

STATISTICAL BRIEF #477

June 2015

Results from the 2014 MEPS-IC Private-Sector National Tables

Jessica Vistnes, PhD, Karen Davis, MA, and G. Edward Miller, PhD

Introduction

The Agency for Healthcare Research and Quality has released national tables from the 2014 Medical Expenditure Panel Survey Insurance Component (MEPS-IC), an annual survey of employer-sponsored health insurance. These tables contain estimates for private-sector employers. State and metropolitan area tables for the private sector will be released in July.

This Statistical Brief discusses the 2014 national survey estimates and also examines changes in the survey estimates over the years 2008–2013. In addition to statistics for all private-sector employers, it considers results for small employers (those in establishments in firms with fewer than 50 employees) and large employers (those in establishments in firms with 50 or more employees). All differences noted are at the 0.05 significance level.

Findings

Covered employees

The number of employees who enrolled in a health insurance plan through their private-sector employer was stable between 2013 (56.3 million) and 2014 (55.8 million). The percentage of enrollees in single coverage increased from 51.3 percent in 2013 to 52.4 percent in 2014. The percentage of enrollees in employee-plus-one coverage declined from 18.9 percent in 2013 to 18.3 percent in 2014. The percentage of enrollees in family coverage did not change between 2013 and 2014 (29.8 percent and 29.3 percent, respectively) (data not shown).

Offers: Establishment level

From 2013 to 2014, the percentage of establishments offering insurance fell from 49.9 percent to 47.5 percent, a 2.4 percentage point decline (figure 1). There was no statistically significant change in offer rates between 2012 (50.1 percent) and 2013 (49.9 percent). Between 2008 and 2012, offer rates declined in each one-year period. The decline in offers from 2013 to 2014 was larger than the one-year decrease of 0.9 percentage points from 2011 to 2012, but was not significantly different than any of the one-year declines between 2008 and 2011 (which averaged 1.8 percentage points per year).

Small employers

The percentage of small employers offering insurance decreased from 34.8 percent in 2013 to 32.2 percent in 2014, a 2.6 percentage point decline. These rates were stable from 2011 through 2013. However, from 2008 to 2011, the percentage of small employers offering insurance declined each year by an average of 2.5 percentage points. The decrease in offer rates at small employers from 2013 to 2014 was not significantly different from any one-year decline that occurred during the 2008 to 2011 period.

Highlights

- The number of employees who enrolled in a health insurance plan through their private-sector employer was stable between 2013 (56.3 million) and 2014 (55.8 million).
- The percentage of employees working where insurance was offered declined by 1.7 percentage points from 2013 to 2014, which was not significantly different from the one-year declines that occurred between 2009 and 2011.
- The percentage of employees enrolled in coverage at establishments that offered insurance (the coverage rate) remained stable between 2013 and 2014 for all employers (57.8 percent in 2014) and for small (56.8 percent) and large (58.0 percent) employers. The coverage rate was stable at small employers because the eligibility and take-up rates were stable during this one-year period. At large employers, however, the coverage rate was stable because an increase in the take-up rate offset a decrease in the eligibility rate.
- The growth rate for single premiums from 2013 to 2014 (4.7 percent) was significantly lower than the rate of growth from 2008 to 2009, but not significantly different from growth rates over any other one-year period from 2009–2013. Family premiums increased by 3.9 percent from 2013 to 2014, which did not differ from the growth rate in 2012 to 2013, but was lower than the growth rates in 2008–2009 (5.9 percent), 2009–2010 (6.5 percent) and 2010–2011 (8.3 percent).
- The percentage of employees enrolled in a plan with a deductible, as well as the average size of both individual and family deductibles increased from 2013 to 2014, following a pattern of increases observed in most years from 2008 to 2013.

Large employers

The percentage of large employers offering insurance fell from 95.7 percent in 2013 to 94.8 percent in 2014, a 0.9 percentage point decline. From 2008–2013, offer rates at large employers were stable except for a 0.7 percentage point decline between 2010 and 2011. The decrease in offer rates at large employers from 2013 to 2014 was not significantly different from the decline between 2010 and 2011.

Offers: Employee level

The percentage of employees working where insurance was offered fell from 84.9 percent in 2013 to 83.2 percent in 2014, a decline of 1.7 percentage points (figure 2). There was no statistically significant change in employee-level offer rates between 2012 (84.7 percent) and 2013 (84.9 percent). During the period 2008 to 2012, employee-level offer rates dropped between 2009 and 2010 (1.1 percentage points) and between 2010 and 2011 (1.2 percentage points). These declines were not significantly different from the 1.7 percentage point decline from 2013 to 2014.

Small employers

At small employers, employee-level offer rates declined from 53.1 percent in 2013 to 49.8 percent in 2014. There was no statistically significant change in employee-level offer rates from 2012 (52.9 percent) to 2013 (53.1 percent). However, there were annual decreases in employee-level offer rates during the period 2008 to 2012 (averaging 2.2 percentage points per year) for employees at small employers. The decrease of 3.3 percentage points from 2013 to 2014 was not significantly different from any of the year-to-year declines from 2008 to 2012.

Large employers

At large employers, employee-level offer rates fell from 96.9 percent in 2013 to 95.8 percent in 2014, a 1.1 percentage point decline. From 2008 to 2013, offer rates at large employers were stable except for decreases between 2009 and 2010 (0.5 percentage points) and 2010 and 2011 (0.6 percentage points). The decrease in employee-level offer rates at large employers from 2013 to 2014 was not significantly different from these earlier declines.

Eligibility rates

At establishments offering health insurance, 75.4 percent of employees were eligible to enroll in a plan in 2014, a 2.4 percentage point decline from the 77.8 percent rate in both 2013 and 2012 (figure 3). During the period 2008 to 2013, eligibility rates were generally stable except for an increase of 1.4 percentage points in 2009 which was offset by a 1.3 percentage point decrease in 2010.

Large and small employers

The overall decrease in eligibility rates from 2013 to 2014 was driven by a 2.9 percentage point decline at large employers. Eligibility rates were stable over this period at small employers.

Take-up rates

In 2014, 76.7 percent of eligible employees enrolled in coverage—the take-up rate—an increase from 74.8 percent in 2013 (figure 4). This rise reverses the general downward trend in take-up rates over the 2008 to 2013 period. Take-up rates declined by 1.8 percentage points between 2008 and 2009, 1.1 percentage points between 2009 and 2012, and 1.0 percentage point between 2012 and 2013.

Large employers

The increase in take-up rates at all establishments between 2013 and 2014 was driven by a rise at large employers. Take-up rates at large employers increased from 75.2 percent in 2013 to 77.4 percent in 2014, a 2.2 percentage point increase. Between 2008 and 2013, take-up rates at large employers declined by 4.1 percentage points, from 79.3 percent in 2008 to 75.2 percent in 2013.

Small employers

For employees at small employers, take-up rates remained unchanged between 2013 and 2014 (73.1 and 73.0 percent, respectively). Take-up rates at small employers declined 2.9 percentage points between 2008 and 2013, falling from 76.0 percent in 2008 to 73.1 percent in 2013.

Coverage rates at offering establishments

The percentage of employees enrolled in coverage at establishments that offered insurance (the coverage rate) remained stable between 2013 and 2014 for all employers (57.8 percent in 2014) and for small (56.8 percent) and large (58.0 percent) employers (figure 5). The coverage rate was stable at small employers because the eligibility and take-up rates were stable during this one-year period. At large employers, however, the coverage rate was stable because the increase in the take-up rate offset the decrease in the eligibility rate.

From 2008 through 2013, coverage rates declined from 61.4 percent to 58.2 percent for all employers, with similar patterns at small and large employers. During this earlier period, the decrease in coverage rates was due to declining take-up rates since eligibility rates were generally stable.

Premiums and contributions

Average health insurance premiums in 2014 were \$5,832 (single coverage), \$11,503 (employee-plus-one coverage), and \$16,655 (family coverage), representing increases of 4.7 percent, 4.7 percent, and 3.9 percent, respectively over 2013 levels (figures 6, 7, and 8). These annual growth rates were not significantly different from the 2012–2013 increases (3.5 percent for single coverage, 3.5 percent for employee-plus-one coverage, and 3.6 percent for family coverage). The growth rate for single premiums from 2013 to 2014 (4.7 percent) was significantly lower than the rate of growth from 2008 to 2009, but not significantly different from growth rates over any other one-year period from 2009–2013. The employee-plus-one premium increase from 2013 to 2014 (4.7 percent) was not significantly different from growth rates in any year in the 2008–2013 period. By contrast, the rise in family premiums for 2013 to 2014 (3.9 percent) was lower than the growth rates in 2008–2009 (5.9 percent), 2009–2010 (6.5 percent), and 2010–2011 (8.3 percent) (data not shown).

Premium growth by firm size

Premium growth rates for 2013–2014 were not significantly different for small and large employers for single or family coverage. Growth rates were 4.6 percent and 4.7 percent for single premiums and 5.3 percent and 3.7 percent for family premiums at small and large employers, respectively. Employee-plus-one premiums in 2014 were not significantly different from those in 2013 for small employers, but grew at a rate of 4.9 percent at large employers between 2013 and 2014.

Employee premium contributions

Average employee contributions to health insurance premiums in 2014 were \$1,234 for single coverage, and \$3,097 for employee-plus-one coverage, representing increases of 5.5 percent and 5.3 percent, respectively over 2013 (figures 9 and 10). Employee contributions for family coverage (\$4,518) were not significantly different from those in 2013 (figure 11). In most, but not all, years from 2008–2013, increases in average employee contributions were statistically significant for each type of coverage.

Deductibles

The percentage of enrollees in a health insurance plan that had a deductible increased from 2013 to 2014 (81.3 percent to 83.9 percent) (figure 12). The percentage of enrollees with deductibles was not significantly different from 2012 to 2013. From 2008 to 2012, the increase in the percentage of enrollees with a deductible was significant in every year except in the period from 2010 to 2011.

Between 2008 and 2012, the percentage of enrollees with a deductible increased by 8.6 percentage points at small employers and 9.1 percentage points at large employers, with some differences in the timing of the increase during that period. Between 2012 and 2014, however, the percentage of enrollees with a deductible remained stable at small employers, but increased from 79.7 percent to 84.4 percent at large employers, a 4.7 percentage point increase.

The average individual deductible for employees enrolled in health insurance plans with deductibles increased from \$1,273 in 2013 to \$1,353 in 2014, an increase of 6.3 percent (figure 13). This growth rate was not significantly different from that in any one-year period from 2008 to 2013. The average family deductible increased 6.0 percent from \$2,491 in 2013 to \$2,640 in 2014 (figure 14). This growth rate was lower than rates observed from 2009 to 2010 (12.2 percent) and 2010 to 2011 (12.4 percent) but similar to rates for other years in this period (data not shown).

Both individual and family deductibles were higher for enrollees at small employers than enrollees at large employers in 2014.

Data Source

The statistics in this Brief are estimates from the 2008–2014 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

Single coverage

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

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.

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.

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 2014 survey, with 7.3 percent of the sample determined to be out-of-scope during the data collection process. The response rate for the private sector was 69.8 percent of the remaining in-scope sample units.

Suggested Citation

Vistnes, J., Davis, K., and Miller, G.E. *Results from the 2014 MEPS-IC Private-Sector National Tables*. Statistical Brief #477. June 2015. Agency for Healthcare Research and Quality, Rockville, MD. http://www.meps.ahrq.gov/mepsweb/data_files/publications/st477/stat477.pdf

* * *

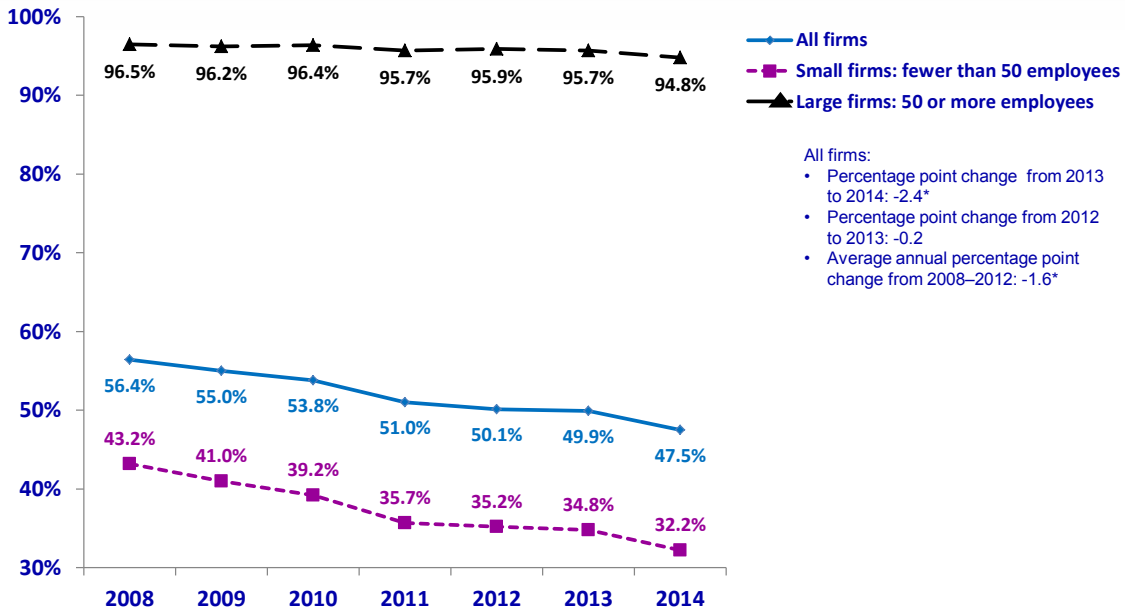
AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS

products might be enhanced to further meet your needs. Please email us at MEPSProjectDirector@ahrq.hhs.gov 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 establishments offering health insurance: by firm size, private sector, 2008–2014

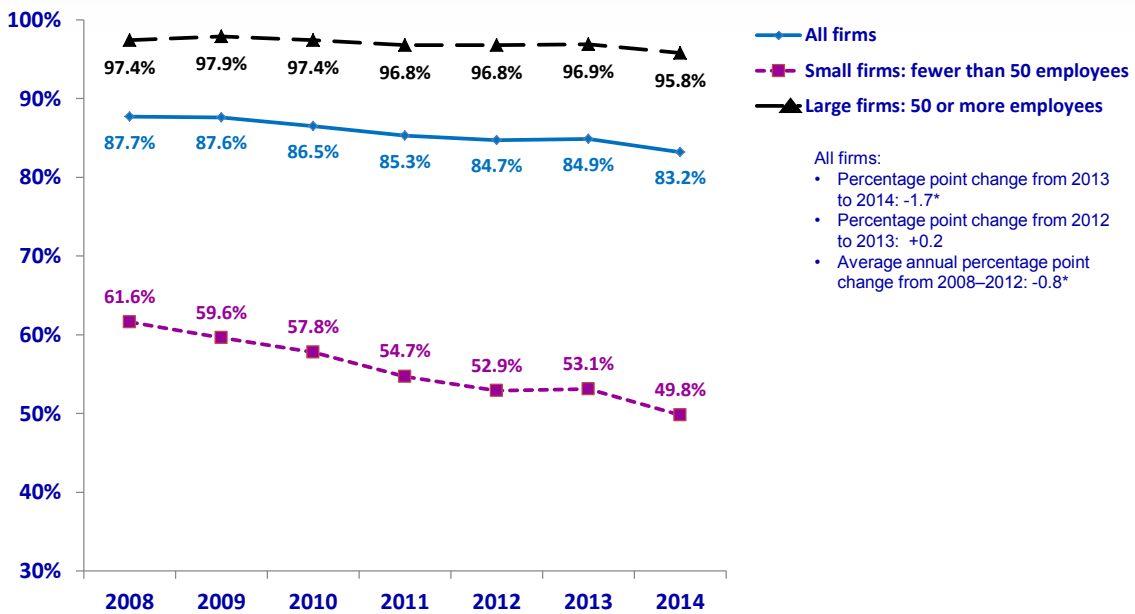


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 2. Percentage of employees in establishments offering health insurance: by firm size, private sector, 2008–2014

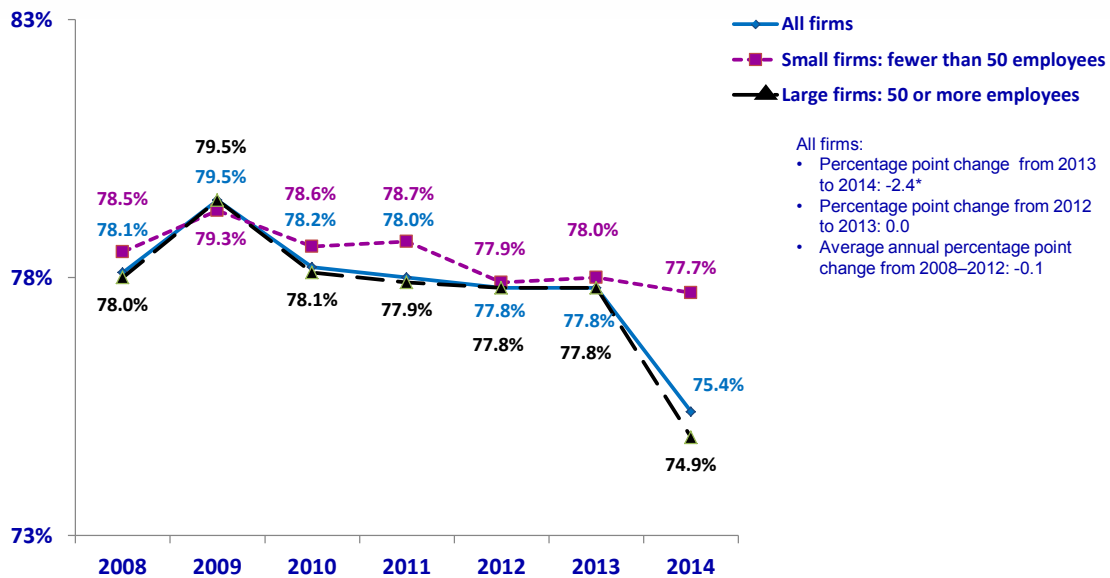


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 3. Percentage of employees eligible for health insurance in establishments offering health insurance: by firm size, private sector, 2008–2014

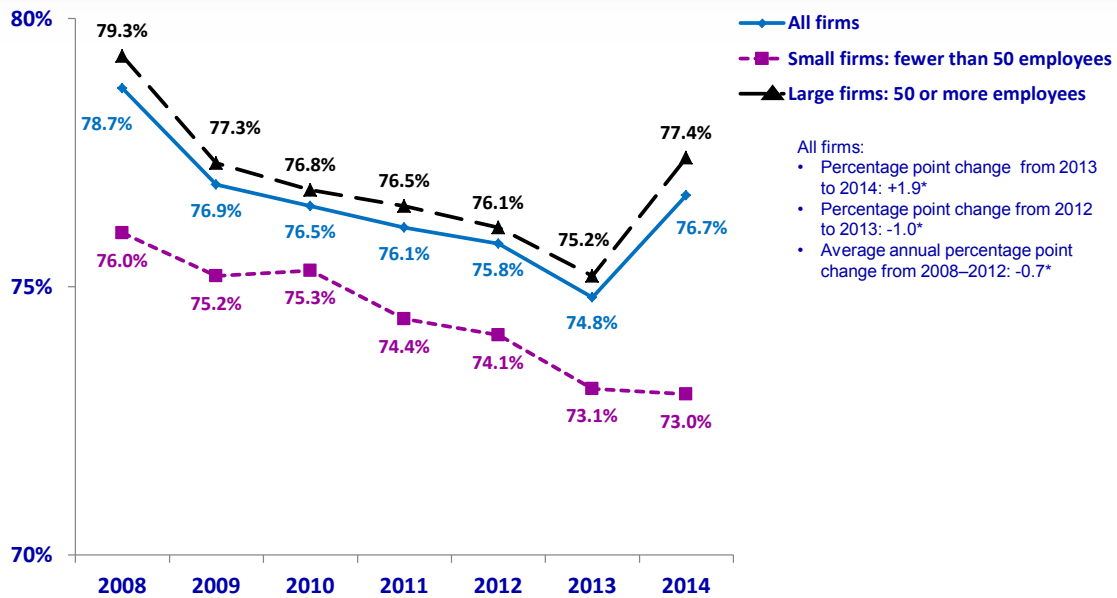


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 4. Percentage of eligible employees that enrolled in establishments offering health insurance: by firm size, private sector, 2008–2014

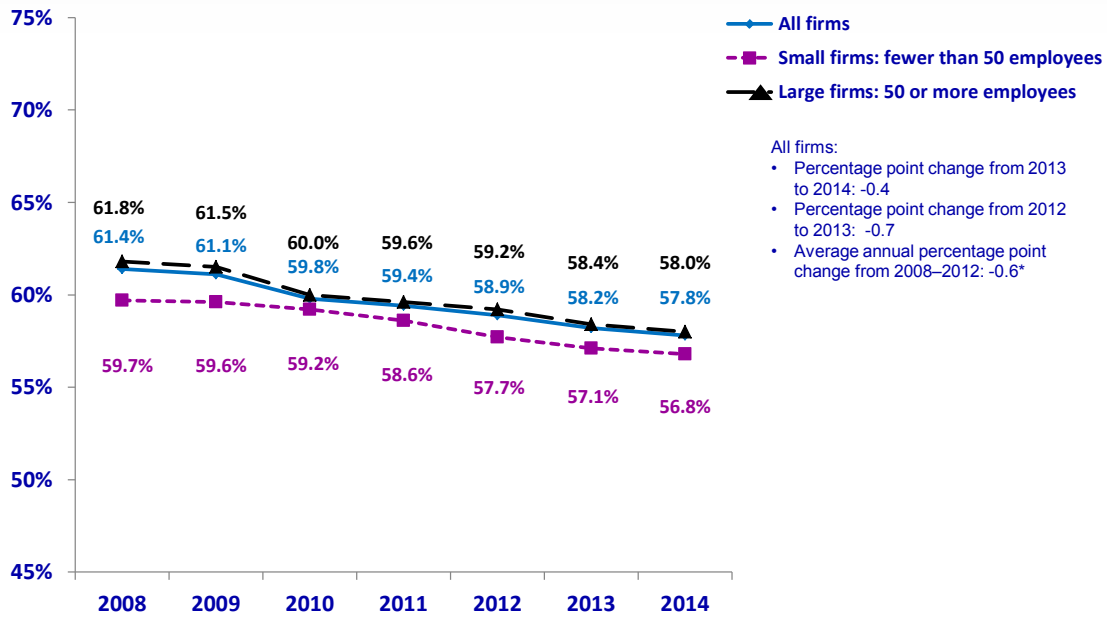


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 5. Percentage of employees that enrolled in establishments offering health insurance: by firm size, private sector, 2008–2014

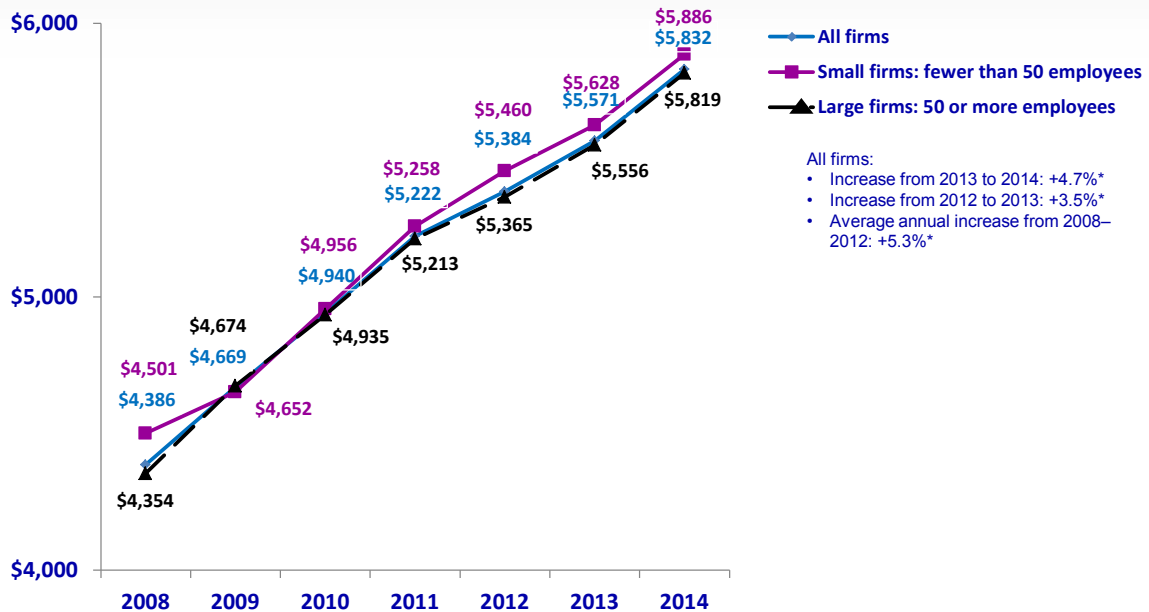


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 6. Average annual single premium per enrolled employee: by firm size, private sector, 2008–2014

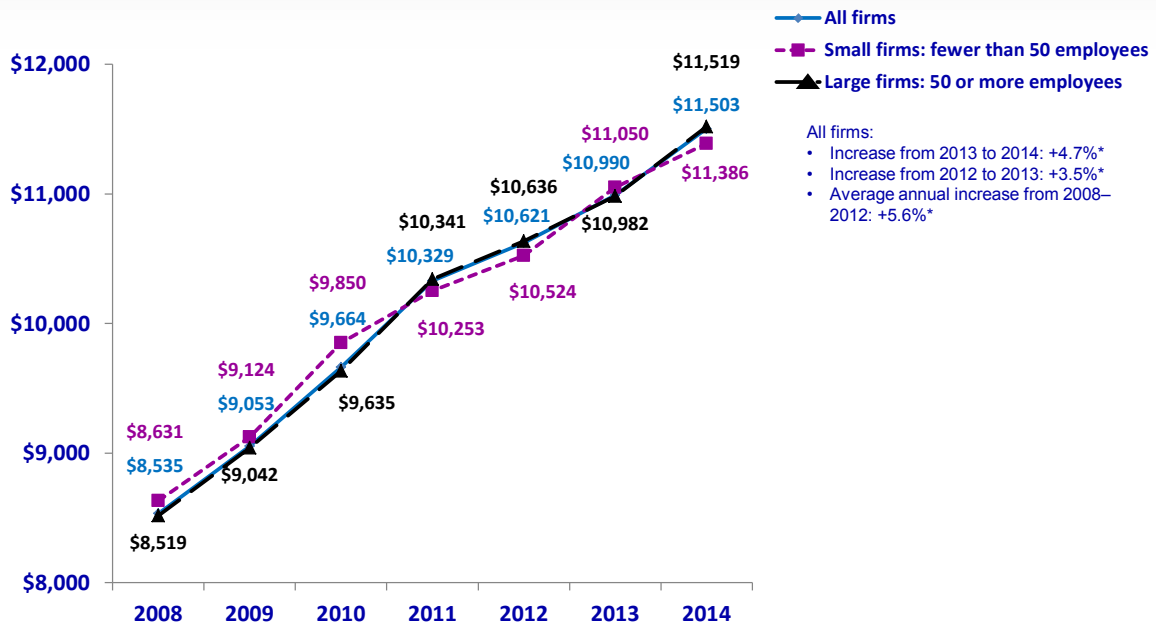


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 7. Average annual employee-plus-one premium per enrolled employee: by firm size, private sector, 2008–2014

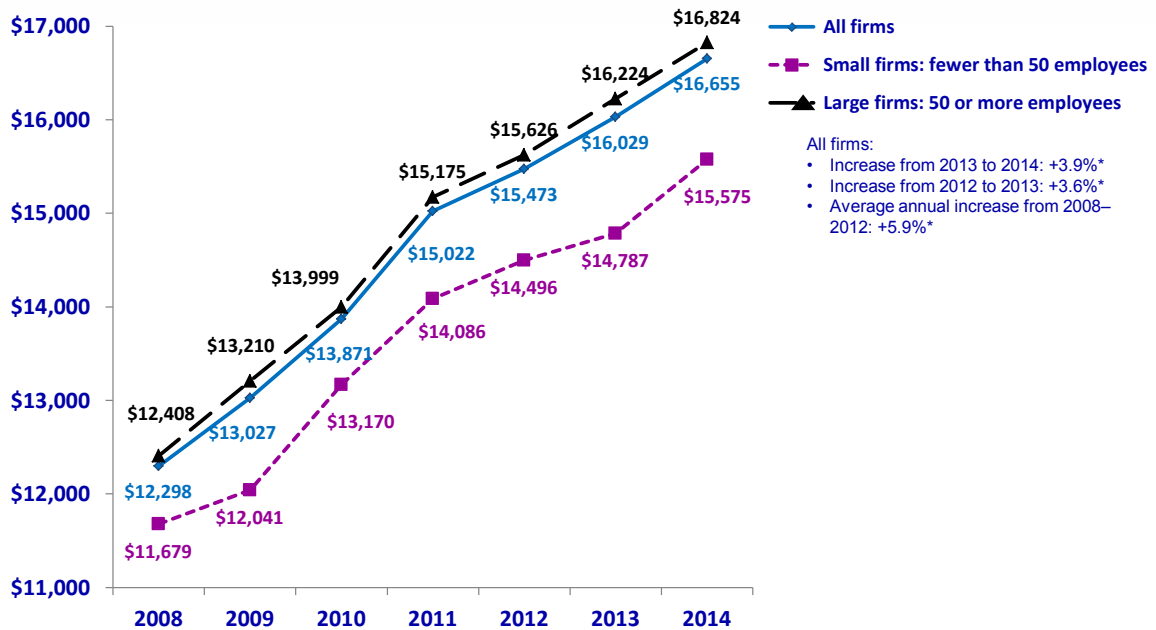


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 8. Average annual family premium per enrolled employee, by firm size, private sector, 2008–2014

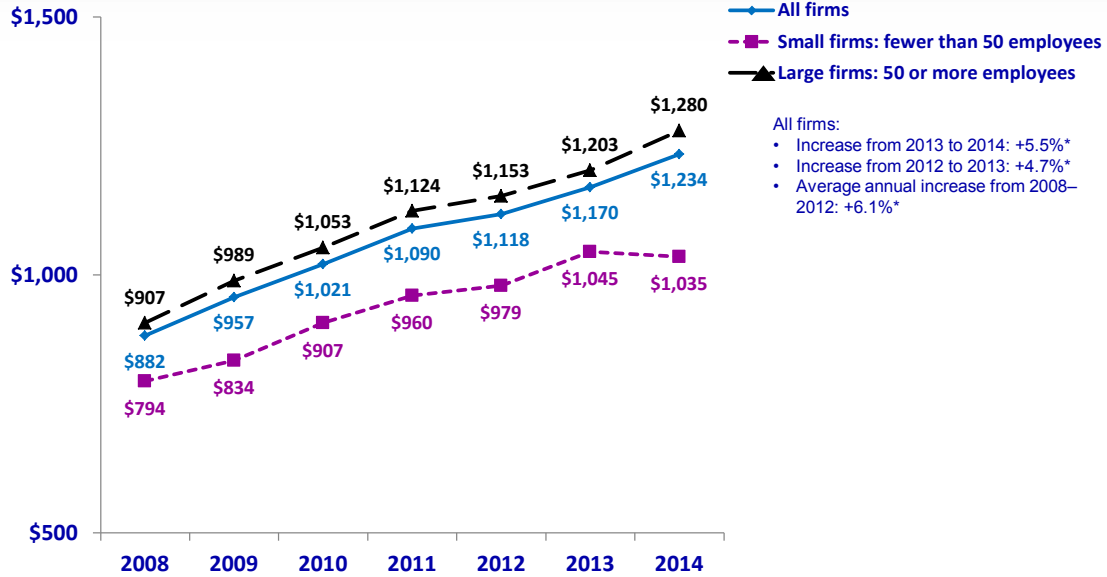


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 9. Average annual single contribution per enrolled employee: by firm size, private sector, 2008–2014

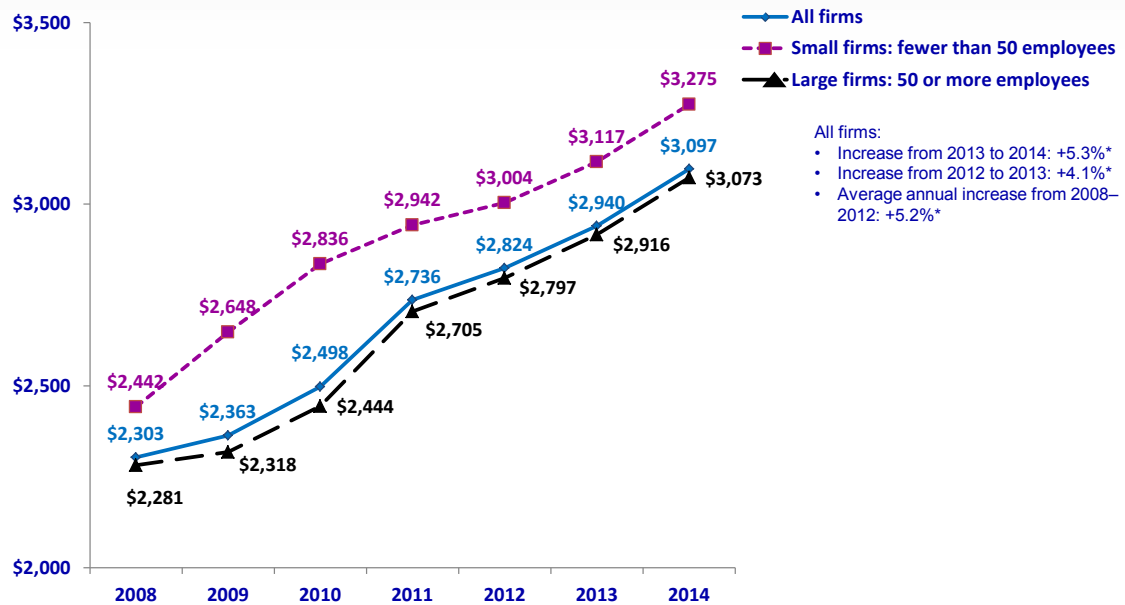


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 10. Average annual employee-plus-one contribution per enrolled employee: by firm size, private sector, 2008–2014

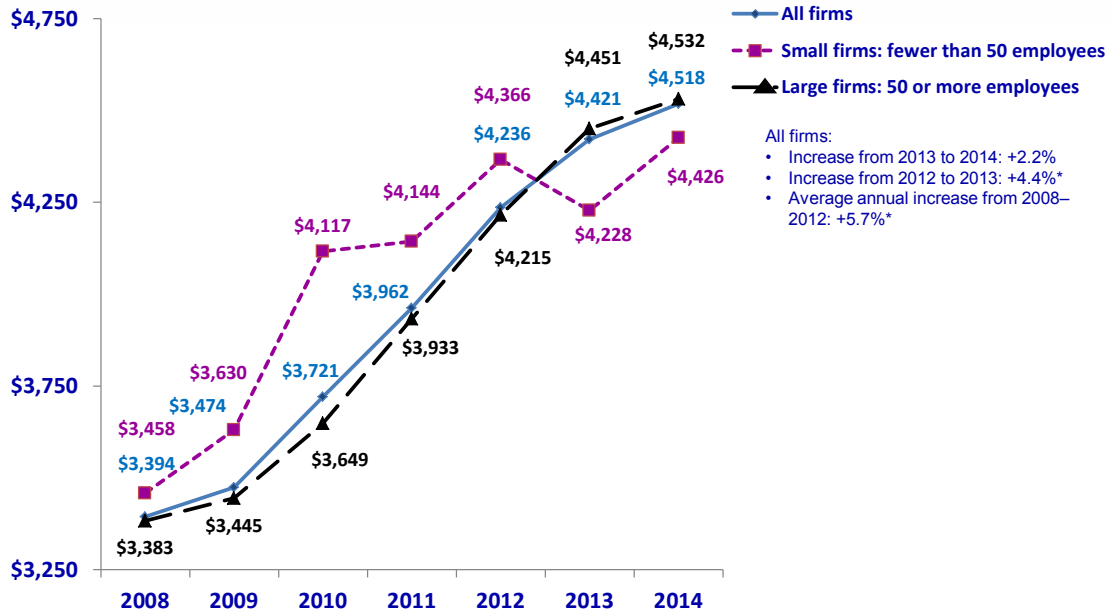


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 11. Average annual family contribution per enrolled employee: by firm size, private sector, 2008–2014

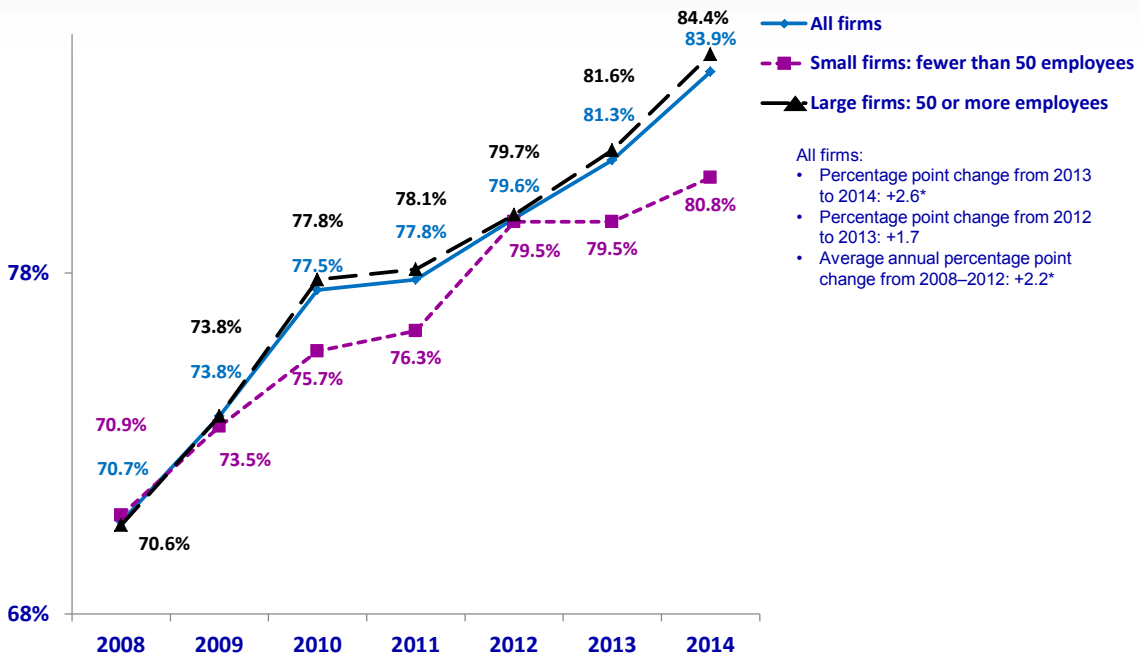


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 12. Percentage of enrollees with a deductible: by firm size, private sector, 2008–2014

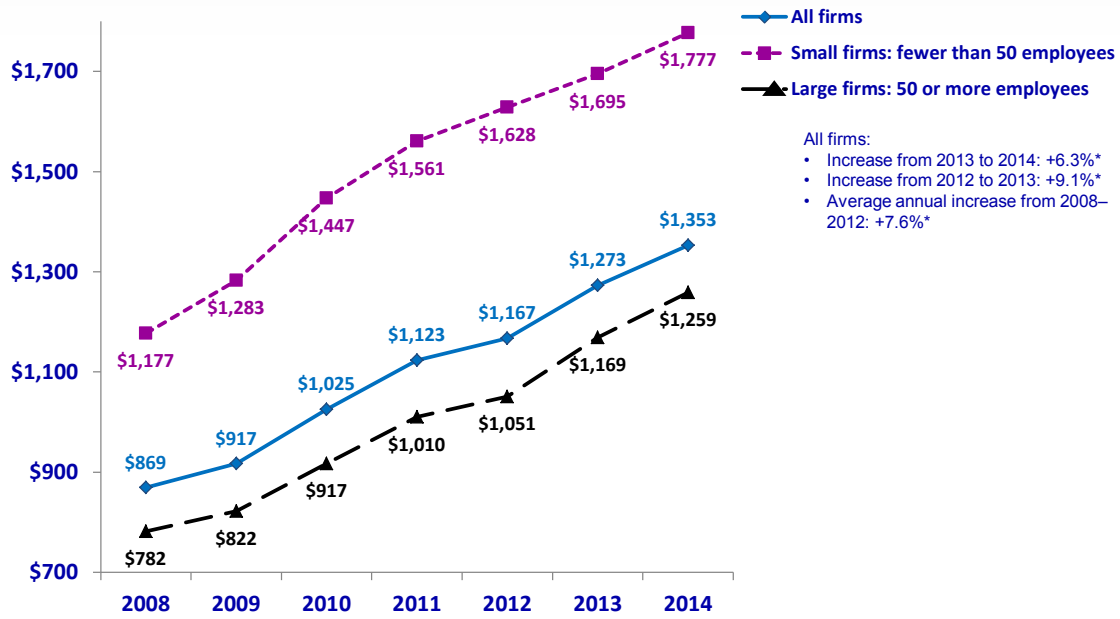


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 13. Average individual deductible per enrolled employee with a plan with a deductible: by firm size, private sector, 2008–2014

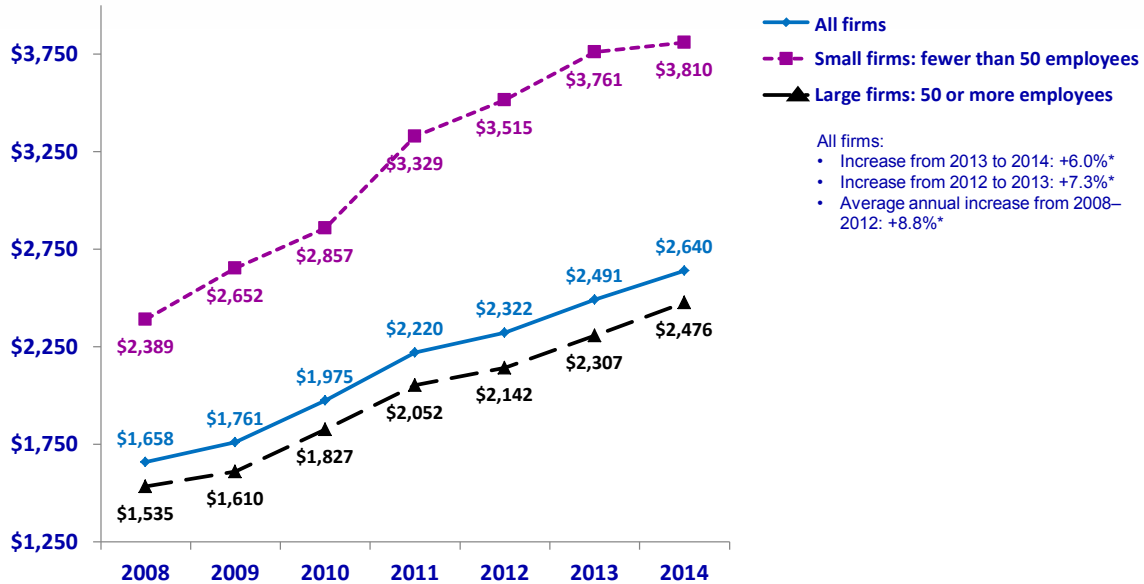


*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014



Figure 14. Average family deductible per enrolled employee with a plan with a deductible: by firm size, private sector, 2008–2014



*Statistically significant at the 0.05 level.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2008–2014