ABOUT MERCER’S NATIONAL SURVEY OF EMPLOYER-SPONSORED HEALTH PLANS

Oldest
Marking 30 years of measuring health plan trends

Largest
2,486 employers participated in 2015

Most comprehensive
Extensive questionnaire covers a full range of health benefit issues and strategies

Statistically valid
Based on a probability sample of private and public employers for reliable results

Includes employers of all sizes, all industries, all regions
Results project to all US employers with 10 or more employees

Employer size groups in presentation
Small: 10-499 employees/Large: 500+ employees/Jumbo: 20,000+ employees
THE YEAR’S TOP STORIES

1. **Cost growth moderate, at 3.8% in 2015 with 4.3% projected for 2016**
   But while large employers held increase to 2.9%, small employers saw cost rise 5.9%

2. **One in four covered employees is now in a CDHP**
   Consumerism tools are helping employees make the best plan choice.

3. **Analysis: 25 strategies that helped employers achieve lower cost and trend in 2015**
   Successful practices spanned program design, care delivery, workforce health

4. **Consumer empowerment is building, supported by new programs and technology**
   Telemedicine, cost transparency tools and mobile devices are all on the rise.

5. **New clinical models—ACOs and medical homes—lead the evolution to value-based care**
   Centers of Excellence and narrow networks are first steps for some employers

6. **Private exchanges will be used by 6% of large employers for 2017 open enrollment, with rapid growth expected to continue through 2020**
   Employers seek to add choice, ease administration, manage cost, and more easily transition to CDHPs
COST ROSE A MODERATE 3.8% IN 2015, WITH A SIMILAR INCREASE OF 4.3% PREDICTED FOR 2016

Change in total health benefit cost per employee compared to CPI, workers’ earnings

* Projected
SHARPER INCREASE BUT LOWER PER-EMPLOYEE COST FOR SMALL EMPLOYERS

Average total health benefit cost per employee in 2015

- **All employers**: $11,635 (3.8% increase)
- **Employers with 10-499 employees**: $11,012 (5.9% increase)
- **Employers with 500 or more employees**: $11,973 (2.9% increase)
BEHIND THE AVERAGE: COST INCREASES VARIED WIDELY BY EMPLOYER IN 2015

Based on employers providing cost for 2014 and 2015

Employers with 500+ employees

- Increase of more than 10%: 17%
- Increase of 6-10%: 30%
- Increase of 1-5%: 22%
- No increase in cost / decrease: 31%

Employers with 10-499 employees

- Increase of more than 10%: 31%
- Increase of 6-10%: 47%
- Increase of 1-5%: 16%
- No increase in cost / decrease: 14%

Employers with 20,000+ employees

- Increase of more than 10%: 36%
- Increase of 6-10%: 18%
- Increase of 1-5%: 23%
- No increase in cost / decrease: 15%
ONE KEY COST DRIVER IN 2015: A JUMP IN PRESCRIPTION DRUG BENEFIT COST

Cost change for prescription drug benefits in primary medical plan for large employers

Cost of specialty drugs grew by 22% in 2015 among employers that could report cost separately (49%).
ACA IMPACT: WHEN THE DUST SETTLED FROM “PLAY OR PAY”, ENROLLMENT LEVELS WERE LARGELY UNCHANGED

Large employers

- Only 37% of large employers had to take action to comply with the ACA requirement to offer coverage to all employees working 30+ hours per week – most were in compliance prior to the ACA requirement.

- Of those taking action, only about one in five experienced an increase in enrollment as a result (or 8% of all large employers).

- Of those in compliance prior to ACA, 10% made eligibility requirements tougher:
  - 5% eliminated coverage for PTEs
  - 4% increased hours required for coverage

Threshold for offering coverage to “substantially all” employees rose to 95% as of January 2016 – employers need to consider implications
ACA IMPACT: EMPLOYERS TOOK STEPS TO REDUCE EXCISE TAX EXPOSURE

Large employers

- Consumer-directed health plans: 39% added a plan or took steps to build enrollment in existing plan
- Dropping a high-cost plan: 11%
- Plan design changes to shift cost to employees: 19%
- Eliminating health care FSAs: 3%

The delay in the excise tax may slow the pace of change, but employers will continue to take action to manage long-term cost growth.
COST-SHIFTING HAS ACCELERATED IN THE HEALTH REFORM ERA, CHALLENGING EMPLOYERS TO HELP EMPLOYEES MANAGE GROWING FINANCIAL RISK

Average PPO deductible for individual, in-network coverage

Small employers: deductibles have risen 46% since 2010

Large employers: deductibles have risen 47% since 2010
WHAT’S WORKING TO HOLD DOWN COST?

Respondents’ costs were analyzed based on their use of more than 25 cost-management best practices

<table>
<thead>
<tr>
<th>Plan design and delivery infrastructure</th>
<th>Employee well-being</th>
<th>Care delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Contribution for family coverage in primary plan is 20%+ of premium</td>
<td>• Offer optional (paid) well-being programs through plan or vendor</td>
<td>• High-performance networks</td>
</tr>
<tr>
<td>• PPO in-network deductible is $500+</td>
<td>• Provide opportunity to participate in personal/group health challenges</td>
<td>• Surgical centers of excellence</td>
</tr>
<tr>
<td>• Offer CDHP</td>
<td>• Offer technology-based well-being resources (apps, devices, web-based)</td>
<td>• On-site clinic</td>
</tr>
<tr>
<td>• HSA sponsor makes a contribution to employees’ accounts</td>
<td>• Worksite biometric screening</td>
<td>• Telemedicine</td>
</tr>
<tr>
<td>• Voluntary benefits integrated with core</td>
<td>• Encourage physical activity at work (gym, walking trails, standing desks, etc.)</td>
<td>• Value-based design</td>
</tr>
<tr>
<td>• Mandatory generics or other Rx strategies</td>
<td>• Use incentives for well-being programs</td>
<td>• Medical homes</td>
</tr>
<tr>
<td>• Steer members to specialty pharmacy for specialty drugs</td>
<td>• Spouses and/or children may participate in programs</td>
<td>• Accountable care organizations</td>
</tr>
<tr>
<td>• Reference-based pricing</td>
<td>• Smoker surcharge</td>
<td></td>
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<tr>
<td>• Data warehousing</td>
<td>• Offer EAP</td>
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<tr>
<td>• Collective purchasing of medical or Rx benefits</td>
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</tbody>
</table>
COMPARISON OF EMPLOYERS USING THE MOST VS. THE FEWEST BEST PRACTICES AGAIN FINDS DIFFERENCES IN COST AND COST GROWTH

Large employers

Annual total health benefit cost per employee in 2015

- Employers using more than 16 best practices: $11,346
- Employers using fewer than 7 best practices: $11,892

Change in cost from 2014 to 2015

- Employers using more than 16 best practices: 2.9%
- Employers using fewer than 7 best practices: 3.8%

*Analysis based on unweighted cost data from respondents providing cost for both 2014 and 2015.
PROGRAM DESIGN: WHO IS OFFERED WHAT BENEFITS, AND HOW THEY PAY FOR THEM

- Plan design offerings – and values
- Eligibility criteria
- Enrollment/shopping experience
- Core versus voluntary – finding the balance
Over a fourth of all covered employees are enrolled in a consumer-directed health plan

Large employers

By 2018, 75% of large employers expect to offer a CDHP

Percent of employers offering CDHPs
Percent of covered employees enrolled in CDHPs

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent of Employers Offering CDHPs</th>
<th>Percent of Covered Employees Enrolled in CDHPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>20%</td>
<td>8%</td>
</tr>
<tr>
<td>2010</td>
<td>23%</td>
<td>10%</td>
</tr>
<tr>
<td>2011</td>
<td>32%</td>
<td>13%</td>
</tr>
<tr>
<td>2012</td>
<td>36%</td>
<td>15%</td>
</tr>
<tr>
<td>2013</td>
<td>39%</td>
<td>18%</td>
</tr>
<tr>
<td>2014</td>
<td>48%</td>
<td>23%</td>
</tr>
<tr>
<td>2015</td>
<td>59%</td>
<td>28%</td>
</tr>
<tr>
<td>2018</td>
<td>75%</td>
<td></td>
</tr>
</tbody>
</table>

By 2018 (projected)
EMPLOYERS SAVE WITH HSA-BASED CDHPs: AVERAGE COST WAS MORE THAN 20% LOWER THAN FOR EITHER PPOs OR HMOs IN 2015

Medical plan cost per employee (includes employer contributions to HSA accounts) among large employers

- **PPO**: $11,609
- **PPO with deductible of $1,000 or more**: $9,921
- **HMO**: $12,056
- **HSA-eligible CDHP**: $9,215
ENROLLMENT IN CDHPs GROWS SLOWLY OVER TIME, AND EMPLOYER ACCOUNT CONTRIBUTION IS CRITICAL

Large employers offering HSA-based CDHPs

**Enrollment growth over time**

% eligible employees choosing HSA-based CDHP when offered w/other medical plans*

- 2013: 21%
- 2014: 26%
- 2015: 29%

**Employer HSA funding affects enrollment**

% eligible employees choosing HSA when offered with other medical plans

- Employer HSA contribution of $800+: 37%
- Employer HSA contribution less than $500: 32%
- Employer does not contribute to HSA: 22%

*Among employers offering the plan for three years
MAJORITY OF LARGE EMPLOYERS EXPECT TO OFFER A CDHP BY 2018 – BUT MOST SEE IT AS AN OPTION, RATHER THAN A FULL REPLACEMENT

- Small employers (10-499 employees)
- Large employers (500+ employees)
- Jumbo employers (20,000+ employees)

Will offer CDHP as the only plan to all or most employees within the next three years:
- Small: 17%, Large: 22%, Jumbo: 25%

Will offer CDHP along with other medical plan option(s):
- Small: 21%, Large: 55%, Jumbo: 61%

Will not offer CDHP:
- Small: 25%, Large: 25%, Jumbo: 15%
EMPLOYERS USING VOLUNTARY BENEFITS TO FILL GAPS IN CORE BENEFITS

Objectives for program, based on large employers offering VBs

To give employees opportunity to fill gaps in employer-paid benefits: 74%
To offer additional benefits at no cost to employer: 67%
To accommodate employee requests: 55%
To help employees reduce financial stress / improve financial health: 55%
To maintain employee benefit options as core benefits change: 26%
To help drive participation in lower-cost plans: 18%

76% of employers with voluntary benefits say their objectives have been met
EXPANDING EMPLOYEES’ VIEW OF THE WHOLE BENEFIT PACKAGE

Meeting diverse needs without driving up employer costs

<table>
<thead>
<tr>
<th>VOLUNTARY BENEFITS</th>
<th>Percent of large employers offering the benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual disability</td>
<td>61%</td>
</tr>
<tr>
<td>Accident</td>
<td>59%</td>
</tr>
<tr>
<td>Cancer / critical illness</td>
<td>45%</td>
</tr>
<tr>
<td>Whole / universal life</td>
<td>43%</td>
</tr>
<tr>
<td>Legal benefit</td>
<td>30%</td>
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<tr>
<td>Discount purchase program</td>
<td>26%</td>
</tr>
<tr>
<td>Long-term care</td>
<td>25%</td>
</tr>
<tr>
<td>Hospital indemnity</td>
<td>21%</td>
</tr>
<tr>
<td>Auto / Homeowners</td>
<td>20%</td>
</tr>
<tr>
<td>Investment advisory</td>
<td>19%</td>
</tr>
<tr>
<td>Telemedicine</td>
<td>18%</td>
</tr>
<tr>
<td>ID theft</td>
<td>17%</td>
</tr>
<tr>
<td>Pet insurance</td>
<td>10%</td>
</tr>
</tbody>
</table>
INTEGRATING VOLUNTARY AND CORE BENEFITS ON SAME PLATFORM IMPROVES EMPLOYEE TAKE-UP

Large employers

- Voluntary benefits are not integrated: 42%
- Voluntary and core benefits are integrated on the same platform: 58%
- 29% of VB sponsors reporting growth in take-up over past two years
- 20% have not integrated VB/core benefits on same platform
COST TRANSPARENCY TOOLS

Percentage of employers that contract with a specialty vendor outside the health plan to provide transparency tool

Among large employers who provide transparency tools:

- 13% provide incentives to encourage employees to use them.
- 27% track utilization. Of those, about 1 in 5 report utilization of 20% or more, but nearly half report utilization of less than 5%.
STRONG INTEREST IN REFERENCE-BASED PRICING AMONG THE LARGEST EMPLOYERS

Reference-based pricing addresses the broad variation in prices for health care services within a given market.

- **All large employers**
- **Employers with 20,000+ employees**

| Year | Considering 2013 | Considering 2014 | Considering 2015 | Considering 2015%
<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>10%</td>
<td>11%</td>
<td>13%</td>
<td>15%</td>
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<tr>
<td>2014</td>
<td>12%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
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<tr>
<td>2015</td>
<td>18%</td>
<td>15%</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>2015</td>
<td>29%</td>
<td></td>
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</tbody>
</table>
CARE DELIVERY: HOW AND WHERE A MEMBER ACCESSES CARE

- Value-based care that seeks to rationalize provider incentives
- New care settings that give consumers convenient, cost-effective options
- Innovative tools that empower the consumer
TELEMEDICINE IS THE FASTEST GROWING TREND IN CARE DELIVERY

Among large employers offering telemedicine:

- 26% reported a utilization rate of 5% or higher in 2014.
- 47% agree that the telemedicine program has met their objectives.
- 85% say that the most important reason for offering telemedicine is to provide employees with a more affordable, convenient source of care.
USE OF ACCOUNTABLE CARE ORGANIZATIONS (ACOs) IS RISING, BUT COST IMPACT NOT CLEAR TO MOST

Among employers currently offering ACOs*:

- 80% offer the ACO through their health plan (as a standard offering) rather than through a direct contract.
- 28% actively encourage members to seek care from the ACO.
- 16% report some cost savings achieved with the ACO; most can’t measure.

*Results from supplemental survey of employers with 5,000 or more employees

---

All large employers

Employers with 20,000+ employees

---

2013 2014 2015 Considering

10% 10% 13% 13% 25% 33% 34% 29% 43%

Mercer's National Survey of Employer-Sponsored Health Plans 2015
GROWTH IN USE OF “CENTERS OF EXCELLENCE” AMONG LARGEST EMPLOYERS

- All large employers
- Employers with 20,000+ employees

2013: 22% (green) to 37% (orange)
2014: 24% (green) to 41% (orange)
2015: 25% (green) to 48% (orange)
Considering: 24% (green) to 35% (orange)
TYPES OF COEs CURRENTLY USED OR BEING CONSIDERED

Among employers with 5,000+ employees offering COEs*:

- 79% say they are likely to expand COE use in the future

*Results from supplemental survey of employers with 5,000 or more employees
MEDICAL HOMES GROWING MORE SLOWLY, BUT THE LARGEST EMPLOYERS SHOW STRONG INTEREST

Among employers with 5,000+ employees offering patient-centered medical homes*:

- 33% actively encourage members to seek care from a medical home.
- 81% report that the amount of savings achieved from using medical homes is not known.

*Results from supplemental survey of employers with 5,000 or more employees
WORKFORCE HEALTH: HOW AN EMPLOYER INFLUENCES BEHAVIOR, HEALTH AND WELL-BEING

Three pillars of well-being: physical, emotional, financial

Activity trackers, mobile apps bring health consciousness into daily life

Culture of health and social connections key to building intrinsic motivation

Employers starting to measure well-being VOI as well as ROI.
Health advocacy is increasingly recognized as a critical resource in a complex health care system.

Percent of large employers offering program

- Health assessment: 79% (2014) vs 77% (2015)
- Phone/web health coaching: 68% (2014) vs 71% (2015)
- Face-to-face health coaching: 40% (2014) vs 36% (2015)
- Resiliency/stress management program: NA vs 42% (2015)
- Health advocate: 52% (2014) vs 56% (2015)
- Disease management: 80% (2014) vs 83% (2015)

Addressing the continuum of health needs
RESOURCES TO HELP EMPLOYEES IMPROVE THEIR FINANCIAL HEALTH

Large employers

- Tools or resources for retirement planning: 59%
- Financial planning tools for budgeting or debt management: 27%
- Financial calculators to assist with managing personal/family expenses: 26%
- Other financial resources: 29%
- No financial resources provided: 31%
### Innovative Technologies and Activities for a More Engaging Member Experience

#### Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>All large employers</th>
<th>Employers with 20,000+ employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worksite biometric screening event</td>
<td>56%</td>
<td>71%</td>
</tr>
<tr>
<td>Business unit/location group challenges</td>
<td>45%</td>
<td>57%</td>
</tr>
<tr>
<td>Onsite exercise or yoga classes or weight loss programs (such as Weight Watchers)</td>
<td>43%</td>
<td>76%</td>
</tr>
<tr>
<td>Personal challenges</td>
<td>40%</td>
<td>55%</td>
</tr>
<tr>
<td>Peer-to-peer support</td>
<td>19%</td>
<td>33%</td>
</tr>
</tbody>
</table>

#### Technology-Based Resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>All large employers</th>
<th>Employers with 20,000+ employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile apps</td>
<td>30%</td>
<td>44%</td>
</tr>
<tr>
<td>Wearables / apps to monitor activity</td>
<td>24%</td>
<td>38%</td>
</tr>
<tr>
<td>Devices to transmit health measures to providers</td>
<td>4%</td>
<td>11%</td>
</tr>
<tr>
<td>Onsite kiosks</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>Other web-based resources/tools</td>
<td>40%</td>
<td>63%</td>
</tr>
</tbody>
</table>
## Building a Culture of Health: Six Policies That Promote Employee Well-being

**Large employers**

1. Tobacco-free workplace  
   - 68%
2. Support healthy-eating choices  
   - 58%
3. Work environment explicitly encourages physical activity  
   - 45%
4. Support work-life balance (with flex-time, job share, etc.)  
   - 34%
5. Promote responsible alcohol use  
   - 21%
6. Employees may take work time for physical activity, stress relief  
   - 15%
Employers use financial incentives to drive participation rates in key programs

Large employers

<table>
<thead>
<tr>
<th>Program</th>
<th>Large employers offering incentives</th>
<th>Large employers not offering incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health assessment</td>
<td>54%</td>
<td>40%</td>
</tr>
<tr>
<td>Validated biometric screening</td>
<td>40%</td>
<td>27%</td>
</tr>
<tr>
<td>Lifestyle coaching</td>
<td>27%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Offer incentives (among employers with programs)

- Including spouses builds engagement:
  - 62% of employers make key elements of program available to spouses (up from 56% in 2014)
  - Half of those make spouses eligible for incentives

<table>
<thead>
<tr>
<th>Program</th>
<th>Average % of identified persons actively engaged in program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health assessment completion rate</td>
<td>48%</td>
</tr>
<tr>
<td>Lifestyle management program participation rate*</td>
<td>20%</td>
</tr>
<tr>
<td>Validated biometric screening rate</td>
<td>52%</td>
</tr>
</tbody>
</table>

*Average % of identified persons actively engaged in program
EMPLOYERS MAY BE COOLING ON TOBACCO-USE INCENTIVES IN WAKE OF REGULATORY QUESTIONS

Offer lower premium contributions to non-tobacco users

Median reduction in annual premium: $500
CONSIDERING “VALUE OF INVESTMENT” (VOI) AS WELL AS ROI MEANS DEVELOPING NEW METRICS

Employers with 20,000 or more employees

Over two-fifths have attempted to measure program impact...

...with the majority of these reporting improvement in medical plan trend and/or other areas

Positive impact on medical cost trend
- 66%

Improved employee satisfaction
- 44%

Improved productivity
- 26%

Improved attraction and retention
- 25%

Positive impact on disability cost trend
- 25%

No positive impact was found so far
- 17%
BRINGING IT ALL TOGETHER: PRIVATE BENEFIT EXCHANGE EMPOWERS CONSUMER, ADDING VALUE BY ADDING CHOICE

- Satisfy a more diverse population with more diverse needs
- Promote efficiency by allowing employees to buy only what they need
- Add choice without adding administrative burden
- Ease transition to a more sustainable program
PRIVATE HEALTH BENEFIT EXCHANGES GAIN A FOOTHOLD AS INTEREST CONTINUES TO BUILD

Large employers

- For active employees: 27%
- For pre-Medicare-eligible retirees*: 24%
- For Medicare-eligible retirees*: 13%

* Among current retiree medical plan sponsors
FROM HIRE TO RETIRE: MERCER MARKETPLACE IS MORE THAN JUST A PRIVATE EXCHANGE

GROUP ACTIVE

EDUCATION
& CHANGE MANAGEMENT

BROADER SELECTION OF PLANS

ALTERNATIVE HEALTHCARE OPTIONS

DECISION-MAKING TOOLS

365-DAY WELLNESS PROGRAMS

VOLUNTARY BENEFITS

LICENSED BENEFITS COUNSELORS

RETIREE

PART TIMERS, PRE-65 RETIREES, COBRA

MERCER MARKETPLACE
EMPOWERING BENEFITS
MERCER MARKETPLACE FOOTPRINT: UNSURPASSED GROWTH

GROUP ACTIVE CLIENTS
633,000
ELIGIBLE EMPLOYEES (~1.4M LIVES AT 222 EMPLOYERS)

VOLUNTARY BENEFIT ONLY CLIENTS
500,000
ELIGIBLE EMPLOYEES AT 3 EMPLOYERS

25+
INDUSTRIES

100–100K+
COMPANY SIZE

70,000
LIVES AT 84 EMPLOYERS

25
LINES OF COVERAGE: TRADITIONAL, ANCILLARY, VOLUNTARY

60+
CARRIERS

750,000
LIVES AT 44 EMPLOYERS

Mercer MarketPlace 2016
MERCER MARKETPLACE: SAVE UP TO 15%
# Mercer Marketplace: Average Savings Results

<table>
<thead>
<tr>
<th>Cost Levers</th>
<th>Average Year 1 Employer Savings</th>
<th>Average Year 1 Per Enrolled Employee Savings</th>
<th>Average Year 2 &amp; 3 Cost Increase</th>
<th>Employees Enrolled in High Deductible Plans vs 25% National Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>More Informed Employees</td>
<td>9%</td>
<td>$975</td>
<td>1.6%</td>
<td>56%</td>
</tr>
<tr>
<td>Purchasing Power</td>
<td></td>
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<tr>
<td>Breadth of Carrier &amp; Network Offerings</td>
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<tr>
<td>Defined Contribution</td>
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<tr>
<td>Wellness &amp; Improved Care Management</td>
<td></td>
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<tr>
<td>Buying Coalitions</td>
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</tbody>
</table>
56% of employees are electing high deductible plans

- 26% choose the $0 deductible plan
- 26% choose the $350 deductible plan
- 26% choose the $800 deductible plan
- 15% choose the $1,500 or $1,850 deductible plan
- 4% choose the $2,500 or $2,850 deductible plan
- 3% choose the $4,500 or $6,550 deductible plan

Mercer MarketPlace 2016
ABOUT 1/3 OF EMPLOYERS ARE USING A DEFINED CONTRIBUTION STRATEGY

Defined contribution amounts provided by employers often vary within their population.

Most common differences are:
- Family tier
- Employee salary
- Employee category

Employer subsidy strategies in place as of January 2016
SUPPLEMENTAL HEALTH COVERAGE SUPPORTS CONSUMER PURCHASE OF HIGHER-DEDUCTIBLE PLANS

Summary of January 2016 elections. Percentages represent the prevalence of election within the supplemental health policies.

36% of employees enrolled in an $800 or greater deductible medical plan also purchase at least one supplemental health policy.

Supplemental Health Purchases:
- Accident: 44%
- Hospital Indemnity: 30%
- Critical Illness: 26%

Summary of January 2016 elections. Percentages represent the prevalence of election within the supplemental health policies.
Given how strongly employees value health benefits, even small employers plan to stay in the game.

Percent of employers that say they are “very likely” or “likely” to terminate plans within the next five years:

- Employers with 50-499 employees:
  - 2013: 21%
  - 2014: 15%
  - 2015: 7%

- Employers with 500 or more employees:
  - 2013: 6%
  - 2014: 4%
  - 2015: 5%
Thank You!!

George Lane
george.lane@mercer.com
202-331-5222