

2015 Iowa Employer Benefits Study[©] *17th Annual Study*

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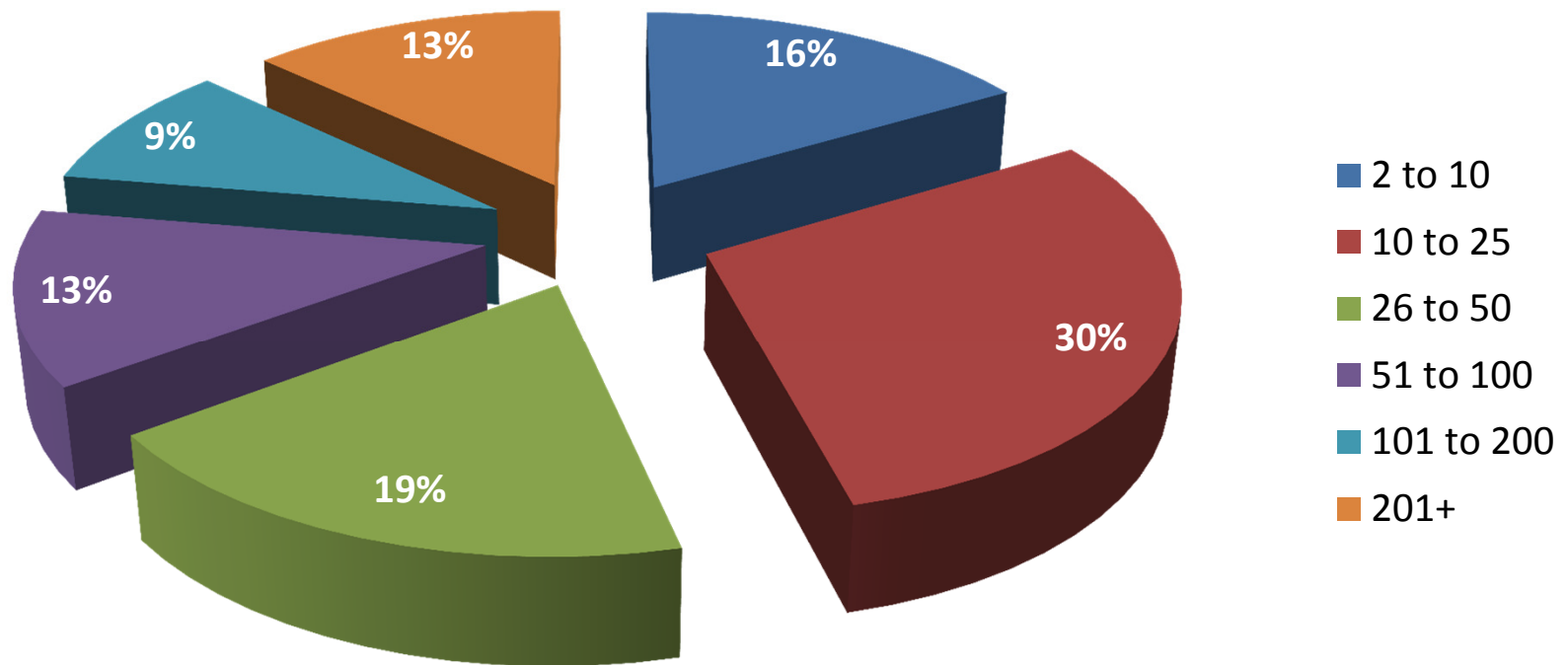


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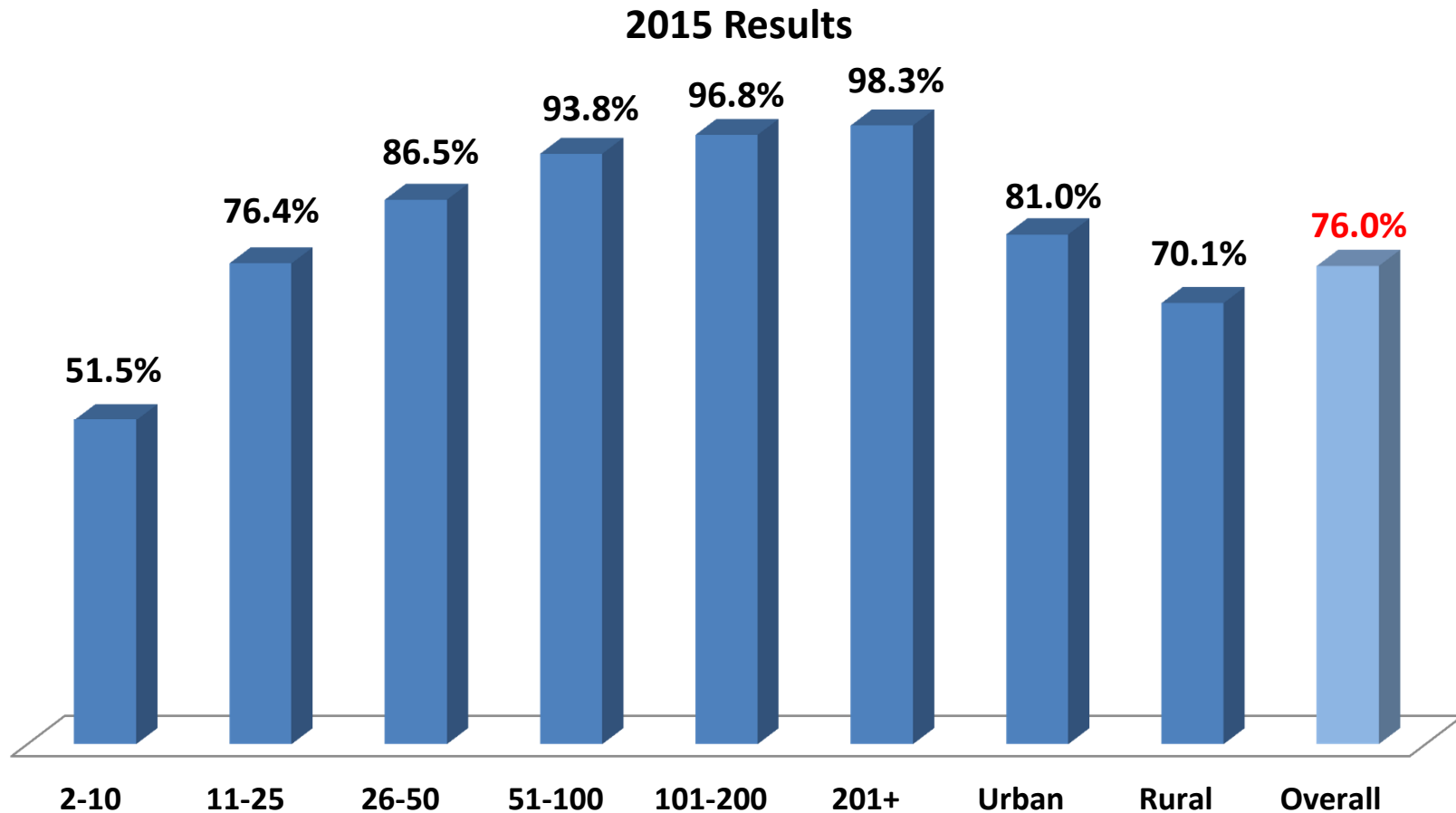
Percentage of Respondents By Organization Size

Source: Iowa Employer Benefits Study®, 2015

Firms Responding (By Size)



Percentage of Employers Offering Health Coverage in Iowa



Iowa Firms Reporting Health Insurance Rate Increases 2014 vs. 2015

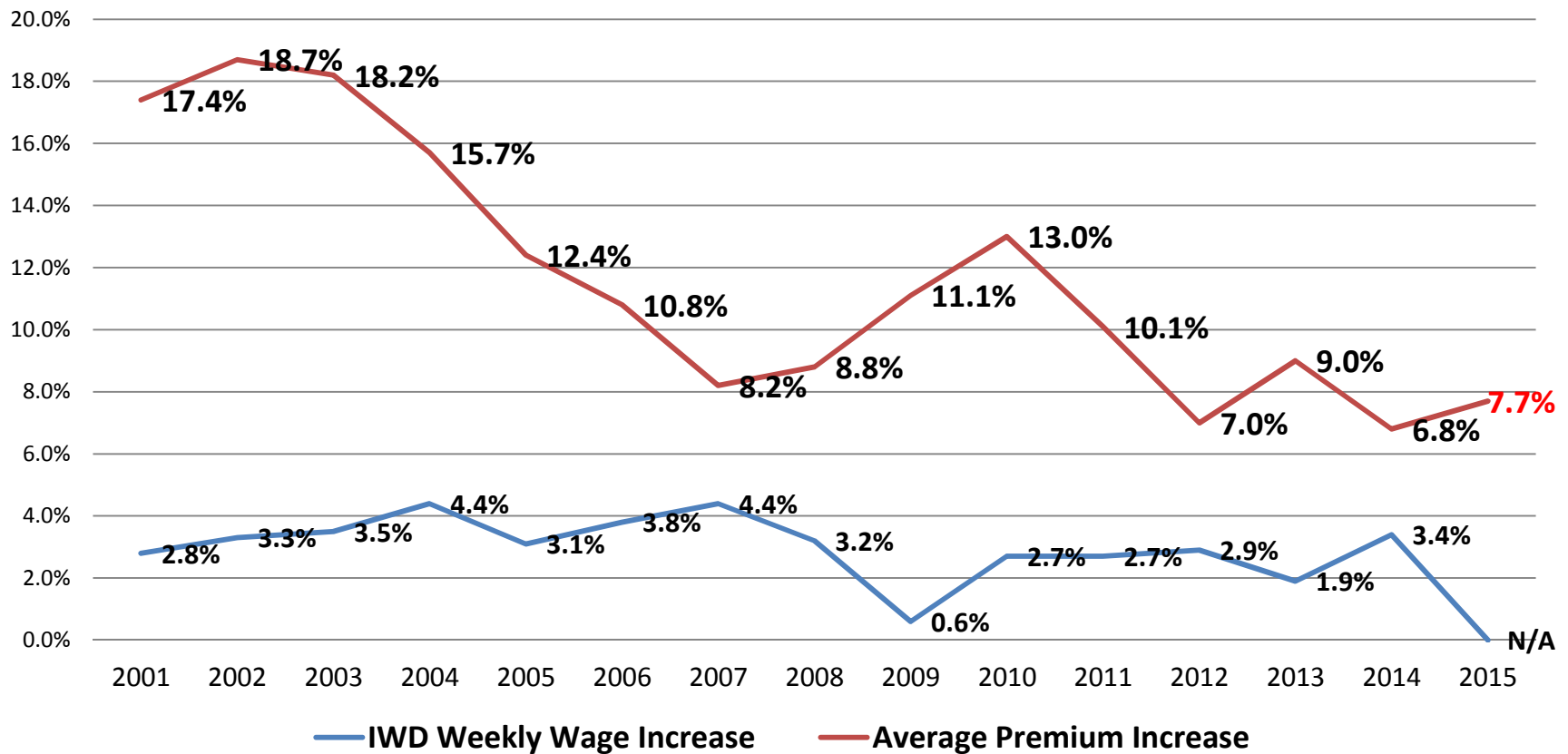
Employers Who Received Increases (Reported in 2015)		
Firm Size	% of Firms Reporting Rate Increase - 2014	% of Firms Reporting Rate Increase - 2015
2 - 10	68.1%	77.6%
11 - 25	72.6%	80.3%
26 - 50	65.4%	77.4%
51 - 100	67.3%	80.9%
101 - 200	72.2%	77.5%
201+	71.8%	78.0%
Overall	69.8%	78.4%

Average Health Insurance Rate Adjustments Reported in 2015

For All employers, Regardless of Rate Direction	
Firm Size (Employees)	Average % Increase 2015
2 - 10	10.8%
11 - 25	9.0%
26 - 50	7.8%
51 - 100	6.8%
101 - 200	7.9%
201+	4.5%
Overall	7.7%

Average Health Insurance Rate Increases in Iowa Compared to Statewide Average Weekly Wage Increases

2001 - 2015



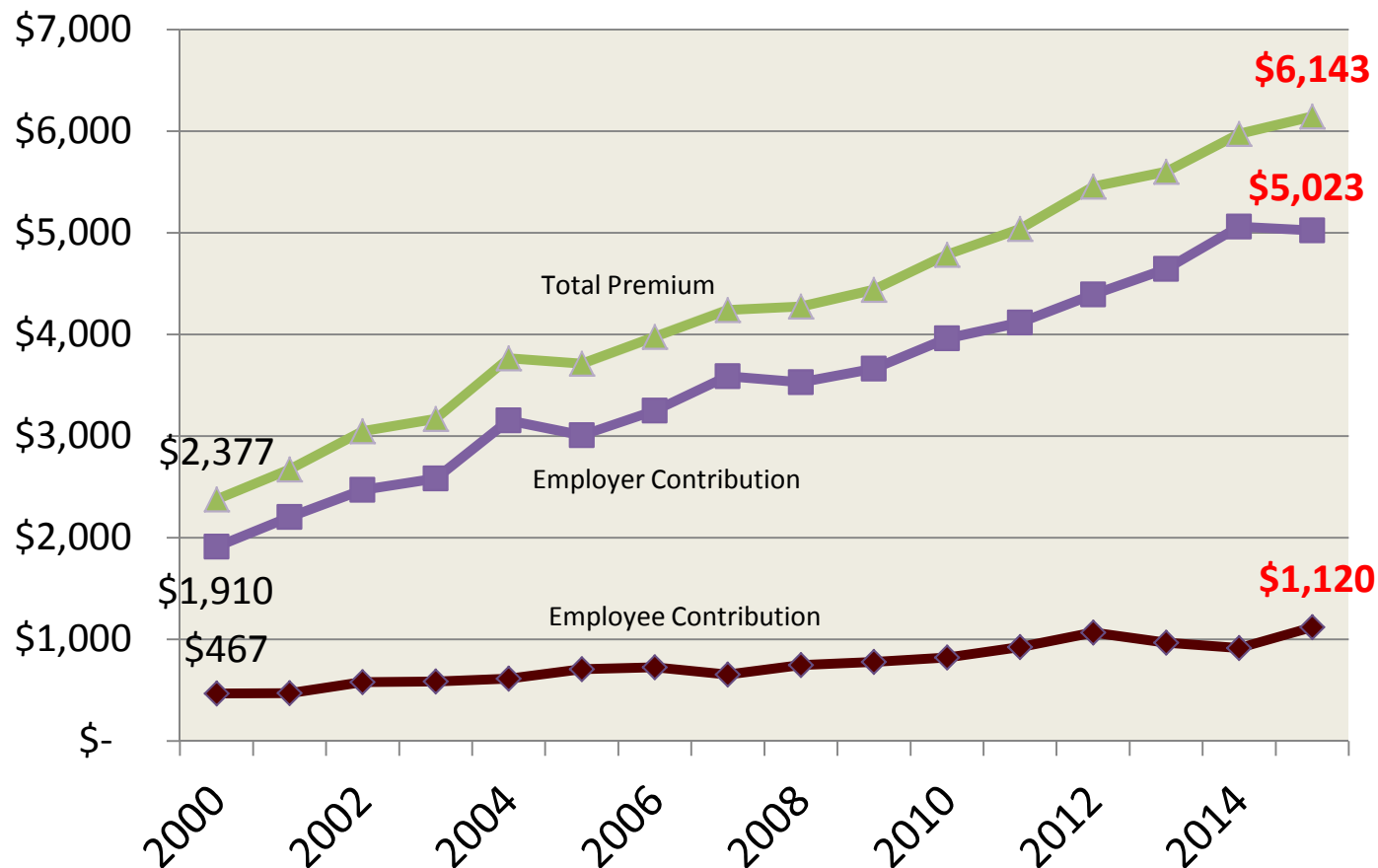
Employer Responses to Health Insurance Rate Increases Reported in 2015

2014	2015	Here is what employers say they DID...
58.2%	54.0%	Passed some or all of the increased costs to the employees
26.1%	30.9%	Organization absorbed the entire cost increase
18.5%	18.2%	Raised deductibles
15.3%	15.0%	Raised out-of-pocket maximum
10.7%	13.4%	Changed insurance companies
8.0%	10.5%	Increased office co-payments
6.6%	8.2%	Increased prescription drug co-payments
7.4%	7.3%	reduced pay raises or bonuses
3.7%	4.4%	Offered consumer-driven health plans
5.7%	3.6%	Hired fewer new employees
6.0%	3.3%	Began wellness/disease management initiatives
0.5%	0.0%	Stopped providing health insurance coverage

All Medical Plans Combined

(HMO, PPO, Traditional Indemnity, HSAs)

Annual Single Medical Contributions - 2015



**Total
Premium**
↑ 158%

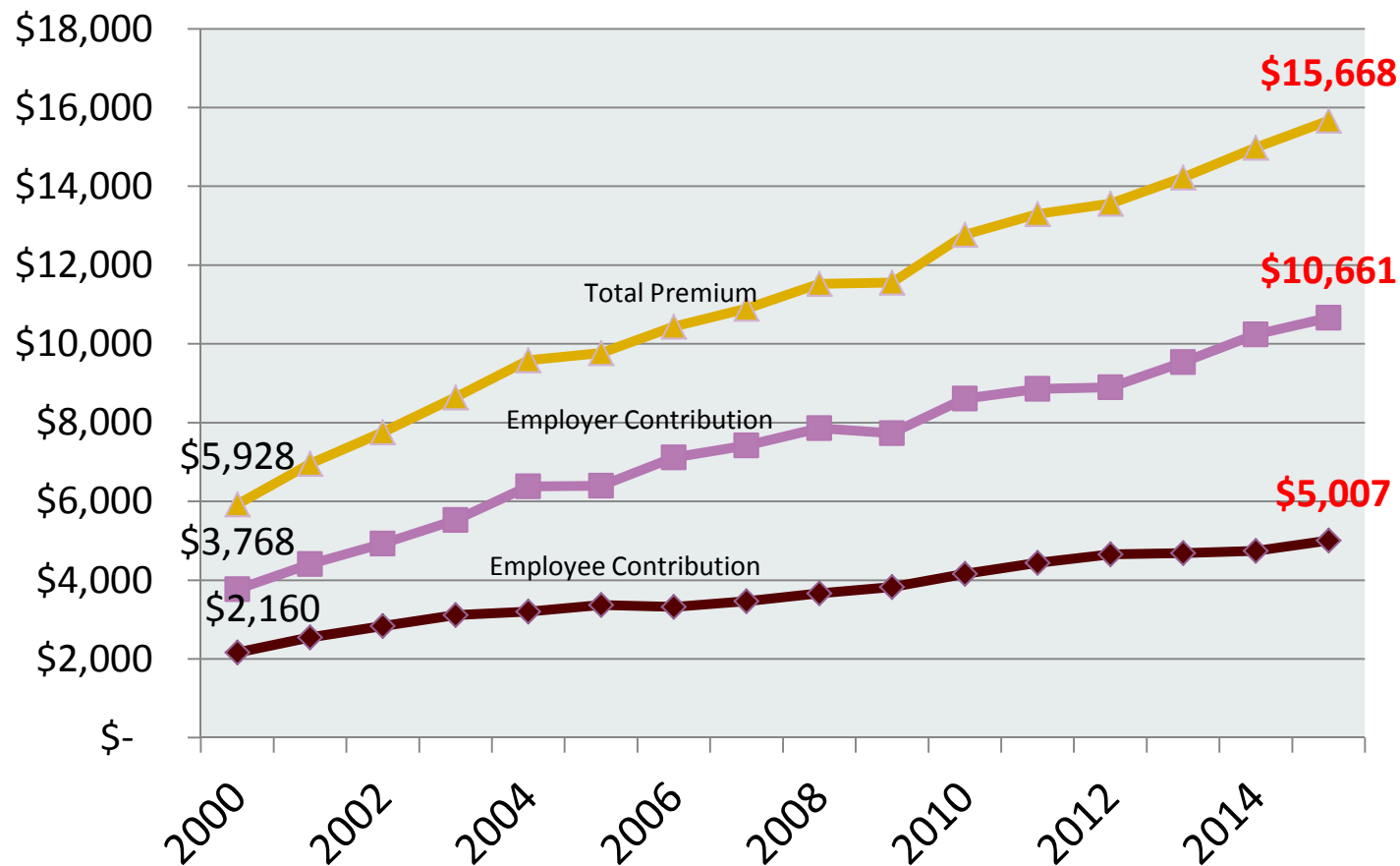
**Employer
Contribution**
↑ 163%

**Employee
Contribution**
↑ 140%

All Medical Plans Combined

(HMO, PPO, Traditional Indemnity, HSAs)

Annual Family Medical Contributions - 2015



Total Premium
↑ 164%

Employer Contribution
↑ 183%

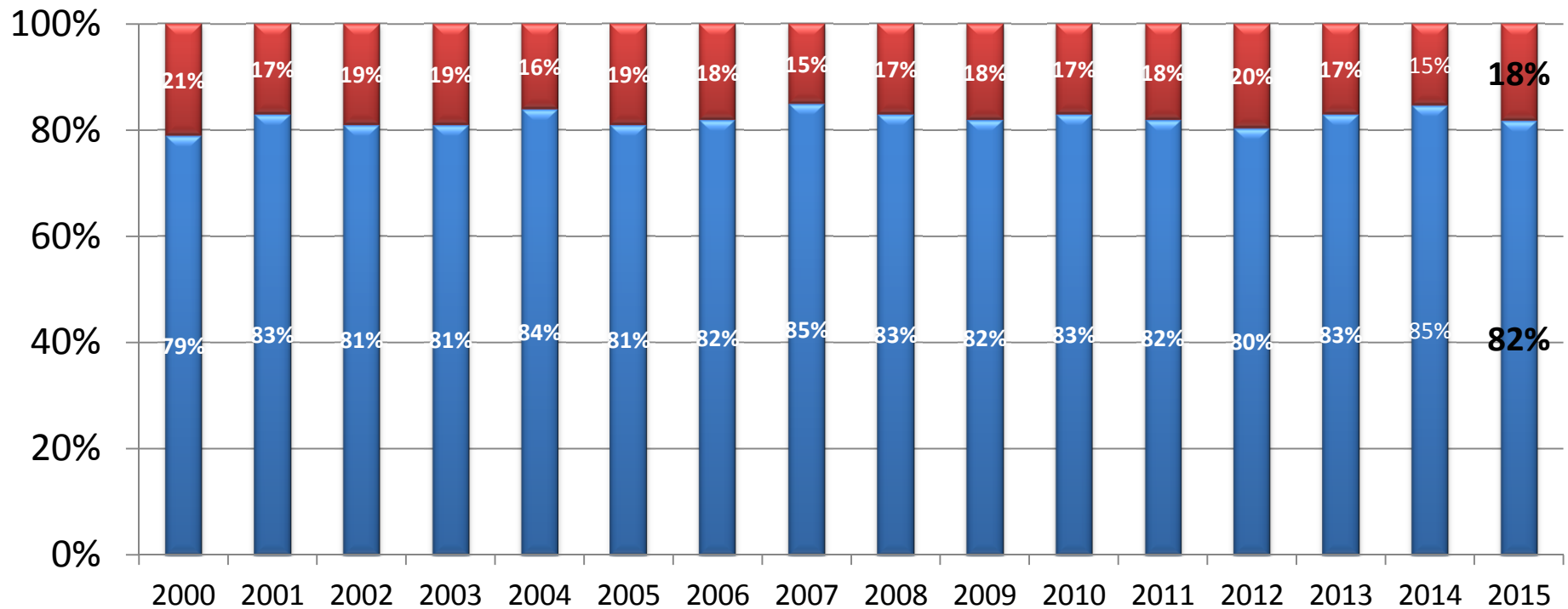
Employee Contribution
↑ 132%

All Medical Plans

Employee Contributions – Single Enrollment

Percentage of Monthly Premium Paid by Employer & Employee

■ ER Single ■ EE Single

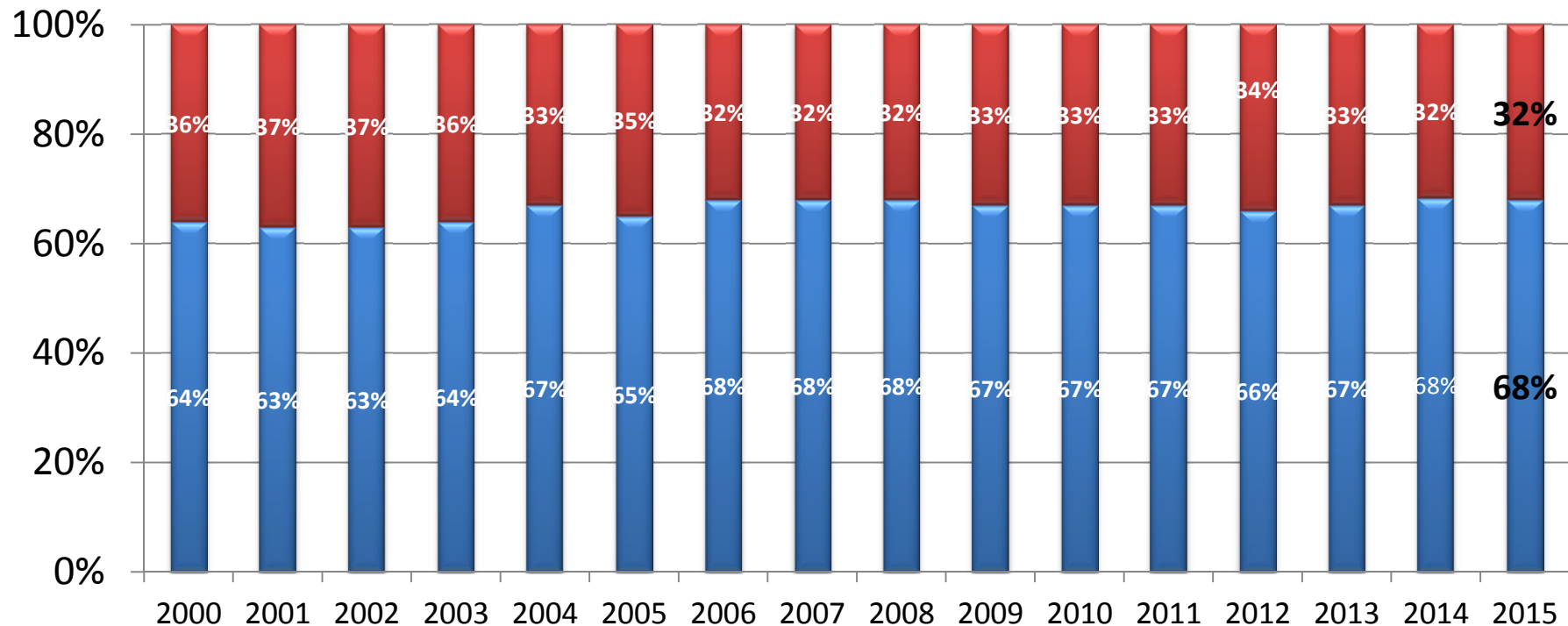


All Medical Plans

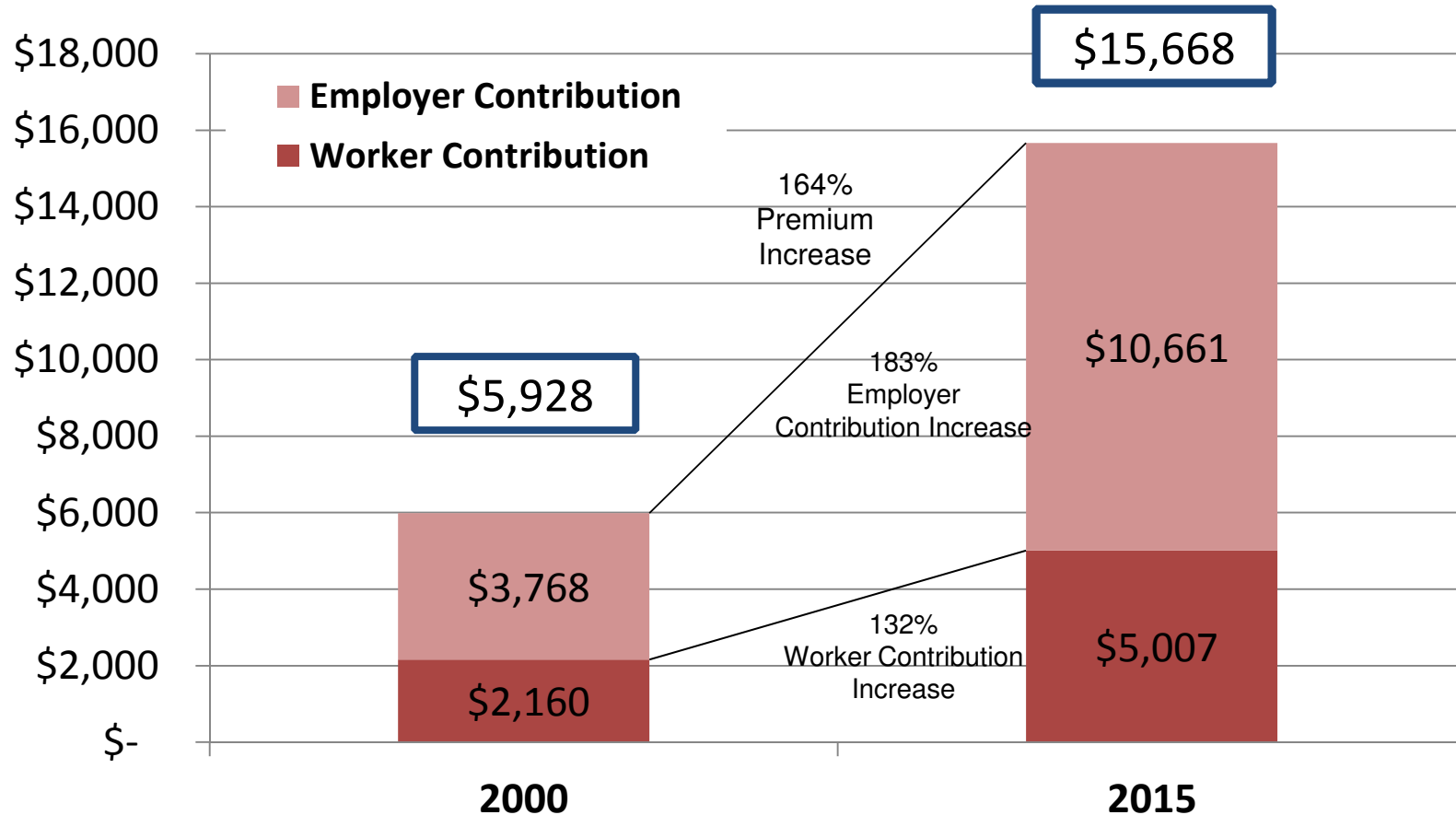
Employee Contributions – Family Enrollment

Percentage of Monthly Premium Paid by Employer & Employee

■ ER Family ■ EE Family

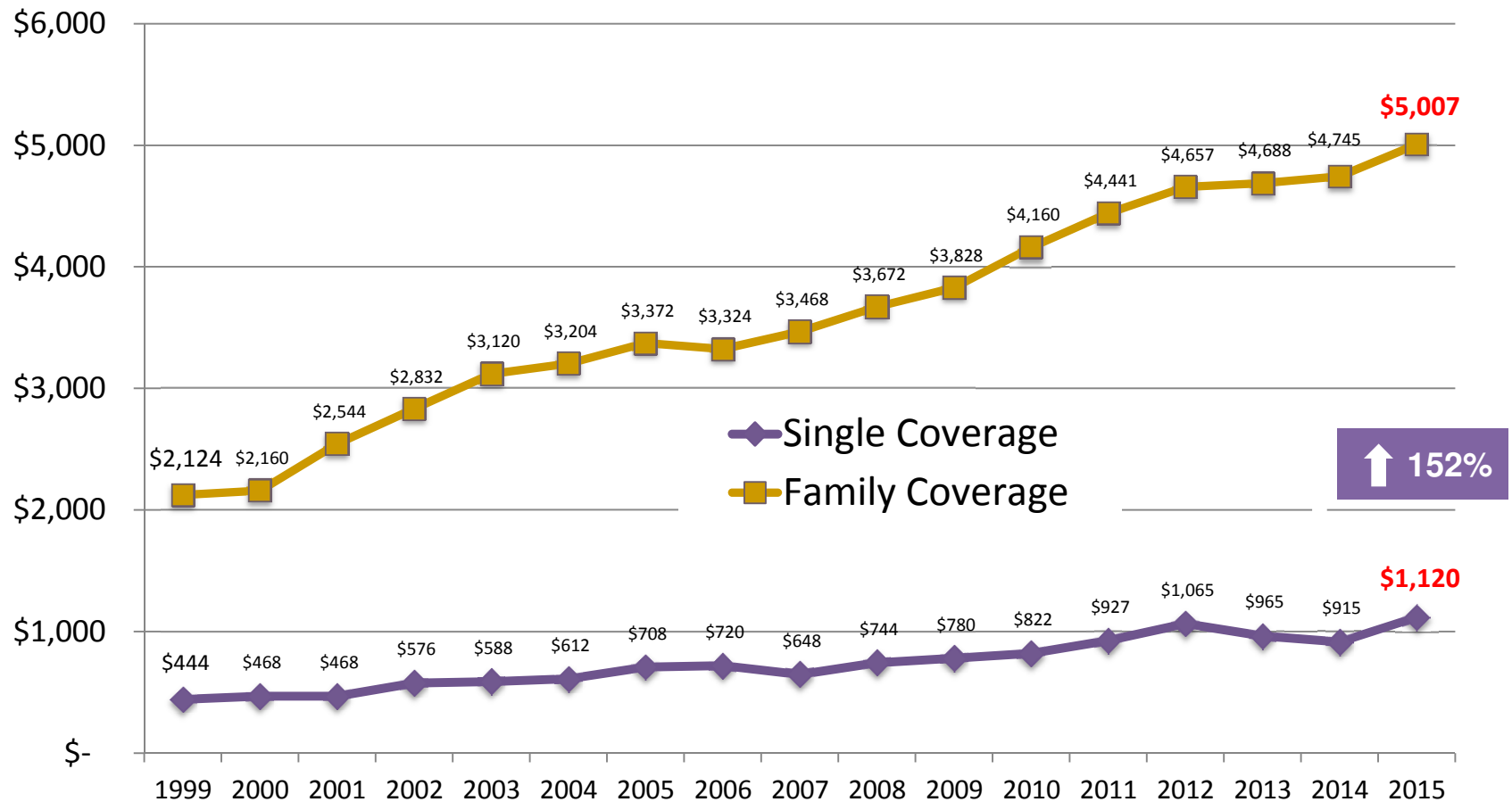


Average Iowa Health Insurance Premiums Worker Contributions for Family Coverage, 2000-2015

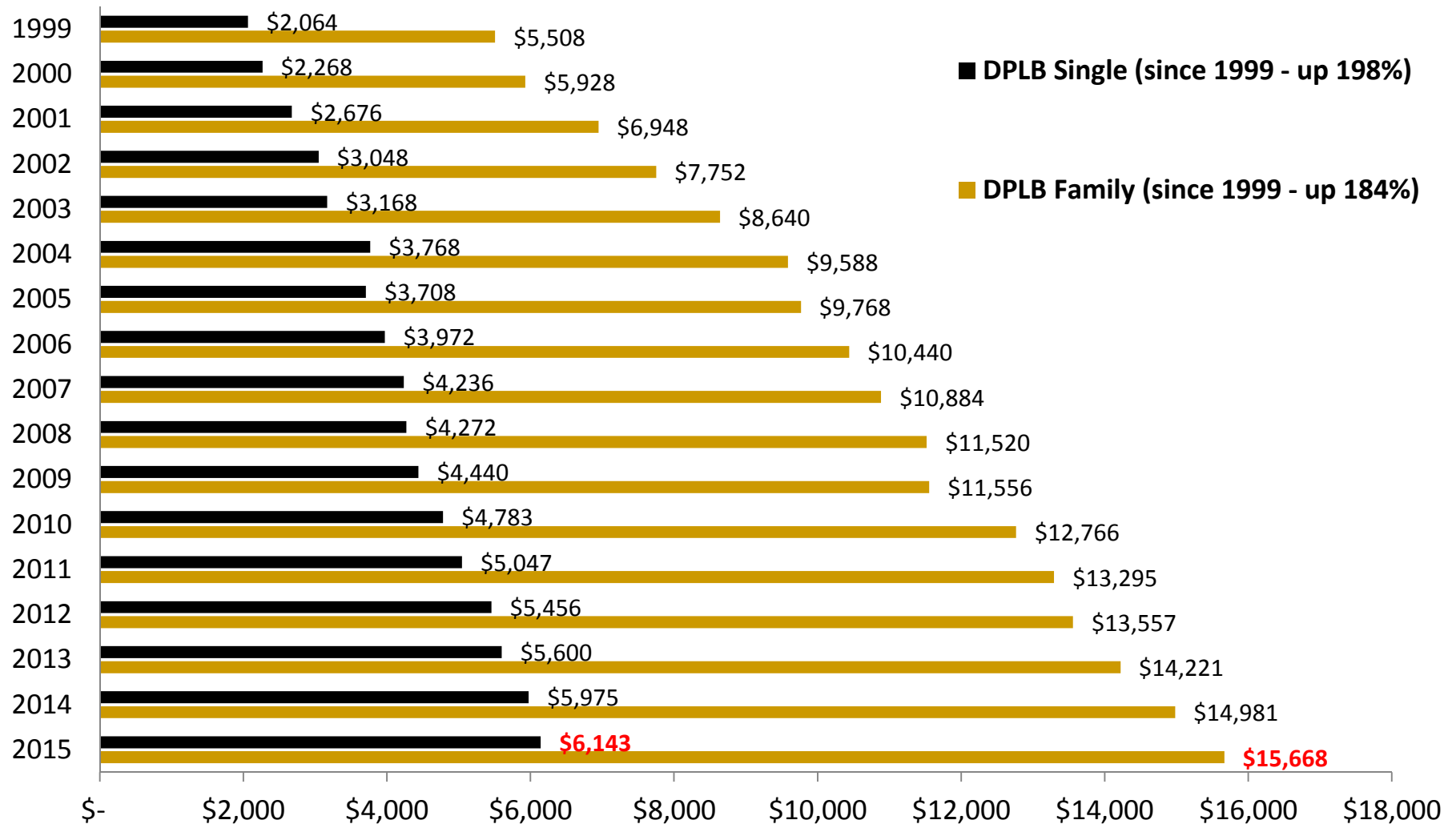


Note: Premiums reflect changes made to plan design AFTER receiving rate adjustment

Average Annual Worker Premium Contributions Paid by Covered Workers for Single and Family Coverage, 1999-2015 (All Plans Combined)



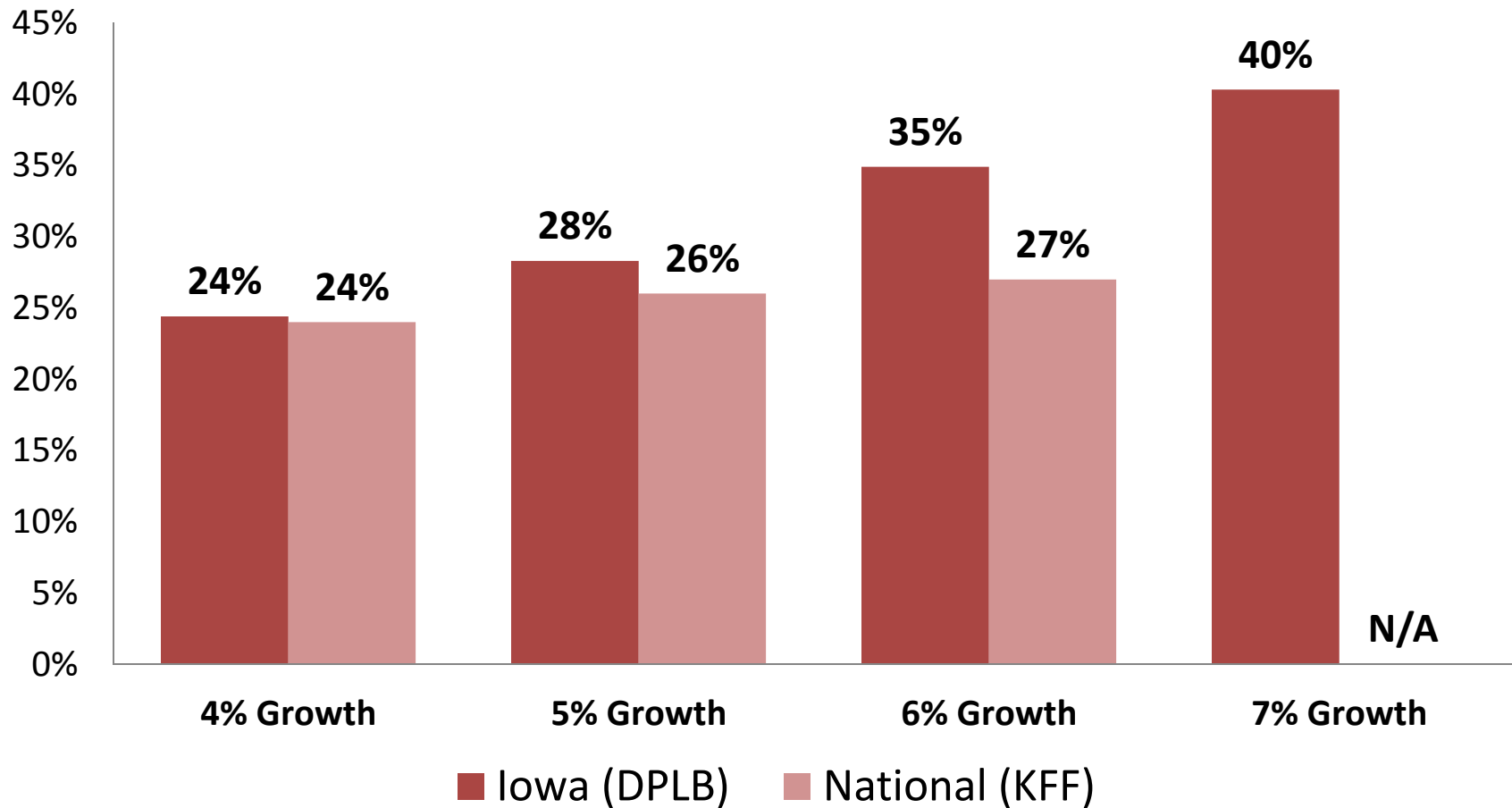
Average Annual Premiums for Single and Family Coverage, 1999-2015 (All Plans Combined)



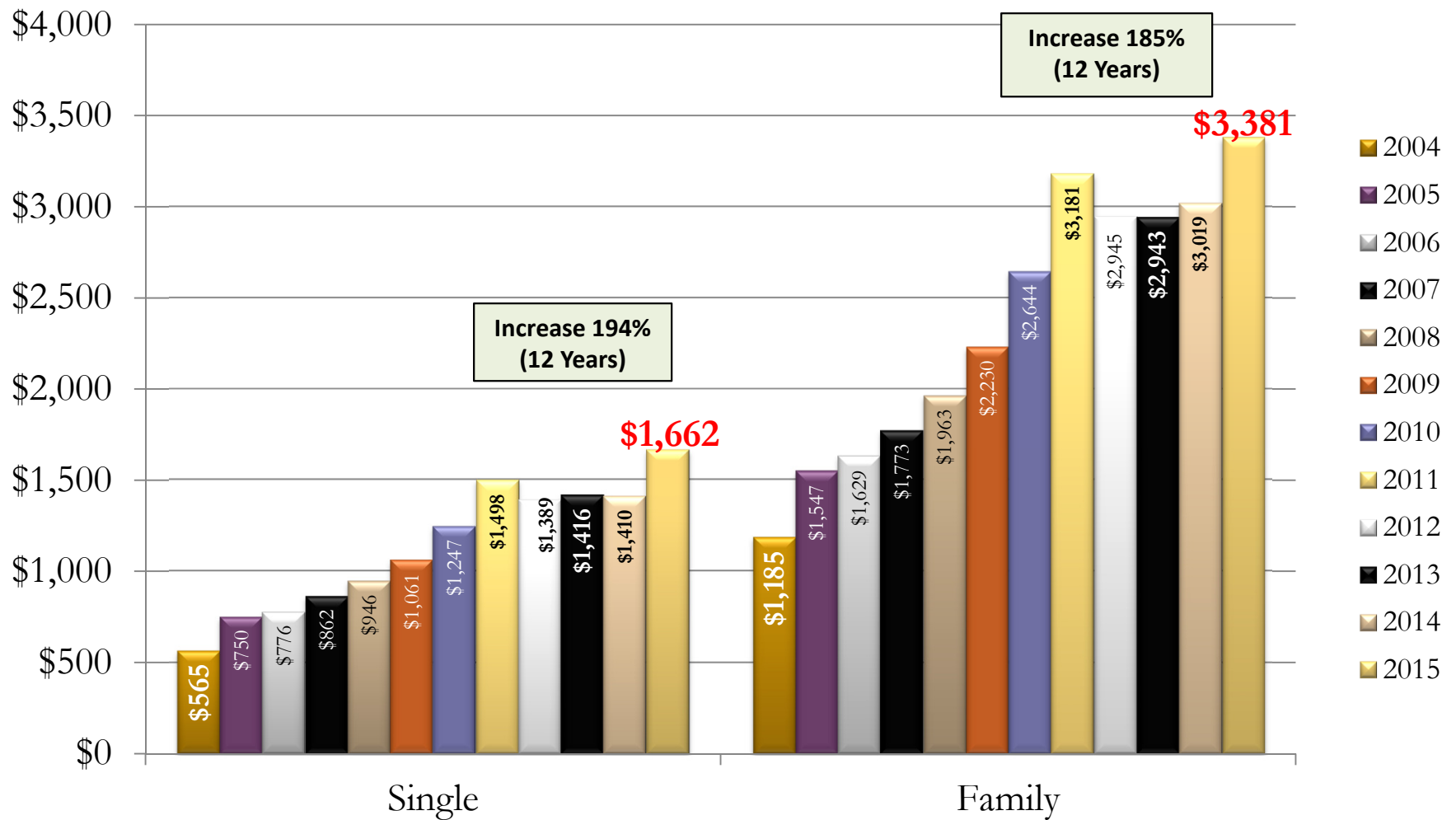


Percent of Employers With At Least One Health Plan Reaching Cadillac Threshold in 2018

DPLB=David P. Lind Benchmark KFF=Kaiser Family Foundation



All Medical Plans In-Network Deductible



Desired Healthcare Outcomes

As Measured on a 1-to-6 scale,
with 6 being “Most Important” and 1 being “Not-At-All Important”

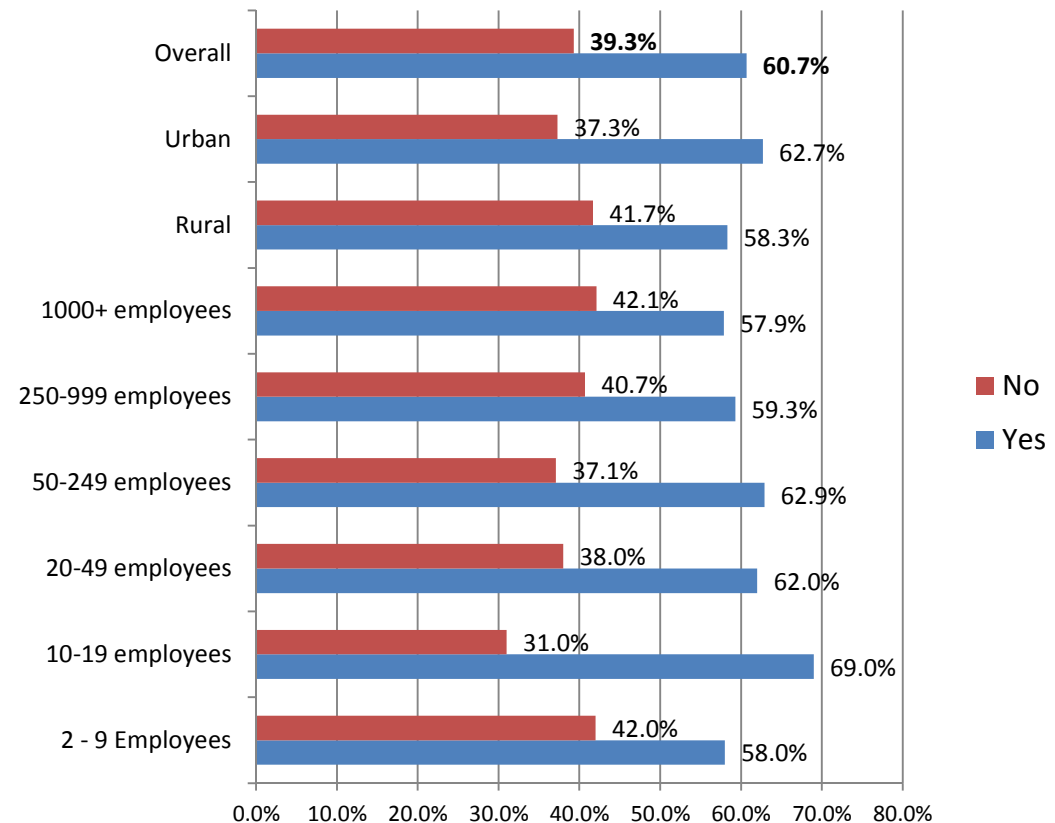
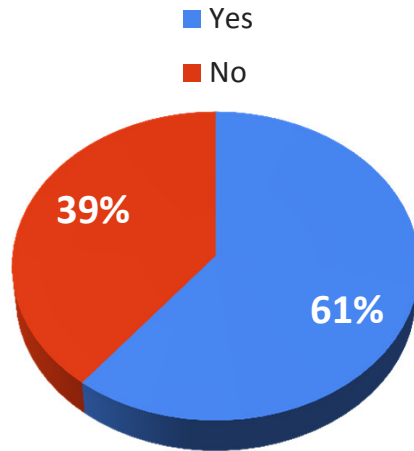
How important is...	Under 250 employees	250+ employees	Urban	Rural	Overall
Lowering health risk of employees	4.82	5.30	4.97	4.82	4.90
Reducing long-term healthcare cost	4.69	5.59	4.94	4.75	4.86
Increasing employees' awareness of health issues to enable them to make better decisions	4.64	5.11	4.81	4.63	4.73
Increasing participation in wellness, health improvement, or disease management programs	4.22	4.74	4.34	4.28	4.31
Increasing employee use of tools and information on provider price and quality	3.86	4.41	4.11	3.78	3.96

Healthcare Challenges

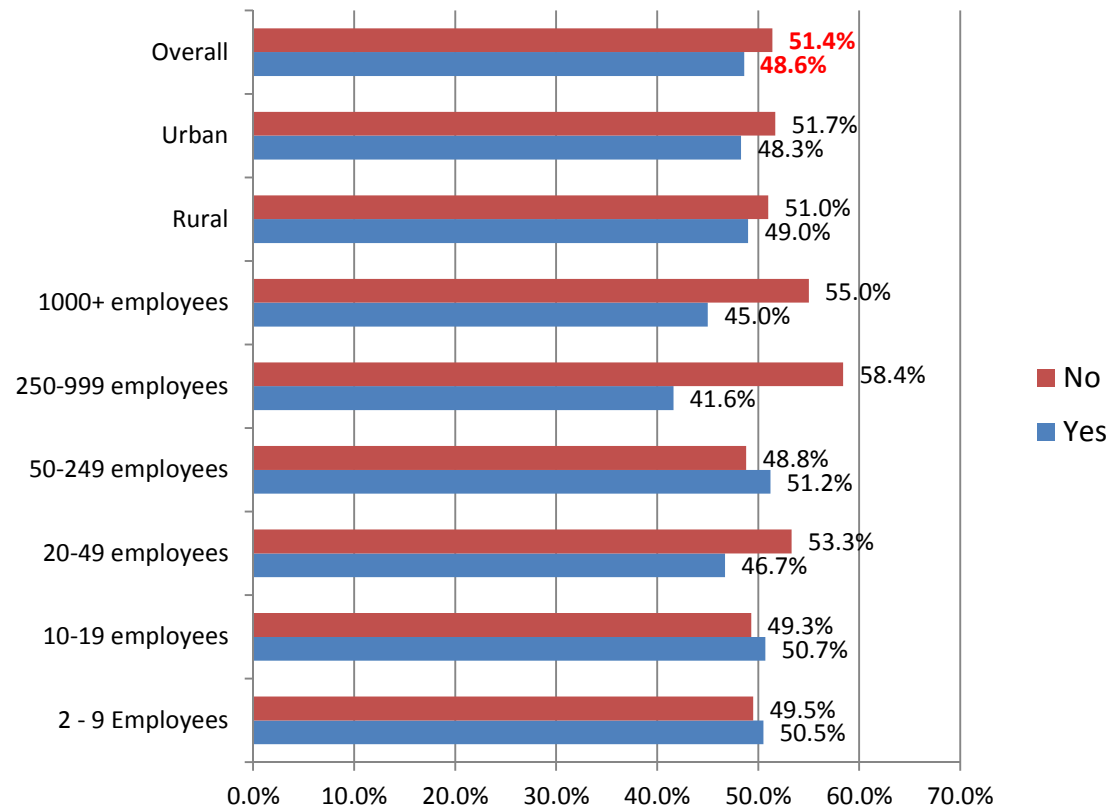
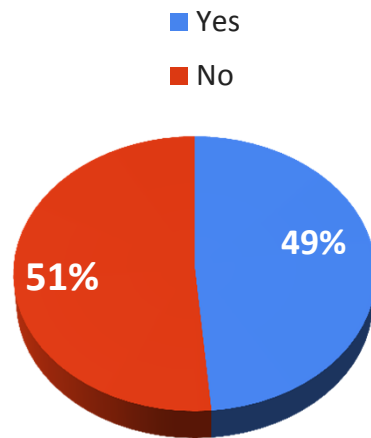
As Measured on a 1-to-6 scale,
with 6 being “Big Challenge” and 1 being “Not a Challenge”

How much of a challenge is...	Under 250 employees	250+ employees	Urban	Rural	Overall
The unpredictability of healthcare costs	4.91	4.98	4.80	5.08	4.93
Motivating employees to accomplish healthier behaviors	4.04	4.87	4.19	4.18	4.19
Complying with government regulations	3.94	4.40	3.92	4.15	4.02
Understanding employee attitudes toward health and wellness	3.77	4.20	3.79	3.93	3.85
Reluctance of employees to change due to organizational culture	3.59	4.18	3.59	3.83	3.70

Will Having More Insurance Companies Keep Premiums Lower?



As Insurers, Do Hospitals Have Incentives to Control Costs?



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Questions?

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