

EMPLOYER HEALTH BENEFITS
2007 ANNUAL SURVEY

High-Deductible
Health Plans
with Savings
Option

SECTION

8

High-Deductible Health Plans with Savings Option

Changes in law over the past few years have permitted the establishment of new types of savings arrangements for health care. The two most common are health reimbursement arrangements (HRAs) and health savings accounts (HSAs). HRAs and HSAs are both financial accounts that workers or other individuals can use to pay for health care services. These savings arrangements are often (or, in the case of HSAs, always) paired with health plans with high deductibles. The survey treats high-deductible plans that can be paired with a savings option as a distinct plan type – High-Deductible Health Plan with Savings Option (HDHP/SO) – even if the plan would otherwise be considered a PPO, HMO, POS or conventional health plan. Specifically for the survey, HDHP/SOs are defined as (1) health plans with a deductible of at least \$1,000 for single coverage and \$2,000 for family coverage¹ offered with an HRA (referred to as HDHP/HRAs); and (2) high-deductible health plans that meet the federal legal requirements to permit an enrollee to establish and contribute to an HSA (referred to as HSA-qualified HDHPs).²

Ten percent of firms offering health benefits offer an HDHP/HRA, an HSA-qualified HDHP, or both in 2007. Five percent of covered workers are enrolled in HDHP/SOs in 2007 (Exhibit 5.1). The average premiums for single coverage in HDHP/HRAs and HSA-qualified HDHPs, and the average premium for family coverage in HSA-qualified HDHPs, are lower than the overall average premiums for plans that are not HDHP/SOs.

Each section of the report includes information, where sample size permits, about HDHP/SOs as a distinct plan type. In this section, information is presented separately for HDHP/HRAs and HSA-qualified HDHPs, including premiums, worker contributions to the premiums, firm contributions to the HRAs and HSAs, and the distribution of covered workers with various deductibles for single and family coverage.

Percentage of Firms Offering HDHP/HRAs and HSA-Qualified HDHPs, and Enrollment

- Ten percent of firms offering health benefits offer an HDHP/HRA, an HSA-qualified HDHP, or both in 2007 (Exhibit 8.1). This is a higher percentage than we reported for 2006 (7%), but the difference is not statistically significant. Among firms offering health benefits, 3% offer an HDHP/HRA and 7% offer an HSA-qualified HDHP (Exhibit 8.1).
 - Larger firms are more likely to offer an HDHP/HRA, an HSA-qualified HDHP, or both than smaller firms. For example, 18% of firms with 1,000 or more workers

¹ There is no legal requirement for the minimum deductible in a plan offered with an HRA. The survey defines a high deductible plan as a plan with a deductible of at least \$1,000 for single coverage and \$2,000 for family coverage. Federal law requires a deductible of at least \$1,100 for single coverage and \$2,200 for family coverage for HSA-qualified HDHPs in 2007. See the Text Box for more information on HSA-qualified HDHPs and HDHP/HRAs.

² The definitions of HDHP/SOs do not include other consumer-driven plan options, such as arrangements that combine an HRA with a lower-deductible health plan or arrangements in which an insurer (rather than the employer as in the case of HRAs or the enrollee as in the case of HSAs) establishes an account for each enrollee. Other arrangements may be included in future surveys as the market evolves.

- offer an HDHP/SO, compared to 10% of firms with 3 to 199 workers, and 13% of firms with 200 to 999 workers (Exhibit 8.2).
- Between 2006 and 2007, the percentage of firms with 200 to 999 workers offering an HDHP/SO increased from 5% to 13% (Exhibit 8.3).
 - Five percent of covered workers are enrolled in HDHP/SOs in 2007, similar to the 4% enrollment reported for 2006 (Exhibit 5.1). Fewer than 3% of covered workers are enrolled in HDHP/HRAs and a similar percentage is enrolled in HSA-qualified HDHPs.
 - Eight percent of workers in small firms (3-199 workers) are enrolled in HDHP/SOs compared to 4% of workers in large firms (200 or more workers) (Exhibit 5.2).

Deductible Levels and Out-of-Pocket Limits

- Average general annual deductibles in HDHP/SOs are relatively high (as expected) when compared to the average annual deductibles for health plans generally.
 - The average general annual deductible for single coverage is \$1,556 in HDHP/HRAs and \$1,923 in HSA-qualified HDHPs (Exhibit 8.4). However, there is variation around these averages, particularly in the case of HSA-qualified HDHPs, where 24% of covered workers are in a plan with a deductible amount between \$1,100 and \$1,499, and 54% of covered workers are in a plan with a deductible of \$2,000 or more (Exhibit 8.6). Eighty-eight percent of workers enrolled in HDHP/HRAs and 86% of workers enrolled in HSA-qualified HDHPs are in a plan that does not require the deductible to be met before the plan pays for some preventive services (Exhibit 8.9).
 - The 2006 survey was modified to collect additional information about family general annual deductible amounts. Since 2006, the survey asks employers whether the family deductible amount is (1) an aggregate amount (i.e., the out-of-pocket expenses of all family members are counted until the deductible is satisfied), or (2) a per-person amount that applies to each family member (typically with a limit on the number of family members that would be required to meet the deductible amount). Due to this change, the amounts reported this year for family deductibles can be compared (by deductible type) to amounts reported in 2006 but not to amounts reported prior to 2006.
 - Average aggregate deductibles for family coverage are \$3,342 for HDHP/HRAs and \$3,883 for HSA-qualified HDHPs (Exhibit 8.4). As with deductibles for single coverage, there is substantial variation among covered workers for their family coverage deductibles. Twenty-eight percent of covered workers in HSA-qualified HDHPs have aggregate family deductibles between \$2,200 and \$2,999, while 33% have family aggregate deductibles of \$5,000 or more (Exhibit 8.8).
- HSA-qualified HDHPs are legally required to have a maximum annual out-of-pocket liability (for 2007) of \$5,500 for single coverage and \$11,000 for family coverage, while HDHP/HRAs have no similar requirement.

- The 2006 survey questions on out-of-pocket maximum liability data were revised to collect additional information. As with deductibles, the survey asks employers whether the family out-of-pocket maximum liability is (1) an aggregate amount that applies to spending by any covered person in the family, or (2) a separate per person amount that applies to spending by each family member or a limited number of family members. The survey also asks whether spending by enrollees that counts towards meeting the plan deductible counts towards meeting the plan out-of-pocket maximum. Because of these changes, the amounts reported this year for family out-of-pocket maximums can be compared to amounts reported in the 2006 survey but cannot be compared to amounts reported for years prior to 2006.
- The average out-of-pocket maximum for covered workers in HDHP/HRAs with single coverage is \$3,088, which is similar to the \$3,090 average out-of-pocket maximum for covered workers in HSA-qualified HDHPs with single coverage (Exhibit 8.4).³ Among covered workers with family coverage whose out-of-pocket maximum is an aggregate amount that applies to spending by any covered person in the family, the average amounts are \$6,678 for covered workers in HDHP/HRAs and \$6,505 for those in HSA-qualified HDHPs (Exhibit 8.4).

Premiums

- Average annual premiums for HDHP/HRAs are \$3,894 for single coverage and \$11,492 for family coverage (Exhibit 8.4). The HDHP/HRA premium amount for covered workers with single coverage is lower than the average single premium for workers in plans that are not HDHP/SOs (Exhibit 8.5).
- Average annual premiums for HSA-qualified HDHPs are \$3,826 for single coverage and \$9,666 for family coverage (Exhibit 8.4). These premium amounts are lower than the average single and family premiums for plans that are not HDHP/SOs (Exhibit 8.5).

Worker Contributions to Premiums

- The average annual worker premium contributions for HDHP/HRAs are \$617 for single coverage and \$3,113 for family coverage (Exhibit 8.4). The differences between these amounts and the average premium contributions for plans that are not HDHP/SOs for single and family coverage are not statistically significant (Exhibit 8.5).
- The average annual worker premium contributions for HSA-qualified HDHPs are \$413 for single coverage and \$2,564 for family coverage (Exhibit 8.4). These premium contribution amounts are lower than the average single and family contributions paid by workers in plans that are not HDHP/SOs (Exhibit 8.5).

Employer Contributions to Premiums and Savings Options

³ The average out-of-pocket maximum for HDHP/HRAs is calculated for plans with an out-of-pocket maximum. About 10% of covered workers in HDHP/HRAs with single coverage and 11% of covered workers in HDHP/HRAs for family coverage are in plans that reported having no limit on out-of-pocket expenses.

- Employers contribute to HDHP/SOs in two ways: through their contributions toward the premium for the health plan and through their contributions (if any in the case of HSAs) to the savings account option (i.e., the HRAs or HSAs themselves).
 - Looking just at annual employer contributions to the premiums for HDHP/SOs, covered workers in HDHP/HRAs on average have employer contributions of \$3,277 towards the premium for single coverage and \$8,379 towards the premium for family coverage (Exhibit 8.5). The average amount contributed by employers for single coverage in HDHP/HRAs is lower than average amount contributed by employers for single coverage for health plans that are not HDHP/SOs.
 - Covered workers in HSA-qualified HDHPs on average have employer contributions of \$3,412 towards the premium for single coverage and \$7,102 towards the premium for family coverage (Exhibit 8.5). The average amount contributed by employers for family coverage in HSA-qualified HDHPs is lower than average amount contributed by employers for family coverage for health plans that are not HDHP/SOs.
- On average, workers enrolled in an HDHP/HRA receive an annual employer contribution to their HRA of \$915 for single coverage and \$1,800 for family coverage. Workers enrolled in HSA-qualified HDHPs on average receive an employer contribution to their HSA of \$428 for single coverage and \$714 for family coverage (Exhibit 8.5). There are important caveats, however, for interpreting these averages.
 - In looking at employer contributions to HRAs, it is important to note that some HRAs are structured in such a way that employers may not actually spend the whole amount that they make available to their employees' HRAs.⁴ Amounts committed to an employees' HRA that are not used by the employee generally roll over and can be used in future years, but any balance may revert back to the employer if the employee leaves his or her job. Thus, the employer contribution amounts to HRAs that we capture in the survey may exceed the amount that employers will actually spend.
 - In looking at employer contributions to HSAs, it is important to note that not all employers make contributions towards HSAs established by their employees. Almost two-thirds (66%) of employers offering single coverage through HSA-qualified HDHPs do not make contributions towards the HSAs that their workers establish (covering 47% of covered workers enrolled in HSA-qualified HDHPs for single coverage). For family coverage in HSA-qualified HDHPs, about 47% of employers offering family coverage through HSA-qualified HDHPs do not make contributions to the HSAs established by their employees (covering about 45% of

⁴ In the survey, we ask firms, "Up to what dollar amount does your firm promise to contribute each year to an employee's HRA?" We refer to the amount that the employer commits to make available to an HRA as a contribution for ease of discussion. As discussed, HRAs are notional accounts, and employers are not required to actually transfer funds until an employee incurs expenses. Thus, employers may not expend the entire amount that they commit to make available to their employees through an HRA.

workers covered by such plans).⁵ The averages that we show include the large portion of covered workers whose employer contribution to the HSA is zero. When those firms that do not contribute to the HSA are excluded from the calculation, the average employer contribution for covered workers is \$806 for single coverage and \$1,294 for family coverage.

- Employer contributions to savings account options (i.e., the HRAs and HSAs themselves) for their employees can be added to their health plan premium contributions to calculate total employer contributions toward HDHP/SOs.
 - For HDHP/HRAs, the average total employer contribution for covered workers is \$4,192 for workers with single coverage and \$10,179 for workers with family coverage (Exhibit 8.5). The average total employer contribution amount for single and family coverage in HDHP/HRAs is higher than the average amount that employers contribute towards single and family coverage in health plans that are not HDHP/SOs.
 - For HSA-qualified HDHPs, the average total employer contribution for covered workers is \$3,840 for workers with single coverage and \$7,815 for workers with family coverage (Exhibit 8.5). The average total employer contribution amount for family coverage in HSA-qualified HDHPs is lower than the average amount that employers contribute towards family coverage in health plans that are not HDHP/SOs.

Future Plans

- Firms indicate some interest in offering HDHP/HRAs and HSA-qualified HDHPs in the next year.
 - Three percent of firms not currently offering an HDHP/HRA report that they are “very likely” to offer an HDHP/HRA in the next year, and another 21% of such firms report that they are “somewhat likely” to do so (Exhibit 8.14). Among firms not currently offering a HSA-qualified HDHP, 2% say that they are “very likely” to do so next year and another 18% say that they are “somewhat likely” to offer such a plan (Exhibit 8.15).

⁵ The differences in percentages between single and family coverage occur because some employers report offering single but not family coverage.

Health Reimbursement Arrangements (HRAs) are medical care reimbursement plans established by employers that can be used by employees to pay for health care. HRAs are funded solely by employers. Employers typically commit to make a specified amount of money available in the HRA for premiums and medical expenses incurred by employees or their dependents. HRAs are accounting devices, and employers are not required to expend funds until an employee incurs expenses that would be covered by the HRA. Unspent funds in the HRA usually can be carried over to the next year (sometimes with a limit). Employees cannot take their HRA balances with them if they leave their job, although an employer can choose to make the remaining balance available to former employees to pay for health care.

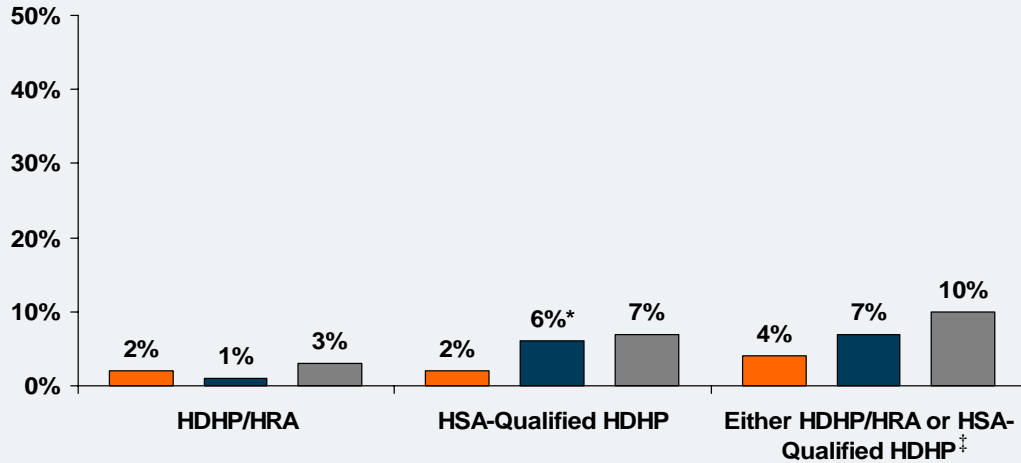
HRAs often are offered along with a high-deductible health plan (HDHP). In such cases, the employee pays for health care first from his or her HRA and then out-of-pocket until the health plan deductible is met. Sometimes certain preventive services are paid for by the plan before the employee meets the deductible.

Health Savings Accounts (HSAs) are savings accounts created by individuals to pay for health care. An individual may establish an HSA if he or she is covered by a “qualified health plan” which is a plan with a high deductible (i.e., a deductible of at least \$1,100 for single coverage and \$2,200 for family coverage in 2007) that also meets other requirements.¹ Employers can encourage their employees to create HSAs by offering an HDHP that meets the federal requirements. Employers in some cases also may assist their employees by identifying HSA options, facilitating applications, or negotiating favorable fees from HSA vendors.

Both employers and employees can contribute to an HSA, up to the statutory cap of \$2,850 for single coverage and \$5,650 for family coverage in 2007. Employee contributions to the HSA are made on a pre-income tax basis, and some employers arrange for their employees to fund their HSAs through payroll deduction. Employers are not required to contribute to HSAs established by their employees, but if they elect to do so, their contributions are not taxable to the employee. Interest and other earnings on amounts in an HSA are not taxable. Withdrawals from the HSA by the account owner to pay for qualified health care expenses are not taxed. The savings account is owned by the individual who creates the account, so employees retain their HSA balances if they leave their job.

¹ See U.S. Department of the Treasury, *2007 HSA Indexed Amounts*, available at <http://www.ustreas.gov/offices/public-affairs/hsa/07IndexedAmounts.shtml>.

Exhibit 8.1 Among Firms Offering Health Benefits, Percentage That Offer an HDHP/HRA and/or an HSA-Qualified HDHP, 2005-2007



* Estimate is statistically different from estimate for the previous year shown (p<.05).

[‡] The 2007 estimate includes 0.2% of all firms offering health benefits that offer both an HDHP/HRA and an HSA-qualified HDHP. The comparable percentages for 2005 and 2006 are 0.3% and 0.4%, respectively.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005-2007.

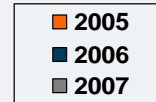
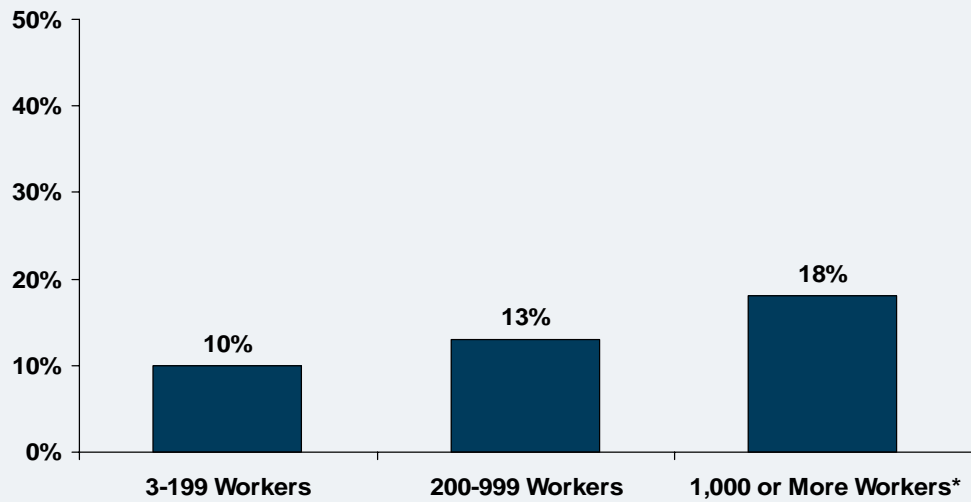


Exhibit 8.2
Among Firms Offering Health Benefits, Percentage That Offer an HDHP/SO, by Firm Size, 2007

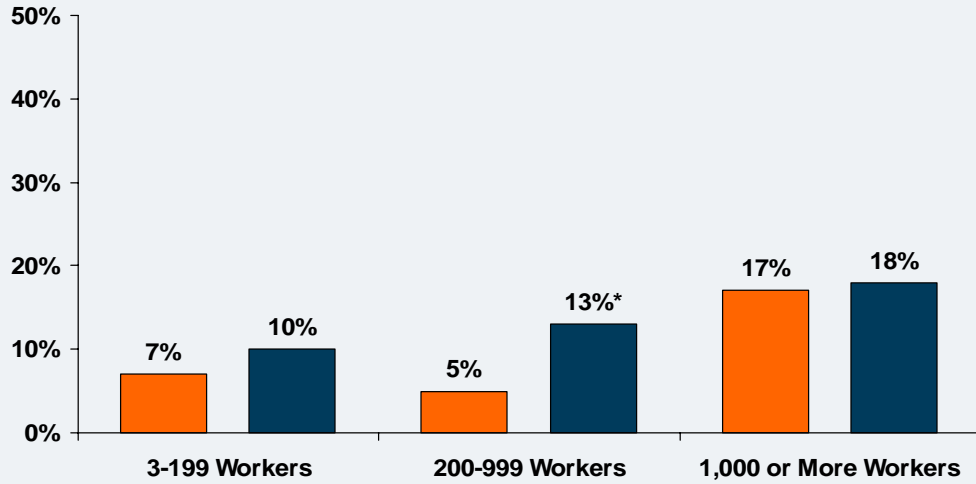


* Estimate is statistically different from estimate for all other firms not in the indicated size category ($p < .05$).

Note: The 2007 estimates include 0.2% of all firms offering health benefits that offer both an HDHP/HRA and an HSA-qualified HDHP.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.3
Among Firms Offering Health Benefits, Percentage That Offer an HDHP/SO, by Firm Size, 2006-2007



* Estimate is statistically different from estimate for previous year shown (p<.05).

Note: The 2007 estimate includes 0.2% of all firms offering health benefits that offer both an HDHP/HRA and an HSA-qualified HDHP. The comparable percentage for 2006 is 0.4%.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2006-2007.



Exhibit 8.4
HDHP/HRA and HSA-Qualified HDHP Features, 2007

Annual Plan Averages for:	HDHP/HRA		HSA-Qualified HDHP	
	Single	Family	Single	Family
Premium	\$3,894	\$11,492	\$3,826	\$9,666
Worker Contribution to Premium	\$617	\$3,113	\$413	\$2,564
Deductible [†]	\$1,556	\$3,342	\$1,923	\$3,883
Out-of-Pocket Maximum Liability [†]	\$3,088	\$6,678	\$3,090	\$6,505

[†] Ten percent of workers enrolled in HDHP/HRAs have employers that reported no out-of-pocket maximum for single coverage. The similar percentage for family coverage is 11%. These workers are excluded from the HDHP/HRA out-of-pocket maximum liability calculation. The deductible and out-of-pocket maximum averages shown for both HDHP/HRAs and HSA-qualified HDHPs for family coverage are for covered workers whose firms report that they face an aggregate amount. Among covered workers in HDHP/HRAs, 14% are in plans whose family deductible is a separate per person amount. Among covered workers in HDHP/HRA with an out-of-pocket maximum, 8% report that the family amount for out-of-pocket maximum is a separate per person amount. Among covered workers in HSA-qualified HDHPs, the percentages are 8% for deductibles and 8% for out-of-pocket maximum.

Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.5
Average Annual Premiums and Contributions to Spending Accounts For Covered Workers, HDHP/HRAs, HSA-Qualified HDHPs and All Other Non-HDHP/SO Plans, 2007

	HDHP/HRA		HSA-Qualified HDHP		All Other Non-HDHP/SO Plans [§]	
	Single	Family	Single	Family	Single	Family
Total Annual Premium	\$3,894*	\$11,492	\$3,826*	\$9,666*	\$4,514	\$12,183
Worker Contribution to Premium	\$617	\$3,113	\$413*	\$2,564*	\$704	\$3,304
Firm Contribution to Premium	\$3,277*	\$8,379	\$3,412	\$7,102*	\$3,810	\$8,879
Annual Firm Contribution to the HRA or HSA[‡]	\$915	\$1,800	\$428	\$714	NA	NA
Total Annual Firm Contribution (Firm Share of Premium Plus Firm Contribution to HRA or HSA)	\$4,192*	\$10,179*	\$3,840	\$7,815*	\$3,810	\$8,879
Total Annual Spending (Total Premium Plus Firm Contribution to HRA or HSA, if Applicable)	\$4,809	\$13,292*	\$4,254	\$10,380*	\$4,514	\$12,183

* Estimate is statistically different from estimate for All Other Non-HDHP/SO Plans ($p < .05$).

‡ When those firms that do not contribute to the HSA (66% for single coverage and 47% for family coverage) are excluded from the calculation, the average firm contribution to the HSA for covered workers is \$806 for single coverage and \$1,294 for family coverage. For HDHP/HRAs, we refer to the amount that the employer commits to make available to an HRA as a contribution for ease of discussion. HRAs are notional accounts, and employers are not required to actually transfer funds until an employee incurs expenses. Thus, employers may not expend the entire amount that they commit to make available to their employees through an HRA. As such, the employer contribution amounts to HRAs that we capture in the survey may exceed the amount that employers will actually spend.

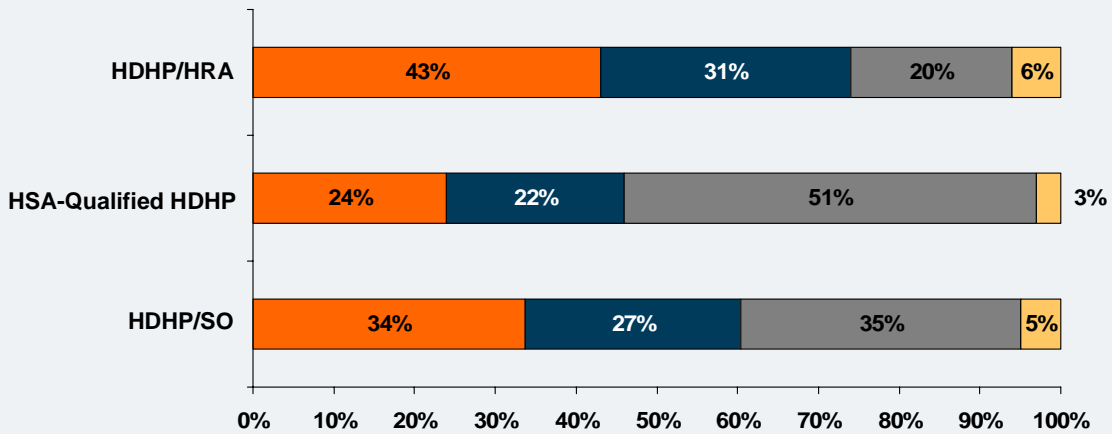
§ In order to compare spending for HDHP/SOs to all other plans that are not HDHP/SOs, we created composite variables excluding HDHP/SO data.

NA: Not Applicable.

Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8. Values shown in the table may not equal the sum of their component parts. The averages presented in the table are aggregated at the firm level and then averaged, which is methodologically more appropriate than adding the averages. This is relevant for Total Annual Premium, Total Annual Firm Contribution, and Total Annual Spending.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.6
Distribution of Covered Workers with the Following General Annual Deductible Amounts for Single Coverage, HSA-Qualified HDHPs and HDHP/HRAs, 2007



Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8. The minimum annual deductible for workers enrolled in HSA-qualified HDHPs is \$1,100 in 2007 according to federal regulation. Therefore, the distribution for HSA-qualified HDHPs starts at \$1,100.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



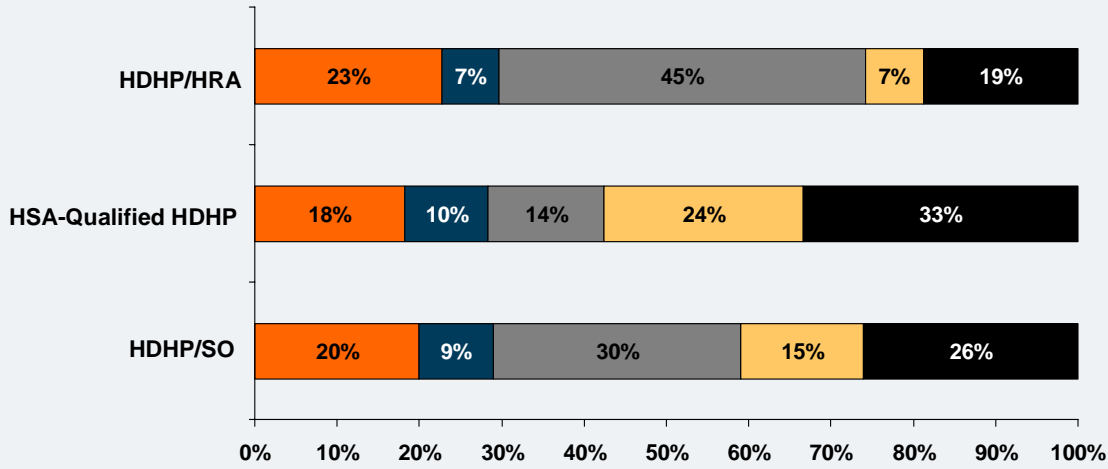
Exhibit 8.7
Among Covered Workers, Distribution of Type of General Annual Deductible for Family Coverage, HDHP/HRAs and HSA-Qualified HDHPs, 2007

	Aggregate Amount	Separate Amount per Person
HDHP/HRA	86%	14%
HSA-Qualified HDHP	92	8
HDHP/SO	89%	11%

Note: For definitions of HDHP/HRAs and HSA-Qualified HDHPs see the introduction to Section 8. The survey distinguished between plans that have an aggregate deductible amount in which all family members' out-of-pocket expenses count toward the deductible and plans that have a separate amount for each family member, typically with a limit on the number of family members required to reach that amount.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.8
Distribution of Covered Workers with the Following Aggregate Family Deductible Amounts, HDHP/HRAs and HSA-Qualified HDHPs, 2007



Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8. The survey distinguished between family deductibles that are an aggregate amount in which all family members' out-of-pocket expenses count toward the deductible and plans that have a separate amount for each family member, typically with a limit on the number of family members required to reach that amount. The minimum annual family deductible for workers enrolled in HSA-qualified HDHP is \$2,200 in 2007 according to federal regulation. Therefore, the distribution for HSA-qualified HDHPs starts at \$2,200.



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.9
Percentage of Covered Workers with Benefits Paid for by the Plan Without Having to
First Meet the Deductible, HDHP/HRAs and HSA-Qualified HDHPs, by Benefit Type,
2007

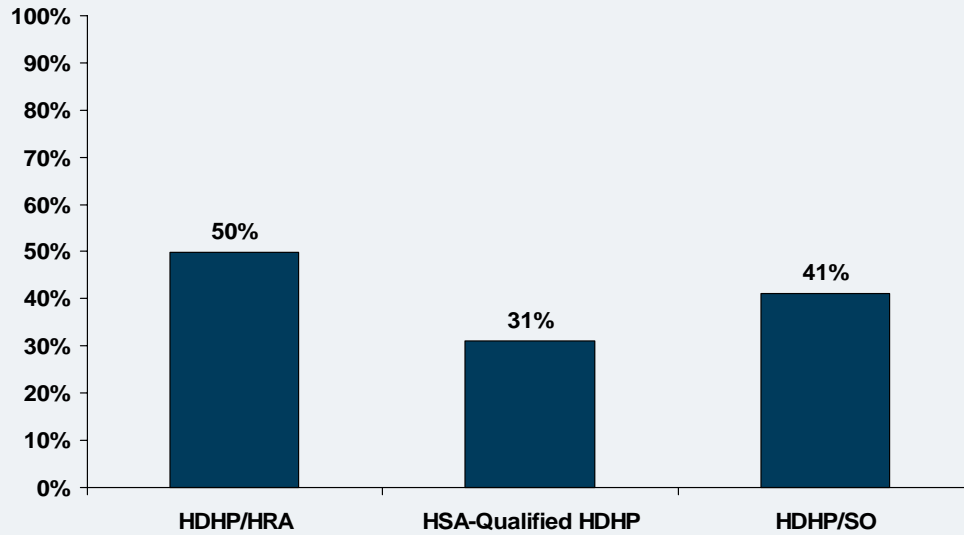
	HDHP/HRA	HSA-Qualified HDHP	HDHP/SO
Preventive Benefits	88%	86%	87%
Prescription Drugs	46%	NA	NA

NA: Not Applicable. Both HDHP/HRAs and HSA-qualified HDHPs were asked about preventive benefits, but only HDHP/HRAs were asked about prescription drugs. HSA-qualified HDHPs are required by law to apply the plan deductible to nearly all services.

Note: These questions are asked for single coverage only. We make the assumption that they apply to workers enrolled in family coverage as well. Due to a difference in the structure of the questions, data for HMOs, PPOs, and POS plans are presented in Section 7. For example, firms with HMOs, PPOs, and POS plans are asked, "Does the general annual deductible have to be met before preventive care is covered?" while firms with HDHP/SOs are asked, "Are there preventive benefits that are paid for by the plan (that is, not through the savings account) before the employee meets the deductible under the plan?"

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

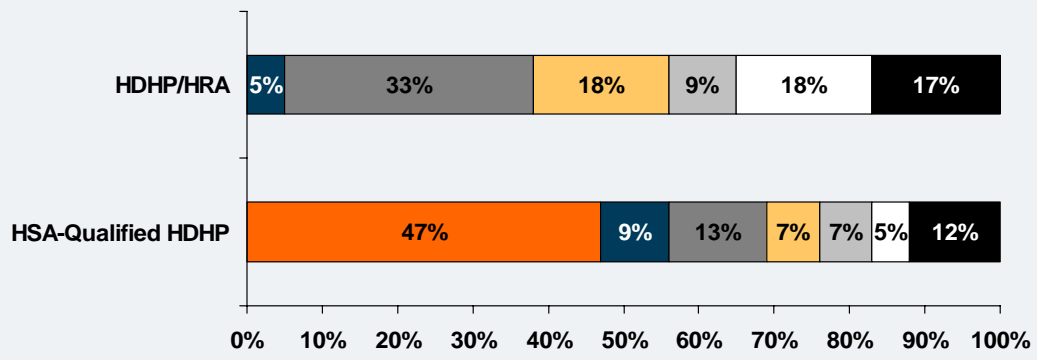
Exhibit 8.10
Percentage of Covered Workers in Partially or Completely Self-Funded HDHP/HRAs and HSA-Qualified HDHPs, 2007



Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.11
Distribution of Covered Workers with the Following Annual Employer Contributions to their HRA or HSA, for Single Coverage, 2007



Note: For definitions of HDHP/HRAs and HSA qualified HDHPs, see the introduction to Section 8. For single coverage, 66% of employers offering HSA qualified HDHPs (covering 47% of workers enrolled in these plans) do not make contributions towards the HSAs that their workers establish.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

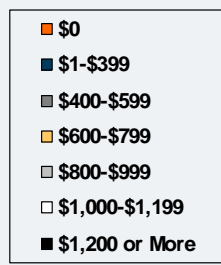
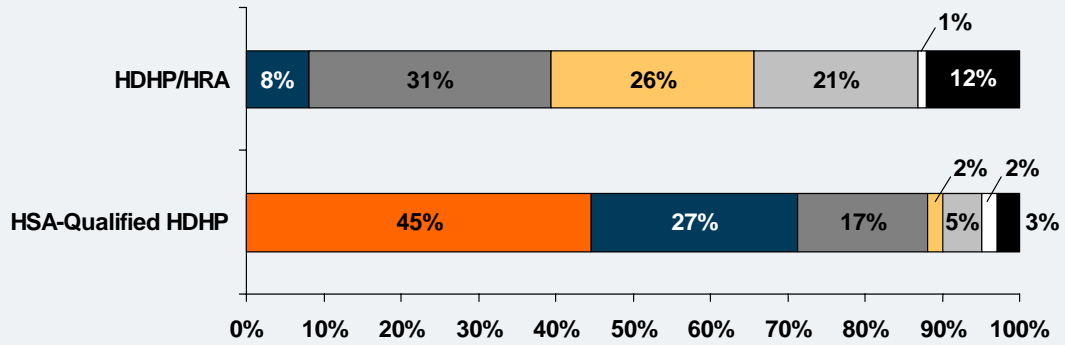


Exhibit 8.12
Distribution of Covered Workers with the Following Annual Employer Contributions to their HRA or HSA, for Family Coverage, 2007



Note: For definitions of HDHP/HRAs and HSA qualified HDHPs, see the introduction to Section 8. For family coverage, 47% of employers offering HSA qualified HDHPs (covering 45% of workers enrolled in these plans) do not make contributions towards the HSAs that their workers establish.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

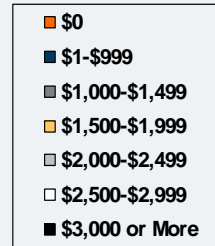


Exhibit 8.13
Distribution of Covered Workers in HDHP/HRAs and HSA-Qualified HDHPs With the Following Types of Cost Sharing in Addition to General Annual Deductible, 2007

	Copay Only	Coinsurance Only	Both Copay and Coinsurance [‡]	Charge Per Day	None
Separate Cost Sharing for Each Hospital Admission					
HDHP/HRA	4%	78%	1%	0%	17%
HSA-Qualified HDHP	3	48	<1	3	46
HDHP/SO	3	64	1	2	31
Separate Cost Sharing for Each Outpatient Surgery Episode					
HDHP/HRA	3%	78%	2%	NA	17%
HSA-Qualified HDHP	0	58	0	NA	42
HDHP/SO	2	68	1	NA	29
Separate Cost Sharing for Physician Office Visit (In-Network)					
HDHP/HRA	30%	54%	3%	NA	12%
HSA-Qualified HDHP	7	57	<1	NA	36
HDHP/SO	19	56	2	NA	23
Separate Cost Sharing for Physician Office Visit (Out-of-Network)[§]					
HDHP/HRA	12%	82%	2%	NA	4%
HSA-Qualified HDHP	5	75	1	NA	18
HDHP/SO	8	79	2	NA	11

[‡] This includes enrollees who are required to pay the higher amount of either the copayment or coinsurance under the plan.

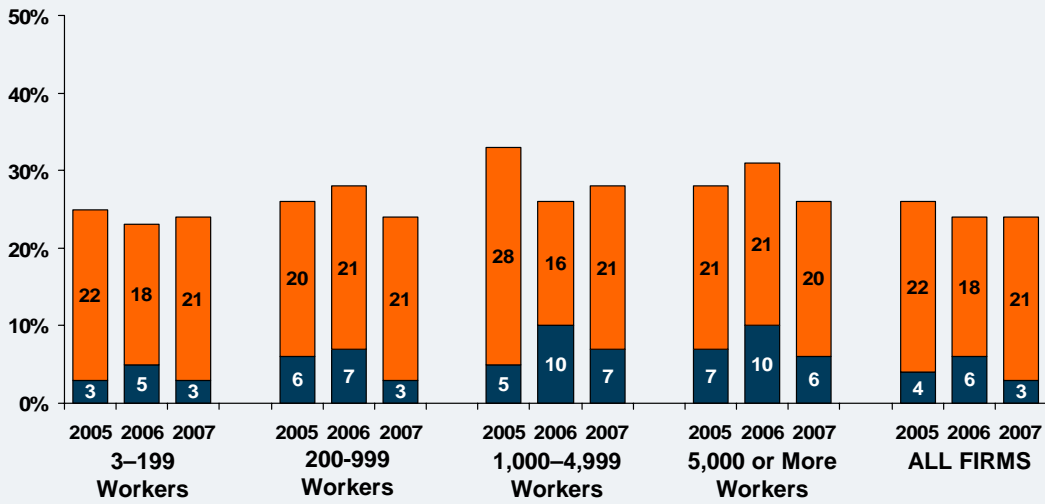
[§] For HDHP/SOs, the questions on out-of-network cost sharing are asked only of those that indicated in a previous question that the plan has a preferred provider network.

NA: Not Applicable. Respondents did not have a "Charge Per Day" (per diem) response option for questions regarding separate cost sharing for outpatient surgery and separate cost sharing for physician office visit.

Note: For definitions of HDHP/HRAs and HSA-Qualified HDHPs, see the introduction to Section 8.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.

Exhibit 8.14
Among Firms Not Currently Offering an HDHP/HRA, Percentage That Say They Are “Very Likely” or “Somewhat Likely” to Offer an HDHP/HRA in the Next Year, 2005–2007*



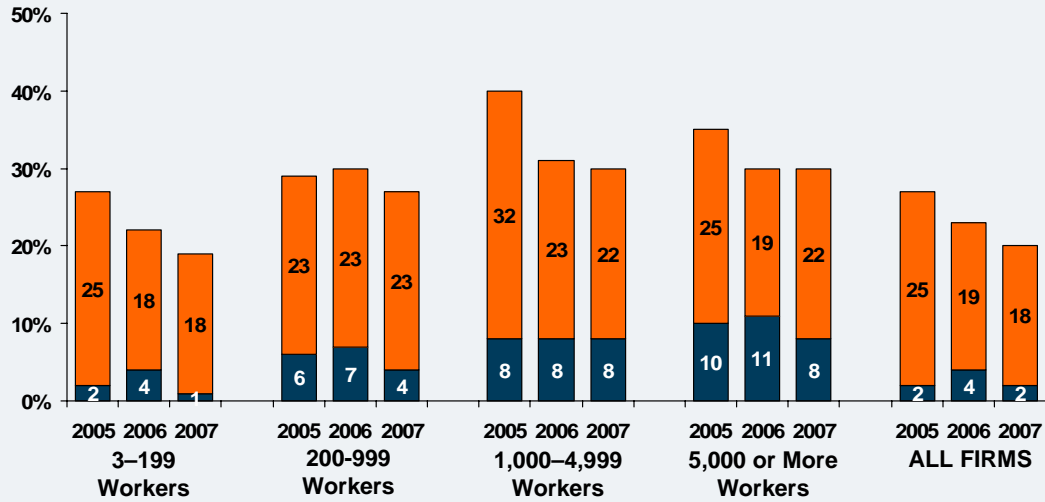
* Tests found no statistical difference from estimates for previous year shown ($p < .05$).

Note: For definitions of HDHP/HRAs and HSA qualified HDHPs, see the introduction to Section 8. In 2007, less than one percent of firms not currently offering an HDHP/HRA reported “Don’t Know” to whether they would offer one in the next year. In 2006, 1.4% reported “Don’t Know” and in 2005, 2.5% of firms reported “Don’t Know.”

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005-2007.

■ Somewhat Likely
 ■ Very Likely

Exhibit 8.15
Among Firms Not Currently Offering an HSA-Qualified HDHP, Percentage That Say They Are “Very Likely” or “Somewhat Likely” to Offer an HSA-Qualified HDHP in the Next Year, 2005–2007*



*Tests found no statistical difference from estimates for previous year shown ($p < .05$).

Note: For definitions of HDHP/HRAs and HSA-qualified HDHPs, see the introduction to Section 8. In 2007, 3% of firms not currently offering an HSA-qualified HDHP reported “Don’t Know” to whether they would offer one in the next year. In 2006, 2.8% reported “Don’t Know” and in 2005, 2% reported “Don’t Know.”

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005–2007.

