

STATISTICAL BRIEF #492

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Results from the 2015 MEPS-IC Private-Sector National Tables

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Introduction

Employer-sponsored insurance (ESI) is the primary source of health insurance coverage for individuals under age 65. This Statistical Brief uses data for private-sector establishments in the Medical Expenditure Panel Survey-Insurance Component (MEPS-IC) to describe trends in employer coverage, premiums, and deductibles from 2008 to 2015. The MEPS-IC is an annual survey of private employers and State and local governments and is designed to be representative of all 50 States and the District of Columbia.

The period presented in this Brief, 2008 to 2015, shows trends both before and after the passage of the Affordable Care Act (ACA) and the implementation of many of its provisions. The ACA introduced policy changes that could affect national ESI trends, as well as trends by firm size. Certain provisions, such as preventive care services without cost sharing and coverage of young adults on parents' health insurance policies began in 2010. Starting in 2014, subsidized coverage became available to individuals through State and Federal marketplaces, and Medicaid expansions began in many States. In addition, most people were required to either obtain health insurance or make an individual shared responsibility payment beginning that year. In 2015, the ACA's employer shared responsibility provisions began to take effect for employers with 100 or more full-time-equivalent employees.

This Brief describes trends and patterns in ESI, overall and by firm size categories relevant to provisions of the ACA (those in establishments in firms with fewer than 50 employees, 50 to 99 employees, and 100 or more employees, respectively). All differences discussed in the text are at the 0.05 significance level, unless otherwise noted. All dollar estimates are nominal (not adjusted for inflation).

Findings

Enrollment rates and number of covered employees

From 2014 to 2015, there was no significant change in the overall percentage of private-sector employees covered by a health insurance plan offered by their employers (the "enrollment rate") and no significant change in the enrollment rate at large firms (with 100 or more employees) (figure 1). While there was no significant change in these rates, there was an increase in the number of enrollees overall, from 55.8 million in 2014 to 57.3 million in 2015 ($p < 0.10$), and the number of enrollees at large firms from 42.8 million to 44.4 million (figure 2) as employment increased, both overall and among large firms. In contrast, the enrollment rate for employees in small firms (with fewer than 50 employees) declined from 28.3 percent to 27.1 percent ($p < 0.10$), as the number of enrollees remained constant from 2014 to 2015 (8.9 million enrollees in both years) and employment grew.

In 2015, 47.8 percent of employees were enrolled in a health plan through their employer, 27.1 percent at small employers, 47.0 percent at medium-sized employers (with 50 to 99 employees) and 56.4 percent at large employers (figure 1). Enrollment rates were lower at small employers than at larger employers throughout the 2008 to 2015 time period, mainly due to lower offer rates (figure 3).

Highlights

- From 2014 to 2015, there was no significant change in the overall percentage of private-sector employees covered by a health insurance plan offered by their employers (47.8 percent in 2015). However, there was an increase in the number of enrollees from 55.8 million in 2014 to 57.3 million in 2015 ($p < 0.10$) as overall employment increased in this period.
- The percentage of employees working at establishments that offer insurance ("the offer rate") increased from 83.2 percent in 2014 to 83.8 percent in 2015 ($p < 0.10$). While the offer rate at large firms (with 100 or more employees) increased from 97.3 percent to 98.8 percent in this period, offer rates at small firms (with fewer than 50 employees) fell from 49.8 percent to 47.6 percent, continuing their long-term decline.
- Eligibility rates for employees at private-sector establishments that offer insurance were not significantly different between 2014 (75.4 percent) and 2015 (76.0 percent). Rates in both 2014 and 2015 were lower than eligibility rates from 2008 to 2013.
- Take-up rates declined from 76.7 percent in 2014 to 75.0 percent in 2015, returning to levels similar to those in 2013 (74.8 percent).
- The 2014 to 2015 growth rate for single premiums and employee-plus-one premiums (2.2 percent and 2.6 percent, respectively) were significantly lower than the 4.7 percent growth rates for both types of coverage from 2013 to 2014. The 2014 to 2015 growth rate for family premiums (4.0 percent) was similar to the growth rate for 2013 to 2014.

Offer rates

The overall percentage of employees working at establishments that offer insurance ("the offer rate") increased from 83.2 percent in 2014 to 83.8 percent in 2015 ($p < 0.10$) (figure 3). The offer rate at large firms (with 100 or more employees) increased from 97.3 percent in 2014 to 98.8 percent in 2015, the first year that the ACA's employer shared responsibility provisions took effect. In contrast, offer rates at small firms (with fewer than 50 employees) fell from 49.8 percent to 47.6 percent between 2014 and 2015, continuing their long-term decline.

Eligibility rates

Eligibility rates for employees at establishments that offer insurance were not significantly different between 2014 (75.4 percent) and 2015 (76.0 percent) (figure 4). Rates in both years were lower than eligibility rates from 2008 to 2013. Eligibility rates at large employers were also not significantly different between 2014 and 2015. However, eligibility rates at small employers increased from 77.7 percent to 79.1 percent ($p < 0.10$) and rates at medium-sized employers increased from 74.1 percent to 77.8 percent.

Take-up rates

Take-up rates declined from 76.7 percent in 2014 to 75.0 percent in 2015, returning to a level similar to 2013 (74.8 percent) (figure 5). Within large firms, the take-up rate declined from 77.8 percent in 2014 to 76.0 percent in 2015, reversing a 2.3 percentage point increase between 2013 and 2014. The estimates for medium-sized employers appear to follow the same pattern as large employers for the 2013 to 2015 period, however, the year-to-year changes are not statistically significant. There were no significant changes in take-up rates at small employers between 2014 and 2015.

Premiums

In 2015, average health insurance premiums for enrollees in private-sector employer plans were \$5,963 (single coverage) (figure 7), \$11,800 (employee-plus-one coverage) (figure 8), and \$17,322 (family coverage) (figure 9), representing increases of 2.2 percent for single coverage, 2.6 percent for employee-plus-one coverage and 4.0 percent for family coverage over 2014 levels (figure 6).

The 2014 to 2015 growth rate for single premiums and employee-plus-one premiums (2.2 percent and 2.6 percent, respectively) were significantly lower than the 4.7 percent growth rates for both types of coverage from 2013 to 2014. The 2014 to 2015 growth rate for family premiums (4.0 percent) was similar to growth rates from 2013–14. The 2014–2015 growth rates for all three types of coverage were lower than growth rates from 2008–09, 2009–10 and 2010–11¹.

Employee premium contributions

Average employee contributions to health insurance premiums in 2015 were \$1,255 for single coverage (figure 10), \$3,220 for employee-plus-one coverage (figure 11) and \$4,710 for family coverage (figure 12). In the U.S. overall, there was no significant increase in average employee contributions for single coverage between 2014 and 2015. However, average employee contributions for employee-plus-one and family coverage increased by 4.0 percent and 4.2 percent, respectively.

Deductibles

The percentage of enrollees in a health insurance plan with a deductible increased from 2014 to 2015 (83.9 percent to 85.4 percent) (figure 13). From 2008 to 2014, the increase in the percentage of enrollees with a deductible was significant at $p < 0.10$ or better in every year except from 2010 to 2011.

In 2008, the percentages of enrollees in health plans with a deductible at small (70.9 percent), medium-sized (70.3 percent) and large employers (70.7) were similar. By 2015, however, enrollees at small employers (82.1 percent) were less likely than those at medium-sized employers (85.3 percent, $p < 0.10$) or large employers (86.1 percent) to be enrolled in a plan with a deductible.

Data Source

This Statistical Brief summarizes data from the 2008 through 2015 MEPS-IC. The data are available on the MEPS Web site at 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.

¹ The 2014–15 growth rate for family premiums is lower than the 2008–09 growth rate at $p < 0.10$.

Definitions

Single coverage

Single coverage is health insurance that covers the employee only.

Employee-plus-one coverage

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.

Enrollment rate

The percentage of all employees enrolled in their employer's health insurance at establishments both offering and not offering health insurance.

Offer rate

The percentage of employees who work at establishments that offer health insurance.

Eligible employee

Employees allowed to enroll in employer-sponsored coverage. Common eligibility criteria include a minimum number of hours worked per pay period or a minimum length of service with the employer.

Employee

A person on the actual payroll. Excludes temporary and contract workers but includes the owner or manager if that person works at the firm.

Establishment

A single physical location of a business.

Health insurance plan

An insurance contract that provides hospital and/or physician coverage to an employee for an agreed-upon fee (premium) for a defined benefit period.

Take-up rate

The rate at which eligible employees enroll in health insurance coverage through their employer at establishments that offer insurance.

Deductible

A fixed dollar amount during the benefit period—usually a year—that an insured person pays before the insurer starts to make payments for covered medical services. Plans may have both per individual and family deductibles.

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 2015 survey, with 5.8 percent of the sample determined to be out-of-scope during the data collection process. The response rate for the private sector was 66.5 percent of the remaining in-scope sample units.

Suggested Citation

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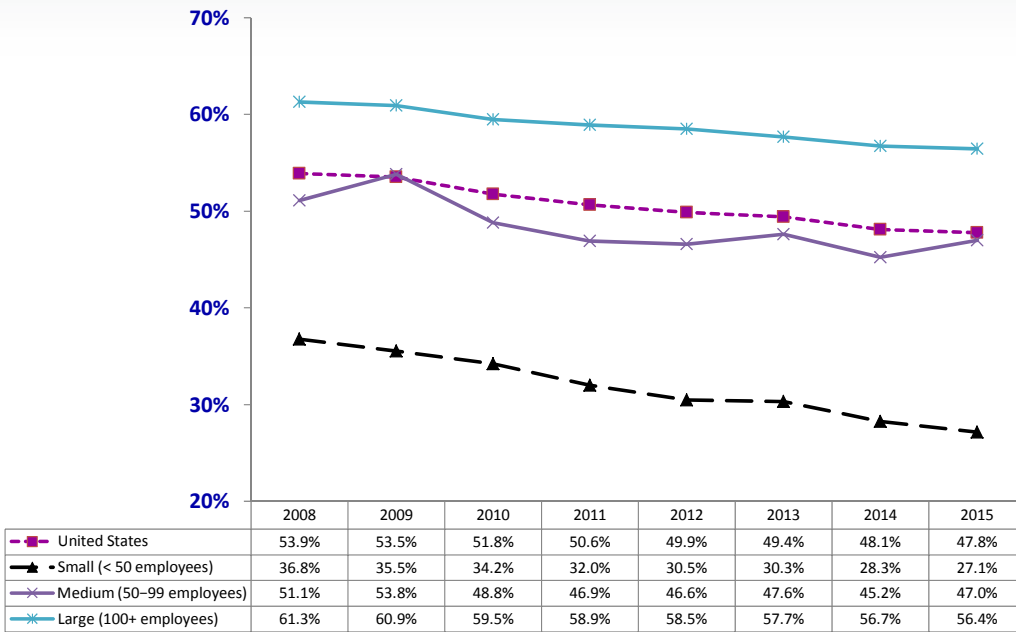
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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using 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 or send a letter to the address below:

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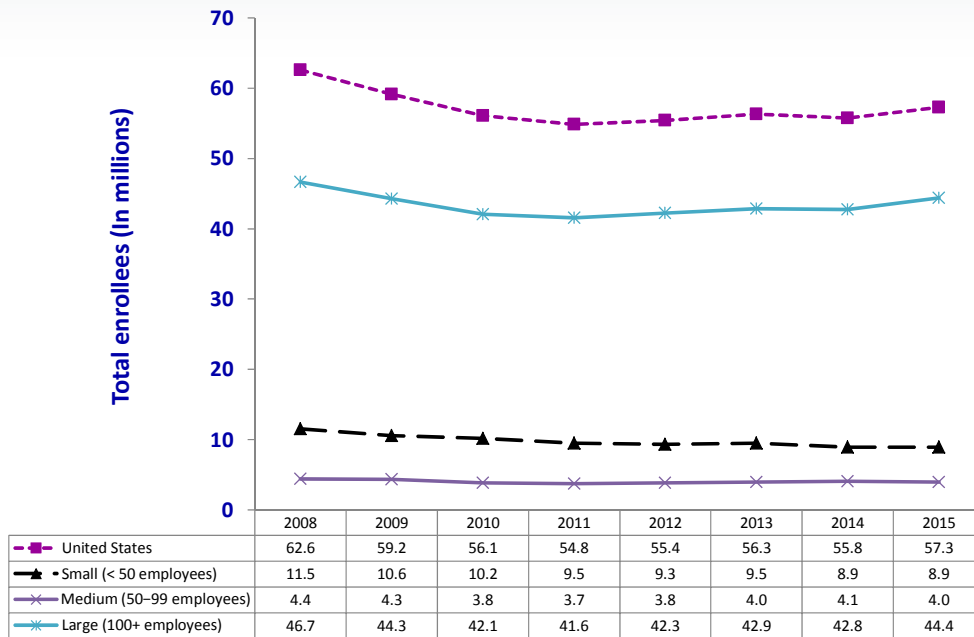
Figure 1. Enrollment rate: Percentage of all private-sector employees enrolled in employer-sponsored health insurance, overall and by firm size, 2008–2015



Denominator: Within each category, all employees in establishments.
 Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



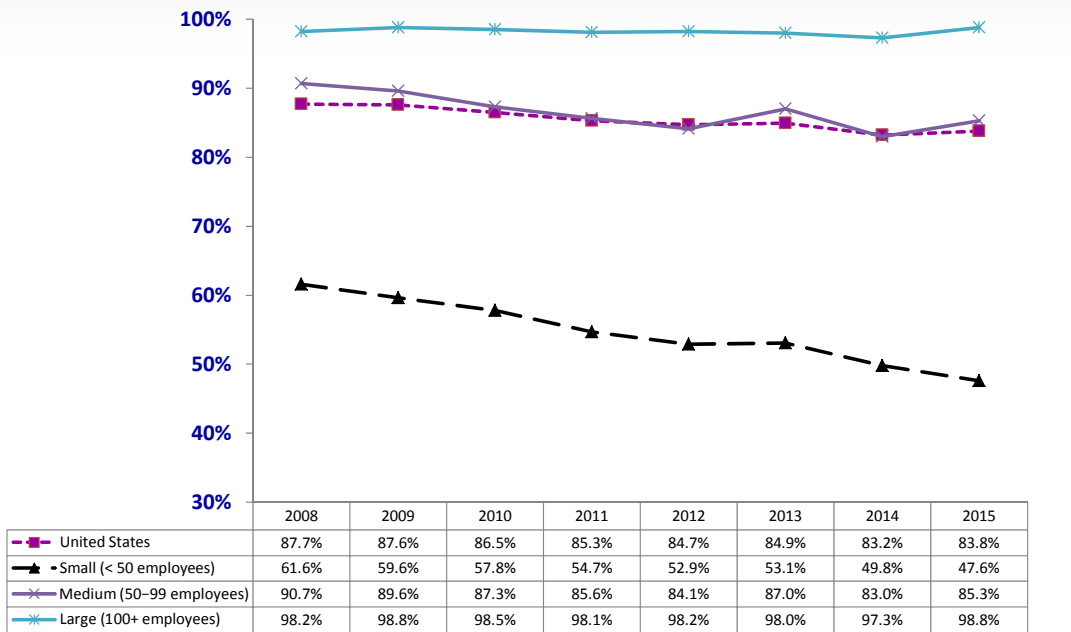
Figure 2. Total number (in millions) of private-sector enrollees in employer-sponsored health insurance, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



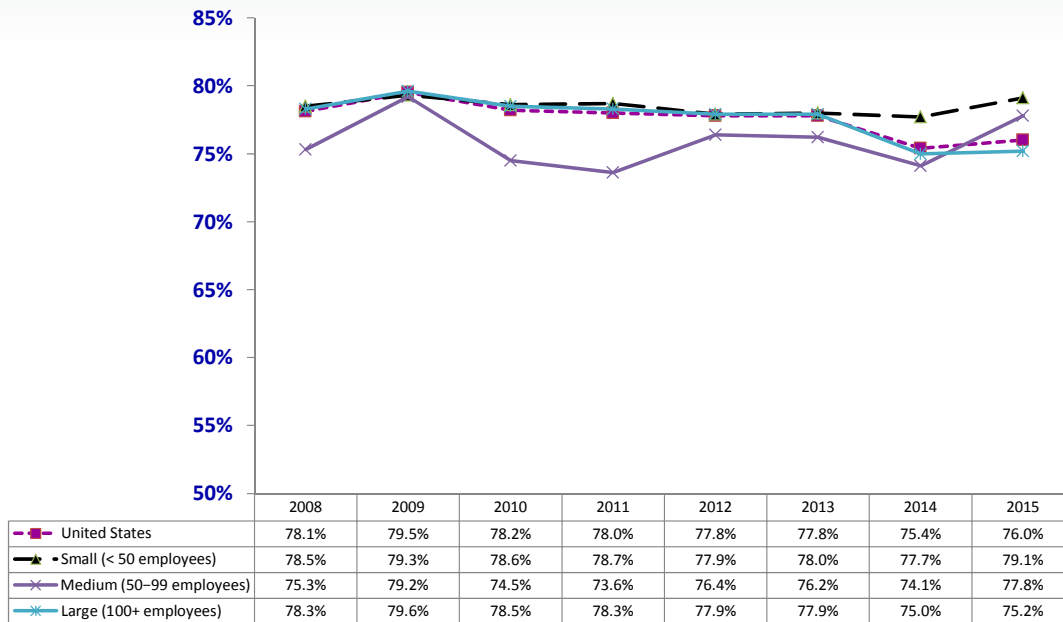
Figure 3. Offer rate: Percentage of private-sector employees in establishments that offer health insurance, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



Figure 4. Eligibility rate: Percentage of private-sector employees eligible for health insurance at establishments that offer health insurance, overall and by firm size, 2008–2015

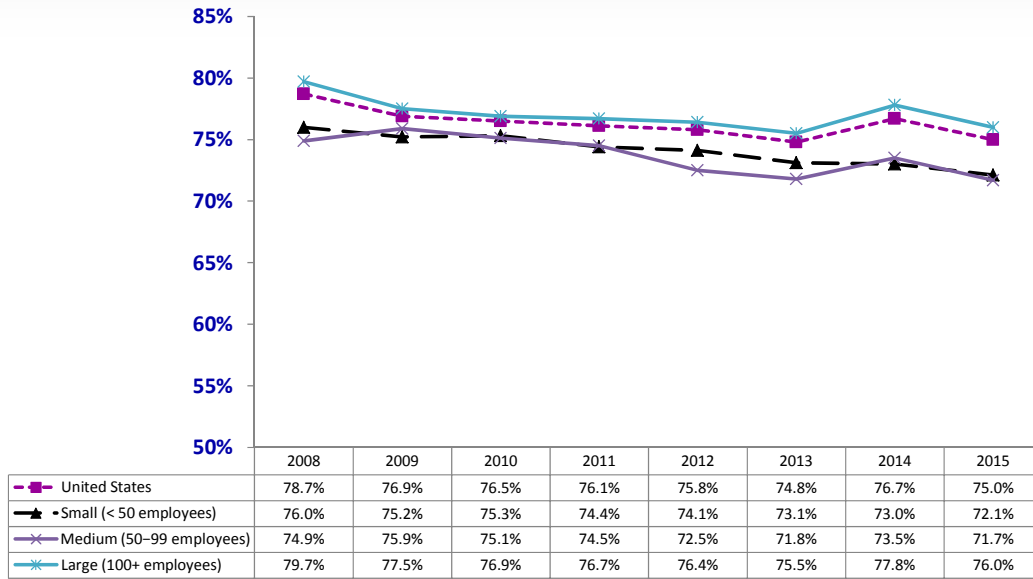


Denominator: Within each category, all employees at establishments that offer health insurance.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



Figure 5. Take-up rate: Percentage of eligible private-sector employees who are enrolled in health insurance at establishments that offer health insurance, overall and by firm size, 2008–2015



Denominator: Within each category, eligible employees at establishments that offer health insurance.
 Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



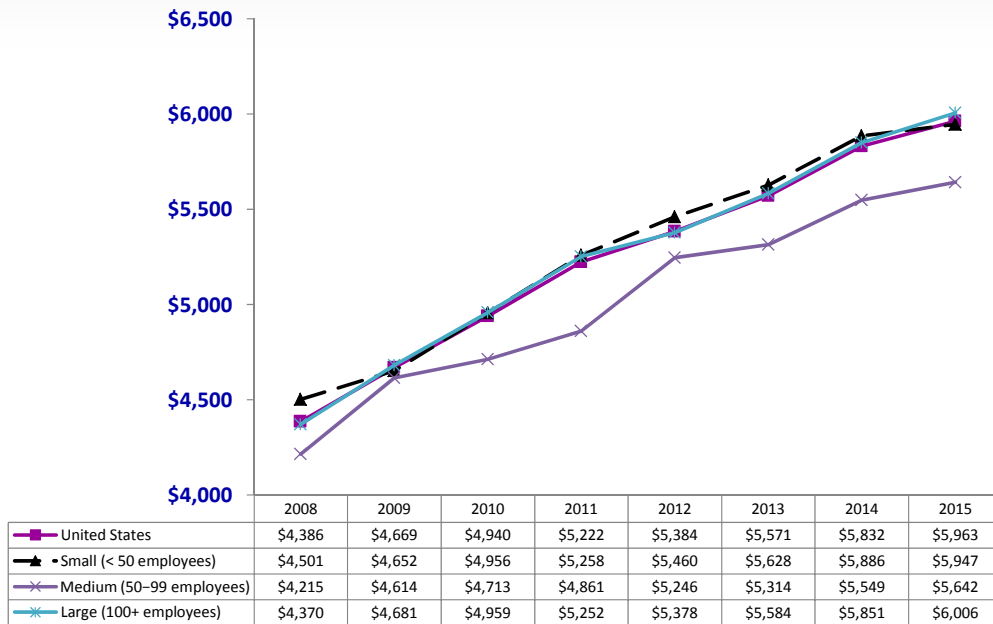
Figure 6. Percentage change in total premiums from previous year per enrolled private-sector employee for single, employee-plus-one, and family coverage, 2009–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



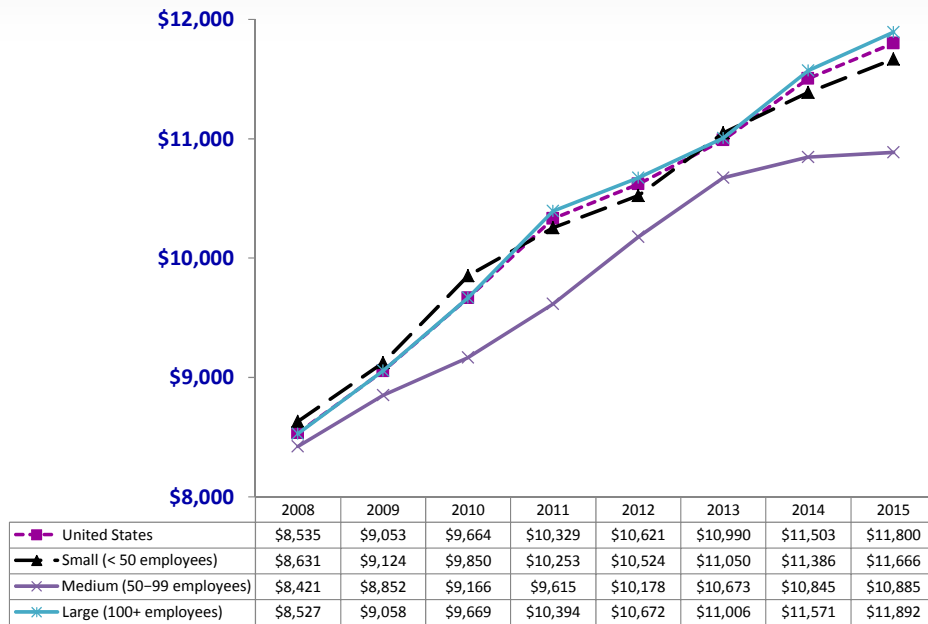
Figure 7. Average total single premium per enrolled private-sector employee, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



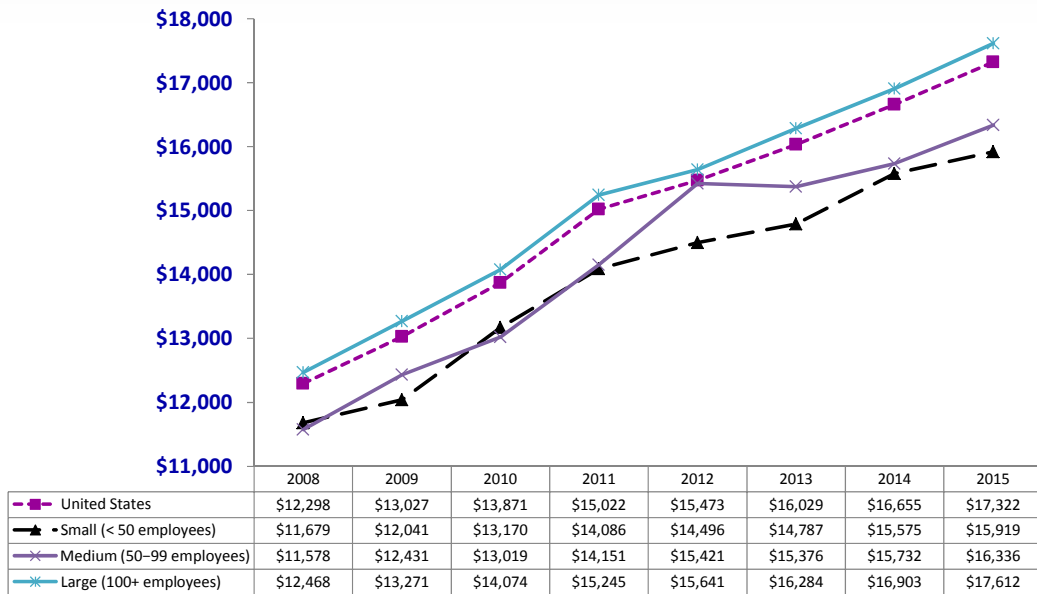
Figure 8. Average total employee-plus-one premium per enrolled private-sector employee, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



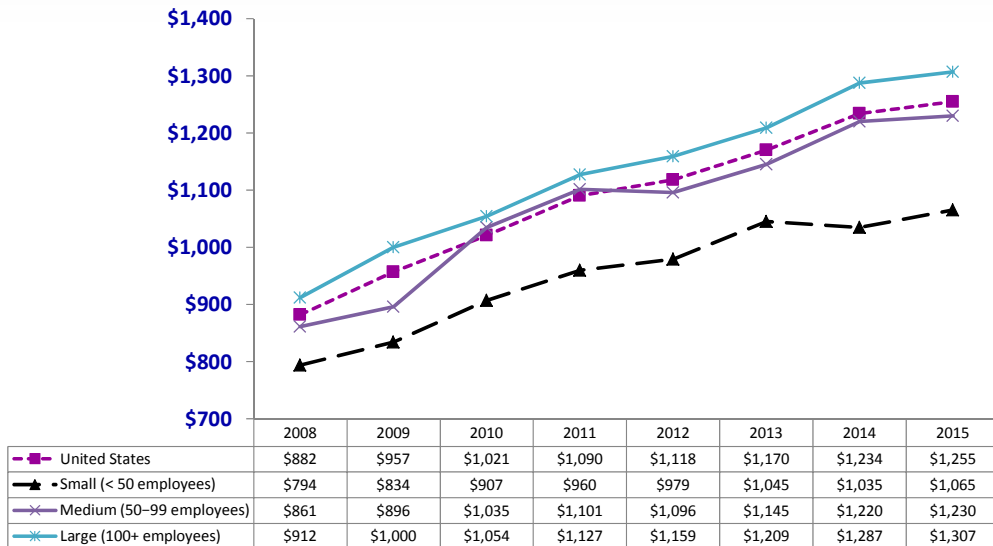
Figure 9. Average total family premium per enrolled private-sector employee, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



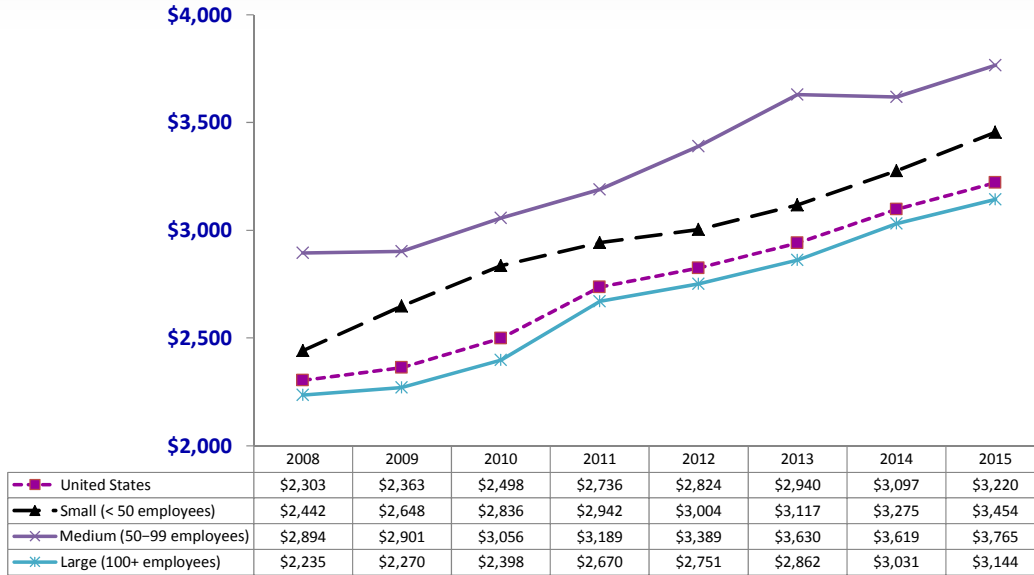
Figure 10. Average annual employee contribution (in dollars) for single coverage, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



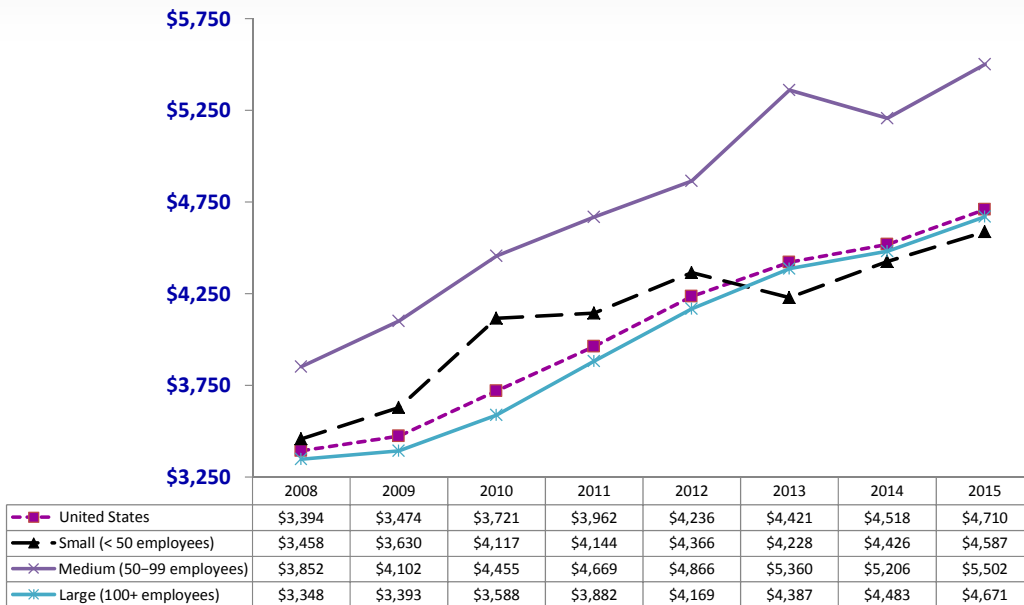
Figure 11. Average annual employee contribution (in dollars) for employee-plus-one coverage, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



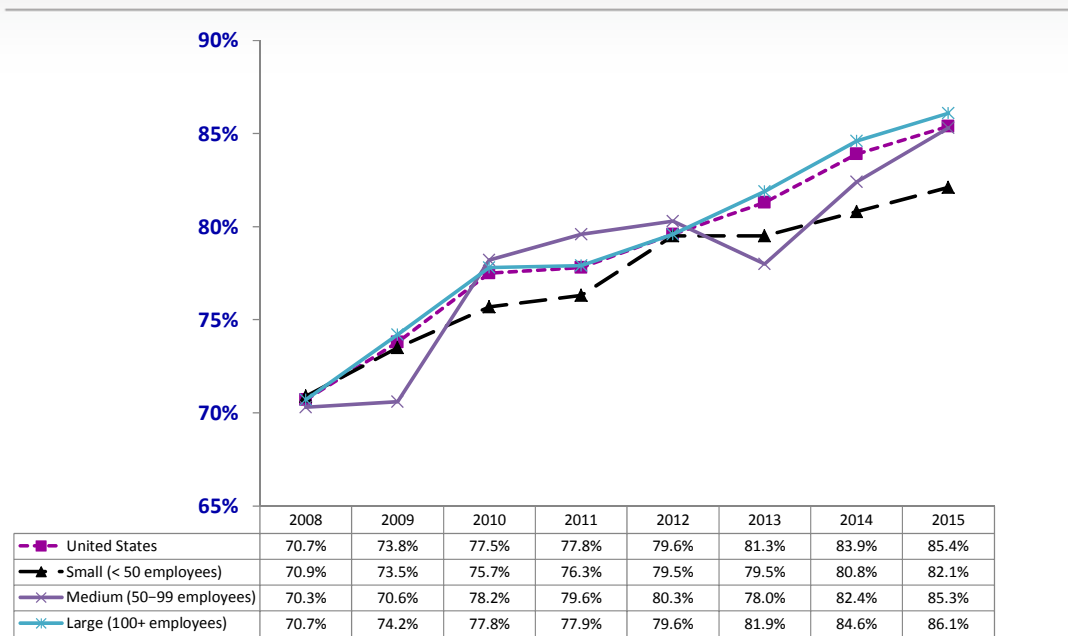
Figure 12. Average annual employee contribution (in dollars) for family coverage, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015



Figure 13. Percentage of private-sector enrolled employees in a health insurance plan with a deductible, overall and by firm size, 2008–2015



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2015