

# ERC Health Care & Wellness Practices Survey Results Summary



This summary highlights key findings from the results of ERC's survey of organizations in Northeast Ohio, conducted in December of 2010, on practices related to health care and wellness. 90 employers in Northeast Ohio completed the survey. The survey was co-sponsored by the ERC Health Academy.

## Health insurance premiums

- The average percent of health insurance premium that employers plan to contribute in 2011 is 75%.
- The average percent of health insurance premium that employees will be required to contribute in 2011 is 26%.
- On average, employers' health insurance premiums rose 15.2% in 2010.

## Increases to co-pays, deductibles, and employee contributions

- Some employers increased co-pay amounts (19%), annual deductibles (31%), and employee contributions to the health insurance premium (32%) for 2011.
- Many employers (43%) indicate that they did not increase co-pays or deductibles.
- The average percentage increase in co-pay amounts was 31%, while the average increase in annual deductibles was 83%.
- The average percent increase in employee contribution to the health insurance premium was 13%. There was, however, significant variability in average percentage increases across co-pay amounts, annual deductibles, and employee contributions.

## Eligibility for health insurance

- Typically, employees must work an average of 31 hours to be eligible for health insurance, according to employers.
- Ninety-two percent (92%) of employers require a waiting period before employees are eligible for health insurance.
- Waiting periods typically vary in length, with no widespread trend among employers, however, the most commonly cited lengths of waiting periods were 90 days (27%), first of month following 30 days (19%), and 30 days (17%).
- The average number of health plans offered to employees is 2, and this was consistent across all breakout groups.

## Health insurance cost-control

- Only 9% of employers charge smokers more for health insurance, with the average dollar amount more being \$14.
- Only 28% of employers have a spousal carve-out provision. The average dollar amount that employers spend on health insurance each year is \$876,579, however wide variation in costs was observed.

- The most common ways employers try to manage health insurance costs is by educating employees on becoming better health-care consumers (60%), creating wellness programs (58%), changing plan design (56%), and increasing cost to employees (51%).

## **Wellness programs**

- The majority of employers (59%) have a wellness program in place, with 24% planning to implement one this year.
- Over 60% of employers pay for various wellness activities including health screenings (80%), health risk assessments (74%), general health education (70%), annual flu shots (68%), smoking cessation (64%), and an annual health fair (62%).
- Fifty-seven percent (57%) of organizations have incentives in place for participation in wellness programs.
- Most employers (68%) are unsure if wellness programs have reduced their health insurance costs.

## **Wellness program administration**

- Employers report that internal staff (43%), insurance brokers (32%), and wellness vendors (23%) are typically used to develop wellness programs.
- The average percentage of wellness activities facilitated by in-house staff is 51%, by online methods is 17%, and by external carriers/vendors is 46%.
- In terms of resources employers need to create a successful program, organizations commonly report needing a dedicated committee or individual to drive the program, management buy-in, more resources (larger budget, time), quality vendors, and more participation or motivation from employees.