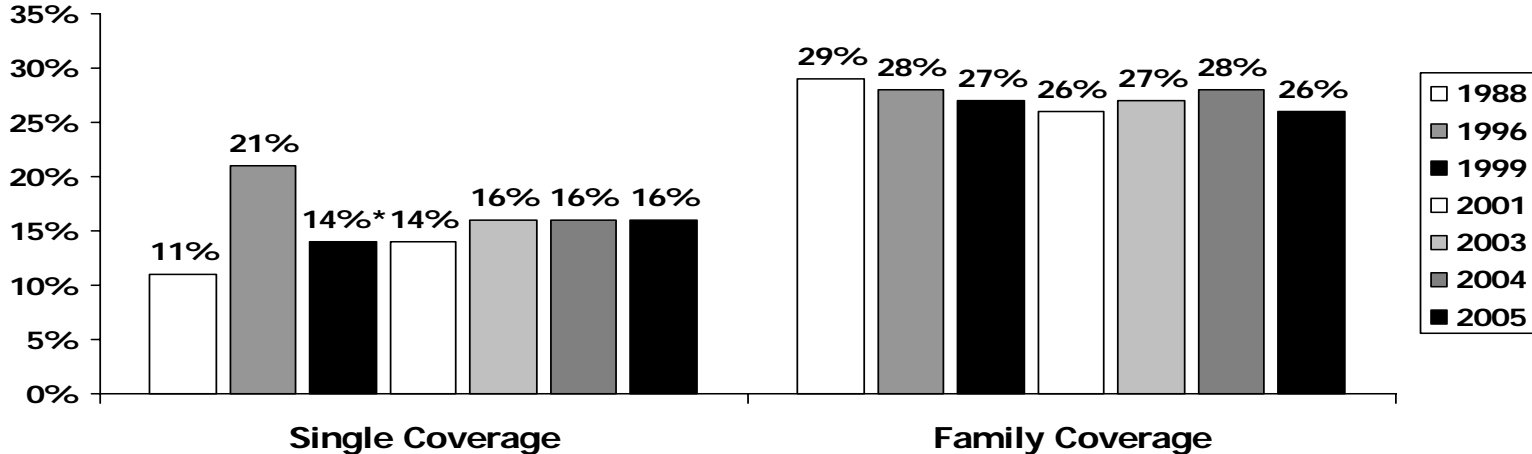
Average Monthly Worker Contribution, 1988-2005



* Estimate is statistically different from the previous year shown at $p < .05$. No statistical tests were conducted for years prior to 1999.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2000-2005; KPMG Survey of Employer-Sponsored Health Benefits, 1996; Health Insurance Association of America (HIAA), 1988.

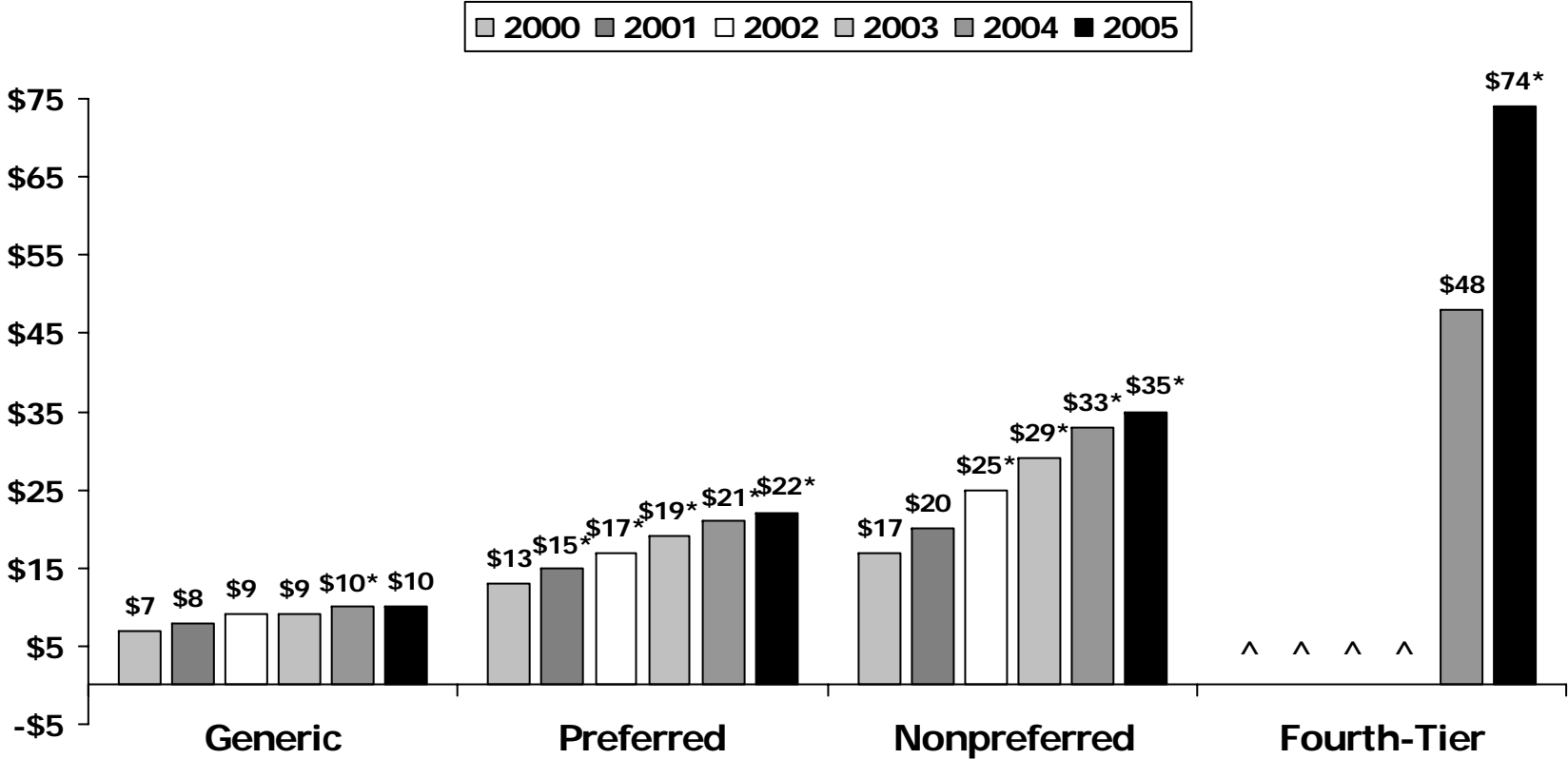
Percentage of Premium Paid by Covered Workers, 1988-2004



* Estimate is statistically different from the previous year show at $p < .05$. No statistical tests were conducted for years prior to 1999.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2000-2005; KPMG Survey of Employer-Sponsored Health Benefits, 1996; Health Insurance Association of America (HIAA), 1988.

Among Covered Workers Facing Prescription Drug Copayment Amounts, Average Copayments, 2000-2005



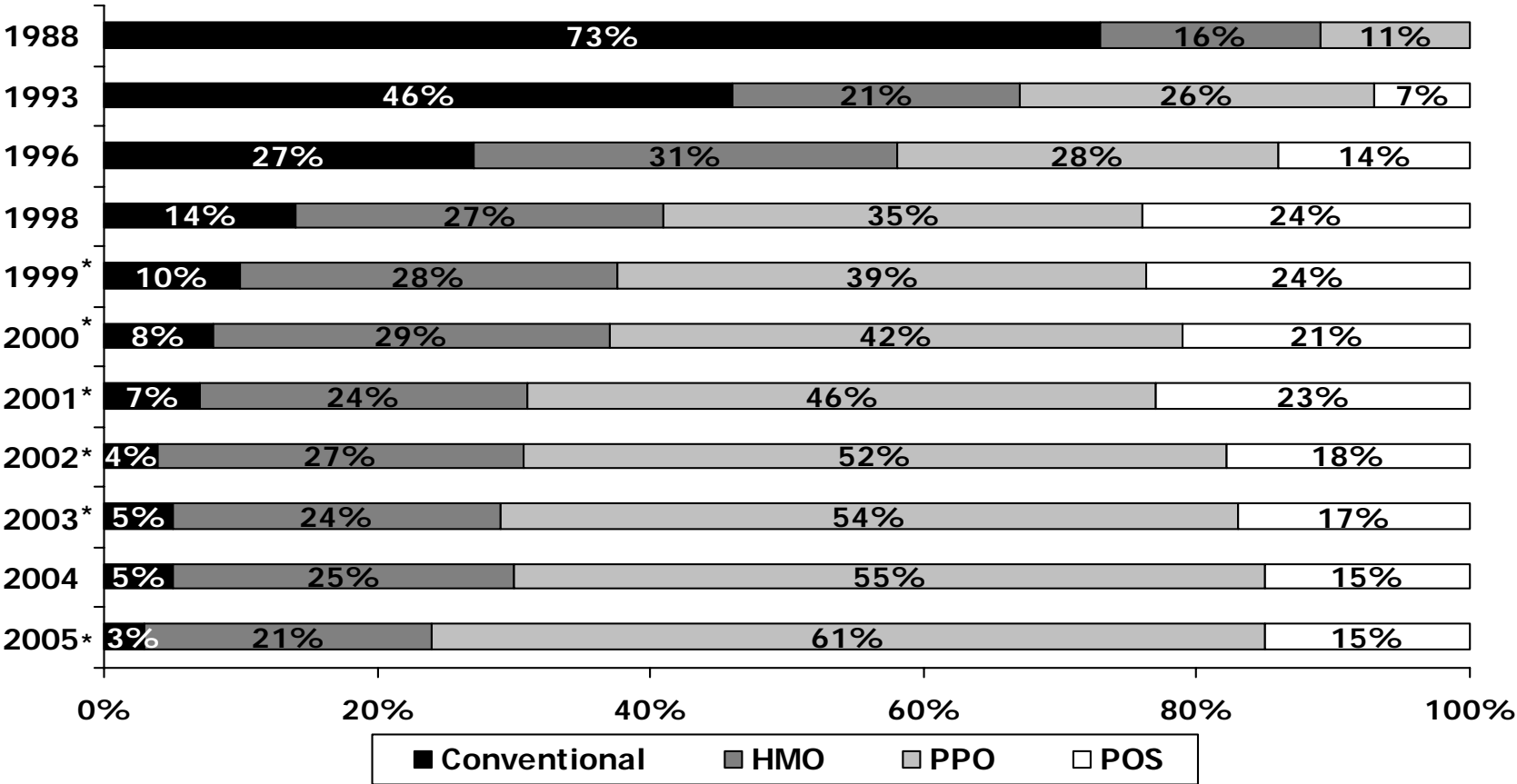
* Estimate is statistically different from the previous year shown at $p < .05$.

^ Fourth-tier copayment information was not obtained prior to 2004.

Note: Average copayments for generic, preferred and nonpreferred drugs are calculated by combining the weighted average copayments for those types of drugs among firms with a single copayment amount or a multi-tier cost sharing structure. The average copayment for fourth-tier drugs is calculated using information from only those plans that have a fourth-tier copayment amount.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000-2005.

Health Plan Enrollment for Covered Workers, by Plan Type, 1988-2005

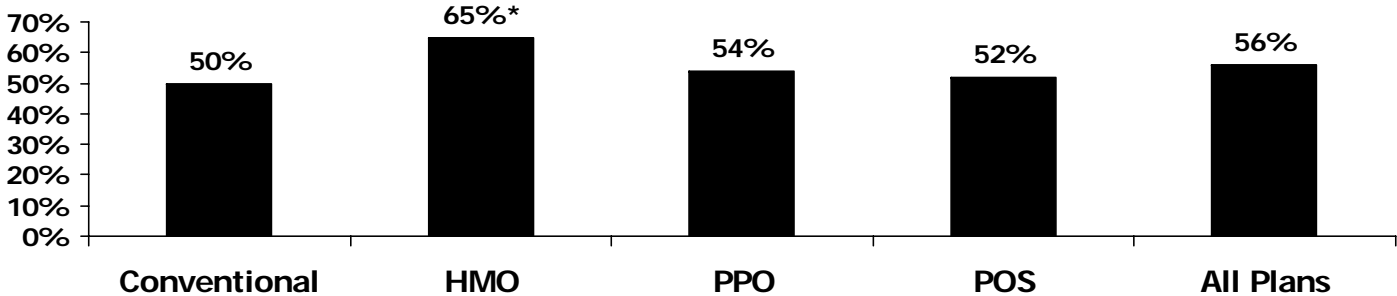


* Distribution is statistically different from the previous year shown at $p < .05$. No statistical tests were conducted for years prior to 1999. Information was not obtained for POS plans in 1988.

Note: A portion of the change in enrollment for 2005 is likely attributable to incorporating more recent Census Bureau estimates of the number of state and local government workers and removing federal workers from the weights. See the Survey Design and Methods section in the report for additional information: www.kff.org/insurance/7315/.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2005; KPMG Survey of Employer-Sponsored Health Benefits, 1993, 1996. The Health Insurance Association of America (HIAA), 1988.

Percentage of Covered Workers in Plans With A Disease Management Program, 2005



Among Covered Workers Enrolled In A Plan With Disease Management Programs, Percentage With Particular Disease Management, 2005

	<i>Diabetes</i>	<i>Asthma</i>	<i>Hypertension</i>	<i>High Cholesterol</i>
FIRM SIZE				
All Small Firms (3-199 Workers)	99%	84%	85%	82%
All Large Firms (200 or More Workers)	98	86	82	62

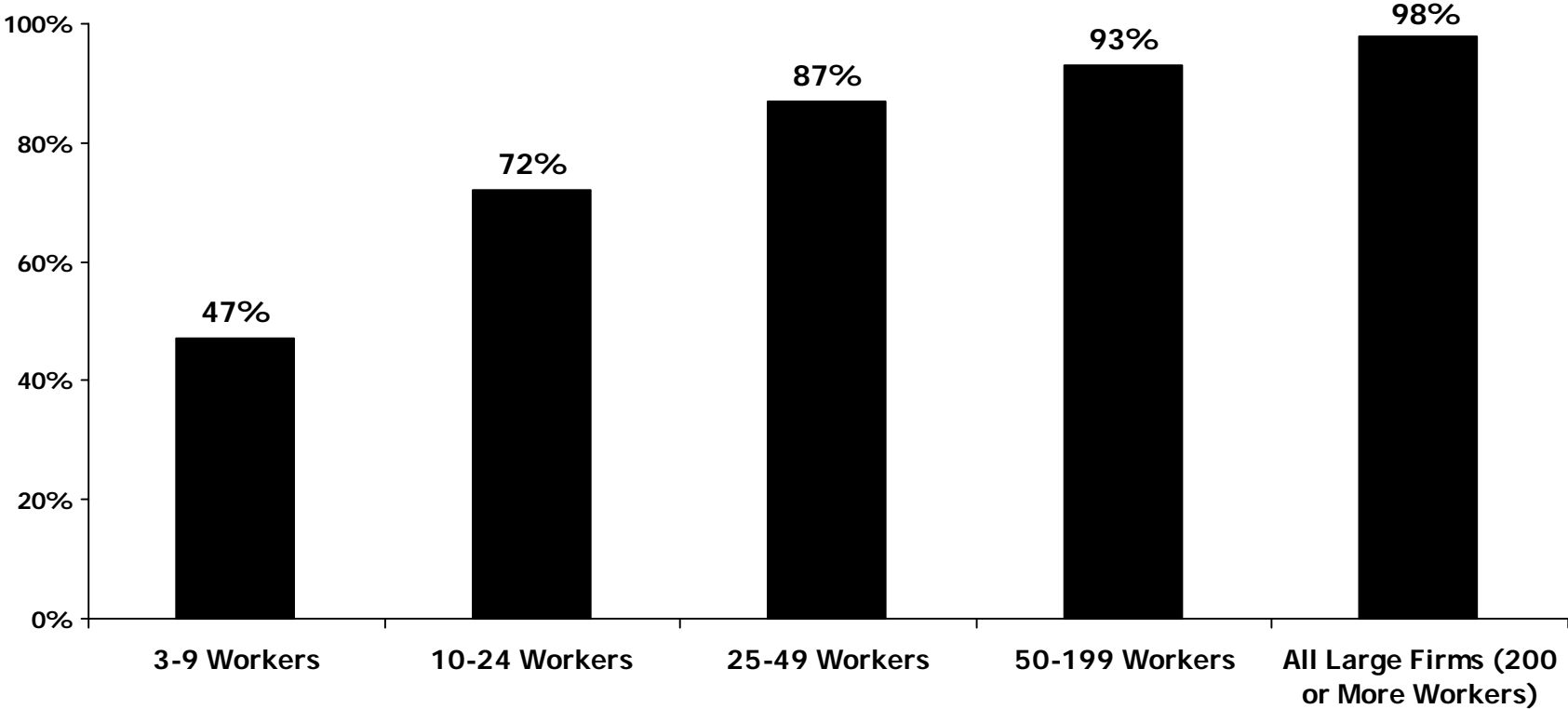
* Estimate is statistically different from All Plans at p<.05.

Note: The survey defines disease management programs as programs that try to improve the health and reduce the costs associated with people with chronic illnesses by teaching patients about their disease, suggesting treatment options and assessing the treatment process and outcomes.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

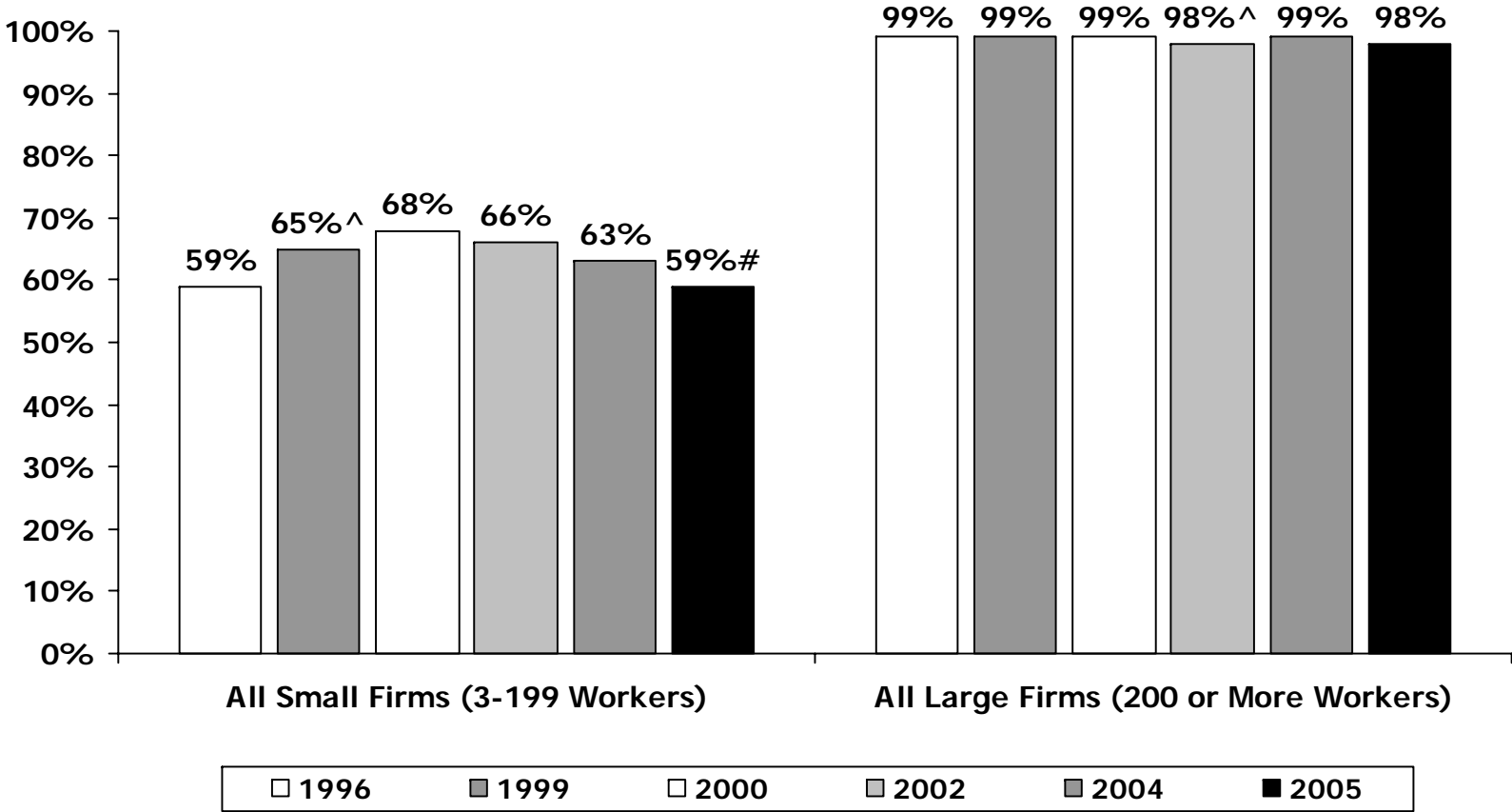
Gary Claxton

Percentage of Firms Offering Health Benefits, by Firm Size, 2005



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

Percentage of Firms Offering Health Benefits, by Firm Size, 1996-2005



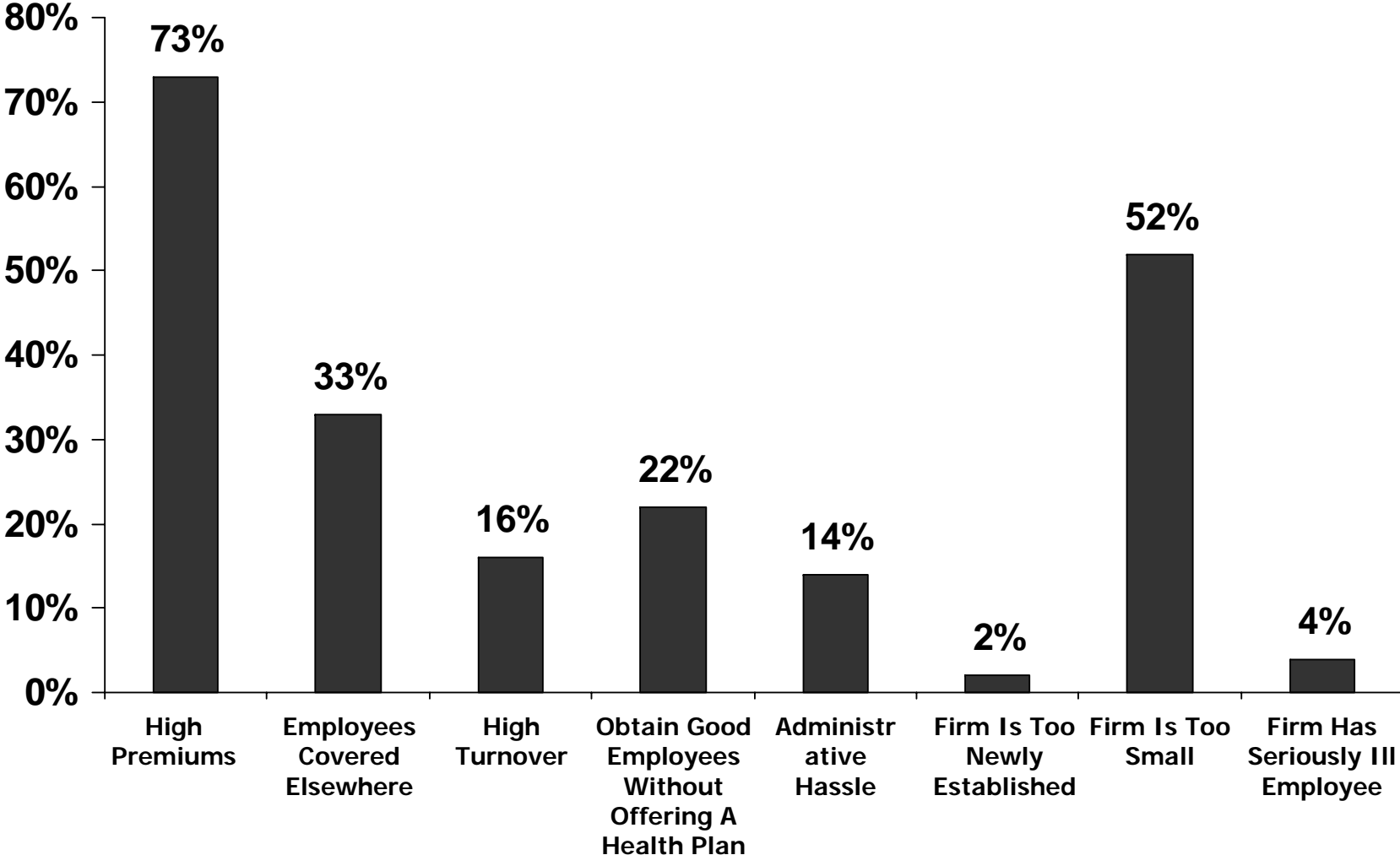
[^] Estimate is statistically different from the previous year shown at p<0.1.

[#] The 2005 offer rate for All Small Firms is not statistically different than the 2004 offer rate for All Small Firms at p<.05. The difference between the offer rate for All Small Firms in 2000 (68%) and the offer rate for All Small Firms in 2005 (59%) is statistically significant at p<.05.

Note: The percentage of All Large Firms (200 or more workers) offering health benefits in 1999 was 99%, not 100% as reported last year. Data prior to 1999 do not reflect several methodological changes that were made to the survey, including standardizing survey weights to U.S. Census data.

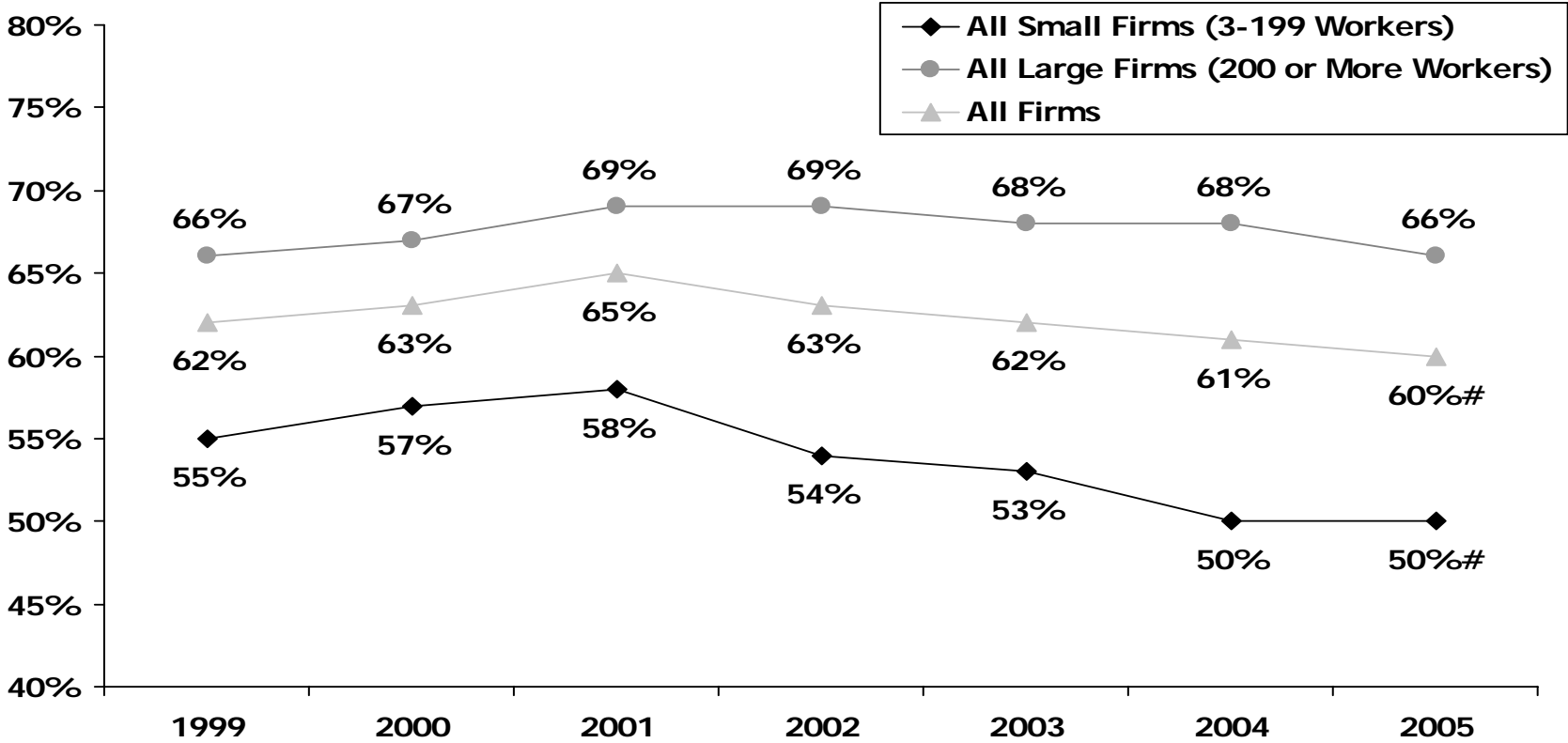
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2005; KPMG Survey of Employer-Sponsored Health Benefits, 1996.

Among Firms Not Offering Health Benefits, Percentage of Firms Who Say the Following Are "Very Important" Reasons for Not Offering, 2005



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

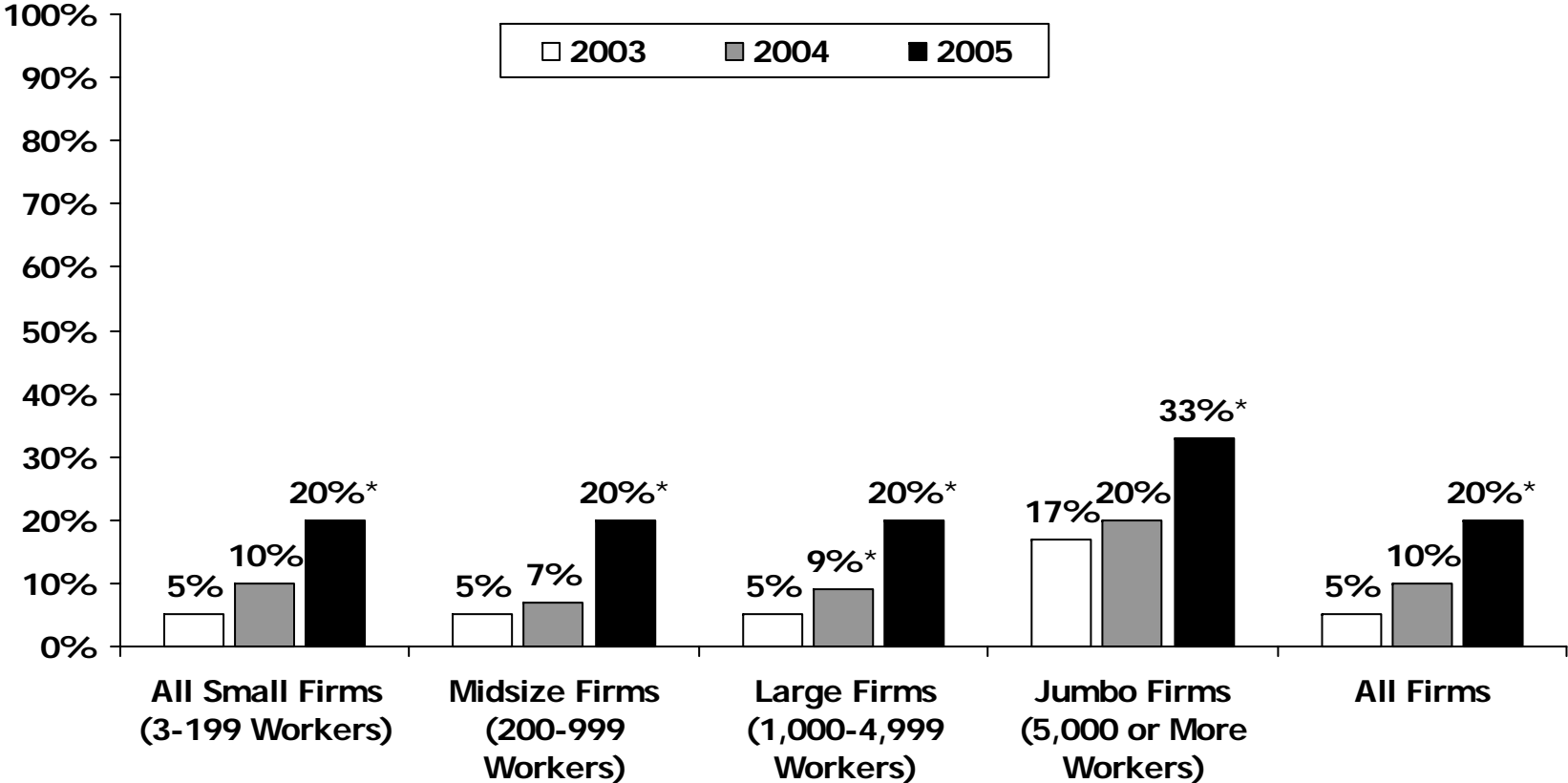
Percentage of Workers Covered by Their Employer's Health Benefits, in Firms Both Offering and Not Offering Health Benefits, by Firm Size, 1999-2005



Year-to-year estimates are not significantly different at $p < .05$. However, there is a significant change between 2000 and 2005 for All Firms and All Small Firms at $p < .05$.

Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 1999–2005.

Percentage of Firms That Offer Employees a High-Deductible Health Plan, by Firm Size, 2003-2005

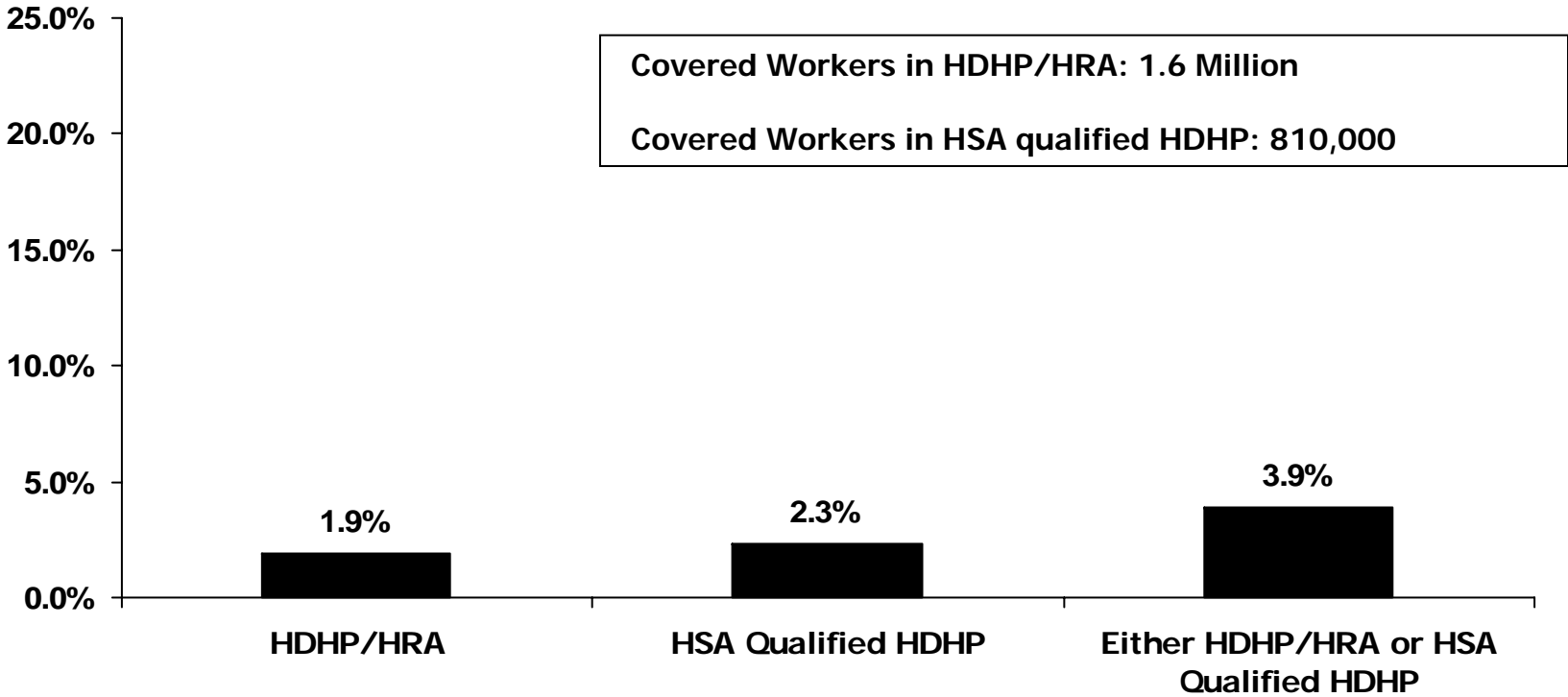


* Estimate is statistically different from previous year shown at $p < .05$.

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage. In 2003 and 2004, the survey used a different definition and asked if firms offered a health plan with a deductible of more than \$1,000 for single coverage. The survey did not specify a minimum deductible for family coverage. The prevalence shown is for all HDHPs, regardless of whether they are offered with an HRA, are HSA qualified, or neither.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2003 - 2005.

Among Firms Offering Health Benefits, Percentage Offering an HDHP/HRA or HSA Qualified HDHP, 2005



Note: The 3.9% offering either an HDHP/HRA or an HSA Qualified HDHP includes 0.3% of firms that offer both.

HDHP/HRA: A high-deductible health plan (HDHP) offered with an HRA.

HSA Qualified HDHP: A high-deductible health plan (HDHP) that meets the legal requirements to permit a worker to establish an HSA.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.