



VERMONT BUSINESS ROUNDTABLE
25TH ANNIVERSARY



HEALTH INSURANCE

COVERAGE AND COST

a Member Survey of the
Vermont Business Roundtable

FEBRUARY 2012

Health Insurance Coverage and Cost

a Membership Survey of the
Vermont Business Roundtable

FINAL REPORT

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Prepared for



By

Public Assets Institute

Montpelier, Vermont

Contents

3	Executive Summary
4	I. Introduction and Background
6	II. Survey Results: Data
11	III. Survey Results: Opinions
13	IV. Using the Survey Results
14	V. How the Survey was Done
15	VI. The Project Team
16	VII. Appendices
16	A: Changes Made or Anticipated to Health Care Benefits
17	B: Distribution of Respondents by County, Size, and Industry
18	C: Rating of Health Insurance Plans by Confidential ID
20	D: Employer and Employee Health Insurance Costs by Confidential ID
21	E: Respondents' Comments and Clarifications
26	F: Survey Questionnaire



Executive Summary

With an interest in contributing its knowledge, experience, and data to Vermont's current discussion about health care reform, the Vermont Business Roundtable (VBR) decided in the fall of 2011 to survey its members about the coverage and cost of health care insurance plans they currently offer their employees. The VBR contracted with Public Assets Institute in Montpelier to collect and analyze data from its members to establish a baseline of what VBR members are paying for health insurance and what they are getting for their money.

The results of the survey show that VBR members' costs for health insurance plans vary from less than 5 percent of payroll to more than 25 percent. However, when looking at the companies with the majority of the employees, most of them have health insurance costs that are greater than 10 percent of payroll. Employees' share of health insurance costs ranged from nothing to almost 6 percent of total payroll with 90 percent working for companies where the employees' cost is more than 2 percent of payroll. Ninety-five percent of VBR members offer either "Gold" or "Platinum" insurance plans—that is, plans where the insurer covers, respectively, at least 80 percent or at least 90 percent of the policy holder's average annual health care expenditures.

Vermont is still in the early stages of reforming its health care system, so at this point there is nothing to compare with what VBR members are now paying or with the coverage they are now providing to their employees. Although legislation was enacted in the spring of 2011 to move Vermont toward a single-payer health care system with universal coverage for all residents, decisions about how to fund this new system are still a couple of years away. To help shape those decisions, this VBR study can provide policy makers with real world information about the cost and quality of health insurance offered by an important segment of Vermont's business community.

About 80 percent of VBR members participated in the survey, and almost two-thirds provided enough detailed information to make comparisons with other companies. The participants represented a good cross section of the full VBR members in terms of size, location, and industry.



I. Introduction and Background

Vermont Business Roundtable (VBR) has been active in Vermont's health care reform discussions for decades. As the Legislature and the governor develop the components of health care reform according to the blueprint provided in Act 48 of 2011, VBR wants to bring the knowledge and experience of its members to this discussion. It also wants to bring hard data to the table. At this early stage of the health care reform debate, VBR decided to survey its members to learn what they are currently doing to provide health insurance coverage for their employees. The hope is that this information will be useful to policy makers as they weigh the myriad reform options.

In September 2011, VBR contracted with Public Assets Institute to assist with the development of the survey and the analysis and reporting of the results. The survey was conducted during October, November, and December 2011. This report contains the results of that survey, including information about the amount member businesses spend on health insurance in total and as a percentage of total payroll; the percentage of their employees that are covered; employees' cost for coverage as a percentage of total payroll; and the value of the insurance plans that are offered.

This is the first time that this basic information has been collected. It provides a baseline of data from an important segment of Vermont employers, including some of the state's largest private sector companies, which can be used to evaluate the impacts of various health care reform proposals as they surface over the next several years.

Vermont Health Care Reform

Peter Shumlin ran for governor and won in 2010 on a campaign platform that included enactment of a single-payer health care system as a key plank. In 2011, the Legislature passed and the governor signed Act 48, which:

1. Creates the Green Mountain Care Board with responsibilities for health care cost containment and for most aspects of health policy;
2. Establishes the Vermont Health Benefit Exchange that it is slated to be operational by January 2014. Such an exchange is required by the federal Affordable Care Act of 2010; and
3. Sets up the process for development of Green Mountain Care to begin single-payer coverage in 2017.

The Legislature is scheduled to finalize the structure for the Vermont Health Benefit Exchange during the 2012 session and to decide about funding for Green Mountain Care in 2014.

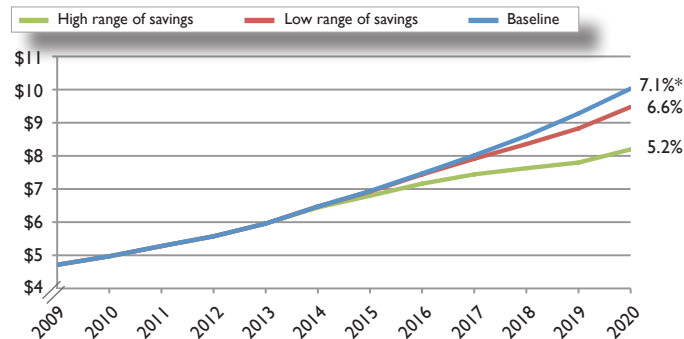
Health care expenditures provide a starting point for determining the amount of money the health care financing system will need to raise. Fortunately, the state has been monitoring health care expenditures in Vermont since the Health Care Authority was established in 1992. Now part of



FIGURE 1

Health Care Expenditures Set to Double This Decade

In billions



*Compound average annual growth rates

Data sources: Joint Fiscal Office; BISHCA

the Department of Banking, Insurance, Securities and Health Care Administration (BISHCA), the re-named Health Care Administration publishes annual reports on health care expenditures.

According to recent projections by the Legislature's Joint Fiscal Office and BISHCA, baseline statewide health care expenditures on behalf of Vermont residents were approximately \$5 billion in 2010 (Fig. 1). Without any new cost reduction efforts, these expenditures are projected to reach \$10 billion by 2020. Cost containment is an important part of Act 48, but even the most optimistic savings projections would put the 2020 cost at over \$8 billion.

Vermont is still in the early stages of health care reform, however. The Green Mountain Care Board is concentrating first on ways to revise the system for paying doctors, hospitals, and other providers for the services they deliver. It's widely agreed that the unsustainable growth in health care expenditures cannot be slowed with the current fee-for-service system, where providers are paid for each procedure performed. Governor Shumlin has said that Vermont will not move forward with a new financing system until it has an effective way to control costs.

Assuming policy makers clear the cost-containment hurdle, one of their key challenges will be to come up with a health care financing plan that a majority of Vermonters can accept. This survey has provided VBR with data that can help inform the public debate about the financing options.

The Survey

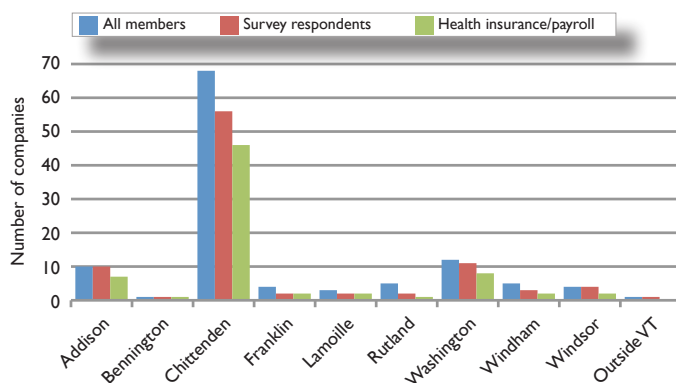
The survey was designed to gather specific health insurance coverage and cost information from as many VBR members as possible. Participation was voluntary, so there was some risk of bias as a result of self-selection if too few member businesses responded. The target was at least 80 completed surveys from among the 113 companies that were VBR members at the time of the survey.

Ninety-two of the members responded and answered most or all of the questions. Of those, 71 provided payroll and health insurance data so we could calculate employer and employee health insurance cost as a percentage of payroll. Sixty-one members provided enough detail about their health insurance plans to allow us to estimate an actuarial value for the plans.

The size, company location by county, and industry sector of the companies that responded to the survey all represent a good cross-section of the overall membership (Figs. 2-4). Based on these participation rates, the overall results of this study have a margin of error of plus or minus 4.5 percent, and the health insurance coverage results have a margin of error of plus or minus 7 percent.



FIGURE 2

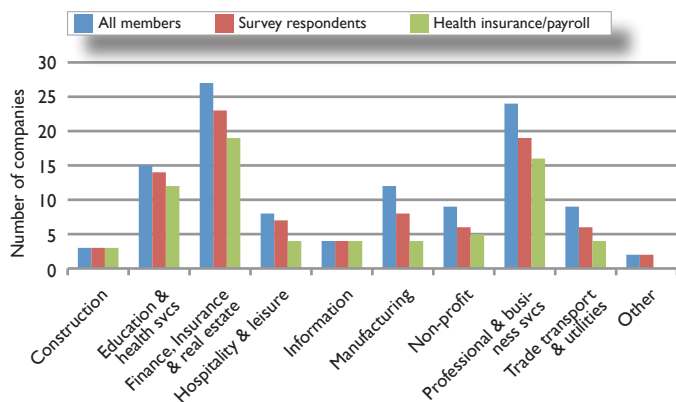
Survey Participation by Company Location

The 92 companies that took part in the survey employ just under 35,000 people, which represent about 11 percent of Vermont's total non-farm employment. These 92 companies provide health insurance coverage for just over 17,000 employees—about 70 percent of the employees eligible for coverage under the plans the companies offer.

II. Survey Results: Data**Employers' Costs**

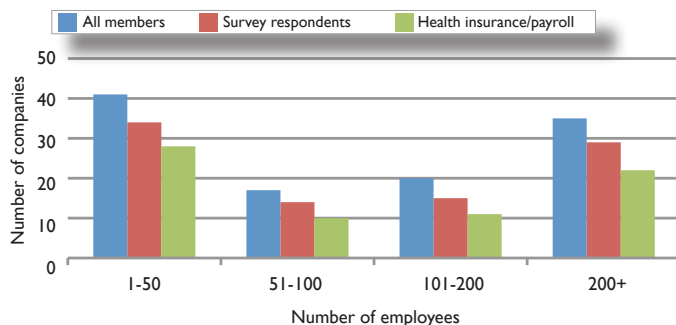
Among the 71 companies that provided both payroll and health insurance information, the employer's cost of health insurance varied widely—from 1.5 percent of payroll to 26 percent of payroll with an average of 12.5 percent. As a group, the employers who participated in the survey spent about \$177 million in the most recent fiscal year on health insurance premiums. Even excluding the outliers at the top and bottom, costs varied from 4 percent of payroll at the 5th percentile to 22 percent at the 95th percentile.

FIGURE 3

Survey Participation by Industry

Looking at companies without regard to size, the range of costs is fairly well distributed (**Fig. 5**). The bulk of the companies (62 percent) are in the middle, with costs ranging from 5 to 15 percent of payroll. The median employer cost—the point at which half of the companies have lower costs and half have higher—was 10.1 percent of payroll.

FIGURE 4

Survey Participation by Company Size

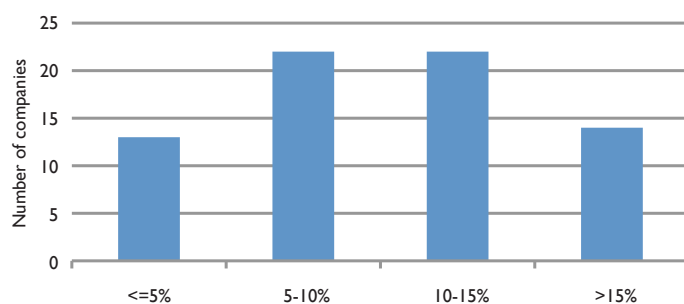
However, the picture is different when looking at costs by company size. While half of the companies have costs less than 10.1 percent of payroll, they represent a small percentage of employees receiving health insurance coverage. The large majority of employees work for companies where the employer's share of health



FIGURE 5

Employer's Health Cost as a Percentage of Payroll

Distribution of companies



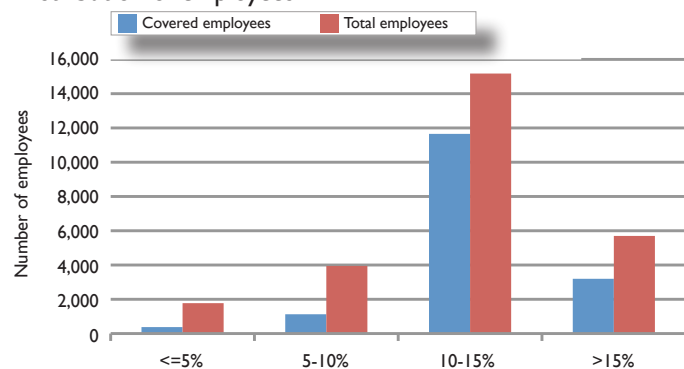
insurance costs is greater than 10 percent of payroll: 57 percent work for companies where the employer's cost is between 10 and 15 percent of payroll, and another 21 percent work at companies where the cost is greater than 15 percent of payroll (**Fig. 6**).

Approximately half of the VBR employees work for companies where the employer's cost is 10.7 percent of payroll or less, and about half work for companies where the employer's cost is greater than 10.7 percent.

FIGURE 6

Employer's Health Cost as a Percentage of Payroll

Distribution of employees



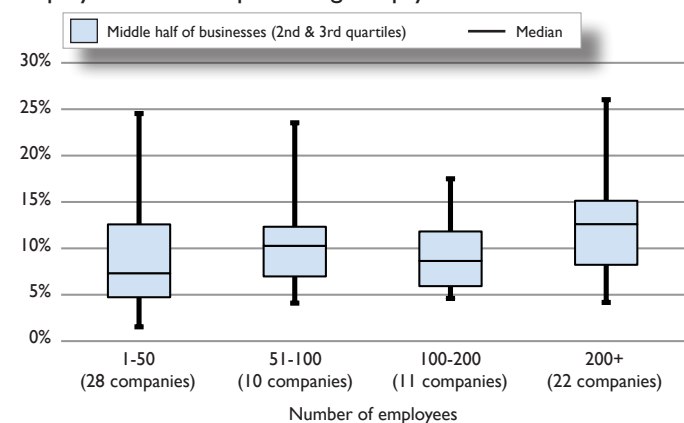
Twenty percent of the companies that provided health insurance information (14 of 71) reported they were self-insured, meaning that they assume full financial responsibility for health care claims of their covered employees. All of the self-insured companies reported that their health insurance costs were greater than 10 percent of payroll.

Costs ranged widely for companies in all size categories (**Fig. 7**). For the smallest companies, with 50 or fewer employees, the costs varied from a low of 1.5 percent to a high of nearly 25 percent. But the middle half of the companies in the category had costs between about 5 percent of payroll and 13 percent. The median employer's cost for the smallest companies was 7.3 percent of payroll. For the largest companies, with more than 200 employees, the costs ranged from a low of 4 percent of payroll to more than 25 percent. Half of the largest companies have costs between about 8 percent and 15 percent of payroll, with the median employer's cost at 12.6 percent of payroll.

FIGURE 7

Health Insurance Cost by Company Size

Employer's cost as a percentage of payroll

**Employees' Costs**

Eighty-two companies provided salary information on their full-time and part-time



employees. These companies reported employing almost 30,000 people—about 75 percent full time and 25 percent part time. More than 70 percent of the full-time employees are paid between \$25,000 and \$75,000 a year (**Fig. 8**). The bulk of the part-time employees earned less than \$25,000 year.

Just over a third of part-time employees (35 percent) were eligible for health insurance coverage, and half of those eligible employees—almost 1,400 people—were covered. All full-time employees were eligible for health insurance coverage, and 72 percent of those eligible were enrolled in a company plan.

Five companies reported that they cover the full cost of health insurance premiums for their employees. Among the companies that provided health insurance information, the employees' share of health insurance ranged from nothing to almost 6 percent of payroll. Six in 10 employees (60 percent) work for companies where the employees' cost is between 2 and 3 percent of payroll, and 30 percent are at companies where the employees' cost is more than 3 percent of payroll. Just under 10 percent of employees worked for companies where the employees' cost is less than 2 percent of payroll (**Fig. 9**).

The employee costs are in the aggregate, which will help VBR members assess health care reform plans that recommend an employee payroll tax. However, the effect of reform on individual employees will vary widely according to each person's specific situation.

Costs as a percentage of payroll do shed light on how VBR members share health insurance premiums with their employees.

For example, at a company where the employer's cost is 10 percent of payroll and the employees' cost is 2.5 percent, the average split of insurance premiums is 80 percent from the employer and 20 percent from the employee. Again, the ratio for individual employees will vary. Depending on company policy, an employee with a two-person or family plan may pay a greater share than the company average.

About a third of the companies (32 percent) reported offering incentives to employees who choose not to enroll in the company health insurance plan. Those companies, on average, had about the same percentage of employees enrolled in their plans as the companies that did not offer such an incentive: 77 percent enrollment of eligible employees for companies offering the incentive and 73 percent enrollment for those that did not.

FIGURE 8

Salary Range for Employees

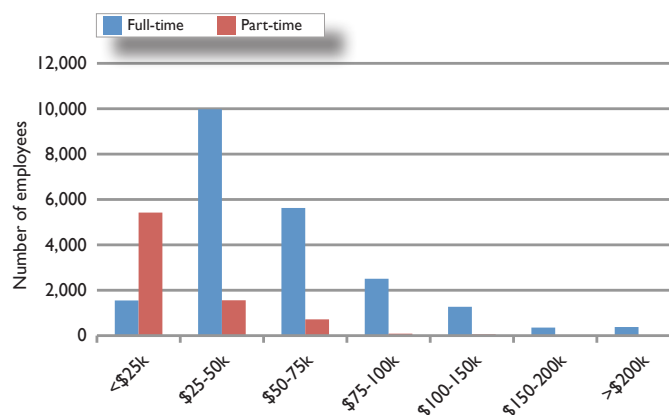
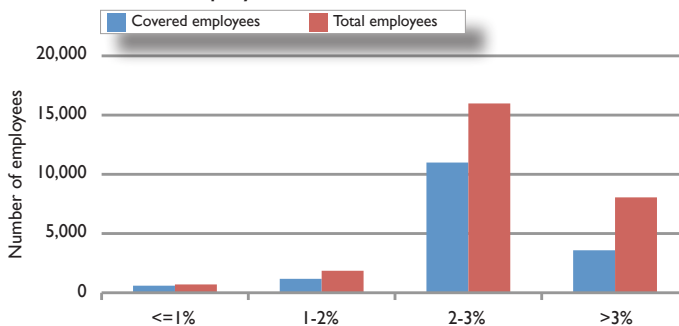


FIGURE 9

Employees' Health Cost as a Percentage of Payroll

Distribution of employees



About 40 percent of the companies contributed to health club memberships or other wellness plans for their employees.

As might be expected, there was some correlation between the percentage of employees enrolled in the company health plan and the employer's cost as a percentage of total payroll. Generally speaking, the greater the percentage of employees enrolled, the higher the cost as a percentage of payroll. However, the correlation was relatively weak, with costs ranging widely regardless of enrollment (**Fig. 10**).

Health Insurance Plans

Cost is half of the equation in evaluating health insurance coverage. The other half is what employers and employees are getting for their money. The myriad combination of deductibles, co-payments, premiums, and exclusions can make it difficult to compare plans.

However, there is a rating system that determines the average cost of health care services borne by the insurer and the policy holder. This “actuarial value” is typically expressed as the percentage of cost paid by the insurer. For a plan with an 85 percent actuarial value, for example, the insurer would cover an average of 85 percent of the annual costs of medical care provided to the policy holder. In this case the policy holder's share, including deductibles, coinsurance, and co-payments on average, would be 15 percent.

The Affordable Care Act passed by Congress in 2010 established a four-tiered rating system for health care plans to be offered through a system of health care exchanges, which the states are setting up by 2014. The four categories of plans offered through the exchanges are:

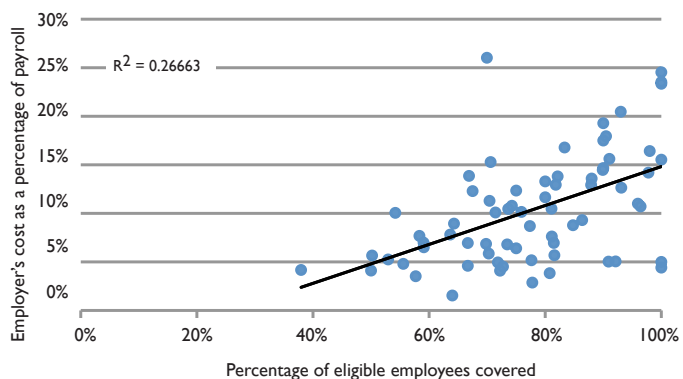
- Bronze—actuarial value of at least 60 percent.
- Silver—actuarial value of at least 70.
- Gold—actuarial value of at least 80.
- Platinum—actuarial value of at least 90.

The plans identified by survey participants were assessed and an actuarial value was assigned. Based on these values the plans were labeled using the Affordable Care Act convention. The method for determining the actuarial values in this report does not have the precision of a more complex process based on a large number of actual claims. However, these estimates should be within 5 to 7 percent of the values generated from claims data.

There was adequate information to rate 92 health plans provided by 61 different companies. Most plans fell into the top two categories. Eleven percent of the plans offered were either silver or bronze, and one plan—a health savings account—had an actuarial value below the minimum for a bronze plan.

FIGURE 10

Enrollment is Not a Strong Predictor of Cost



Ninety-five percent of all of analyzed companies offered either gold or platinum plans, and all of the self-insured companies offered health insurance plans in the top two categories (**Fig. 11**). Among the 61 companies that provided health plan information, 99 percent of their covered employees were either in a gold or platinum plan.

As with enrollment, there was some correlation between the actuarial value of the health insurance plan offered and the employer's cost—richer plans were associated with higher cost as a percentage of payroll (**Fig. 12**). However, the correlation was weak—even weaker than the correlation between the percentage of employees enrolled and employer's cost.

The weighted average of the actuarial value of the plans offered by VBR members was 92 percent, which would be a platinum plan. For comparison, the plan that covers about 90 percent of state employees is also a platinum plan. The state is self-insured, and 87 percent of eligible employees are enrolled in the state plan compared to 72 percent of the eligible employees of VBR members. The cost to the state for its share of health insurance premiums is 18.7 percent of payroll (**Fig. 13**). The cost for employees is 4.7 percent of payroll. The premiums for the state plan are not any higher than the premiums for comparable VBR member plans. The relatively higher cost to the state, as a percentage of payroll, is due in part to higher enrollment. It may also be a function of salaries paid: public employees typically earn less than their counterparts in the private sector.

FIGURE 11

Richness of Plans Offered

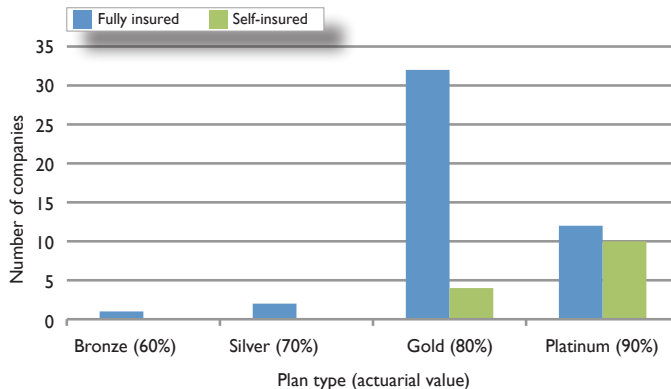


FIGURE 12

Actuarial Value is a Weak Predictor of Cost

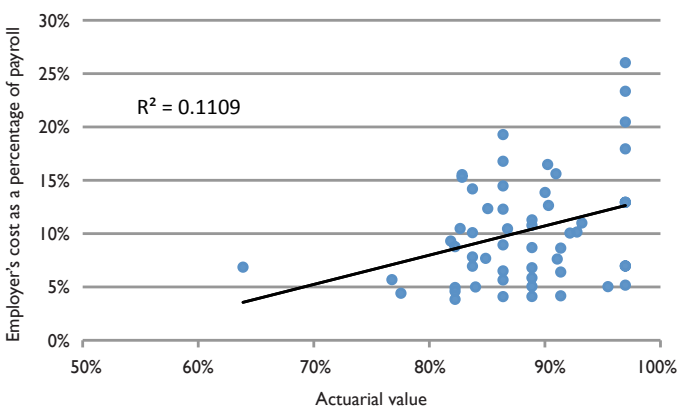


FIGURE 13

Health Insurance Costs*

State employees vs. VBR members



*The actuarial values of the State employees' plan and the weighted average of VBR member plans are both platinum.

Data source: Vermont Department of Human Resources; VBR Survey



III. Survey Results: Opinions

In addition to providing data about the coverage and cost of their health insurance plans, survey participants answered questions about their views on the current state of health care and health care reform. Their responses follow:

1. To what extent is it important to your company to provide employee health insurance coverage as a matter of principle or employer philosophy? (81 responses).

- a. Most important—34.*
- b. Very important—36.*
- c. Important—11.*
- d. Somewhat important—0*
- e. Not at all important—0*

2. Among all of the benefits your company offers, including wages, how important is health insurance to your ability to recruit and retain employees? (82 responses).

- a. Most important—16.*
- b. Very important—56.*
- c. Important—8.*
- d. Somewhat important—2*
- e. Not at all important—0*

3. In deciding to be self-insured, how important were financial considerations? (18 responses).

- a. Most important—12.*
- b. Very important—5.*
- c. Important—1.*
- d. Somewhat important—0*
- e. Not at all important—0*

4. In deciding to be self-insured, how important was avoiding state mandates? (16 responses).

- a. Most important—1.*
- b. Very important—1.*
- c. Important—3.*
- d. Somewhat important—1*
- e. Not at all important—10*



5. *To what extent is the continuing increase in cost of providing employee health care insurance a concern to your company? (81 responses).*

- a. Major concern—64.*
- b. Moderate concern—16.*
- c. Minor concern—1.*
- d. No concern at all—0*

6. *Thinking about the state's long-term health reform efforts and the possibility of having the health care system funded in part with a payroll tax, what effect do you think reform will have on where your company will locate employees in the future? Would you say your company is... (83 responses).*

- a. Much more likely to move employees to offices in other states—5.*
- b. Somewhat more likely to move employees to offices in other states—6 .*
- c. No effect either way—30.*
- d. Somewhat more likely to move employees from offices in other states to Vermont—1.*
- e. Much more likely to move employees from offices in other states to Vermont—0.*
- f. N/A: No offices outside of Vermont—30.*
- g. Not sure—11.*

7. *In exchange for giving up your current coverage, which of the following options would you support? (Please check all that apply.) (21 responses).*

- a. Less expensive than my current plan, less comprehensive benefits—2.*
- b. Less expensive than my current plan, but comparable or better benefits—16.*
- c. More expensive than my current plan, but better benefits—3.*
- d. Other—0.*



IV. Using the Survey Results

Vermont is still a few years away from developing a new health care finance system. The first step in the current reform effort is to slow the growth in annual health care expenditures by changing the way doctors, hospitals, and other health care providers are compensated for the services they perform. Although one of the goals of the reform effort is to sever the link between health insurance and employment, it is widely assumed that the new system will rely on some form of payroll tax—on employers, employees, or both—to replace existing insurance premiums.

With that assumption in mind, this study was designed to look at health insurance costs as a percentage of total payroll for both VBR employers and their employees. The current costs described in this study, therefore, should allow direct comparison to payroll taxes that might be proposed by the Green Mountain Care Board or the Legislature.

Because there are no reform plans yet, this report avoids any speculation about the rate or design of a possible payroll tax, what VBR members' health insurance costs might be if they had to pay to cover all of their employees, or how VBR members might fare under Green Mountain Care. In a report to the Legislature in February 2011, a team headed by Dr. William Hsiao described an example of a public-private single-payer health care system that included an 9.4 percent payroll tax on employers and a 3.1 percent payroll tax on employees.¹ That is one potential reference point, but it is simply too early in the process to attach much significance to those rates. This survey and analysis were not designed to compare current costs to the Hsiao report. Instead, this study is meant to provide a benchmark that can be used to assess actual proposals as they emerge.

There are several factors that affect employers' costs as a percentage of total payroll: the quality of the health plan; the number of employees covered; the number of single, two-person, or family plans; wages and salaries paid to employees; and the health of the employees as a group. Of these, the overall health of the group being insured has the greatest influence on health insurance cost, but gathering information about the health status of employees was beyond the scope of this analysis. The other factors have some effect on costs, but as this study reveals, costs as a percentage of total payroll can still vary widely for companies with similar health insurance plans or that cover the same percentage of their employees.

For example, if two companies are identical in all other respects but one has higher average salaries than the other, the costs for the company with the larger salaries will be lower by the measure used in this analysis. But the purpose of this study was to provide VBR members with information to allow them to compare their current costs with new reform proposals. The costs reported in this study are for all employees, not just covered employees. So a company that reported health insurance costs at 10 percent of payroll—regardless of the number of employees covered—would see no change in their costs if the reform plan replaced existing employer-paid insurance premiums with a 10 percent payroll tax on employers.

Assessing the impact of reform on individual employees will be more complicated. For example, for a company's employees who as a group pay 3 percent of total payroll for their health insurance, a 3 percent employee payroll tax that replaced health insurance premiums would on average create no change. However, individual employees within that average may be in different situations. Some

1 William Hsiao et al, "Act 128 Health System Reform Design," p. 151, Option 3



may be covered through a spouse's insurance plan, so they would see an increase with a 3 percent employee payroll tax. Conversely, some may be paying for a two-person or family plan now, and a 3 percent employee payroll tax might mean a decrease.

There are other implications of health care reform that are beyond the scope of this study and not addressed here. For example, the federal Employee Retirement Income Security Act (ERISA) is commonly understood to restrict state regulation of self-insured company health plans, but it is not clear yet what bearing ERISA may have on Vermont's reform plans. This survey did ask self-insured companies why they had chosen that option. The question affected only 20 companies, so their responses should be viewed as anecdotal and not representative. However, 12 companies said financial considerations were the most important factor in their decision and only one said "avoiding state mandates" was most important.

The survey did not have any questions related to Workers' Compensation, although this is an issue that VBR will want to track in the coming months. Universal health care coverage may obviate the need for a separate insurance system for injured workers. However, the Workers' Compensation system also deals with wage replacement.

While the survey did not include questions that relate directly to economic development issues, employer health care costs are clearly a significant payroll expense for the companies that participated in the survey. This should be useful information to policy makers as they consider the implications, including the economic development implications, of various reform options.

V. How the Survey was Done

Information for this study was collected through an online survey program, QuestionPro. Questions were developed by members of VBR's Health Care Working Group and VBR President Lisa Ventriss. The structure of the survey and the wording of the questions were reviewed and revised by Public Assets Institute with the help of Steven Kappel of Policy Integrity and Brian Robertson of Marketing Decisions. Although the original plan called for VBR to conduct the survey and gather the data, VBR and Public Assets later agreed it made more sense for Public Assets to develop the survey tool and be responsible for collecting and compiling the responses.

Because VBR is a relatively small but diverse organization, it was decided to survey as many members as possible rather than try to devise a random sample. VBR reported good participation with previous online surveys, although it was understood from the outset that this survey would require a lot of detailed information from members in order to be useful. There was a risk of bias in the results if too few member businesses took part or a specific subgroup of businesses failed to respond. Thanks to a series of follow-up phone calls from the VBR staff, 92 companies took part in the survey, with 71 companies providing health insurance and payroll data. Based on these response rates, the overall margin of error for the survey results is plus or minus 4.5 percent, and plus or minus 7 percent for the specific health insurance responses.

VBR staff assigned a confidential identification number to each member company, which was used any time a company representative logged on to answer survey questions. To maintain confidentiality of the data, Public Assets was never given information that would link the ID numbers to the names of individual companies, and VBR staff never had access to the raw data associated with the ID numbers.



In some cases, companies filled out two or three or even five partial surveys in order to complete all of the questions. The confidential ID number made it possible to compile the partial responses into a single record for each company. A few companies answered some or all of the questions by email or fax to the VBR, and VBR forwarded the information to Public Assets using the confidential ID numbers.

At the start of the project, VBR provided Public Assets with a roster of all VBR members that included ID number, county, industry, number of employees, and annual revenues for each member. The roster did not include company names. Where survey participants did not provide information—for example, number of employees—information from the roster was substituted.

The survey began Oct. 14, 2011 and ended Dec. 16, 2011.

In a couple of instances where there were obvious typographical errors in the survey responses, corrections were imputed from other data collected in the survey. There were also a few minor discrepancies that could not be reconciled. For example, the reported total of full-time employees eligible for insurance coverage was greater than the reported number of full-time employees. The difference, however, was less than 1 percent.

Estimation of actuarial value is a complex process, usually based on re-adjudication of a large number of claims under different benefit plans. In this report, we took a much simpler approach to create rough estimates. We analyzed the premiums, copayments, coinsurance, deductibles, and prescription benefits reported by the survey respondents and applied each benefit plan to a standard cost distribution (e.g. 10 percent of the population accounts for 65 percent of all costs). This distribution comes from the national Medical Expenditure Panel Survey (MEPS), conducted by the federal Agency for Healthcare Research and Quality. Although these estimates are not as precise as those generated from claims data, they should be within 5 to 7 percent.

VI. The Project Team

Public Assets assembled a team of experts to assist VBR with this survey project.

Public Assets' Senior Analyst Jack Hoffman was the principal analyst and project coordinator. Jack has more than 30 years of fiscal policy research and analysis experience as a Vermont reporter, capital bureau chief, editorial writer, and columnist prior to joining Public Assets Institute in 2007. He regularly researches and authors reports on state economic and fiscal issues for Public Assets.

Steven Kappel of Policy Integrity LLC of Montpelier provided expert assistance with development of the survey, analysis of the results, and calculation of actuarial values of the various benefit plans. Policy Integrity specializes in the development and evaluation of health policy. It uses data, research, critical thinking, and communication to help clients make informed decisions and develop sound policy options.

Brian Robertson, the Research Director of Marketing Decisions of Portland, Maine, provided expert assistance on the wording and structure of the survey for this project. He has over 20 years of hands-on research experience with survey design and analysis, including Vermont experience with health care surveys for BISHCA.



VII. Appendices

Appendix A: Changes Made or Anticipated to Health Care Benefits

In the survey, respondents were asked to indicate changes they had made to their health care benefits in the past three years or changes they anticipated making in the next three years. Respondents selected from a prepared list. Below are the aggregated responses to each of the questions.

	Past 3 Years	Next 3 Years
Addition of medical coverage for the first time	4	-
Elimination of all medical coverage	-	-
Elimination of retiree medical coverage	2	2
Change of health insurance carriers	26	23
Addition of health insurance for employee family members	4	1
Elimination of health insurance for employee family members	-	1
Addition of consumer directed health plans	13	7
More medical plan options	10	7
Fewer medical plan options	4	4
Increase in employer's share of premiums	18	11
Decrease in employer's share of premiums	10	22
Increase in deductibles, co-payments, or co-insurance	34	28
Decrease in deductibles, co-payments, or co-insurance	2	1
Coverage for part-time employees	1	-
Coverage for seasonal employees	-	-
Elimination of coverage for part-time employees	1	1
Elimination of coverage for seasonal employees	-	-
Addition of wellness programs	21	21
Elimination of wellness programs	4	-
Relocation of employees out of state	1	2
Relocation of employees to Vermont	5	3
Other	-	-



Appendix B: Distribution of Respondents by County, Size, and Industry

Geographic Distribution	All VBR Members	Responded to Survey		Insurance & Payroll Info
		Yes	No	
Addison	10	10	0	7
Bennington	1	1	0	1
Caledonia	0	0	0	0
Chittenden	68	56	12	46
Essex	0	0	0	0
Franklin	4	2	2	2
Grand Isle	0	0	0	0
Lamoille	3	2	1	2
Orange	0	0	0	0
Orleans	0	0	0	0
Rutland	5	2	3	1
Washington	12	11	1	8
Windham	5	3	2	2
Windsor	4	4	0	2
Outside Vt.	1	1	0	0
Total	113	92	21	71
Number of Employees				
<= 10	10	7	3	5
< 10 and <= 25	14	12	2	10
< 25 and <= 50	17	15	2	13
< 50 and <= 100	17	14	3	10
< 100 and <= 200	20	15	5	11
< 200 and <= 500	16	12	4	8
< 500 and <= 1000	10	8	2	8
< 1000 and <= 5000	8	8	0	5
>5000	1	1	0	1
Total	113	92	21	71
Payroll				
<= \$500k	6	6	0	5
> \$500k and <= \$1M	6	6	0	6
> \$1M and <= \$2M	11	11	0	10
> \$2M and <= \$5M	20	20	0	18
> \$5M and <= \$7.5M	7	7	0	5
> \$7.5M and <= \$10M	7	7	0	6
> \$10M and <= \$25M	13	13	0	12
> \$25M	11	11	0	9
No information	32	11	21	0
Total	113	92	21	71
Industry				
Construction	3	3	0	3
Education & health svcs	15	14	1	12
Finance, insurance, real estate	27	23	4	19
Hospitality & leisure	8	7	1	4
Information	4	4	0	4
Manufacturing	12	8	4	4
Non-profit	9	6	3	5
Professional & business svcs	24	19	5	16
Trade, transport., utilities	9	6	3	4
Other	2	2	0	0
Total	113	92	21	71



Appendix C: Rating of Health Insurance Plans by Confidential ID

Confidential ID	Plan Name	Estimated Actuarial Value	Plan Rating
005	CBA Blue	90%	Platinum
006	BCBS Blue Care	87%	Gold
006	BCBS Blue Care	80%	Gold
007	BCBS200	90%	Platinum
007	BCBS500	87%	Gold
009	BCBS Bluecare/HMO with HRA	84%	Gold
011	CDHP	83%	Gold
013	MVP	97%	Platinum
014	BCBS PPO/EPO	81%	Gold
015	OAP Single	91%	Platinum
015	HDHP Single	81%	Gold
016	BCBS HSA	84%	Gold
020	MVP Healthcare EPO	89%	Gold
020	MVP Healthcare HSA	78%	Silver
021	MVP HDHP - Single	82%	Gold
021	MVP HDHP - 2 Per/Family	67%	Bronze
022	MVP	91%	Platinum
023	BCBS Freedom Plan	89%	Gold
023	BCBS High Deductible Plan	85%	Gold
024	BlueCare HMO	97%	Platinum
024	CDHP Blue	85%	Gold
024	VT Freedom	80%	Gold
024	CDHP BlueCare	84%	Gold
025	MVP 500	89%	Gold
025	MVP 1000	85%	Gold
026	VACE Cigna	64%	Bronze
028	Preferred	93%	Platinum
028	Preferred Plus	92%	Platinum
028	Out of network	86%	Gold
029	MVP	82%	Gold
030	MVP High Deduct	89%	Gold
030	MVP High Deduct HSA	82%	Gold
031	BC/BS Massachusetts	78%	Silver
032	BCBS Blue Care HSA	86%	Gold
034	CIGNA 2450 HSA	77%	Silver
035	MVP EPO	97%	Platinum
036	CIGNA PPO - 1 Person	93%	Platinum
037	BCBS	84%	Gold
039	Cigna Open Access - Single	89%	Gold
044	MVP - HSA	82%	Gold
048	CIGNA OAP#1	86%	Gold
048	CIGNA OAP #2	81%	Gold
049	HDHP	83%	Gold
051	BCBS Blue Care 1-person	85%	Gold
052	BCBS Freedom Plan	89%	Gold
053	Aetna Choice POSII Enhanced	92%	Platinum
053	Aetna Choice POSII Basic	88%	Gold
054	MVP	82%	Gold
057	BC/BS BlueCare HMO	86%	Gold
057	BC/BS CDHP Blue (HSA)	70%	Silver
058	MVP PPO	89%	Gold
060	HSA Bluecare	86%	Gold
061	BCBS BlueCare-Single	86%	Gold



Confidential	Plan Name	Estimated	Plan
ID		Actuarial Value	Rating
062	BCBSVFP	83%	Gold
066	MVP HealthCare	82%	Gold
068	MVP-EPO HDHP	82%	Gold
071	cigna hsa 2450	84%	Gold
073	BCBS PPO Plan	90%	Platinum
073	BCBS HDHP	85%	Gold
074	BC/BS ofVT w/ RX Rider	84%	Gold
075	BCBS Blue Care	86%	Gold
078	BCBS	86%	Gold
079	Blue Cross Blue Shield Option I	95%	Platinum
079	Blue Cross Blue Shield Option I4	84%	Gold
083	NNEBT	97%	Platinum
084	BCBS	91%	Platinum
087	Cigna PPO	97%	Platinum
087	Cigna HEP	90%	Platinum
092	CDHP BlueCare: Wellness	86%	Gold
092	BlueCare: Wellness	88%	Gold
092	BlueCare: Basic	88%	Gold
093	BC Network Blue NE	97%	Platinum
094	CIGNA OAP	93%	Platinum
094	CIGNA HDHP	87%	Gold
096	HMO	97%	Platinum
096	\$400 OAP	87%	Gold
096	HDHP	81%	Gold
096	\$1000 OAP	83%	Gold
096	\$2500 OAP	72%	Silver
098	MVP EPO	97%	Platinum
098	MVP PPO	86%	Gold
099	BCBS Freedom	91%	Platinum
099	BCBS HD/HSA	89%	Gold
102	BCBS HSA Blue	85%	Gold
102	BCBS HSA Blue Care	84%	Gold
102	BCBS HSA Blue Care	78%	Silver
103	cigna	91%	Platinum
104	CIGNA POS	97%	Platinum
105	MVP PPO I5	89%	Gold
110	CIGNA Network	89%	Gold
110	CIGNA HSA	57%	Low
112	Cigna HRA	87%	Gold



Appendix D: Employer and Employee Health Insurance Costs by Confidential ID

Confidential ID	Employer's Cost (% of Payroll)	Employees' Cost (% of Payroll)
005	16.5%	4.2%
006	10.5%	0.6%
007	13.9%	2.6%
009	7.8%	1.7%
011	15.3%	4.2%
013	7.0%	0.0%
015	7.6%	2.9%
016	6.9%	na
020	4.1%	0.3%
021	4.9%	2.1%
022	6.4%	1.5%
023	5.1%	1.3%
024	12.9%	0.0%
025	6.8%	2.4%
026	6.9%	4.6%
028	10.2%	2.9%
029	1.5%	1.5%
030	5.9%	2.1%
031	4.4%	4.4%
032	4.1%	1.9%
034	5.7%	2.0%
035	7.0%	2.3%
036	11.0%	1.5%
037	10.1%	13.3%
040	4.5%	2.2%
044	9.3%	1.8%
048	12.3%	3.8%
049	15.5%	2.5%
051	7.7%	5.6%
052	8.7%	2.1%
053	10.1%	2.1%
054	8.8%	2.2%
057	6.5%	2.7%
060	8.9%	3.5%
061	16.8%	3.9%
062	10.5%	2.8%
066	4.6%	3.0%
068	3.8%	0.0%
070	13.6%	2.5%
071	5.0%	0.0%
073	12.6%	2.0%
074	14.2%	4.1%
075	19.3%	3.5%
078	5.7%	1.8%
079	5.0%	2.8%
083	23.3%	1.3%
084	4.2%	4.2%
086	16.4%	0.3%
087	20.5%	3.7%
092	14.5%	0.4%
093	26.0%	3.2%
096	12.9%	3.1%
098	5.2%	3.2%
099	8.6%	4.1%
102	12.3%	1.1%
103	15.6%	2.7%
104	17.9%	2.2%
105	10.8%	3.9%
110	11.3%	2.8%



Appendix E: Respondents' Comments and Clarifications

Survey respondents were provided an opportunity to clarify answers or to comment on the survey or health care reform in general. The comments and clarifications, which have been edited to remove any identifying information, are provided anonymously below.

COMMENTS

A. Survey respondents were invited to offer comments on specific questions or the survey as a whole.

- As a small start-up business still, the company is not big enough yet to offer health care plans. If it was, I would want to provide this benefit.
- Having a choice as to whether we participate in the state plan is very important.
- I am distressed at the State's plan for 'single payer' without any real study of the costs and impact. There is no federal waiver. Are we living in a fantasy world? Can we let large employers opt out? Does our economy of scale make this realistic?
- Because we believe strongly that our employees are our greatest asset and they should be treated with 100% health care coverage for them and their families because health care is a basic Human Right - but costs are held hostage by the insurance companies because they have 30% costs (lobbying, marketing, advertising, admin costs) not related at all to health care...by removing the insurance companies and putting the insured closer to their doctors health care will be improved and costs will be controlled and we can take any savings in health care expenditures and give our employees more raises, bonuses, and hire new people.
- Are bonuses & commissions subject to the employers taxes? Employees who are married where both in couple are working - will BOTH workers be subject to payroll tax? Currently it is ONLY the person carrying the benefits that is impacted. Could be double taxation (meaning LESS net income for FAMILY) if you will start to tax BOTH married people.
- In exchange for giving up your current coverage...?
- Less expensive than my current plan but comparable or better benefits.
- I would much prefer not to have the responsibility for choosing and offering health plans for my employees. It is an expense to me and a huge time suck. I would prefer to pay (even a little more than I now pay) in a broad-based tax and let the state handle the details.
- Not enough information on how it will affect business with an employee count of over 100.
- State plan as outlined in consultant's report will be very expensive for us and lead to a decrease in plan benefits for employees.

B. Survey respondents were also invited to offer suggestions for what the VBR should consider when developing its health care policy agenda.

- Reform effort must absolutely be costed out....assumptions evaluated carefully.
- Insist that the major insurance carriers exclude from their contracts physicians who adopt a concierge practice model (an arrangement whereby patients are required to pay an annual membership fee for the privilege of remaining a patient in that physician's practice). This practice is elitist, will add significantly to healthcare costs throughout the state and will lead to limited access to healthcare for those who cannot afford to pay this fee.



- Always offer constructive alternatives and have well-thought out reasons based on fact for opposition to proposals, whether it is policy or funding.
- We need to control costs. Consumers still need choices. Consumers need to know what services cost and be effected by it--not just their monthly fee. We still need to deliver above average care to our citizens.
- Government does not belong in private enterprise.
- How will the funding of the plan work for the unemployed, disabled, retirees and children?
- Will Vermont college students be taxed the 5% if working?
- What if there is a stay at home mom/dad – how is this funded?
- How will Vermont deal with multi-state employers?
- HR personnel spends time educating staff on how insurance works. Who will come educate our employee's on the different plans being offered by the State?
- We currently are allowed to go anywhere in the country/world for care that accepts our current insurance. How will the State address out-of-network benefits?
- How will prescription benefits work?
- Will self-insured companies be subject to the proposed tax?
- Is it over 100 or over 50 to opt out?
- Will there be credit for companies with wellness programs?
- Public policy should continue to support reforms that preserve the things that work well, make progress on things that do not, and ensure that Vermonters have continued access to the full continuum of health care services within the state, with only minor exceptions for the most specialized services (like heart and lung transplants). We believe this includes promoting the development of a more-integrated health care system and changing how we pay for health care to ensure that the most effective care is available in the right settings, while promoting the rational allocation of services around the state. Public policy should also recognize the positive economic impact of a vibrant health care delivery sector, and particularly the benefits to Vermont of having an academic medical center that employs large numbers of Vermonters at competitive wages, helps attract new business to the state, and supports the creation of new businesses through research and other grants.
- It's very difficult to imagine how many small businesses can afford to maintain their level of contribution to health care coverage with the constant significant increases in the premiums.
- We have limited in-state options for insurance providers. We need better competitive pricing and limit/cap annual percentage increases. How can employers manage lower costs/exposure without knowing how increases are determined each year?
- Universal Health Care....Single Payer - good for business!!
- We would support a health care system that would provide coverage to all Vermonters without increasing our health care related costs as an employer.
- Flexibility is key for smaller employers. We feel that it is vital to offer both health insurance and a wellness benefit to ensure a healthy workforce. This can be challenging - especially as costs of offering these benefits continue to rise and revenues are flat in some cases or are not rising as quickly to keep inline with the healthcare costs.
- All analysis to date has shown that the state plan, assuming the suggested payroll tax funding mechanism, will



cost the firm and our employees substantially more even in light of the fact that the firm currently pays all premium at all coverage levels for our PPO participants (which has the highest participation levels of our two plans) with no employee contribution. We also believe our current plan has richer benefits than will be provided under the state plan.

- Preventative care at no cost is the most critical issue. High deductible plans work for most employees if it is the major stuff that falls under the category but having the preventative is critical so that employees are proactive in their care and do not delay because of out of pocket costs.
- While we believe firmly that we are providing very good coverage at a reasonable cost to employees; it is very concerning to our management team that eligible employees choose to go without coverage because of the cost; adding to the uninsured pool. Cost/age demo is clearly the driver for these employees
- Focus on how much will this cost and work to get that number public before the next election. Shumlin will win reelection and I'll vote for him, but I do think the announcing what this costs after the election strategy smells of Bob Kiss not disclosing the problems with BTC during his campaign. Just not transparent. For there to be single payer, we need a lot of transparency.
- If an employer provides health insurance AND the state now wants a payroll tax, then the employer will have to weigh the health care premiums it pays plus the payroll tax to determine whether it can afford to continue to offer health insurance. The employer may be better off dropping health insurance and paying the payroll tax and letting employees enroll in the state plan.
- What's a better alternative? Status quo is unacceptable. What incentives/penalties can be used to promote individual responsibility for health?
- Employees and companies who already have good plans should not have to pay a payroll tax in addition to what is already provided to employees. Then companies will stop providing health plans if they are paying twice.
- Relative affordability analysis for both the employer and employees must be part of the decision making process.
- HMO's/Insurance play a major role in limiting fraud and abuse. How will the state plan address these issues?
- Vermont Resort businesses do not have the ability to relocate in order to minimize employer costs related to health insurance. Any changes in health care policy should aim to maintain or reduce employer costs related to health insurance and should equitably share health insurance costs with employees. As a seasonal business, Vermont resorts pay subsidies under the current Catamount initiative based upon full-time equivalent employees. This increases our overall expenditure for employee healthcare and should be considered, along with actual premiums paid on employer sponsored health insurance.
- Overall impact on the health of people in Vermont. If we can have a healthier population it will benefit all employers and be a positive for economic growth.
- Important for employers to have flexibility to be able to design plans that fit their specific employee needs without paying penalties.
- How will employees who work at other locations other than VT be affected or will they be included if the base of the company is in VT?



CLARIFICATIONS

- On the question concerning how much the employer and employee contribute to the premium - I could not answer as we use the employer/employee share is based on income - that is the higher the income - the more the employee pays - and vice versa.
- Regarding the question around giving up plans in exchange for state-provided coverage: We need more clear detail around administration, financing and functionality in order to answer that question.
- Giving up our current coverage would depend not only on the cost and benefits that would be substituted, but other variables (like whether all employers are offering identical coverage, or how competitive the substitute plan is offered by employers in neighboring states with whom we compete for workforce).
- In answering the first question in Section V, it's difficult to say that some of the changes listed are 'likely' to occur over the next three years, although many of the changes are possible. We may increase employee premium contributions and/or the deductible and coinsurance amounts. With so many preventive services being exempt from office visit co-pays, it's more likely we would increase premiums or coinsurance in the future. It's possible we may eliminate primary care office visit co-pays just to avoid the constant shuffling and re-reprogramming of what is exempt from co-payments. But we just don't know at this point in time.
- Regarding how many employees are eligible, there is a significant number of part time employees in a collective bargaining unit. We contribute a portion of their compensation to a Health & Welfare plan. From that, they can obtain coverage, but we don't know which employees do or don't.
- While a state plan funded by a payroll tax would not have an effect on us moving out of state, this is only because our business is specific to Vermont and as such we are captive here.
- To what extent is it important to your company to provide...? We view health insurance as a component of total compensation. We don't 'silo' it in any way.
- Thinking about the state's long-term health reform efforts...?
- Not sure, but concern certainly that employees lose what control they presently have. Not convinced state can operate some or all of present system efficiently. Realize Catamount & Medicaid systems currently run by State of VT.
- We have not made any of the changes listed in the survey to our health care benefits in the last 3 years, but we consider alternate carriers each year in an effort to keep the benefits good and the costs reasonable for all employees. Depending on how costs rise, we might be forced to reduce the Employer's share of premiums/deductibles. We might change carriers. We might offer a wellness benefit.
- To have an opinion on moving to a state plan one would need information regarding that plan.
- Regarding our likely decisions in the next 3 years concerning health insurance and related benefits, those are very difficult questions to answer without qualification because it depends on what happens with Vermont's reform efforts.
- The owners of the company do not have wages to report. They both have family health insurance, which is paid for by the company in full.
- We would assume that the only way to achieve 'Less expensive than my current plan, but comparable or better benefits' through economies of scale/administrative savings. IF there are savings, we would be very interested in expanding health care coverage to part time employees.
- Since all questions asked about Health Care, I have not included dental in my answers but dental is minor compared to Healthcare costs.



- As mentioned earlier, health insurance is money in a form other than money.
- I'm not philosophically opposed to single payer, but I'm highly dubious that it will a) be less expensive and b) Vermont will get a waiver from Congress.
- In the long run, VT is an expensive place to work, live and do business. The more expensive it gets, the fewer opportunities there will be and more this state will become the land of the under employed.
- Employee Share of health care premiums is based on salary bands. Currently the EE pays between 3% and 30% of the premium with highest paid EE's paying the 30%. What is present in the survey is the average EE cost over all pay bands
- Moving or relocating employees out of state is not an option for us.
- NNEBT refers to Northern New England Benefit Trust - this is the Union entity that we use for all our employee health and welfare benefits. It is for both union and non-union as is noted in one section.
- Employees will be contributing a larger percentage to their health care premiums during the next two years.
- EE contributions are tiered by salary level and coverage level. Cost share provided is for the lowest tier.
- There is currently not enough information available about the final form of the State plan.
- Only FTYR employees are eligible for our health insurance plans. The majority number of our employees are seasonal. Many of our employees currently participate in state Catamount and VHAP programs, including approx. 10% of our benefits eligible employees due to cost and qualification.
- We started a Wellness Initiative several years ago which we believe has made a difference in our claims. We are now looking at options to increase the options for employees with Wellness.
- Answer to question regarding health care coverage purchased or self-insured is actually 'both'.



Appendix F: Survey Questionnaire

SECTION I: SURVEY AND CONTACT INFORMATION

WELCOME TO THE VERMONT BUSINESS ROUNDTABLES 2011 HEALTH CARE SURVEY. This confidential survey will help the Roundtable prepare for upcoming policy conversations around next steps in the states health care reform movement. Please be assured that your participation is voluntary and information will be held in the strictest of confidence. No information that identifies companies or respondents will be released. All results will be in summary form. To complete this survey, please indicate your answer by checking the appropriate box or writing your answers in the spaces provided. If you would like to add any additional comments, there is space for you to do so at the end of the survey. Depending on the setup of your web browser, you may need to scroll down to get to the bottom of the page, which is indicated by the continue button. We understand that the CEO may not be the most appropriate person to answer some of these questions, so feel free to rely on members of your team to provide the most current information available. If employer costs differ for different groups of workers, please report the costs that apply to the majority of workers. Please complete the survey as thoroughly as you can, answering about your Vermont population. The information you report should be for your last completed fiscal year. You have the option of saving a partially completed survey and returning to it later by clicking the appropriate button at the bottom of each page. If you choose this option, you will be sent an email with a link to return to your survey. Once you have clicked continue and moved to a new page, you cannot go back to change an answer. If you try using the back button, you will be given the option to pick up the survey where you left off or start the survey over. If you have made a mistake, you should start the survey over. Only completed surveys will be used in the final results and tabulations. If you have any questions, please contact Sherra Bourget at 865-0410 or sherra@vtroundtable.org.

SECTION II: COMPANY INFORMATION

Please enter your confidential survey ID number (included in the invitation email).

Please select your company's industry sector.

1. Agriculture
2. Construction
3. Educational & Health Services
4. Finance, Insurance, Real Estate
5. Hospitality & Leisure
6. Information
7. Manufacturing (Durable Goods)
8. Manufacturing (Non-Durable Goods)
9. Non-Profit
10. Professional & Business Services
11. Trade, Transport., Utilities
12. Other

Please select the county where your company is located

1. Addison
2. Bennington
3. Caledonia
4. Chittenden
5. Essex
6. Franklin
7. Grand Isle
8. Lamoille
9. Orange
10. Orleans
11. Rutland
12. Washington
13. Windham
14. Windsor



What is the first month of your fiscal year?

1. January
2. February
3. March
4. April
5. May
6. June
7. July
8. August
9. September
10. October
11. November
12. December

SECTION III: EMPLOYEES

What percentage of your companys total workforce is employed inside Vermont? Please provide separate answers for full-time and part-time employees. For the purposes of this, survey part-time employees work less than 35 hours per week and full-time employees work 35 or more hours per week.

	100%	50-99%	25-49%	Less than 25%	N/A
Full-time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Part-time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In your last complete fiscal year, what was the total annual payroll for all of your Vermont employees (including full- and part-time employees)?

On average, how many full-time and part-time Vermont employees fall into each of the salary ranges below.

	Full-time	Part-time
Less than \$25,000		
\$25,001-\$50,000		
\$50,001-\$75,000		
\$75,001-100,000		
\$100,001-\$150,000		
\$150,001-\$200,000		
More than \$200,000		



SECTION IV: HEALTH INSURANCE PLANS

Does your company currently offer a health insurance plan to your employees?

1. Yes
2. No

Some businesses purchase health insurance coverage from an insurance company. Others choose to be self-insured because of financial or regulatory considerations, and they assume all financial risk for the health care costs of their employees, with or without a separate reinsurance policy. Which describes your company?

1. Health care coverage is purchased from an insurance company.
2. Self-insured--the company assumes all financial risk (with or without reinsurance).

Please answer the following questions about your current Vermont employees only (full-time and part-time).

	Full-time	Part-time
What is the number of Vermont employees ELIGIBLE for your companys health care plan(s)?		
What is the number of Vermont employees ENROLLED in your companys health care plan(s)?		

Do you offer incentives of some kind to eligible employees who choose NOT enroll in your company's health plan?

1. Yes
2. No

Does your company pay for health club memberships or other wellness benefits?

1. Yes
2. No

Are retirees enrolled in your health insurance plan(s)?

1. Yes, but they pay their own premiums.
2. Yes, and the company contributes to their premiums.
3. No.

In your last complete fiscal year, what was your companys total annual expenditure--EMPLOYERS SHARE ONLY--for health insurance for current, Vermont-based employees (including expenditures for claims and administration if self-insured)? Please do not include any costs for retirees, who will covered in a separate question.

In your last complete fiscal year, what was your employees total annual expenditure for health insurance (Current Vermont-based employees aggregate share of insurance premiums)?

In your last complete fiscal year, what was your companys total annual expenditure for incentives for Vermont employees NOT enrolled in your health insurance plans?

In your last complete fiscal year, what was your companys total annual expenditure for wellness programs for Vermont employees?

In your last complete fiscal year, what was your companys total annual expenditure for retiree health insurance?



Please provide details about your health insurance plans. Include the name of each plan (e.g. BCBS Blue Care), the amount of the MONTHLY premium you contributed per employee in the last month of your last fiscal year, and the MONTHLY premium amount your employees paid in the last month of your last fiscal year. Also indicate if you offered a health savings account (HSA) with the health insurance plans and, if the company contributed to the HSA, the ANNUAL contribution per employee in your last fiscal year.

	Plan Name	1-Person Premium EMPLOYER	2-Person Premium EMPLOYER	Family Premium EMPLOYER	1-Person Premium EMPLOYEE	2-Person Premium EMPLOYEE	Family Premium EMPLOYEE	HSA Offered (Yes/No)	Employer HSA Contribution
1.									
2.									
3.									
4.									
5.									

In the table below, please provide information on deductibles, co-insurance, co-payments, and the annual out-of-pocket maximum for a SINGLE PERSON for each of the plans you offered your Vermont employees in your last fiscal year. For prescription co-payments, please indicate amount or percentage for generic/preferred brand/non-preferred brand. (e.g. \$5/\$25/25%)

	Plan Name	Deductible Amount	Co-insurance percentage	Office Co-payment	Prescription Co-payment	Annual Out-of-Pocket Maximum
1.						
2.						
3.						
4.						
5.						

If you DO NOT offer health insurance, what are the MAIN REASONS?
(Please check all that apply.)

1. Cost
2. All/most employees covered elsewhere
3. Employees pay for their own health coverage or health care
4. Not necessary
5. Company too small
6. Business too new
7. Largely part-time employees or a seasonal business
8. Salary compensates for lack of coverage
9. Other _____



SECTION V: OPINIONS AND PERSPECTIVES

Please indicate changes you have made in the last 3 years or are likely to make in the next 3 years with regard to health benefits for your employees. (Please check all that apply.)

	Past 3 years	Next 3 years
Addition of medical coverage for the first time	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of all medical coverage	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of retiree medical coverage	<input type="checkbox"/>	<input type="checkbox"/>
Change of health insurance carriers	<input type="checkbox"/>	<input type="checkbox"/>
Addition of health insurance for employee family members	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of health insurance for employee family members	<input type="checkbox"/>	<input type="checkbox"/>
Addition of consumer directed health plans	<input type="checkbox"/>	<input type="checkbox"/>
More medical plan options	<input type="checkbox"/>	<input type="checkbox"/>
Fewer medical plan options	<input type="checkbox"/>	<input type="checkbox"/>
Increase in employer's share of premiums	<input type="checkbox"/>	<input type="checkbox"/>
Decrease in employer's share of premiums	<input type="checkbox"/>	<input type="checkbox"/>
Increase in deductibles, co-payments, or co-insurance	<input type="checkbox"/>	<input type="checkbox"/>
Decrease in deductibles, co-payments, or co-insurance	<input type="checkbox"/>	<input type="checkbox"/>
Coverage for part-time employees	<input type="checkbox"/>	<input type="checkbox"/>
Coverage for seasonal employees	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of coverage for part-time employees	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of coverage for seasonal employees	<input type="checkbox"/>	<input type="checkbox"/>
Addition of wellness programs	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of wellness programs	<input type="checkbox"/>	<input type="checkbox"/>
Relocation of employees out of state	<input type="checkbox"/>	<input type="checkbox"/>
Relocation of employees to Vermont	<input type="checkbox"/>	<input type="checkbox"/>
Other (Please use comment section for details)	<input type="checkbox"/>	<input type="checkbox"/>

To what extent is it important to your company to provide employee health insurance coverage as a matter of principle or employer philosophy?

1. Most important
2. Very important
3. Important
4. Somewhat important
5. Not at all important



Among all of the benefits your company offers, including wages, how important is health insurance to your ability to recruit and retain employees?

1. Most important
2. Very important
3. Important
4. Somewhat important
5. Not at all important

In deciding to be self-insured, how important were financial considerations and how important was it to avoid state mandates, such as providing mental health parity in the benefit plan?

	Most important	Very important	Important	Somewhat important	Not at all important
Financial considerations were:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Avoiding state mandates was:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

To what extent is the continuing increase in cost of providing employee health care insurance a concern to your company?

1. Major concern
2. Moderate concern
3. Minor concern
4. No concern at all

Thinking about the state's long-term health reform efforts and the possibility of having the health care system funded in part with a payroll tax, what effect do you think reform will have on where your company will locate employees in the future? Would you say your company is...

1. Much more likely to move employees to offices in other states
2. Somewhat more likely to move employees to offices in other states
3. No effect either way
4. Somewhat more likely to move employees from offices in other states to Vermont
5. Much more likely to move employees from offices in other states to Vermont
6. N/A No offices outside of Vermont
7. Not sure

Are there any circumstances under which you would be willing to voluntarily give up your current benefit plans in exchange for coverage provided by the state?

1. Yes
2. No
3. Don't know

In exchange for giving up your current coverage, which of the following options would you support? (Please check all that apply.)

1. Less expensive than my current plan, less comprehensive benefits
2. Less expensive than my current plan, but comparable or better benefits
3. More expensive than my current plan, but better benefits
4. Other _____

SECTION VI: YOUR COMMENTS

Please enter any other comments or clarifications to specific questions or the survey as a whole.

What other thoughts do you have that the Roundtable needs to consider when developing its health care policy agenda?



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Making Vermont the Best Place in America to Do Business, Be Educated and Live Life

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The Public Assets Institute supports democracy by helping Vermonters understand and keep informed about how their government is raising and spending money and using other public assets.