

STATISTICAL BRIEF #360

February 2012

Employer-Sponsored Health Insurance Offers, Eligibility, and Enrollment Rates for Civilian Employees within the Private and the State and Local Government Sectors, by Census Division, 2010

Beth Levin Crimmel, M.S.

Introduction

Of the total 128.0 million civilian employees in 2010, 84.7 percent (108.4 million) were in the private sector while 15.3 percent (19.6 million) were in the state and local government sector. This Statistical Brief discusses employer-sponsored health insurance offers to employees in the two sectors in 2010, and the extent to which employees were eligible for and enrolled in coverage. Employees of the federal government and certain self-employed workers are excluded from civilian employment (see the "Definitions" section for details).

The analysis looks at differences within and across the nine United States geographic divisions identified by the Bureau of the Census—New England, Middle Atlantic, East North Central, West North Central, South Atlantic, East South Central, West South Central, Mountain, and Pacific. See the "Definitions" section for a list of the states in each division.

Estimates used in this analysis come from the Medical Expenditure Panel Survey—Insurance Component (MEPS-IC), an annual survey sponsored by the Agency for Healthcare Research and Quality. Only comparisons with a statistically significant difference at the 0.05 percent significance level are noted in the text.

Findings

For civilian workers as a whole, 88.4 percent worked for an employer that offered health insurance to its employees in 2010 (figure 1). Nearly all state and local government employees worked in a governmental unit that offered employer-sponsored health insurance—99.2 percent. A smaller percentage of private sector employees—86.5 percent—worked in firms that offered insurance to their employees. This relationship held true within each census division; state and local government employees were more likely to work where health insurance was offered than were private sector employees (figure 2).

While the percentage of state and local government employees working where health insurance was offered varied slightly from the U.S. average of 99.2 percent for some census divisions, all divisions had percentages above 97 percent. In the private sector, New England (90.4 percent) and Middle Atlantic (89.0 percent) were the only divisions that had higher rates of employees working where health insurance was offered than the 2010 U.S. average. Only the Mountain division (83.8 percent) had a significantly below-average offer rate for the private sector.

Highlights

- In the nation as a whole, nearly all employees of the state and local government sector worked where employer-sponsored health insurance was offered; this also was true within each census division.
- The overall percentage of civilian employees who were eligible to enroll where coverage was offered was 78.1 percent. There were differences between the eligibility rates for private and state and local government employees within most census divisions.
- In 2010, 86.3 percent of eligible state and local government employees enrolled in health insurance coverage compared to 76.5 percent of private sector employees. Within each census division, the pattern was the same--state and local government employees enrolled at a higher rate than private sector employees.

Not all employees working where employer-sponsored coverage is offered are eligible to enroll. Common eligibility criteria include a minimum number of hours worked per pay period and/or a minimum length of service period with the employer. In 2010, 78.1 percent of civilian employees were eligible to enroll in coverage when their employers offered health insurance (figure 3). The comparable percentages were 77.6 percent for state and local government employees and 78.2 percent for private sector employees. The percentage of eligible employees was higher for the state and local government sector than the private sector in the West South Central and Pacific divisions (figure 4). For all but two of the remaining census divisions, a larger percentage of private sector employees was eligible than state and local government employees.

Within the state and local government sector, three census divisions had above-average eligibility rates in 2010—Middle Atlantic (80.4 percent), West South Central (83.4 percent), and Pacific (81.5 percent). Three other divisions had below-average eligibility rates—East North Central (73.9 percent), Mountain (73.5 percent), and West North Central (71.1 percent). Within the private sector, only one division had a significantly different eligibility percentage than the nation as a whole; East South Central had an above-average rate of 80.5 percent.

Of employees eligible to enroll in employer-sponsored health insurance, 78.2 percent of eligible civilian employees actually took coverage through their employers (figure 5). However, employees in state and local governments were more likely to do so than their private sector counterparts. Overall, 86.3 percent of eligible state and local government employees in 2010 enrolled in health insurance coverage compared to 76.5 percent of private sector employees. Within each census division, the results matched the overall pattern—eligible state and local government employees enrolled at a higher rate than eligible private sector employees (figure 6).

For state and local government employees, only two census divisions had percentages that differed from the national average of eligible employees who enrolled. Employees in the South Atlantic division had an above-average enrollment rate, at 87.6 percent. Employees in the East South Central division had a below-average enrollment rate, at 84.9 percent. Within the private sector, two divisions had below-average enrollment rates and one had an above-average rate. South Atlantic (75.1 percent) and East South Central (74.6 percent) were below average; Pacific (79.0 percent) was above average.

Data Source

The statistics in this Brief are estimates from the 2010 MEPS-IC. All information comes from tables that are available on the MEPS Web site at http://www.meps.ahrq.gov/mepsweb/survey_comp/Insurance.jsp.

Definitions

Census divisions

- *New England*: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
- *Middle Atlantic*: New Jersey, New York, Pennsylvania
- *East North Central*: Illinois, Indiana, Michigan, Ohio, Wisconsin
- *West North Central*: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
- *South Atlantic*: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia
- *East South Central*: Alabama, Kentucky, Mississippi, Tennessee
- *West South Central*: Arkansas, Louisiana, Oklahoma, Texas
- *Mountain*: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming
- *Pacific*: Alaska, California, Hawaii, Oregon, Washington

Civilian employee

Includes employees of private sector firms (see exception related to self-employment below) and state and local governments. Excludes federal government employees.

The self-employed who have no employees and who have an unincorporated business are excluded. The self-employed who have no employees and who have an incorporated business are included. Also included are employees of all businesses with a self-employed owner that have at least one employee in addition to the owner.

Eligible employee

Not all employees may be eligible to enroll in health insurance coverage at establishments where it is offered. 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, including the owner or manager if that person works at the firm. Excludes temporary and contract workers.

Health insurance plan/coverage

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

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. Bureau of the Census 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 2010 survey, with 8.3 percent of the sample determined to be out of scope during the data collection process. The response rate for the private sector was 82.7 percent of the remaining in-scope sample units. For the state and local governments, about 3,100 units were selected for the sample and the response rate was 93.4 percent.

For more information on this survey, see *MEPS Methodology Reports 6, 8, 10, 14, 17, and 18* on the MEPS Web site at 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.

Suggested Citation

Crimmel, B. L. *Employer-Sponsored Health Insurance Offers, Eligibility, and Enrollment Rates for Civilian Employees within the Private and the State and Local Government Sectors*, by Census Division, 2010. Statistical Brief #360. February 2012. Agency for Healthcare Research and Quality, Rockville, MD. http://www.meps.ahrq.gov/mepsweb/data_files/publications/st360/stat360.pdf

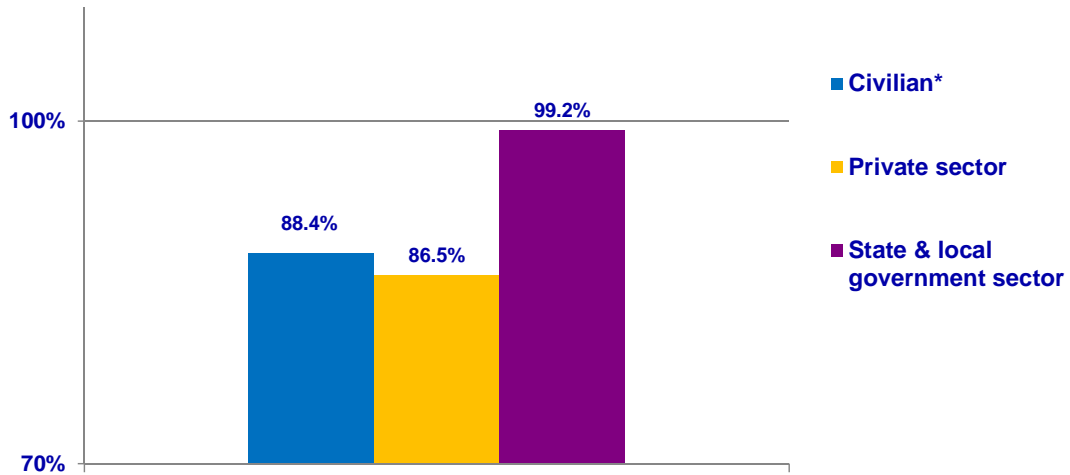
* * *

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 e-mail us at MEPSProjectDirector@ahrq.hhs.gov or send a letter to the address below:

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



Figure 1. Percentage of civilian employees in establishments offering health insurance, by sector, 2010

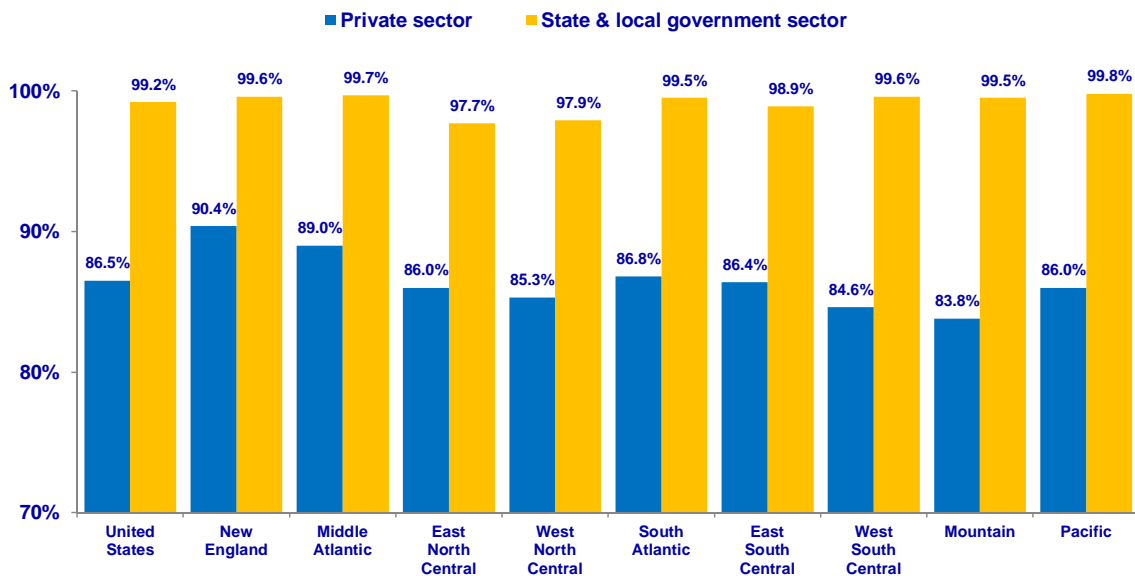


*Civilian employees include those employed in the private sector (except certain self-employed workers) and in the state and local government sector, but exclude federal government employees.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010



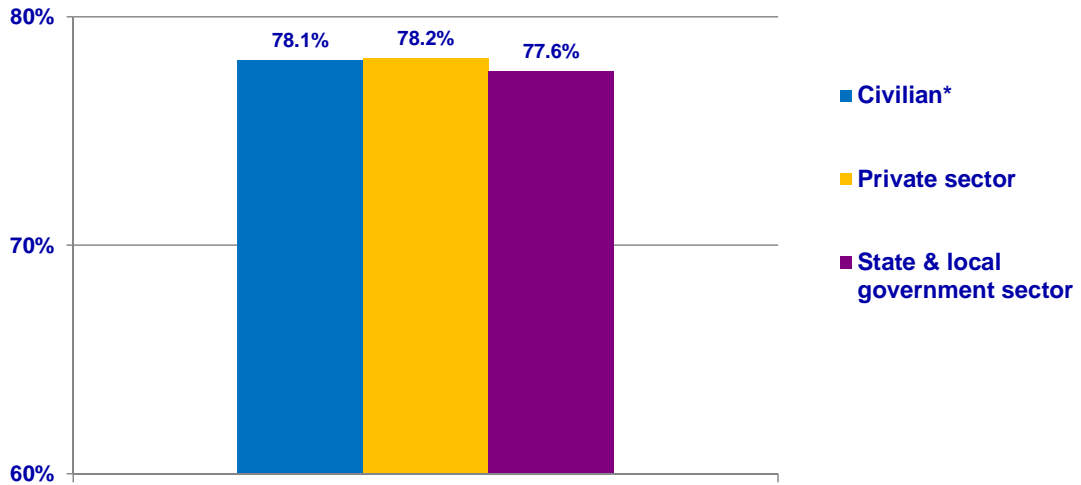
Figure 2. Percentage of employees in establishments offering health insurance, by census division and sector, 2010



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010



Figure 3. Percentage of civilian employees in establishments offering health insurance that are eligible to enroll, by sector, 2010

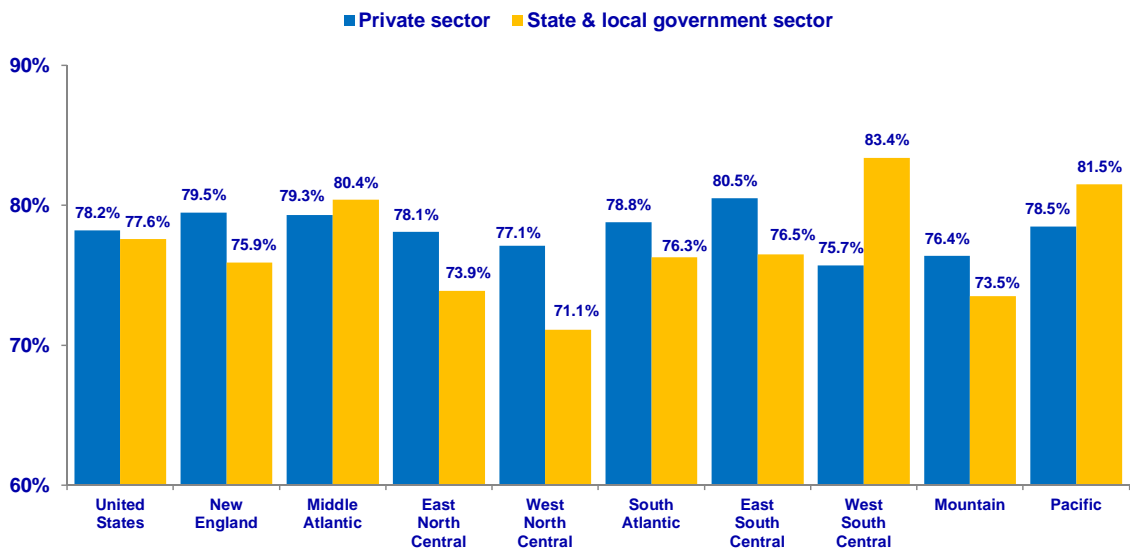


*Civilian employees include those employed in the private sector (except certain self-employed workers) and in the state and local government sector, but exclude federal government employees.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010



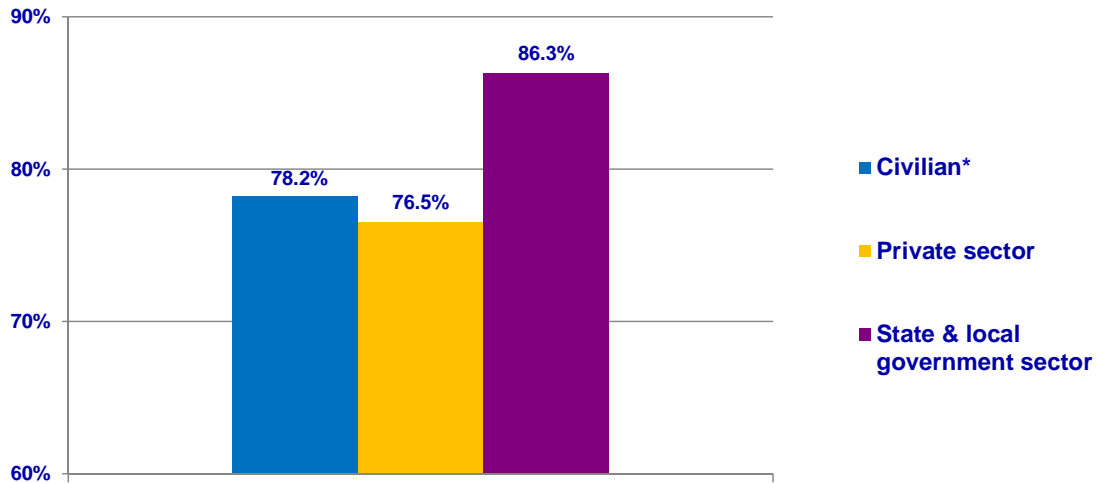
Figure 4. Percentage of employees in establishments offering health insurance that are eligible to enroll, by census division and sector, 2010



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010



Figure 5. Percentage of eligible civilian employees in establishments offering health insurance that enroll, by sector, 2010

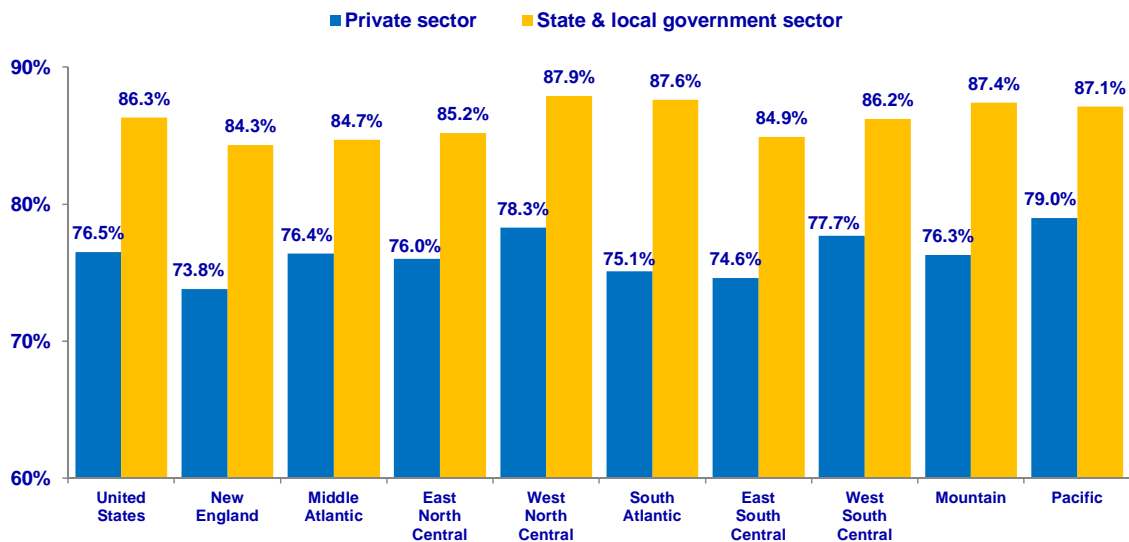


*Civilian employees include those employed in the private sector (except certain self-employed workers) and in the state and local government sector, but exclude federal government employees.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010



Figure 6. Percentage of eligible employees in establishments offering health insurance that enroll, by census division and sector, 2010



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2010