

STATISTICAL BRIEF #513

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Results from the 2017 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 2017. 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.

This Brief describes trends and patterns in ESI for private-sector employees, overall and by three firm size categories (employees in establishments in firms with fewer than 50 employees (small firms), 50 to 99 employees (medium-sized firms), and 100 or more employees (large firms)). All differences discussed in the text are at the 0.05 significance level, or better. All dollar estimates are nominal (not adjusted for inflation).

Findings

Enrollment rates and number of covered employees

From 2016 to 2017, 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 rates at small (fewer than 50 employees), medium-sized (50 to 99 employees), or large firms (100 or more employees) (figure 1). In 2017, 59.9 million private-sector workers were enrolled in a health insurance plan offered by their employers, with 8.9 million enrollees in small firms, 4.1 million in medium-sized firms, and 46.9 million in large firms (figure 2).

In 2017, the enrollment rate for all private-sector employees was 47.7 percent, but was 26.7 percent at small employers, 45.0 percent at medium-sized employers and 56.5 percent at large employers (figure 1). Enrollment rates were lower at smaller (fewer than 100 employees) employers than at large employers throughout the 2008 to 2017 time period, mainly due to lower offer rates (figure 3).

Offer rates

There was no significant change in the overall percentage of employees working at establishments that offered insurance ("the offer rate") between 2016 (84.3 percent) and 2017 (84.5 percent) (figure 3). Offer rates at small firms (with fewer than 50 employees), medium-sized firms (with 50 to 99 employees), and large firms (with 100 or more employees) were 48.3 percent, 86.3 percent, and 98.9 percent, respectively. These percentages were not statistically different from the 2016 values. Over the longer term, however, offer rates at small firms declined from 61.6 percent in 2008 to 48.3 percent in 2017.

Eligibility rates

The overall eligibility rate for employees at private-sector establishments that offered insurance did not change significantly between 2016 (76.5 percent) and 2017 (76.8 percent) and also did not change significantly for small, medium-sized, or large employers (figure 4). Overall eligibility rates in each year from 2014 through 2017 were lower than eligibility rates in any year from 2008 to 2013.

Take-up rates

The overall take-up rate did not differ significantly from 2016 (73.3 percent) to 2017 (73.5 percent), remaining at its lowest level in the 2008 through 2017 period (figure 5). Take-up rates at small, medium-sized, and large firms also did not differ significantly from their 2016 levels. Overall take-up rates, as well as those in the three firm-size categories, were about 5 to 6 percentage points lower in 2017 than in 2008.

Premiums

In 2017, average health insurance premiums for enrollees in private-sector employer plans were \$6,368 for single coverage (figure 6), \$12,789 for employee-plus-one coverage (figure 7), and \$18,687 for family coverage (figure 8), representing increases over 2016 levels of 4.4 percent for single coverage and 5.5 percent for employee-plus-one coverage and family coverage (figure 9).

The 2016 to 2017 growth rates for single and employee-plus-one premiums (4.4 percent and 5.5 percent, respectively) were higher than the growth rates from 2014 to 2015 and 2015 to 2016 (between 2.2 percent and 2.7 percent) (figure 9). The 2016 to 2017 growth rate for family premiums (5.5 percent) was higher than the growth rate from 2015 to 2016 (2.2 percent).

Highlights

- From 2016 to 2017, there was no statistically significant change in the overall percentage of private-sector employees covered by a health insurance plan offered by their employers (47.7 percent in 2017).
- Between 2016 and 2017, there was no statistically significant change in the percentage of employees working at establishments that offered insurance overall (84.5 percent in 2017) or in small (48.3 percent), medium-sized (86.3 percent), or large firms (98.9 percent).
- The eligibility rate for employees at private-sector establishments that offered insurance did not differ significantly between 2016 and 2017, overall (76.8 percent in 2017) or in small (78.3 percent), medium-sized (75.5 percent), or large firms (76.6 percent). Overall eligibility rates in each year from 2014 through 2017 were lower than eligibility rates in any year from 2008 to 2013.
- The overall take-up rate did not differ significantly from 2016 (73.3 percent) to 2017 (73.5 percent), remaining at its lowest level in the 2008 through 2017 period.
- The 2016 to 2017 growth rates for single premiums and employee-plus-one premiums (4.4 percent and 5.5 percent, respectively) were higher than the growth rates from 2014 to 2015 and 2015 to 2016 (between 2.2 percent and 2.7 percent). The 2016 to 2017 growth rate for family premiums (5.5 percent) was higher than the growth rate from 2015 to 2016 (2.2 percent).

Employee premium contributions

Average employee contributions to health insurance premiums in 2017 were \$1,415 for single coverage (figure 10), \$3,531 for employee-plus-one coverage (figure 11), and \$5,218 for family coverage (figure 12). From 2016 to 2017, average employee contributions for single, employee-plus-one, and family coverage increased by 6.8 percent, 4.6 percent, and 5.3 percent, respectively (data not shown). The increase in the average employee contribution for family coverage was larger in small firms (20.0 percent) than in large firms (3.7 percent), raising small firms' average employee premium contribution to a level that was not statistically different from that in large firms in 2017.

Deductibles

The overall percentage of enrollees in a health insurance plan with a deductible increased from 2016 (84.5 percent) to 2017 (87.5 percent), primarily due to an increase in large firms (from 85.2 percent to 88.8 percent) (figure 13). From 2008 to 2017, the overall percentage of enrollees with a deductible increased from 70.7 percent to 87.5 percent.

Among enrolled employees in single-coverage plans with deductibles, average individual deductibles rose overall from \$1,696 in 2016 to \$1,808 in 2017 (an increase of 6.6 percent), and also rose in large firms from \$1,558 to \$1,681 (an increase of 7.9 percent) (figure 14). Average family deductibles rose overall from \$3,069 in 2016 to \$3,396 in 2017 (an increase of 10.7 percent), and also rose in small and large firms (figure 15). Average individual deductibles were higher in small (\$2,136) and medium-sized firms (\$2,361) than in large firms (\$1,681) in 2017. Family deductibles were also higher in small (\$4,447) and medium-sized firms (\$4,218) than in large firms (\$3,195) in 2017.

Data Source

This Statistical Brief summarizes data from the 2008 through 2017 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.

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.

Enrollment rate

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

Offer rate

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

Eligible employees

Eligible employees are those that are allowed to enroll in employer-sponsored coverage offered by their employer. Common eligibility criteria include a minimum number of hours worked per pay period or a minimum length of service with the employer.

Employee

An employee is a person on the actual payroll. This definition excludes temporary and contract workers but includes the owner or manager if that person works at the firm.

Establishment

An establishment is a single physical location of a business.

Health insurance plan

A health insurance plan is 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 take-up rate is the percentage of eligible employees who enroll in health insurance coverage through their employer at establishments that offer insurance.

Deductible

A deductible is 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 private-sector business establishments and state and local 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 2017 survey, with 5.4 percent of the sample determined to be out-of-scope during the data collection process. The response rate for the private sector was 65.8 percent of the remaining in-scope sample units.

Suggested Citation

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https://meps.ahrq.gov/mepsweb/data_files/publications/st513/stat513.pdf

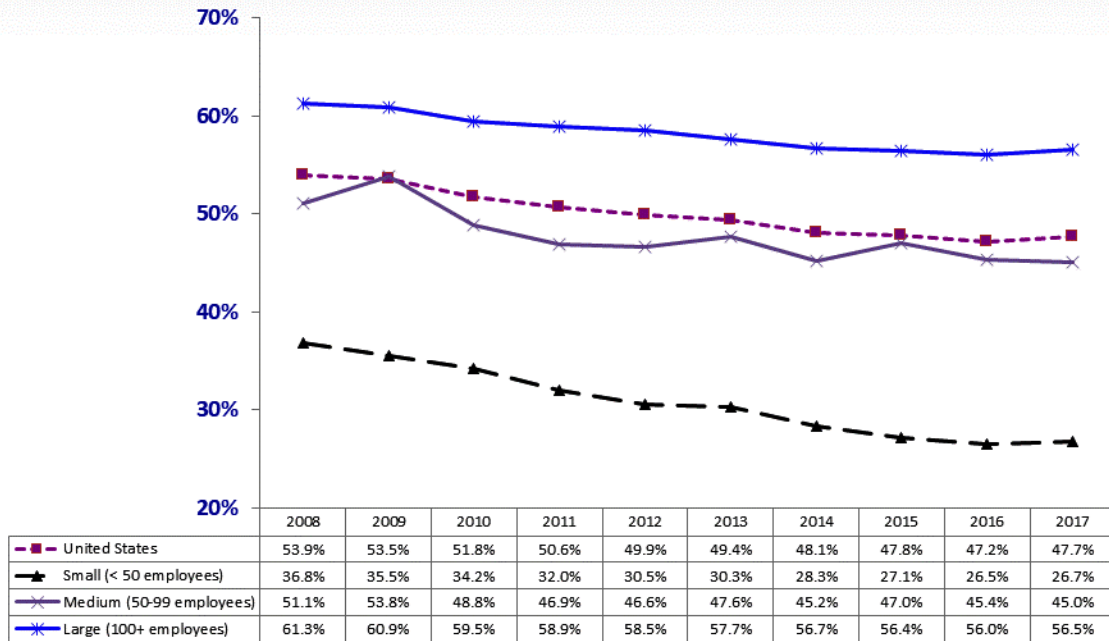
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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using 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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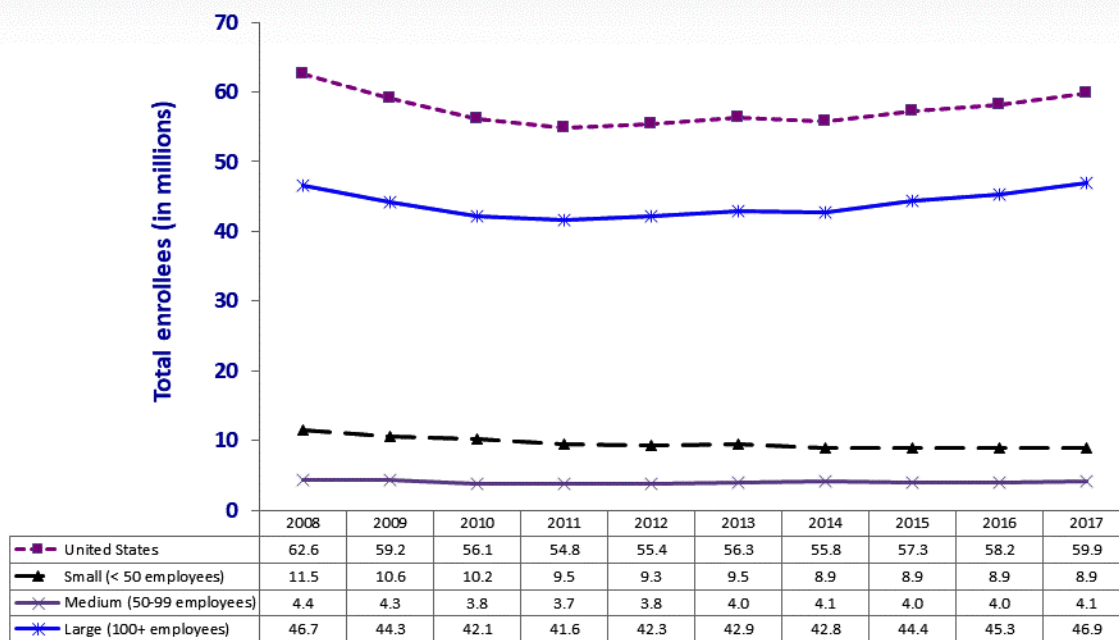
Figure 1. Enrollment Rate: Percentage of all private-sector employees enrolled in health insurance offered by their employers, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017. Denominator: Within each category, all employees in establishments.



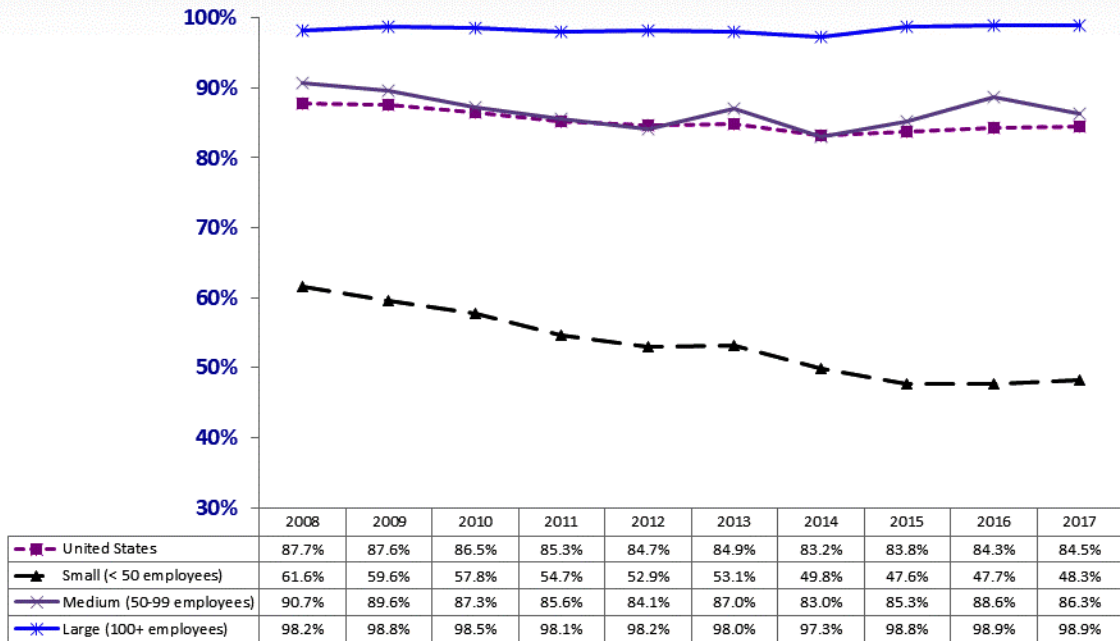
Figure 2. Total number (in millions) of private-sector employees enrolled in health insurance offered by their employers, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



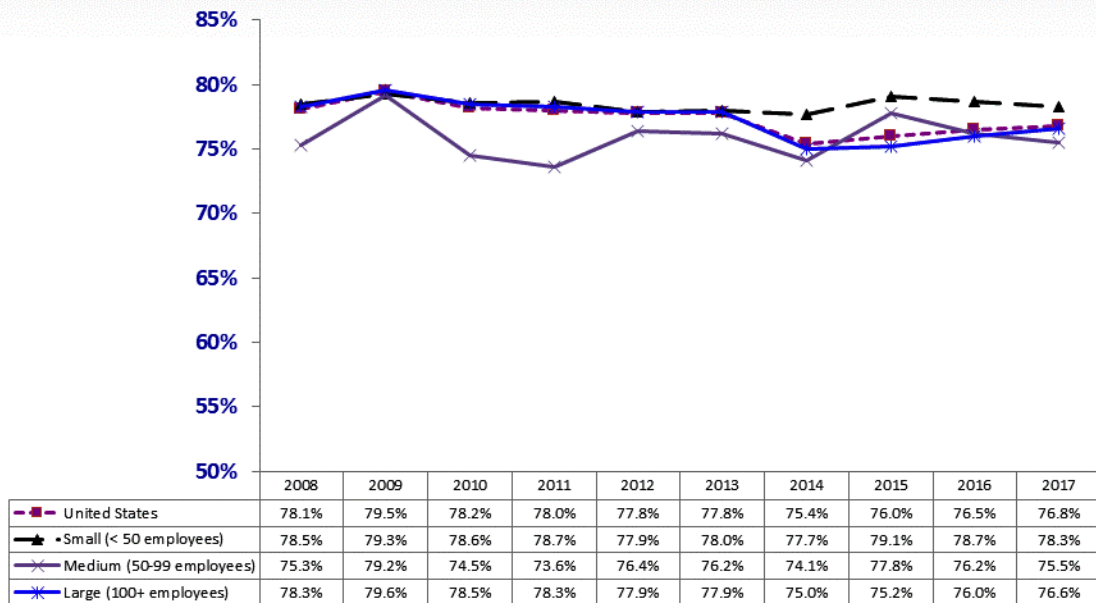
Figure 3. Offer rate: Percentage of private-sector employees in establishments that offer health insurance, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



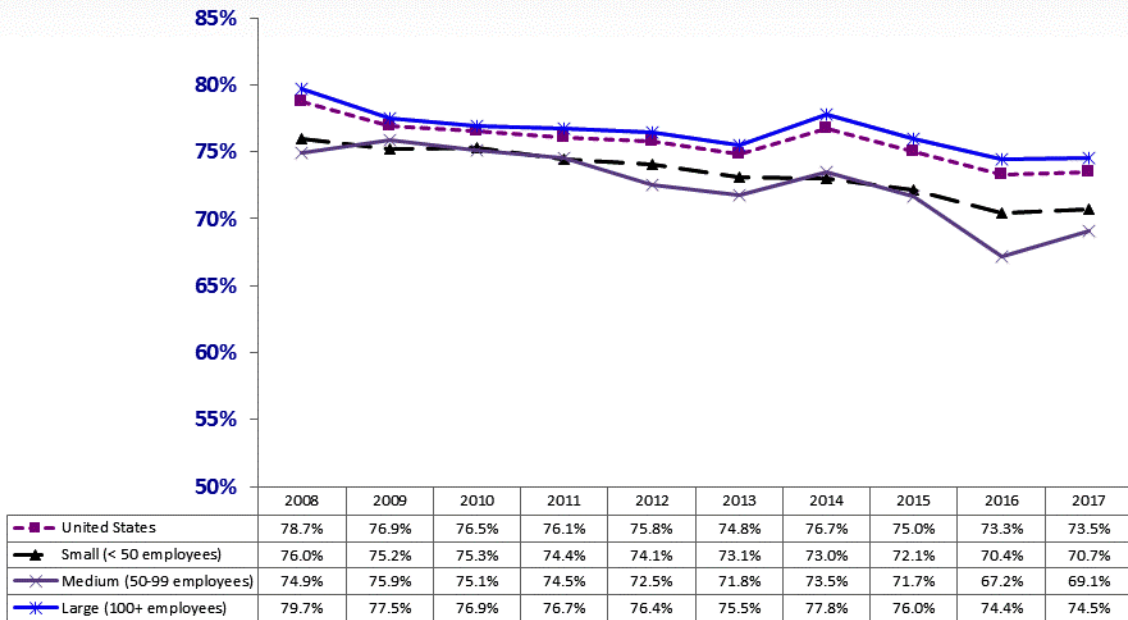
Figure 4. Eligibility rate: Percentage of private-sector employees eligible for health insurance at establishments that offer health insurance, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017. Denominator: Within each category, all employees at establishments that offer health insurance.



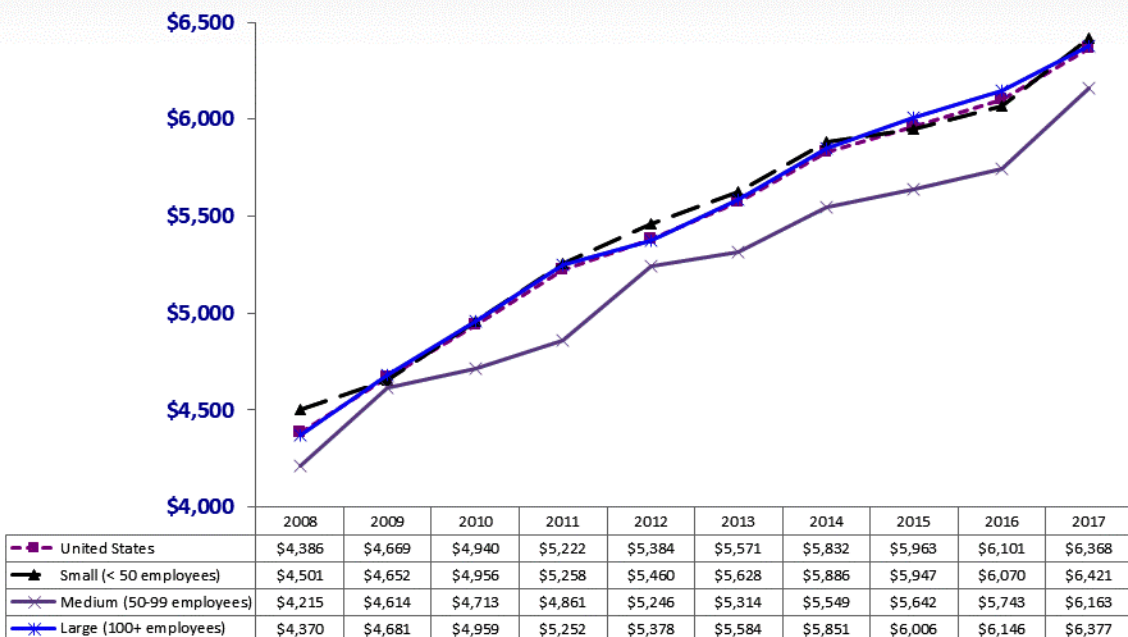
Figure 5. Take-up rate: Percentage of eligible private-sector employees who are enrolled in health insurance at establishments that offer health insurance, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017. Denominator: Within each category, eligible employees at establishments that offer health insurance.



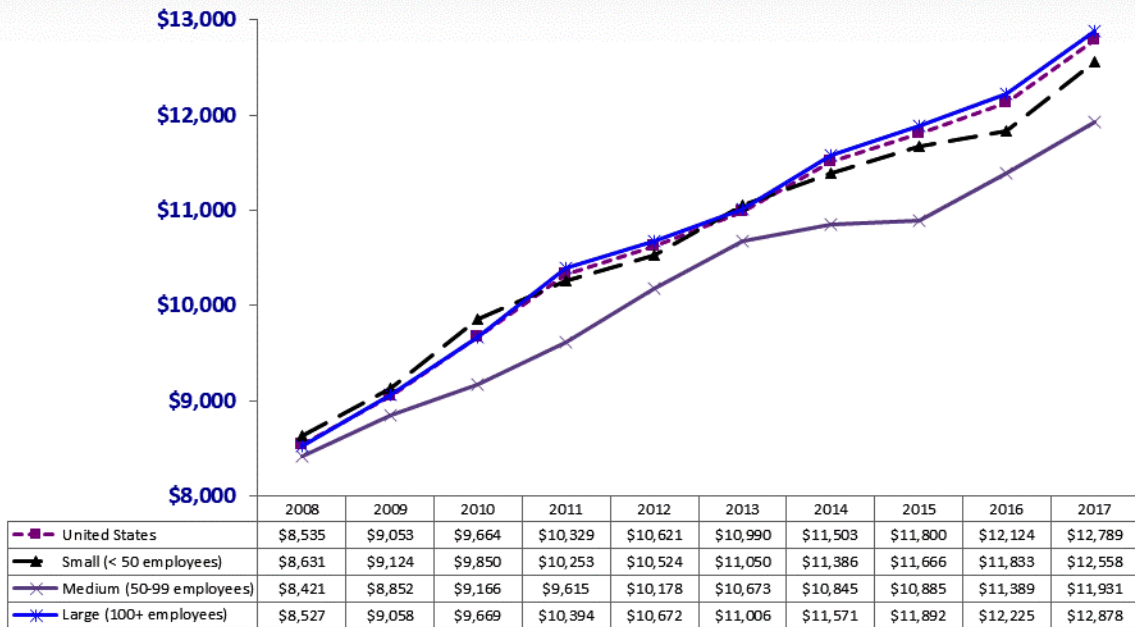
Figure 6. Average total single premium per enrolled private-sector employee, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



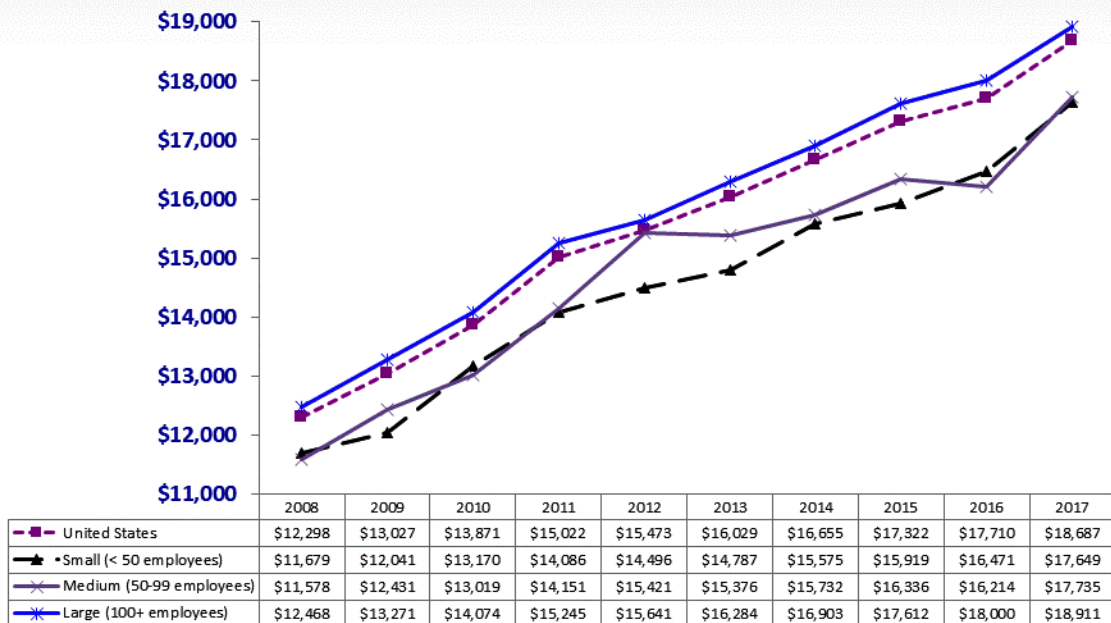
Figure 7. Average total employee-plus-one premium per enrolled private-sector employee, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



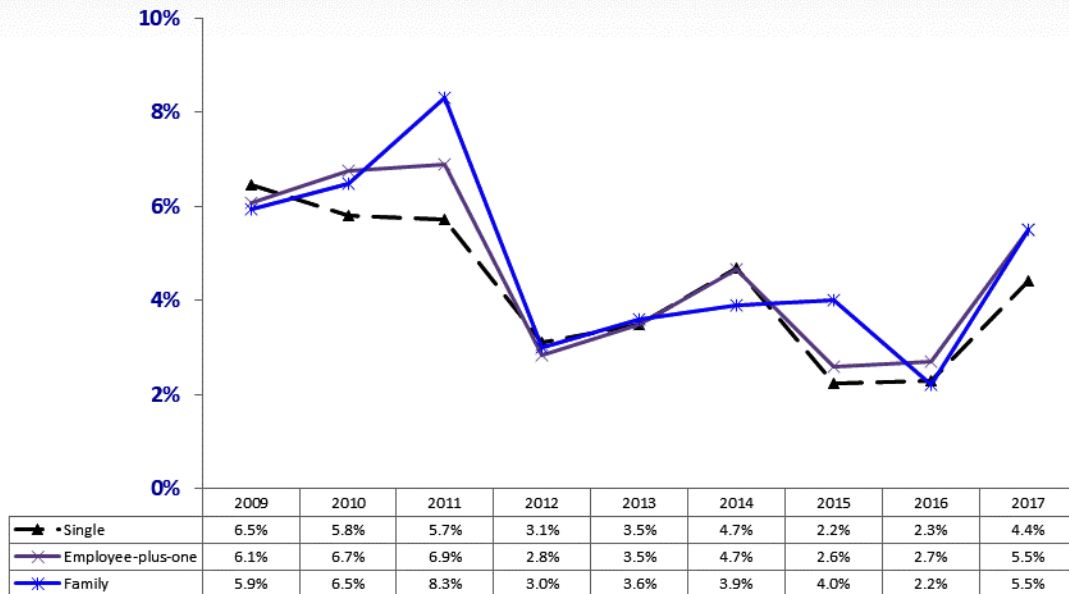
Figure 8. Average total family premium per enrolled private-sector employee, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



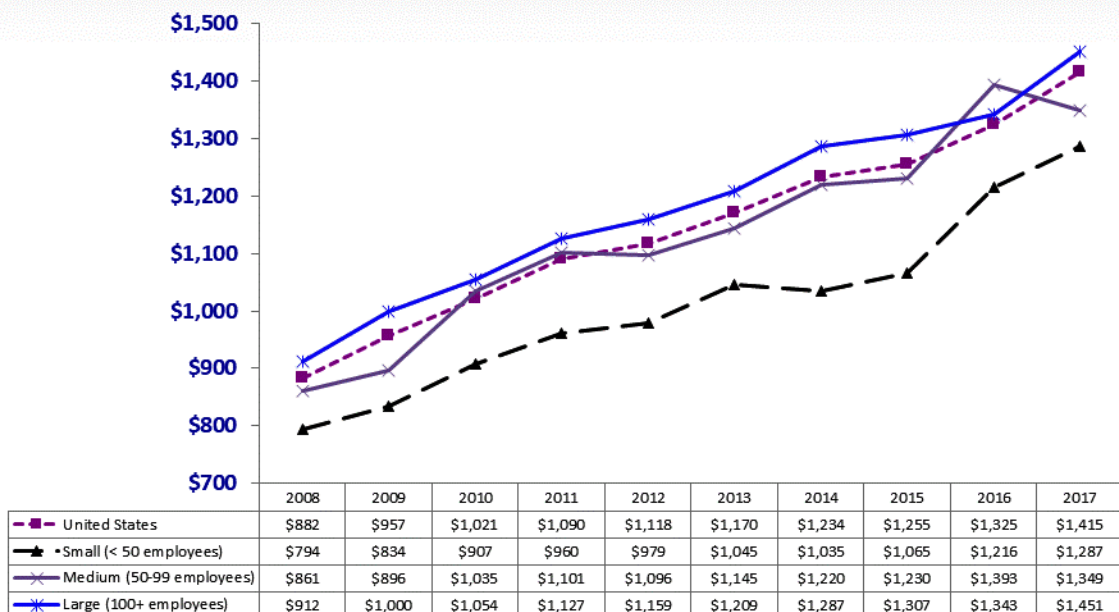
Figure 9. Percentage change in total premiums per enrolled private-sector employee for single, employee-plus-one, and family coverage, 2009–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



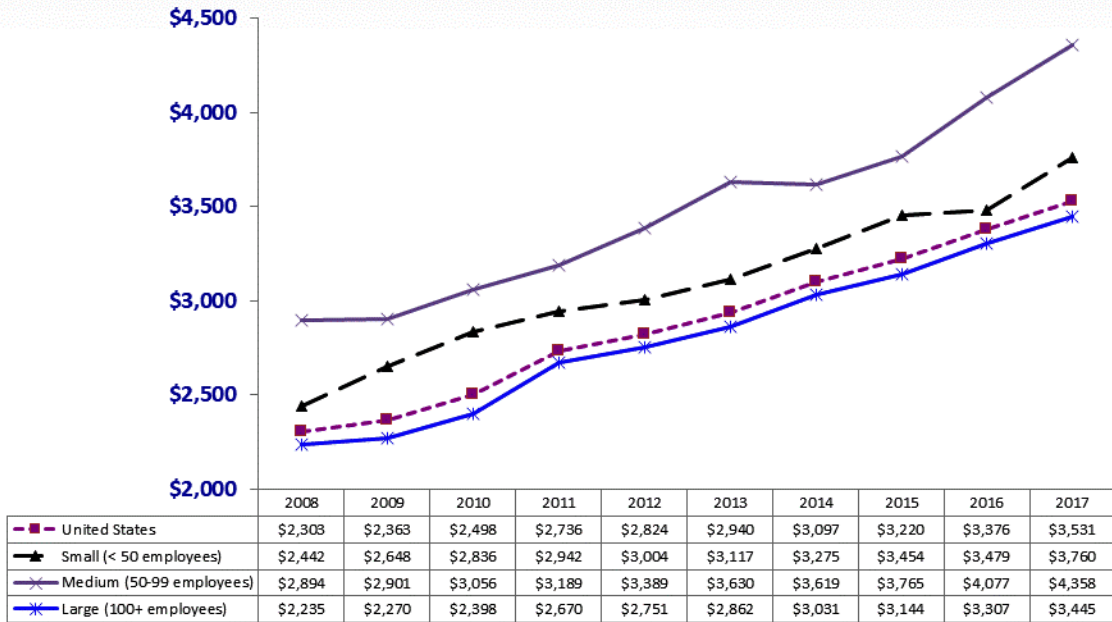
Figure 10. Average annual employee contribution (in dollars) for single coverage, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



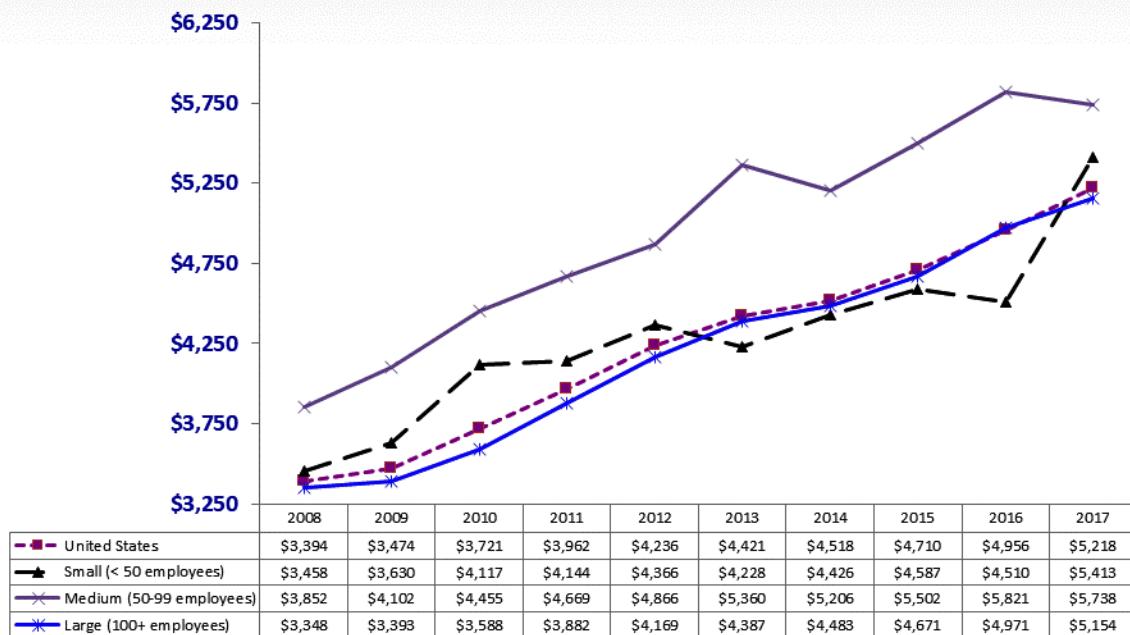
Figure 11. Average annual employee contribution (in dollars) for employee-plus-one coverage, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



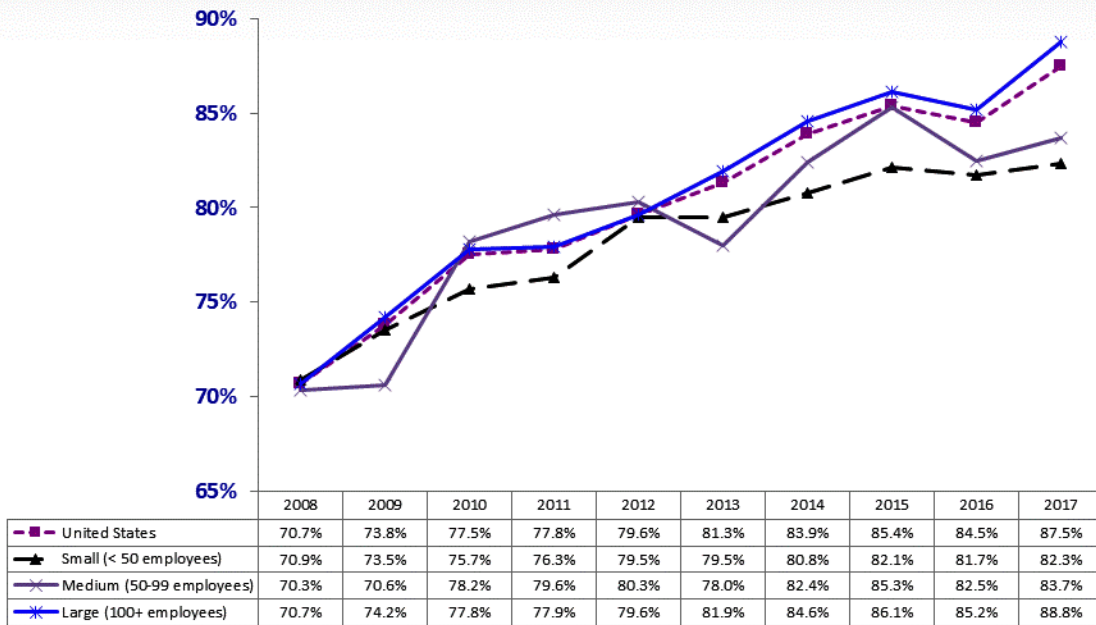
Figure 12. Average annual employee contribution (in dollars) for family coverage, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



Figure 13. Percentage of private-sector enrolled employees in a health insurance plan with a deductible, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.



Figure 14. Average individual deductible (in dollars) per private-sector employee enrolled with single coverage in a health insurance plan with a deductible, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017. Note: Due to refined data edits, the 2014 to 2015 increase is 4.8 percent higher than would have otherwise occurred.



Figure 15. Average family deductible (in dollars) per private-sector employee enrolled with family coverage in a health insurance plan with a deductible, overall and by firm size, 2008–2017



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey-Insurance Component, private-sector establishments, 2008–2017.
 Note: Due to refined data edits, the 2014 to 2015 increase is 2.4 percent higher than would have otherwise occurred.