



News Release

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Mercer released results of the 2008 *National Survey of Employer-Sponsored Health Plans*, reporting results on a national probability sample of public and private employers with at least 10 employees. Nearly 2900 employers completed the survey. Results for New England, which represent the responses of 162 employers from Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont are highlighted below.

We would be happy to speak with you about these survey results as well as what we are seeing with our clients locally. Please contact me directly at 401-752-8664 or via email to

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Selected results for New England:

- Total health benefit cost for active employees increased 6.8% in 2008, to an average of \$9,107 per employee.
- Asked about their 2009 costs, respondents estimated that if they made *no changes* to their current plan, cost would rise by 9.3%. However, they expect to lower their cost increase to 6.2% by making changes to plan design and/or plan vendors.
- 32% of respondents will shift cost to their employees in 2009 by raising deductibles, copays/coinsurance or out-of-pocket maximums. In addition, 36% will increase employees' share of the premium contribution, and 12% will increase employee cost-sharing some other way. Forty percent (40%) of all respondents said they would not ask employees to pay a greater share of the cost.
- 25% of respondents offered a consumer-directed health plan with an account feature (an HSA or HRA) in 2008, and 30% say they are very likely to offer one in 2009 (including those that already offer a CDHP).
- 54% of all employees covered in respondents' health plans are enrolled in PPO/POS plans, 36% in HMOs, 10% in CDHPs, and less than 1% in traditional indemnity plans.
- The average employee contribution amount for employee-only coverage is \$105 monthly for a PPO/POS plan, \$93 monthly for an HMO and \$63 monthly for a CDHP.
- Nationally, PPO deductibles rose sharply in 2008, with the median individual deductible for in-network services reaching \$1,000. Regionally, employers in the Northeast reported a median deductible of \$500.

Results from this survey concerning employer opinions on specific health reform proposals were released last month in advance of the presidential election. To see our October 21 press release on reform, use this link: www.mercer.com/summary.htm?idContent=1325605.