



benefitNEWS

New Kaiser Foundation Data Available on Employer Plans

The Kaiser Family Foundation and Health Research and Education Trust report nearly all large firms (200 or more workers) offer health benefits, but small firms (3-199 workers) are significantly less likely to do so. The percentage of all firms offering health benefits in 2013 (57%) is statistically unchanged from 2012 and 2011 (61% and 60%). Similar to 2012, 99% of large firms offer health benefits to at least some of their workers. In contrast, only 57% of small firms are offering health benefits in 2013.

The following offers a summary of this wide-ranging report:

- Between 1999 and 2013, the offer rate for large firms had consistently remained at or above 97%. Since most firms in the country are small, variation in the overall offer rate is driven primarily by changes in the percentages of the smallest firms (3-9 workers) offering health benefits. Rates vary across different types of firms. [Click here to see the data.](#)
 - 45% of firms with 3 to 9 workers offer coverage.
 - 68% of firms with 10 to 24 workers offer coverage.
 - 85% of firms with 25 to 49 workers offer coverage.
 - 91% of firms with 50 to 199 employees offer coverage.

Offering rates throughout different firm size categories in 2013 remained similar to those in 2012.

- Firms with fewer lower-wage workers (less than 35% of workers earn \$23,000 or less annually) are significantly more likely to offer health insurance than firms with many lower-wage workers (35% or more of workers earning \$23,000 or less annually) (60% vs. 23%). The rate for firms with many lower-wage workers is not significantly different from the 28% reported in 2012. There was a similar pattern among firms with many higher-wage workers (35% or more of workers earning \$56,000 or more annually). Click [here](#) for illustrated data on the percentage of firms offering health benefits by firm characteristics.
- The age of the workforce significantly affects the probability of a firm offering health benefits. Firms where 35% or more of its workers are age 26 or younger are less likely to offer health benefits than firms where less than 35% of workers are age 26 or younger (23% and 59%, respectively).
- Among firms offering health benefits, relatively few offer benefits to their part-time and temporary workers. In 2013, 25% of all firms that offer health benefits offer them to part-time workers, similar to the 28% reported in 2012. Firms with 200 or more workers are

more likely to offer health benefits to part-time employees than firms with 3 to 199 workers (47% vs. 25%).

- Consistently, a very small percentage (3% in 2013), of firms offering health benefits have offered them to temporary workers. The percentage of firms offering temporary workers benefits is similar for small firms and large firms (3% vs. 6%). The percentage of firms offering health benefits to temporary workers has been stable over time.
- The cost of health insurance remains the primary reason cited by firms for not offering health benefits. Among small firms not offering health benefits, 50% cite high cost as 'the most important reason' for not doing so, followed by: 'firm is too small' (16%) and 'employees are generally covered under another plan' (15%).
- Many non-offering small firms have either offered health benefits in the past five years or shopped for alternative coverage options recently: 17% of non-offering, small firms have offered health benefits in the past five years, while 18% have shopped for coverage in the past year. Among non-offering small firms, 10% report that they provide funds to their employees to purchase health insurance through the individual (non-group) market.

Should you have any questions on this topic, please contact your Conner Strong & Buckelew account representative.



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