



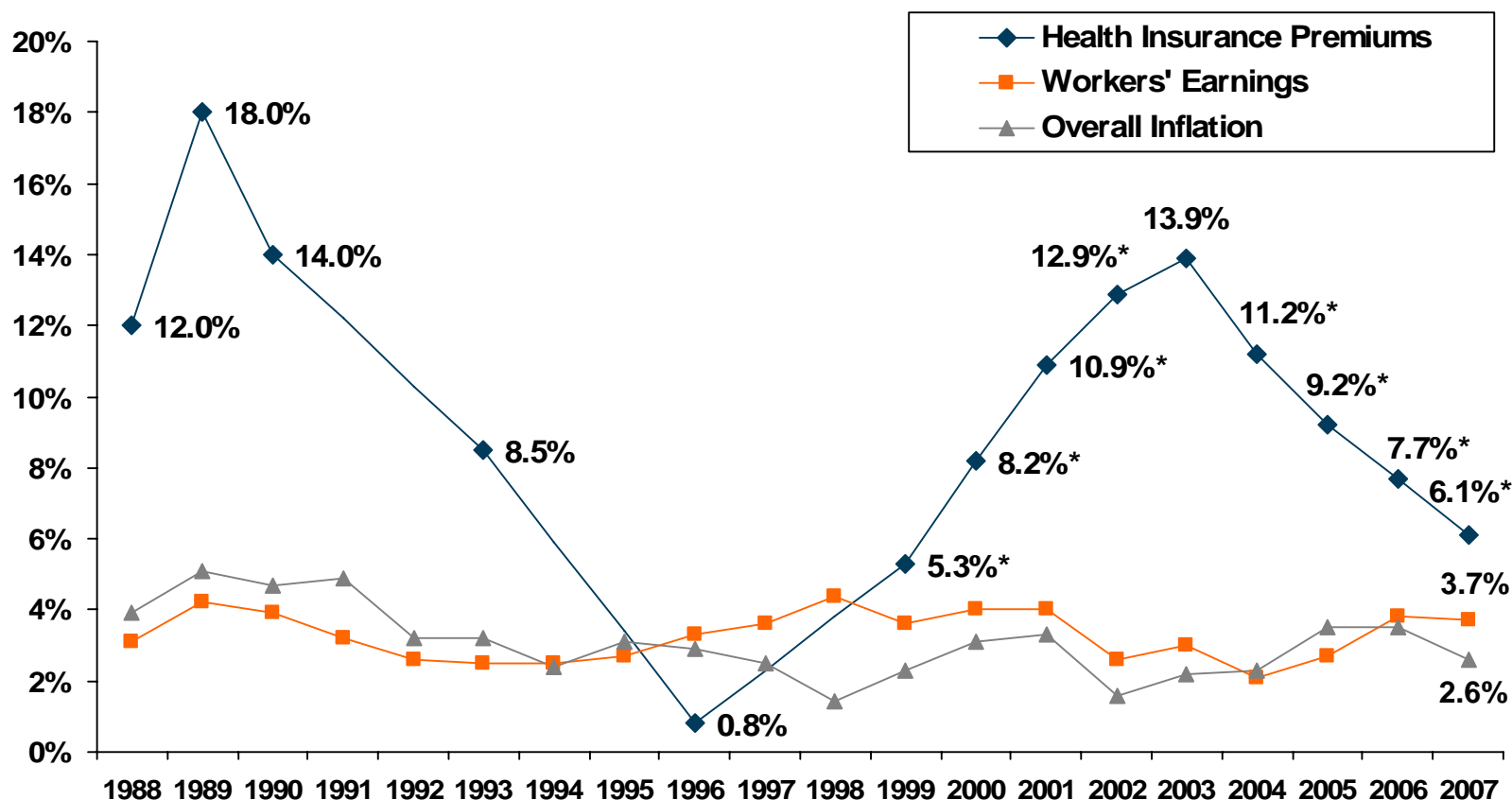
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Survey of Employer Health Benefits 2007

September 11, 2007

Exhibit 1: Increases in Health Insurance Premiums Compared to Other Indicators, 1988-2007



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

Note: Data on premium increases reflect the cost of health insurance premiums for a family of four. The average premium increase is weighted by covered workers.

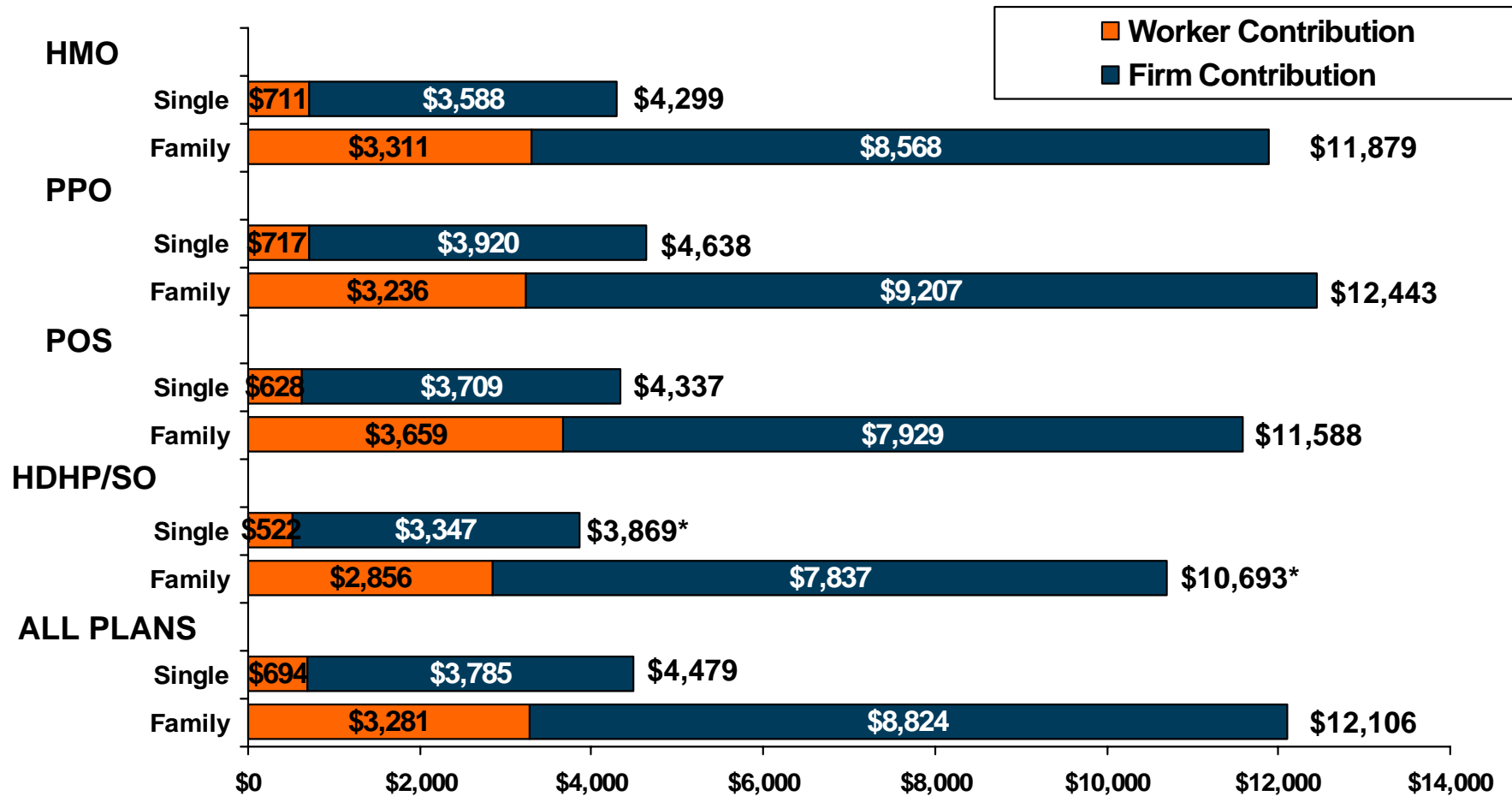
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2007; KPMG Survey of Employer-Sponsored Health Benefits, 1993, 1996; The Health Insurance Association of America (HIAA), 1988, 1989, 1990; Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1988-2007; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1988-2007 (April to April).



-AND-



Exhibit 2: Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2007



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

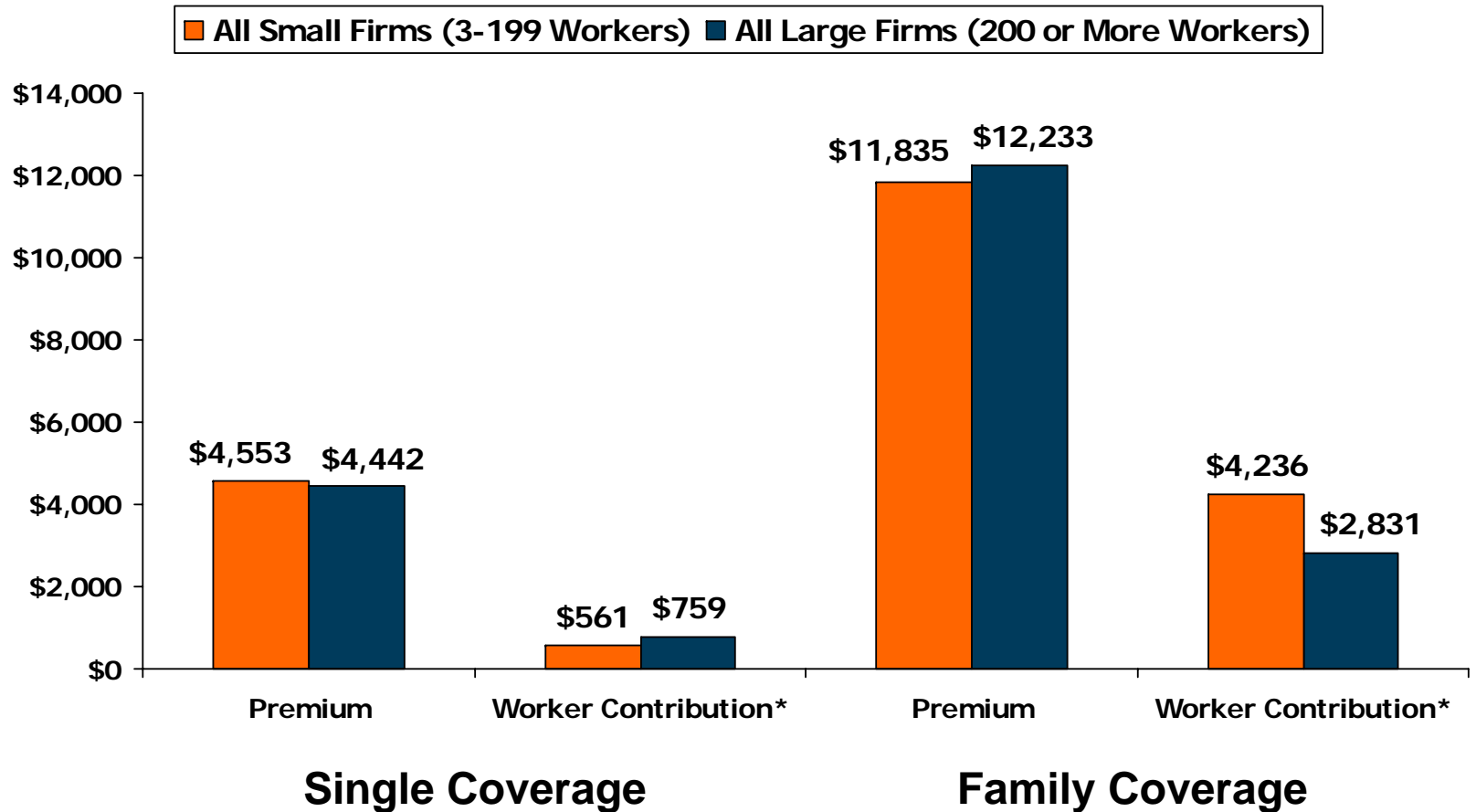
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



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Exhibit 3: Average Annual Worker Premium Contributions and Total Premiums for Covered Workers, Single and Family Coverage, by Firm Size, 2007



* Estimates are statistically different between All Small Firms and All Large Firms ($p < .05$).

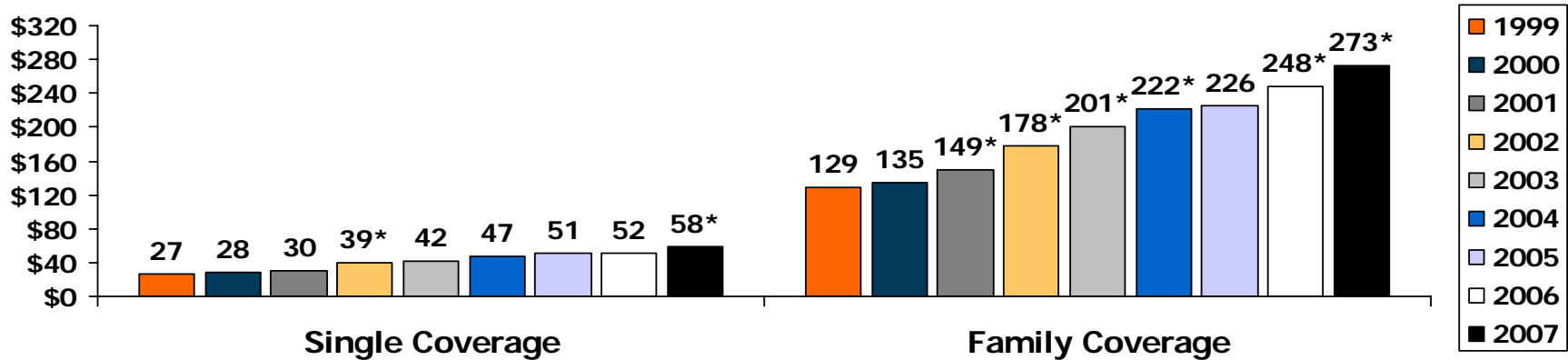
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



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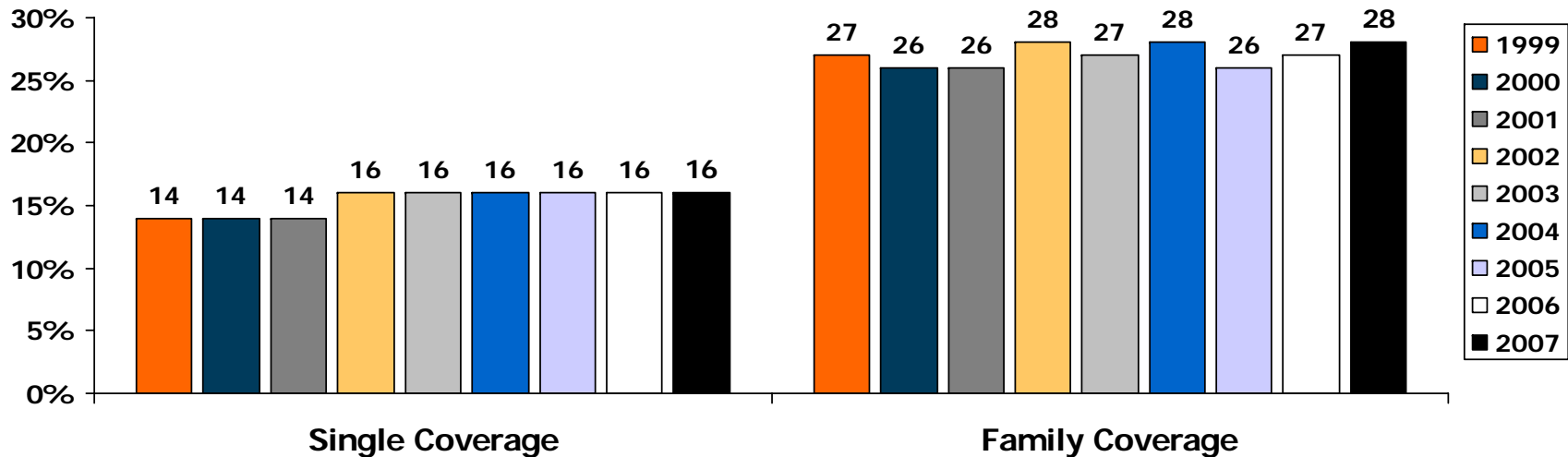
Exhibit 4: Average Monthly Worker Premium Contribution, 1999-2007



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

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2007.

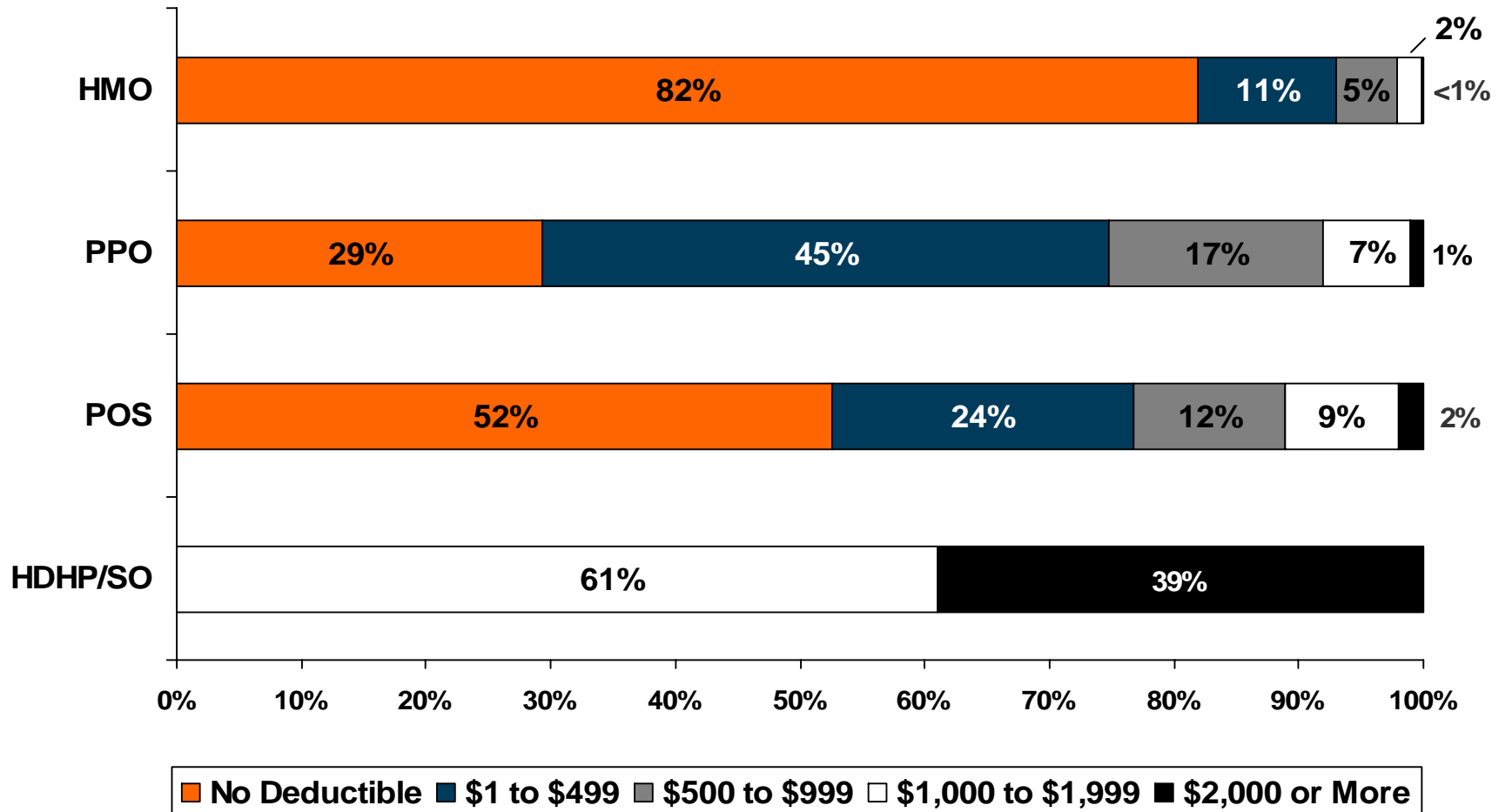
Exhibit 5: Percentage of Premium Paid by Covered Workers, 1999-2007*



*Tests found no statistical differences from estimate for previous year shown at $p < .05$.

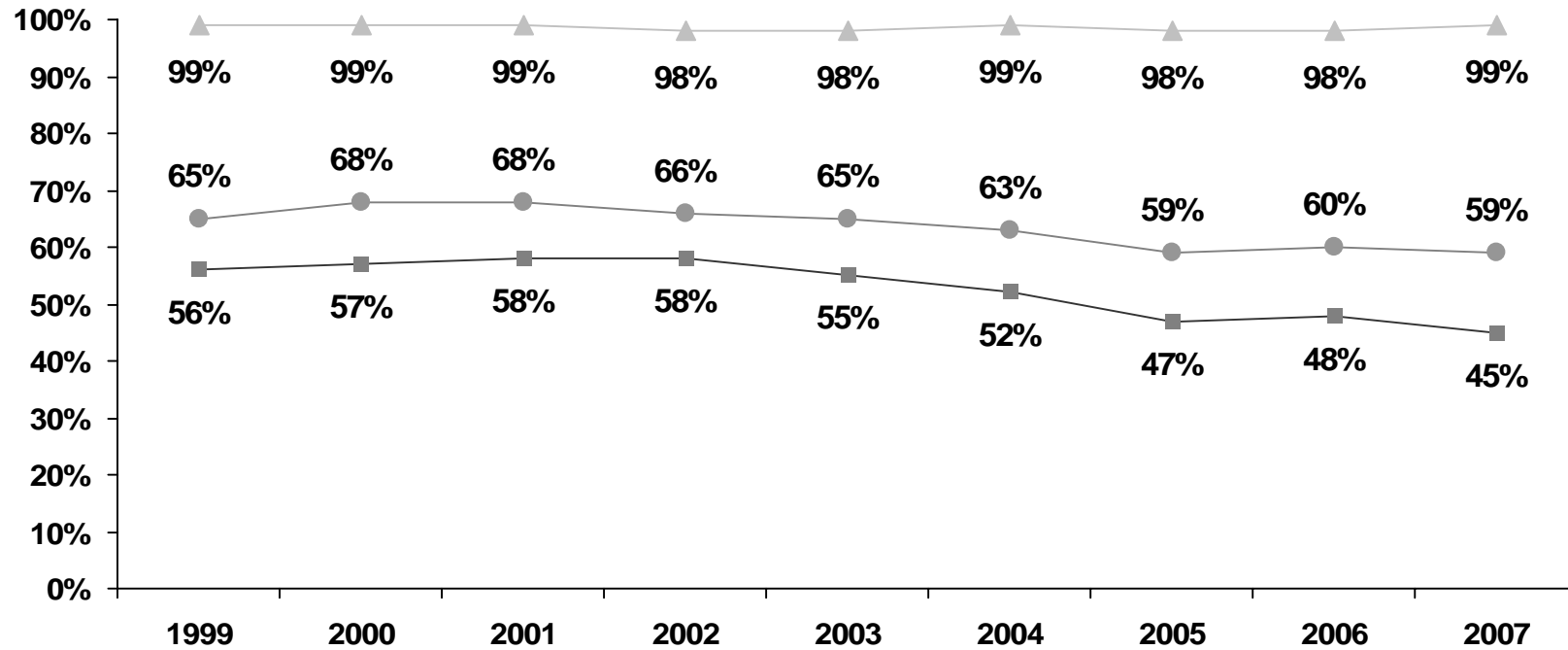
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2007.

Exhibit 6: Distribution of Covered Workers by In-Network General Annual Deductible Amounts for Single Coverage, by Plan Type, 2007



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

Exhibit 7: Percentage of All Firms Offering Health Benefits, 1999-2007*



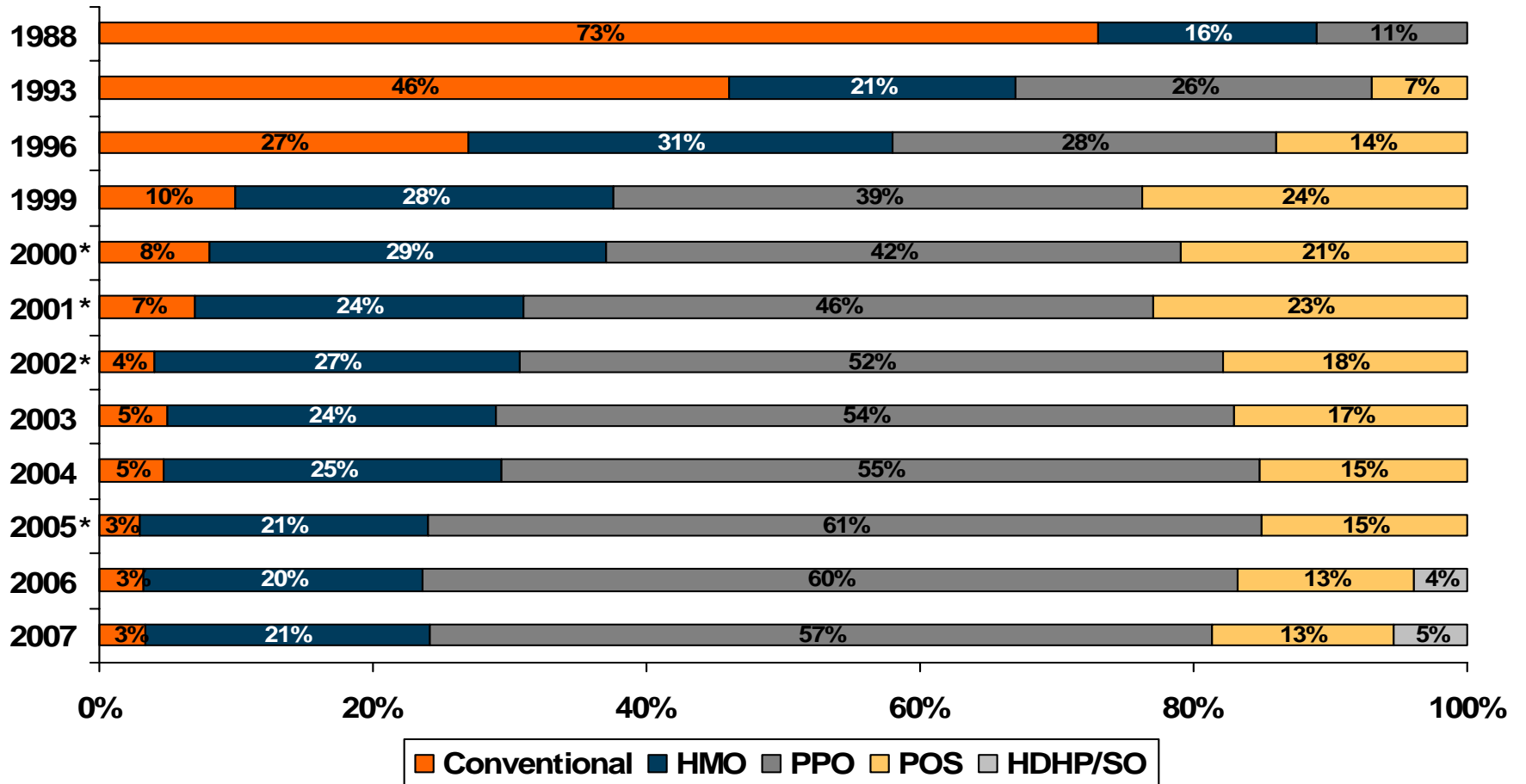
*Tests found no statistical differences from estimate for the previous year shown ($p < .05$).

Note: Estimates presented in this exhibit are based on the sample of both firms that completed the entire survey and those that answered just one question about whether they offer health benefits.



Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 1999-2007.

Exhibit 8: Distribution of Health Plan Enrollment for Covered Workers, by Plan Type, 1988-2007



* Distribution is statistically different from the previous year shown ($p < .05$). No statistical tests were conducted for years prior to 1999. No statistical tests are conducted between 2005 and 2006 due to the addition of HDHP/SO as a new plan type in 2006.

Note: Information was not obtained for POS plans in 1988. For more information, please see Exhibit 5.1 of the full report at: <http://www.kff.org/insurance/7672/sections/ehbs07-5-1.cfm>.

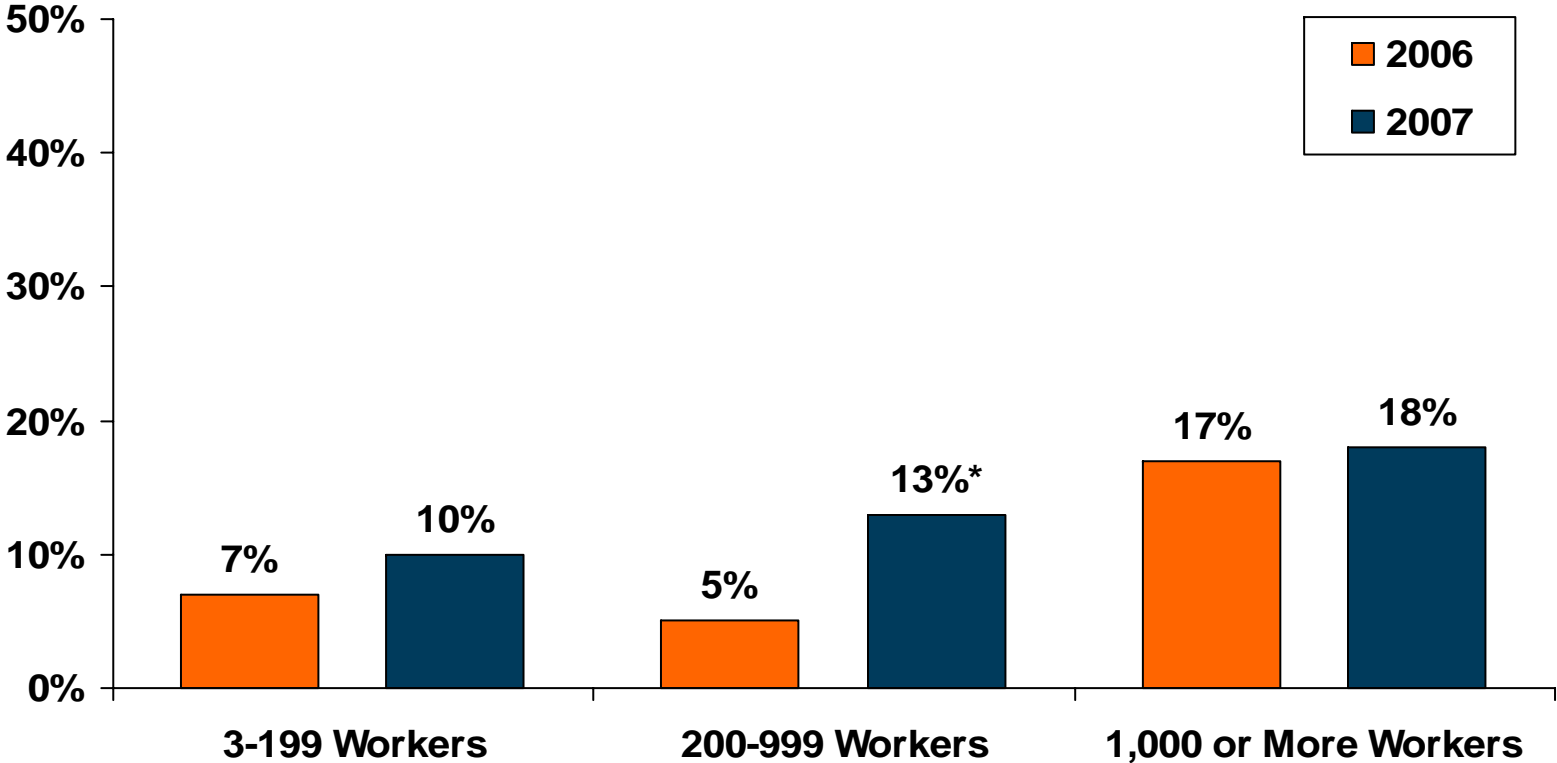
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2007; KPMG Survey of Employer-Sponsored Health Benefits, 1993, 1996; The Health Insurance Association of America (HIAA), 1988.



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Exhibit 9: Among Firms Offering Health Benefits, Percentage That Offer an HDHP/SO, by Firm Size, 2006-2007

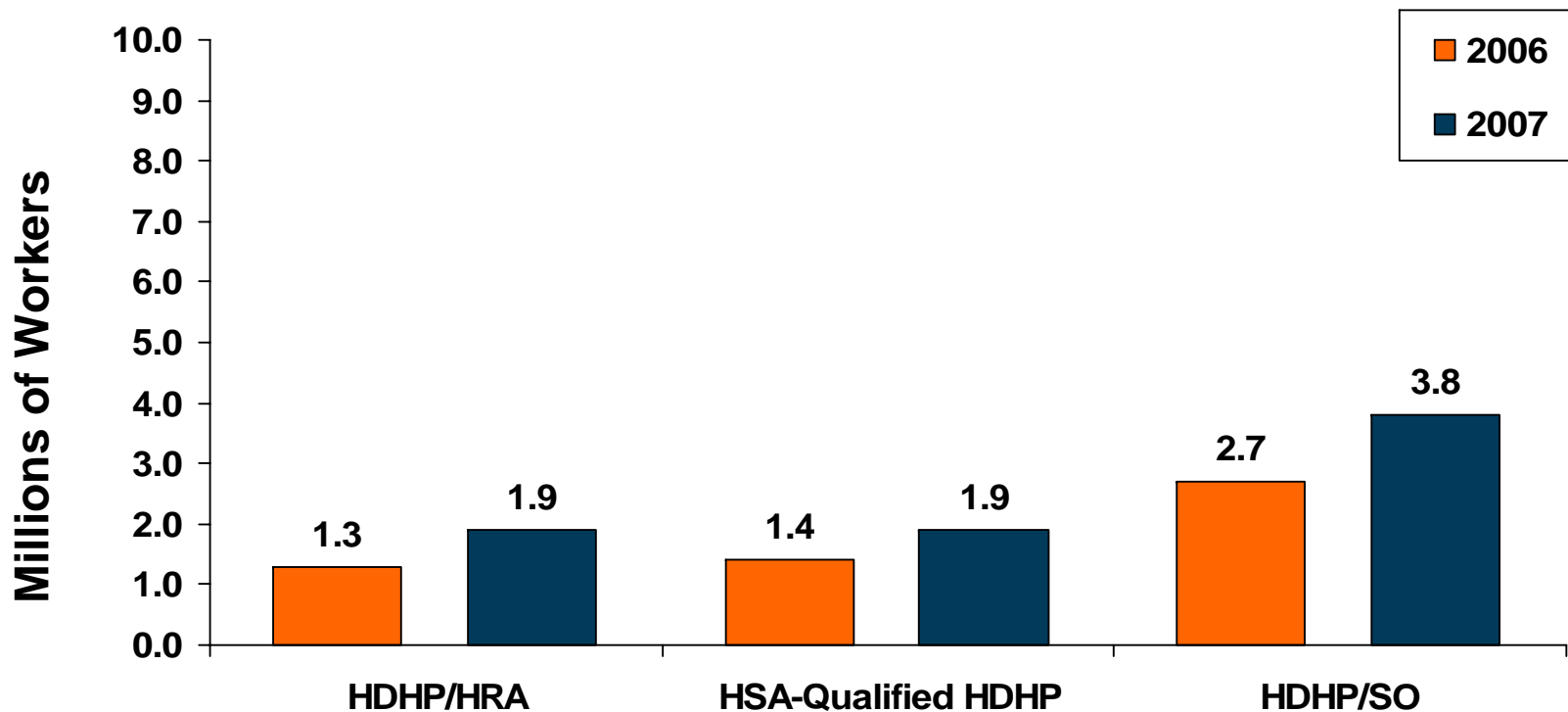


* Estimate is statistically different from estimate for previous year shown ($p < .05$).

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 10: Number of Covered Workers Enrolled in HDHP/SOs, 2006-2007*



*Tests found no statistical differences from estimate for the previous year shown ($p < .05$).

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

Exhibit 11: Average Annual Premiums and Contributions to Spending Accounts For Covered Workers, HDHP/HRA, HSA-Qualified HDHP 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.

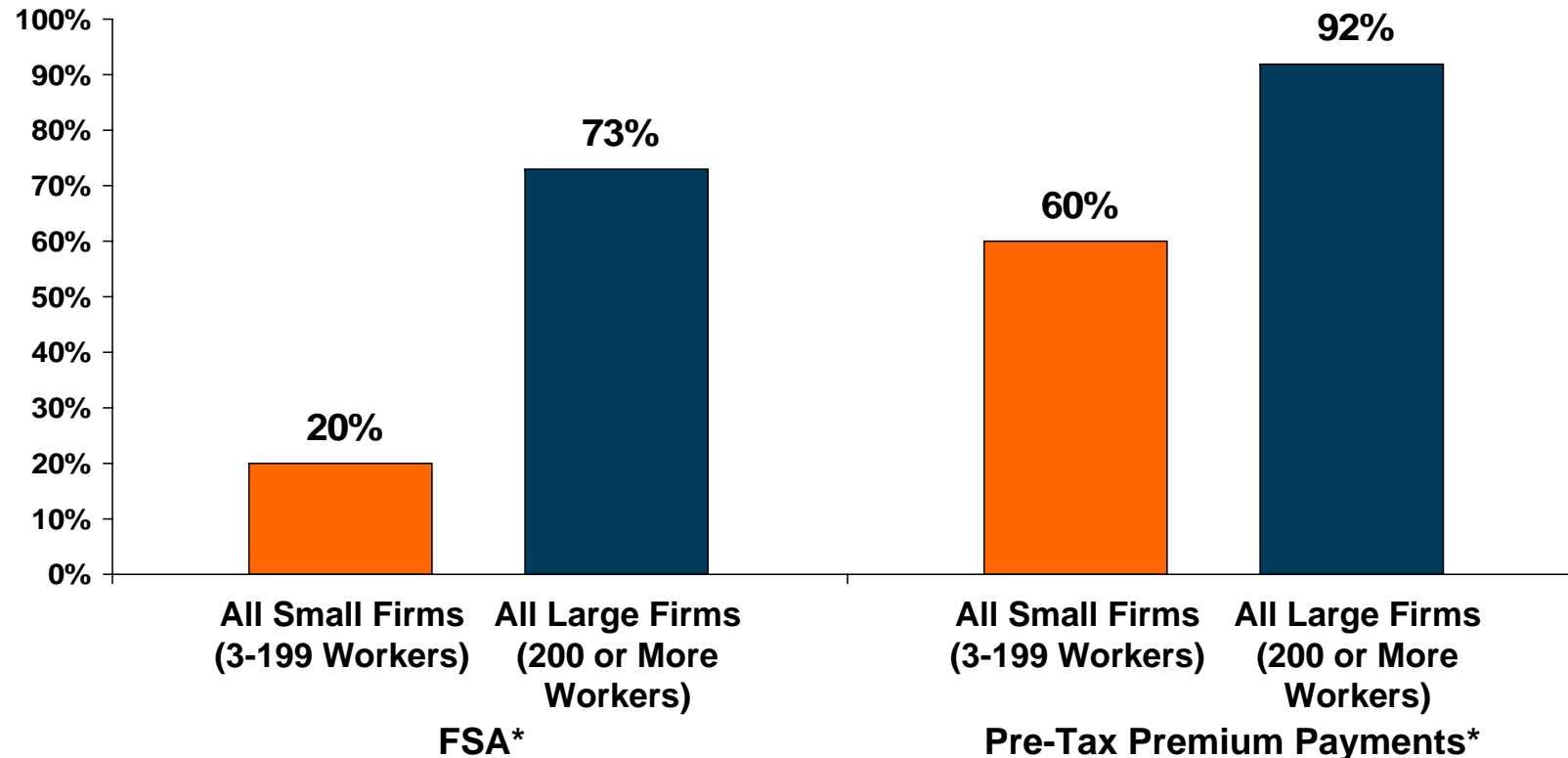
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



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Exhibit 12: Among Firms Offering Health Benefits, Percentage of Firms Offering Flexible Spending Accounts and Pre-Tax Premium Payments, By Firm Size, 2007



*Estimate is statistically different between All Small Firms and All Large Firms within category ($p < .05$).

Note: Section 125 of the Internal Revenue Service code permits employees to pay for health insurance premiums with pre-tax dollars. Section 125 also allows the establishment of flexible spending accounts (FSAs). For more information on Section 125 see Section 12 of the full report available at www.kff.org/insurance/7672/index.cfm.

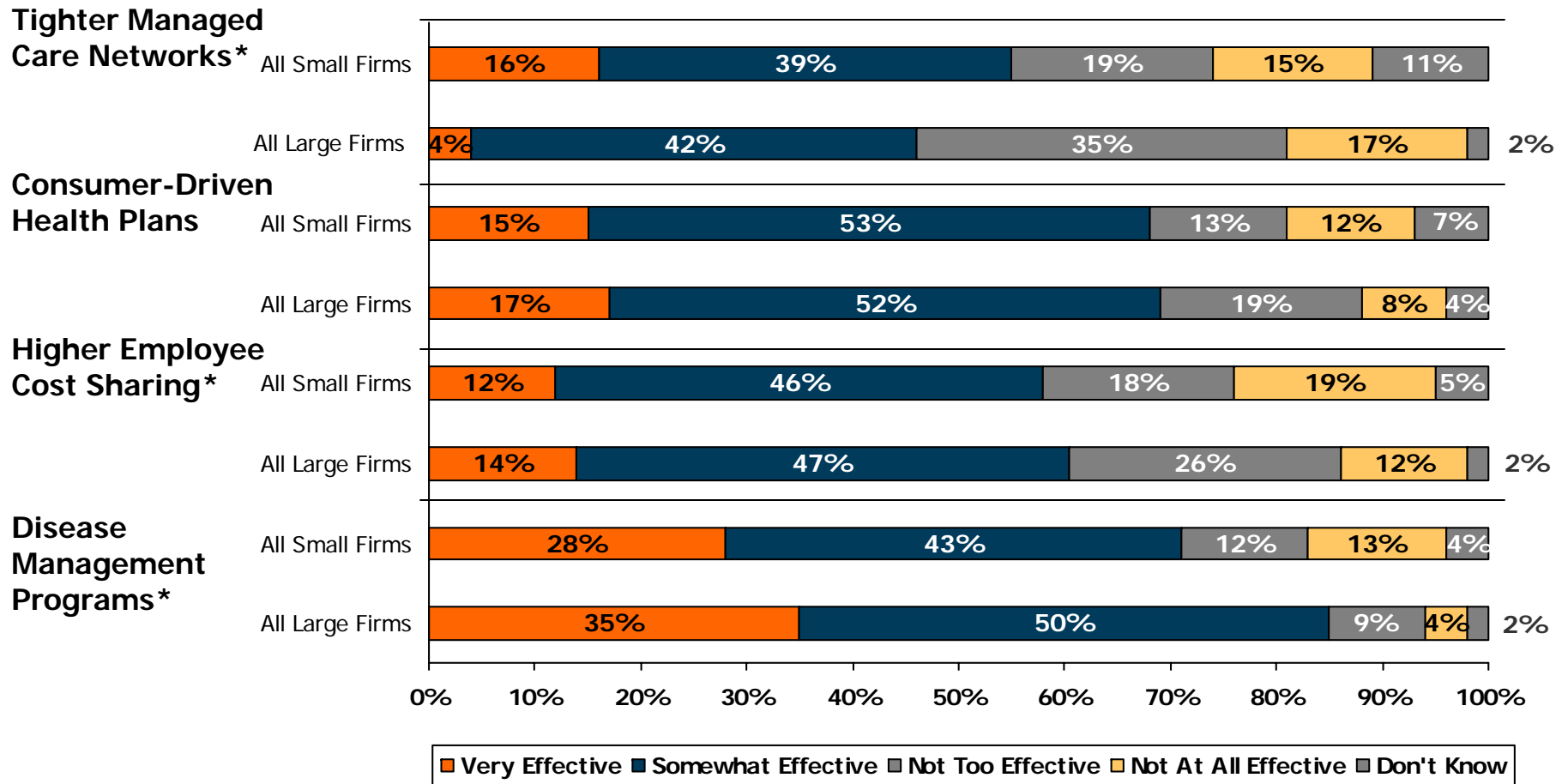
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



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Exhibit 13: Distribution of Firms' Opinions on the Effectiveness of the Following Cost Containment Strategies, 2007



*Distributions are statistically different between All Small Firms and All Large Firms within category (p<.05).

Note: Distributions are among all firms both offering and not offering health benefits.

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



Exhibit 14: Among Firms Offering Health Benefits, Distribution of Firms Reporting the Likelihood of Making the Following Changes in the Next Year, 2007

	Very Likely	Somewhat Likely	Not Too Likely	Not At All Likely	Don't Know
Increase the Amount Employees Pay for Health Insurance	21%	24%	21%	33%	<1%
Increase the Amount Employees Pay for Prescription Drugs	11%	30%	31%	26%	2%
Increase the Amount Employees Pay for Deductibles	12%	25%	28%	34%	1%
Increase the Amount Employees Pay for Office Visit Copays or Coinsurance	13%	29%	28%	28%	2%
Introduce Tiered Cost Sharing for Doctor Visits and Hospital Stays	7%	16%	39%	35%	3%
Restrict Employees Eligibility for Coverage	<1%	4%	29%	64%	3%
Drop Coverage Entirely	1%	2%	15%	82%	<1%
Offer HDHP/HRA‡	3%	21%	30%	46%	<1%
Offer HSA Qualified HDHP‡	2%	18%	32%	45%	3%

‡ Among firms not currently offering this type of HDHP/SO.

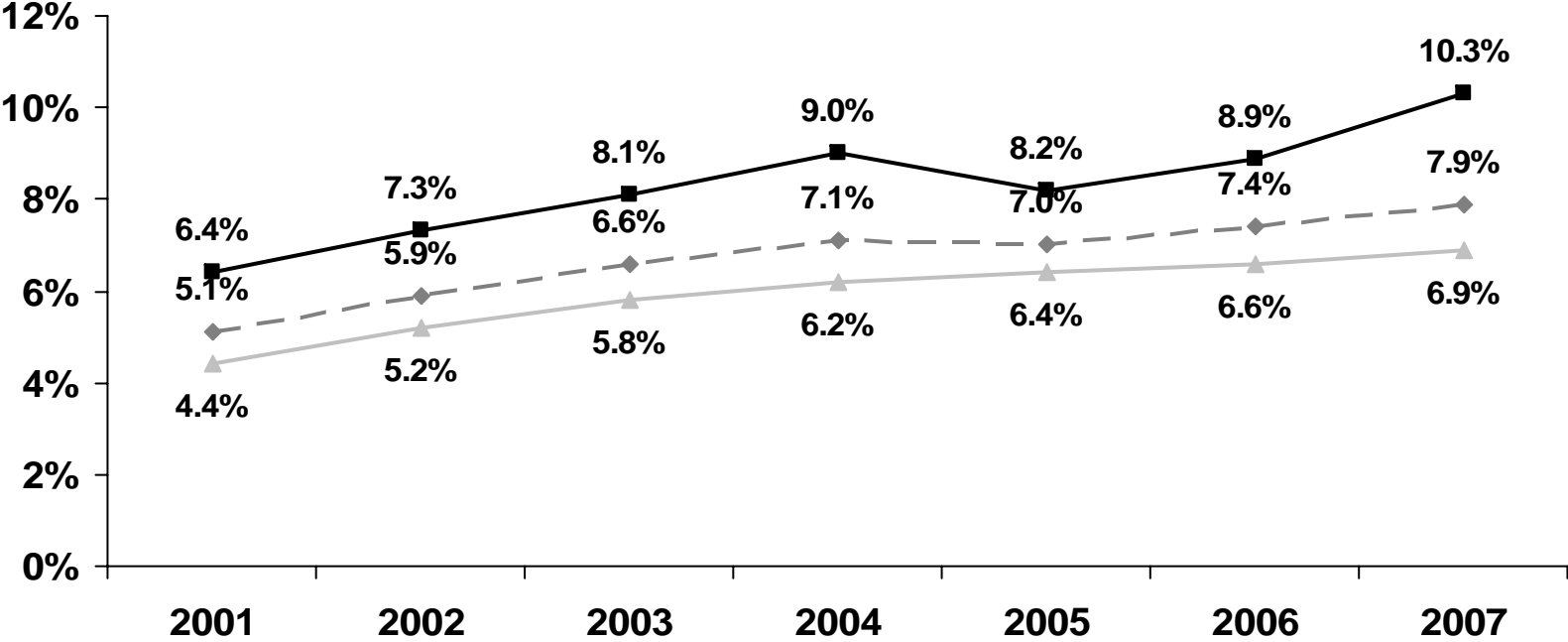
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007.



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Exhibit 15: Average Family Premium Contribution by Firm Size As Percent of Income at 200% FPL, 2001-2007

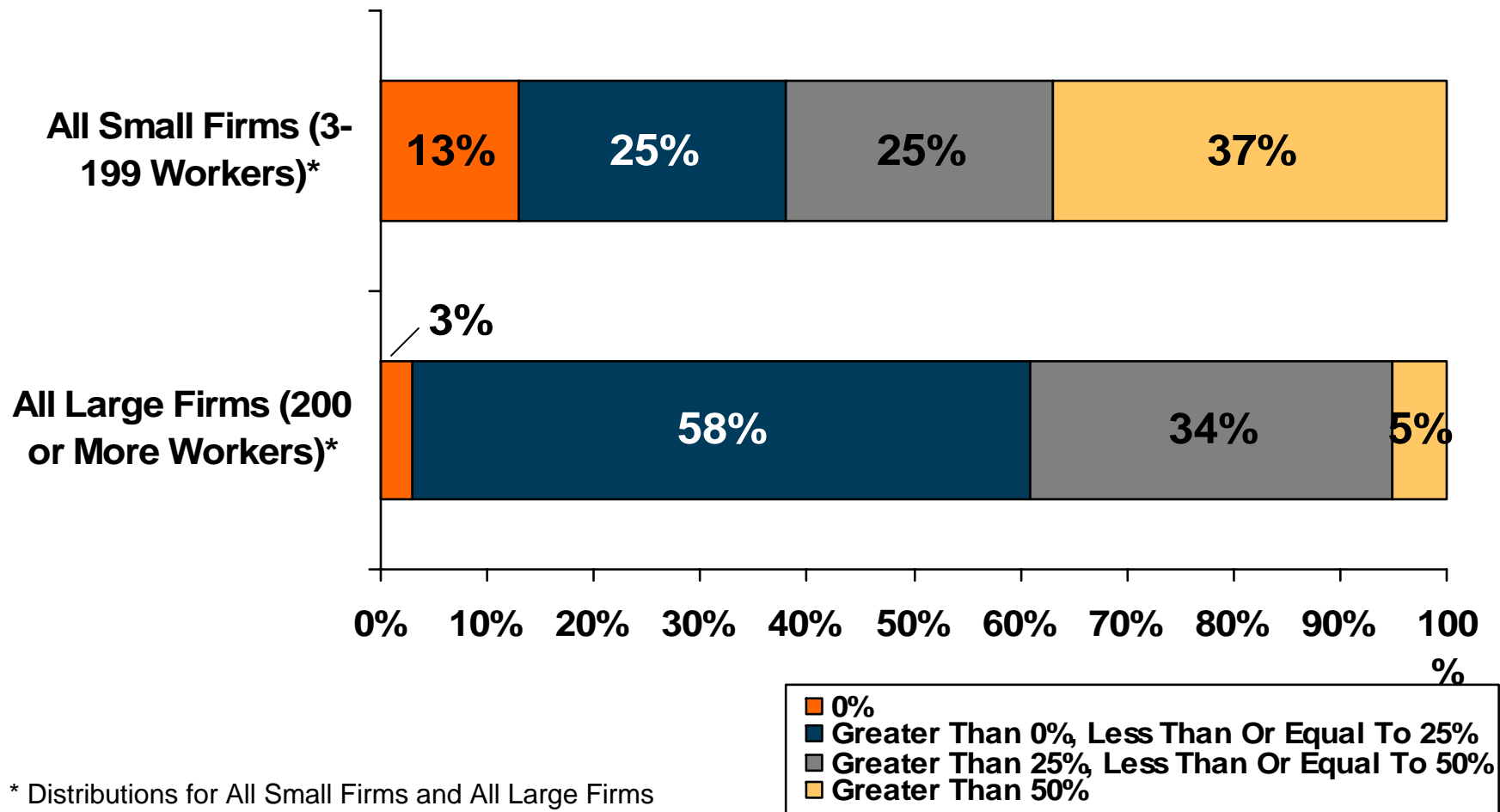


Note: 200% FPL was \$35,300 for a family of four in 2001. It is \$41,300 for a family of four in 2007.

Source: Kaiser calculations based on worker contributions to employer-sponsored health insurance premiums from Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2007 and Federal Poverty Guidelines from <http://aspe.hhs.gov/poverty/figures-fed-reg.shtml>

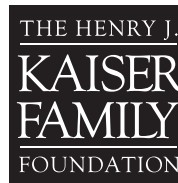


Exhibit 16: Distribution of Percentage of Premium Paid by Covered Workers for Family Coverage, by Firm Size, 2007



* Distributions for All Small Firms and All Large Firms are statistically different ($p < .05$).

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



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