

STATISTICAL BRIEF #391

November 2012

Offer Rates, Enrollment Rates, Premiums, and Employee Contributions for Employer-Sponsored Health Insurance in the Private Sector for the 10 Largest Metropolitan Areas, 2011

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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 2011 Medical Expenditure Panel Survey (MEPS-IC), approximately 92.3 million of the 108.2 million employees from the private sector worked in firms where the employer offered health insurance. Of those employees who worked where health insurance was offered, approximately 54.8 million were enrolled.

This Statistical Brief presents average offer and enrollment rates and 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 U.S. It compares these values to national averages for the private sector. These values for employer-sponsored health insurance vary considerably by geographic area and other factors, such as size of firm and industry. 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 percent significance level are noted in the text.

Findings

Offer rates

Among the 108.2 million private sector employees in the United States in 2011, 85.3 percent worked where employer-sponsored health insurance was offered (figure 1). Among the 10 largest metropolitan areas, Chicago (89.1 percent), Philadelphia (91.8 percent), and Boston (93.2 percent) had higher percentages of employees working where health insurance was offered than the national average. None of the 7 remaining areas had rates that differed from the national average.

Enrollment rates

Of all private sector employees in the U.S. who worked where health insurance was offered, 59.4 percent enrolled (figure 2). None of the 10 largest metropolitan areas' rates differed from the 2011 U.S. average.

Single coverage

In 2011, the U.S. average premium for those enrolled in employer-sponsored single coverage was \$5,222 (figure 3). New York (\$5,939) and Boston (\$5,809) had average single premiums above the national average; Houston's (\$5,034) was below the national average. Regarding employee contributions to the premium for single coverage, Washington, D.C. (\$1,278), Atlanta (\$1,314), and Boston (\$1,391) exceeded the U.S. average of \$1,090. The employee contribution for single coverage in Los Angeles averaged \$929, lower than the national average. None of the other 10 largest metropolitan areas had employee contributions for single coverage that differed from the U.S. average in 2011.

Highlights

- Of the 10 largest metropolitan areas, Chicago (89.1 percent), Philadelphia (91.8 percent), and Boston (93.2 percent) showed higher percentages of employees working where health insurance was offered than the 85.3 percent national average.
- Boston had premiums (\$5,809) and employee contributions (\$1,391) for single coverage that were both higher than the national averages.
- Houston had an average premium for employee-plus-one coverage of \$9,701, lower than the national average, and an average employee contribution of \$3,539, higher than the national average.
- Washington, D.C. had average employee contributions for single coverage (\$1,278) and family coverage (\$4,573) that were above their respective national averages for employer-sponsored health insurance.

Employee-plus-one coverage

Employer-sponsored health insurance in 2011 charged an average premium of \$10,329 for employee-plus-one coverage (figure 4). The average premium was higher than this in New York (\$11,283) and Boston (\$11,613), and lower in Houston (\$9,701). The employee contribution to the premium for employee-plus-one averaged \$2,736 nationally. The Los Angeles (\$3,435) and Houston (\$3,539) metropolitan areas had higher employee contributions than the national average for employee-plus-one coverage.

Family coverage

The 2011 U.S. private sector average premium for employer-sponsored family coverage was \$15,022 (figure 5). None of the largest 10 metropolitan areas had a below average family premium, but New York (\$16,912), Los Angeles (\$16,790), Philadelphia (\$15,938), and Boston (\$17,188) had family premiums that were above average. The national average employee contribution toward the family premium was \$3,962. Washington, D.C. (\$4,573) had an average employee contribution to family coverage that was higher than the national average.

Data Source

This Statistical Brief summarizes data from the 2011 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.

Definitions

Single coverage

Single coverage is health insurance that covers the employee only. This is also known as employee-only coverage.

Employee-plus-one coverage

Health insurance that covers the employee and one family member at a lower premium level than family coverage. This family member could be a spouse or a child. If premiums differed for employee-plus-spouse and employee-plus-child coverage, information for employee-plus-child was reported.

Family coverage

Family coverage is health insurance that covers the employee and one or more immediate 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 2011 survey, with 6.4 percent of the sample determined to be out-of-scope during the data collection process. The response rate for the private-sector was 81.7 percent of the remaining in-scope sample units.

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

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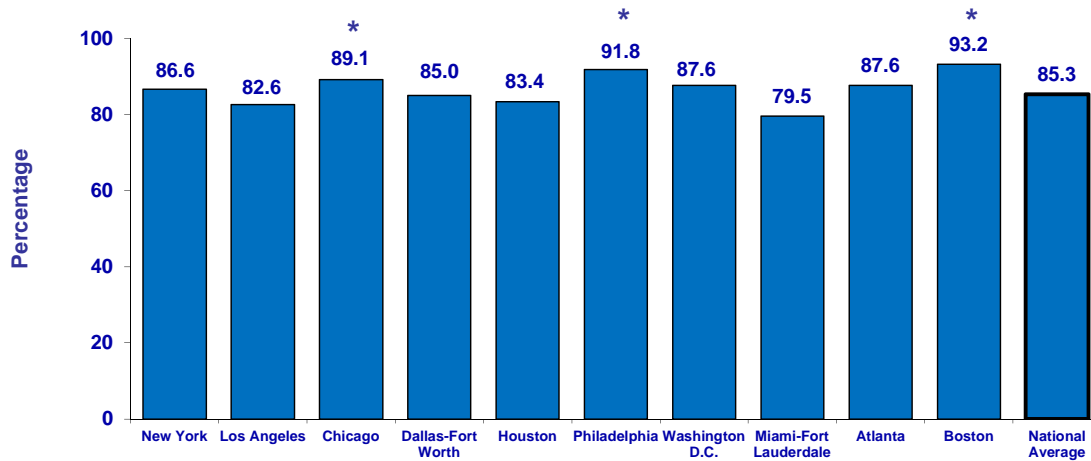
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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using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

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Figure 1. Percentage of private sector employees who worked where health insurance was offered, United States and 10 largest metropolitan areas, 2011

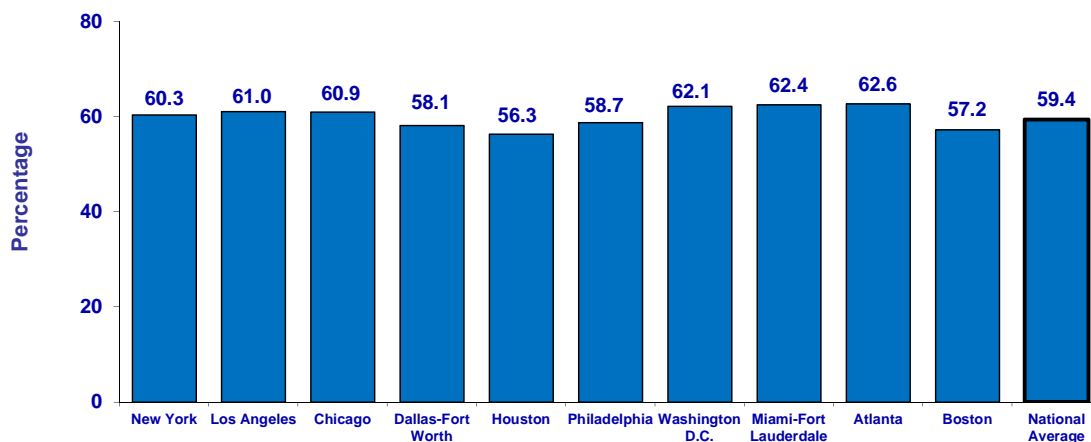


* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2011



Figure 2. Percentage of private sector employees enrolled in health insurance in establishments that offered health insurance, United States and 10 largest metropolitan areas, 2011

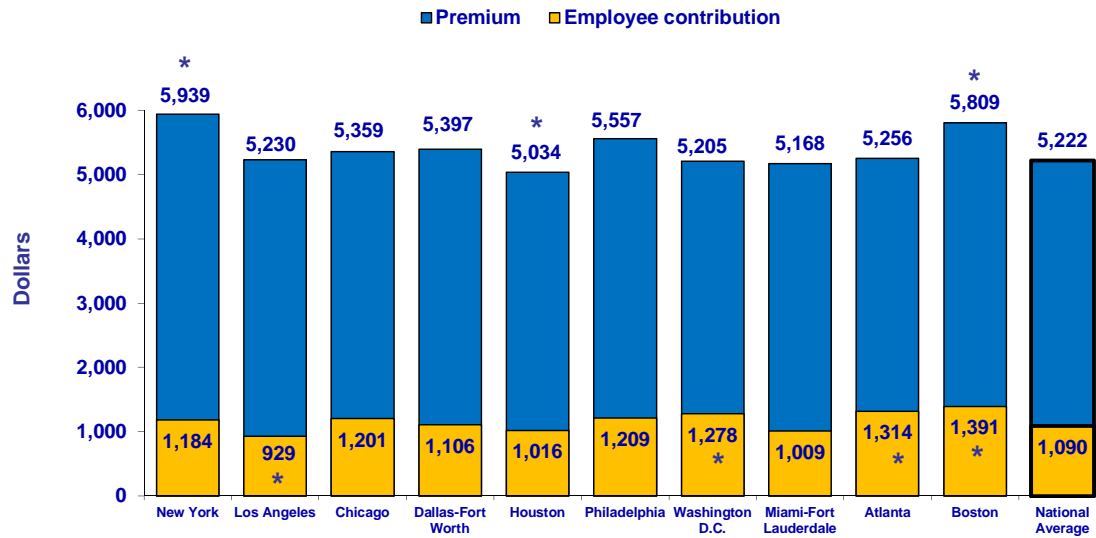


* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2011



Figure 3. Average single premium and contribution per enrolled employee at private sector establishments offering health insurance, United States and 10 largest metropolitan areas, 2011

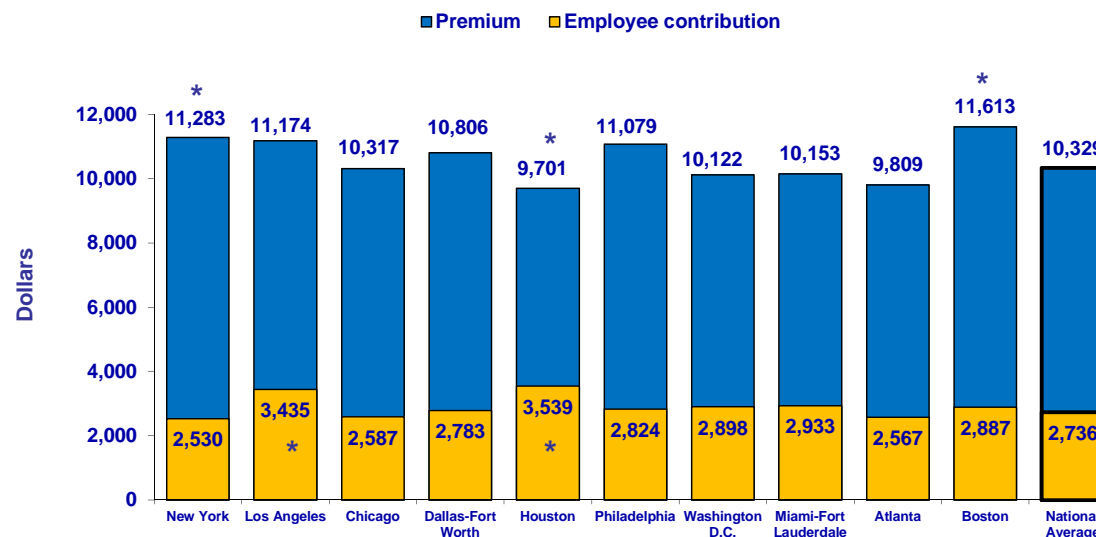


* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2011



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, 2011

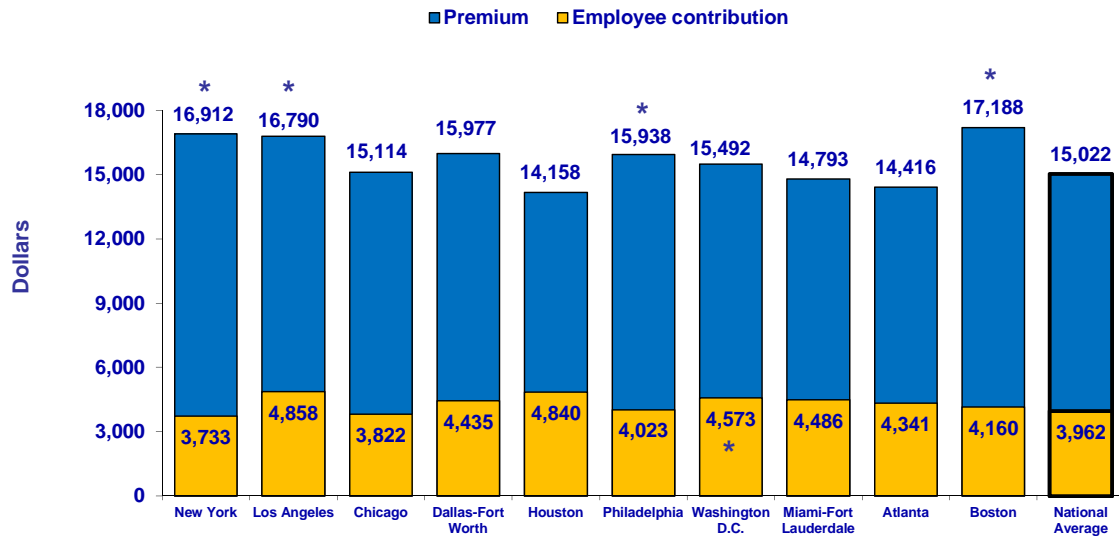


* Statistically different than the National Average at the 0.05 level

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2011



Figure 5. Average family premium and contribution per enrolled employee at private sector establishments offering health insurance, United States and 10 largest metropolitan areas, 2011



* 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, 2011