

## STATISTICAL BRIEF #446

July 2014

### **Offer Rates, Enrollment Rates, Premiums, and Employee Contributions for Employer-Sponsored Health Insurance in the Private Sector for the 10 Largest Metropolitan Areas, 2013**

*David Kashihara*

#### **Introduction**

Employer-sponsored health insurance for current workers is one of the primary sources of health insurance coverage in the United States. According to data from the Insurance Component of the 2013 Medical Expenditure Panel Survey (MEPS-IC), approximately 96.7 million of the 113.9 million employees in the private sector worked in firms where the employer offered health insurance. Of those employees who worked where health insurance was offered, approximately 56.3 million were enrolled.

This Statistical Brief presents average offer and enrollment rates as well as premiums and employee contributions to premiums for single, employee-plus-one, and family coverage sponsored by private-sector employers in the 10 largest metropolitan areas of the United States: New York, Los Angeles, Chicago, Dallas-Fort Worth, Houston, Philadelphia, Washington D.C., Miami-Fort Lauderdale, Atlanta, and Boston (listed from largest to smallest). These estimates are compared to national averages for the private sector. The estimates for employer-sponsored health insurance vary considerably by geographic area. The MEPS-IC also collects information from state and local governments, but those data are not included in this Brief.

Only those estimates with a statistically significant difference from the national average at the 0.05 significance level are noted in this text.

#### **Findings**

##### *Offer rates*

Of the 113.9 million private-sector employees in the United States in 2013, 84.9 percent worked where employer-sponsored health insurance was offered (figure 1). Among the 10 largest metropolitan areas, Philadelphia (89.9 percent), Atlanta (88.2 percent), and Boston (90.0 percent) all had a higher percentage of employees working where health insurance was offered than the national average. None of the 10 largest metropolitan areas had a significantly lower-than-average percentage.

##### *Enrollment rates*

Of all private-sector employees in the U.S. who worked where health insurance was offered, 58.2 percent enrolled (figure 2). Atlanta (63.2) was the only one of the 10 largest metropolitan areas that had a percentage that differed from the national average.

##### *Single coverage: premiums and contributions*

The U.S. average premium for those enrolled in employer-sponsored single coverage was \$5,571 in 2013 (figure 3). Atlanta was the only one of the 10 areas with a below-average premium (\$5,250) while New York (\$6,349), Chicago

#### **Highlights**

- Of the 10 largest metropolitan areas, Philadelphia, Atlanta, and Boston experienced higher percentages of employees working where health insurance was offered than the 84.9 percent national average. Atlanta was the only area where the percentage of employees enrolled where health insurance was offered exceeded the U.S. average of 58.2 percent.
- Chicago and Boston had average premiums and average employee contributions for single coverage that were higher than the national averages (\$5,571 national average premium and \$1,170 national average contribution).
- New York, Chicago, Philadelphia, and Boston had higher average premiums for employee-plus-one coverage than the national average of \$10,990. Houston and Miami-Fort Lauderdale had higher average employee contributions for employee-plus-one coverage than the national average of \$2,940.
- Atlanta was the only area of the 10 largest with an average premium for family coverage lower than the national average of \$16,029. Houston was the only area with an average employee contribution higher than the national average of \$4,421.

(\$5,916), Philadelphia (\$6,125), and Boston (\$6,335) had single premiums above the national average. None of the 10 largest metropolitan areas had an employee contribution for single coverage that was significantly less than the U.S. average of \$1,170. However, average employee contributions in Chicago (\$1,334), Houston (\$1,366), and Boston (\$1,645) exceeded the national average.

#### *Employee-plus-one coverage: premiums and contributions*

Nationwide, employer-sponsored health insurance in 2013 had an average premium of \$10,990 for employee-plus-one coverage (figure 4). The average premium was higher in New York (\$12,570), Chicago (\$11,393), Philadelphia (\$11,863), and Boston (\$12,091) than nationally. The remaining 6 of the 10 largest areas did not have employee-plus-one premiums that differed from the national average. In the U.S., the employee contribution to the premium for employee-plus-one coverage averaged \$2,940. None of the 10 largest areas had an average contribution less than the U.S. average. The Houston (\$3,464) and Miami-Fort Lauderdale (\$3,873) metropolitan areas had higher employee contributions than the U.S. average for employee-plus-one coverage.

#### *Family coverage: premiums and contributions*

The 2013 U.S. private-sector average premium for employer-sponsored family coverage was \$16,029 (figure 5). New York (\$18,321), Los Angeles (\$16,995), Chicago (\$16,972), Philadelphia (\$17,695), and Boston (\$17,576) had family premiums that were above the national average. Of the remaining 5 areas, Atlanta (\$14,641) was the only one with a below-average family premium. The national average employee contribution toward the family premium was \$4,421. Houston (\$5,276) was the only area with an average employee contribution to family coverage that was higher than the national average. None of the other nine largest metropolitan areas had an average family contribution that differed significantly from the national average.

## **Data Source**

This Statistical Brief summarizes data from the 2013 MEPS-IC. The data are available on the MEPS website at [http://www.meps.ahrq.gov/mepsweb/survey\\_comp/Insurance.jsp](http://www.meps.ahrq.gov/mepsweb/survey_comp/Insurance.jsp) or have been produced using special computation runs on the confidential MEPS-IC data available at the U.S. Census Bureau.

## **Definitions**

### *Single coverage*

Single coverage is health insurance that covers the employee only.

### *Employee-plus-one coverage*

Employee-plus-one coverage is health insurance that covers the employee and one other family member at a lower premium level than family coverage. If premiums differed for employee-plus-spouse and employee-plus-child coverage, information for employee-plus-child coverage was collected.

### *Family coverage*

Family coverage is health insurance that covers the employee and one or more family members (spouse and/or children as defined by the plan). For the MEPS-IC survey, family coverage is any coverage other than single and employee-plus-one. Some plans offer more than one rate for family coverage depending on family size and composition. If more than one rate is offered, survey respondents are asked to report costs for a family of four.

### *Metropolitan areas*

Metropolitan areas are Metropolitan Statistical Areas (MSAs) defined and published by the Office of Management and Budget (OMB) as of June 6, 2003. Counties included in each area can be found in the Appendix of OMB Bulletin No. 04-03 (<http://www.whitehouse.gov/omb/bulletins/fy04/b04-03.html>). The name of the central city of each MSA has been used in the text and tables for convenience and brevity. The areas consist of more than the central cities. For instance, Washington, D.C., consists of the central city plus counties in Maryland, Virginia, and West Virginia.

## **About MEPS-IC**

The MEPS-IC is a survey of business establishments and governments that collects information on employer-sponsored health insurance, such as whether insurance is offered, enrollments, types of plans, and premiums. The survey is conducted annually by the U.S. Census Bureau under the sponsorship of the Agency for Healthcare Research and Quality (AHRQ). A total sample of approximately 42,000 private-sector establishments was selected for the 2013 survey, with 6.7 percent of the sample determined to be out-of-scope during the data collection process. The response rate for the private sector was 74.6 percent of the remaining in-scope sample units.

For more information on this survey, see MEPS Methodology Reports 6, 8, 10, 14, 17, 18, 27, and 28 on the MEPS Web site at [http://www.meps.ahrq.gov/mepsweb/data\\_stats/Pub\\_ProdLookup\\_Results.jsp?ProductType=Methodology%20Report&Comp=Insurance](http://www.meps.ahrq.gov/mepsweb/data_stats/Pub_ProdLookup_Results.jsp?ProductType=Methodology%20Report&Comp=Insurance) and Insurance Component Survey Basics at [http://www.meps.ahrq.gov/mepsweb/survey\\_comp/Insurance.jsp](http://www.meps.ahrq.gov/mepsweb/survey_comp/Insurance.jsp).

### **Suggested Citation**

Kashihara, D. *Offer Rates, Enrollment Rates, Premiums, and Employee Contributions for Employer-Sponsored Health Insurance in the Private Sector for the 10 Largest Metropolitan Areas, 2013*. Statistical Brief #446. July 2014. Agency for Healthcare Research and Quality, Rockville, MD.

[http://www.meps.ahrq.gov/mepsweb/data\\_files/publications/st446/stat446.pdf](http://www.meps.ahrq.gov/mepsweb/data_files/publications/st446/stat446.pdf)

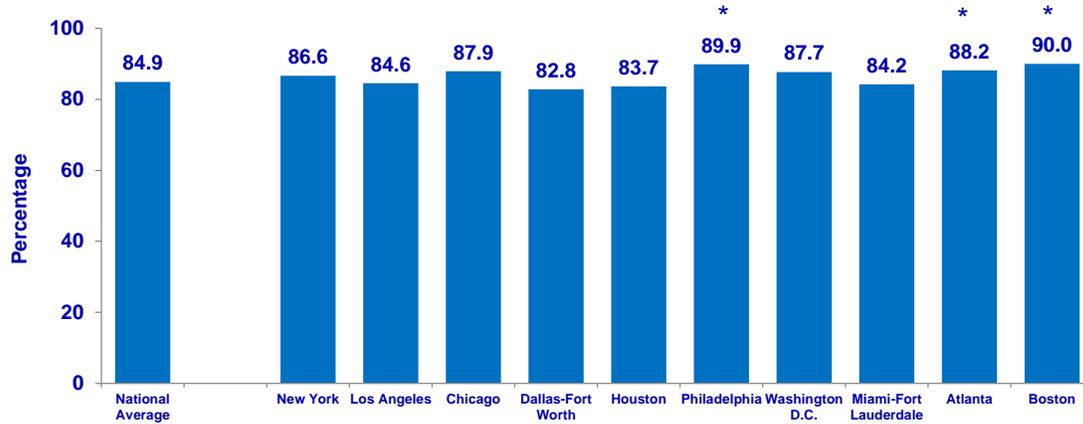
\* \* \*

AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS products might be enhanced to further meet your needs. Please email us at [MEPSProjectDirector@ahrq.hhs.gov](mailto:MEPSProjectDirector@ahrq.hhs.gov) or send a letter to the address below:

Steven B. Cohen, Director  
Center for Financing, Access, and Cost Trends  
Agency for Healthcare Research and Quality  
540 Gaither Road  
Rockville, MD 20850



**Figure 1. Percentage of private sector employees who worked where health insurance was offered, United States and 10 largest metropolitan areas, 2013**

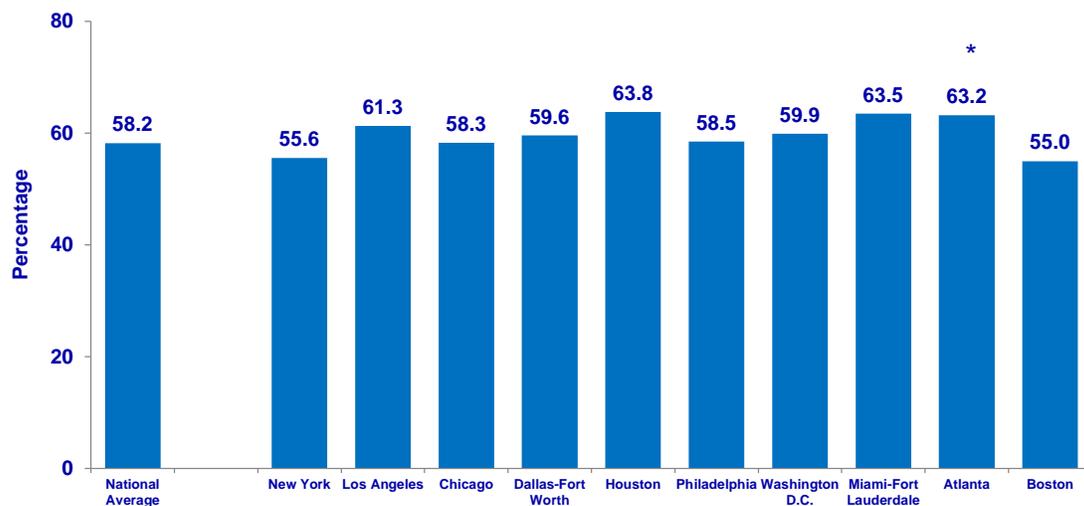


\* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2013



**Figure 2. Percentage of private sector employees enrolled in health insurance in establishments that offered health insurance, United States and 10 largest metropolitan areas, 2013**

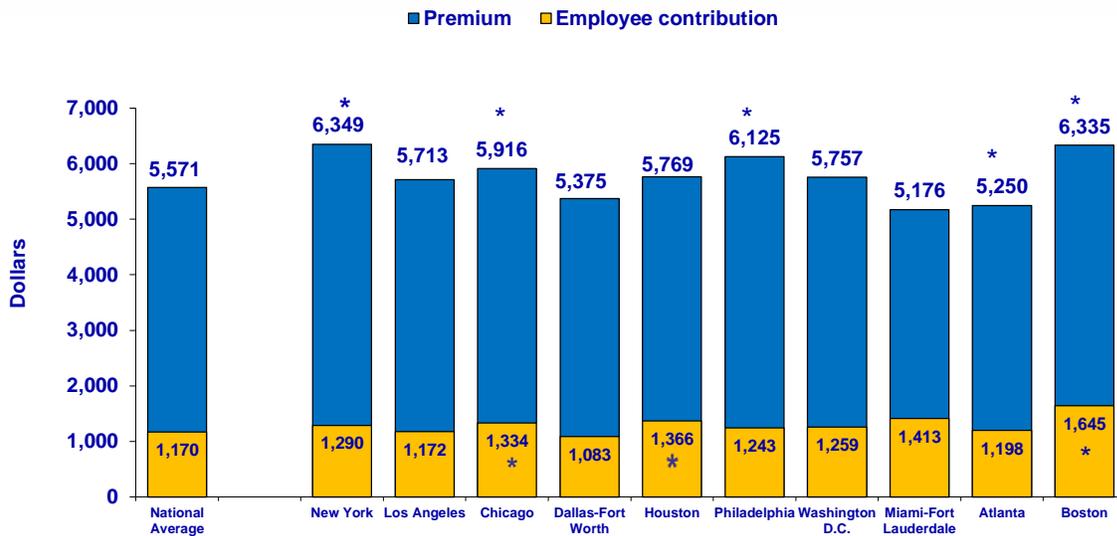


\* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2013



**Figure 3. Average single premium and contribution per enrolled employee at private sector establishments offering health insurance, United States and 10 largest metropolitan areas, 2013**

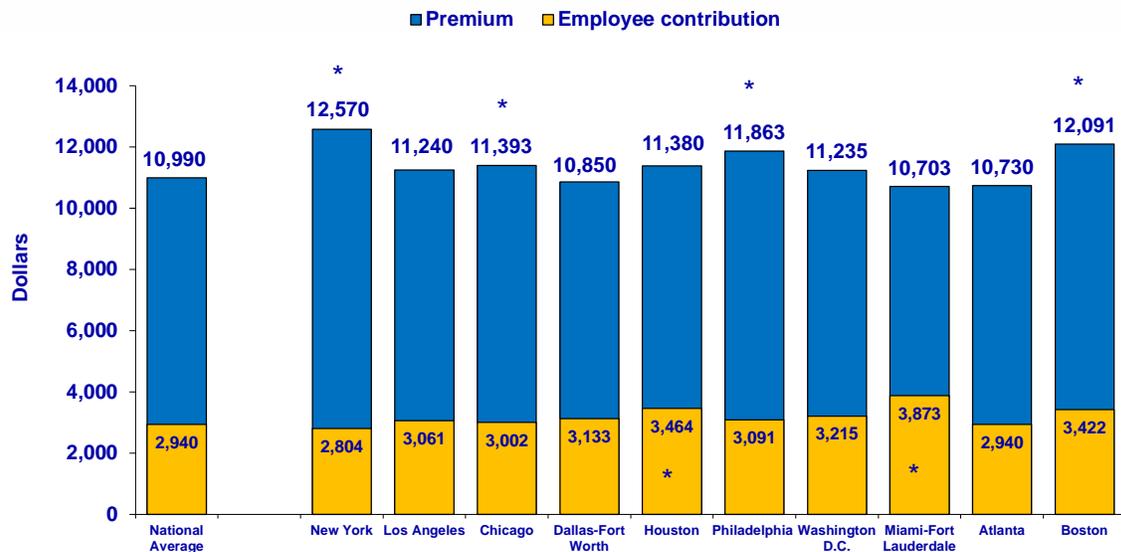


\* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2013



**Figure 4. Average employee-plus-one premium and contribution per enrolled employee at private sector establishments offering health insurance, United States and 10 largest metropolitan areas, 2013**

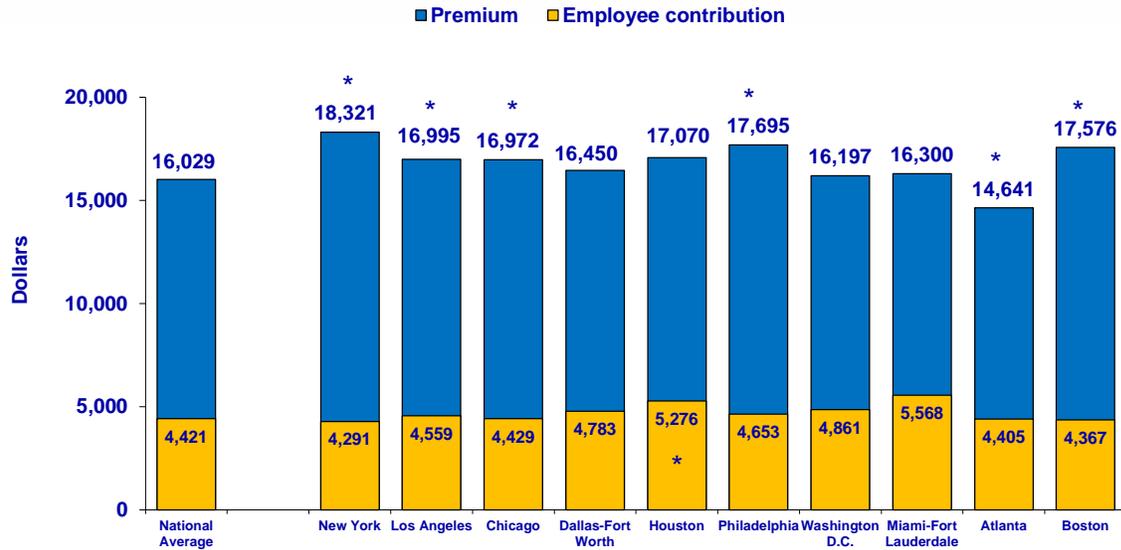


\* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2013



**Figure 5. Average family premium and contribution per enrolled employee at private sector establishments offering health insurance, United States and 10 largest metropolitan areas, 2013**



\* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2013