



Survey Results

Health Plan Survey
2008

Health Plan Survey

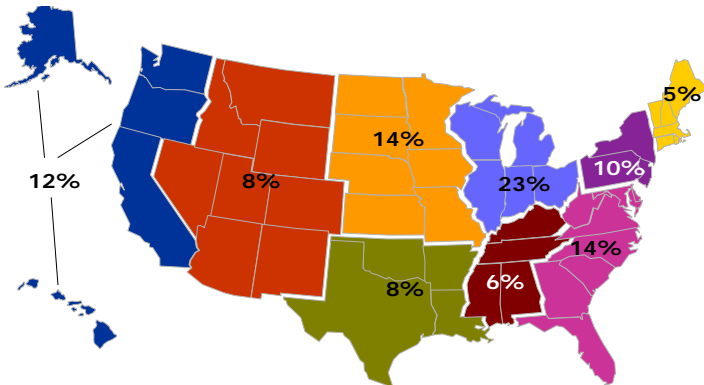
While consumer-driven health plans continue to be of interest to employers, overall health plan design is a critical piece in the puzzle. How are employers positioning their plan design offerings? Take a look at this year's survey results to determine how you fare.

This survey has taken into consideration the plan design and cost of the four primary plan types: PPO, HMO, POS, and Indemnity plans. It also covers the prevalence of Health Reimbursement Arrangement (HRA) and Health Savings Account (HSA) plans, and the issues that are foremost on employers' minds related to health care costs. In this year's survey, 1,743 respondents summarized 2,152 health plans. This included 1,456 PPOs, 483 HMOs, 175 POSs, and 38 Indemnity plans.

Note: If you would like to increase the size of any chart contained in this survey, please double-click on the chart and then click "Esc" to return to the survey.

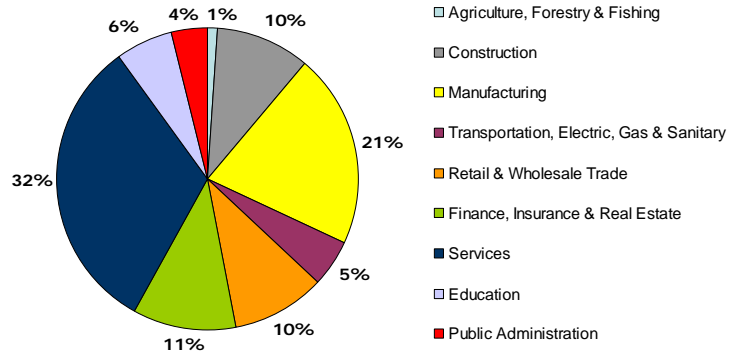
Demographic Information

Where is your organization based?

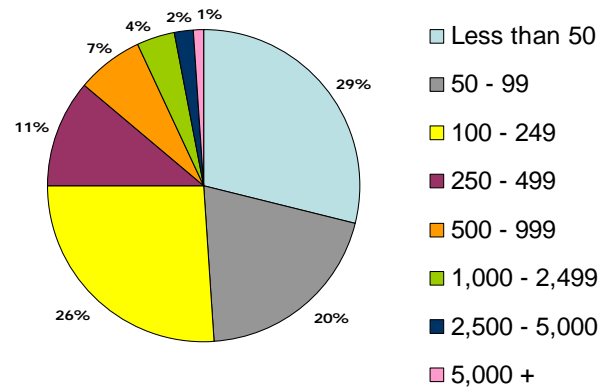


- Pacific (12%)**
- West North Central (14%)**
- East North Central (23%)**
- New England (5%)**
- South Atlantic (14%)**
- Mountain (8%)**
- West South Central (8%)**
- East South Central (6%)**
- Mid-Atlantic (10%)**

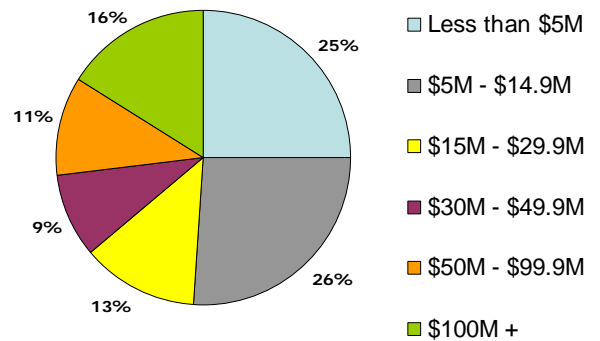
In which industry/sector does your organization operate?



How many employees does your organization have?



What is your organization's annual revenue?



PPO Results

PPO plans continue to be the most popular, with over 67% of the plan offerings being a PPO. HSAs grew in their popularity, while HRAs decreased slightly to 15.10% (down from 16.94% in 2007.) Over 21% of HRAs are being offered as a total replacement option (down from 27.96% in 2007.) An additional 21.29% (up from 17.37% in 2007) of the PPO plans use an HSA option, with 19% being offered as a total replacement (down from 26.32% last year). The PPO results include information on 1,456 plans.

PPO In-Network vs. Out-of-Network Deductible

	In-Network Deductible	Out-of-Network Deductible
\$0	9.27%	1.44%
\$1 - \$99	4.18%	2.95%
\$100 - \$199	2.5%	1.85%
\$200 - \$249	3.43%	2.54%
\$250 - \$499	16.27%	8.58%
\$500 - \$749	22.66%	18.13%
\$750 - \$999	3.64%	3.91%
\$1,000 - \$1,499	17.03%	20.05%
\$1,500 - \$1,999	7.02%	6.86%
\$2,000 - \$2,499	5.83%	10.28%
\$2,500 +	8.17%	19.43%
No out-of-network coverage	--	3.98%

PPO In-Network vs. Out-of-Network Employee Coinsurance

	In-Network Employee Coinsurance	Out-of-Network Employee Coinsurance
0%	22.11%	9.82%
1% - 9%	3.43%	1.57%
10% - 14%	15.24%	2.60%
15% - 19%	4.05%	2.62%
20% - 24%	42.17%	15.65%
25% - 29%	2.78%	4.17%
30% - 34%	3.91%	17.85%
35% - 39%	0.20%	1.23%
40% +	6.11%	39.07%
No out-of-network coinsurance	--	5.42%

PPO In-Network vs. Out-of-Network Out-of-Pocket Maximum

	In-Network Out-of-Pocket Max	Out-of-Network Out-of-Pocket Max
Less than \$249	5.70%	1.03%
\$250 - \$499	3.43%	1.51%
\$500 - \$999	7.72%	3.15%
\$1,000 - \$1,499	16.96%	7.41%
\$1,500 - \$1,999	15.47%	7.99%
\$2,000 - \$2,499	15.79%	10.78%
\$2,500 - \$3,499	18.95%	17.10%
\$3,500 - \$4,999	6.45%	13.89%
\$5,000 - \$7,499	6.86%	19.09%
\$7,500 +	2.67%	12.56%
No out-of-network coverage	--	5.49%

PPO In-Network vs. Out-of-Network Office Copay

	In-Network Office Copay	Out-of-Network Office Copay
\$0	3.84%	3.22%
\$1 - \$9	0.27%	0.06%
\$10 - \$14	6.31%	1.44%
\$15 - \$19	11.40%	2.54%
\$20 - \$24	31.38%	6.04%
\$25 - \$29	18.68%	4.53%
\$30 - \$34	10.03%	4.80%
\$35 +	3.98%	8.17%
Subject to deductible & coinsurance	14.11%	63.25%
No out-of-network coverage	--	5.95%

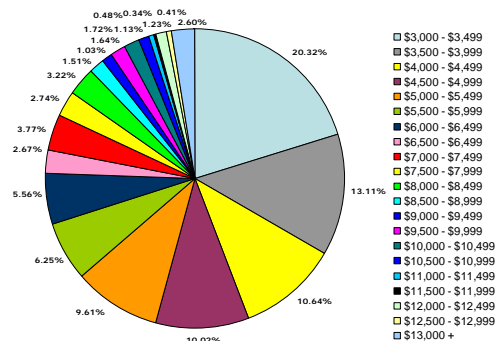
PPO In-network vs. Out-of-Network Emergency Room Copay

	In-Network ER Copay	Out-of-Network ER Copay
\$25 - \$49	3.91%	1.23%
\$50 - \$74	13.32%	5.76%
\$75 - \$99	12.43%	6.45%
\$100 - \$124	25.75%	15.04%
\$125 - \$149	2.32%	1.51%
\$150 +	15.52%	11.88%
Subject to deductible & coinsurance	26.75%	53.55%
No out-of-network coverage	--	4.58%

PPO Employee Contribution Percentage

	Employee	Employee + Spouse	Employee + Children	Family Coverage
0%	22.45%	5.90%	6.11%	5.49%
1% - 4%	5.35%	2.74%	2.33%	2.12%
5% - 9%	5.97%	3.22%	3.22%	2.88%
10% - 14%	9.54%	6.11%	5.76%	5.97%
15% - 19%	7.36%	5.56%	5.42%	6.25%
20% - 24%	15.39%	11.60%	11.95%	11.95%
25% - 29%	10.85%	8.94%	8.99%	8.95%
30% - 34%	6.52%	7.28%	7.41%	8.99%
35% - 40%	3.70%	5.83%	5.63%	6.38%
41% +	11.19%	33.58%	33.41%	36.26%
N/A	1.68%	9.24%	9.77%	4.76%

Annual Average Cost per Employee for PPO Plans



HMO Results

HMO plans rank second in popularity, with 22.44% of the plans being offered as HMOs. Thirteen percent of these plans include an HRA (down from 15.32% last year), with 23.8% being offered as a total replacement option – up significantly from 12.12% in 2007. An HSA is included in 15.32% of these plans (up from 11.74% last year), with 31.08% offered as a total replacement option – again, up dramatically from 17.86% in 2007. The HMO results include information on 483 plans.

HMO In-Network vs. Out-of-Network Deductible

	In-Network Deductible	Out-of-Network Deductible
\$0	38.50%	10.35%
\$1 - \$99	11.38%	5.59%
\$100 - \$199	3.31%	2.89%
\$200 - \$249	2.07%	1.86%
\$250 - \$499	7.45%	5.59%
\$500 - \$749	12.83%	7.45%
\$750 - \$999	2.48%	1.65%
\$1,000 - \$1,499	10.97%	7.03%
\$1,500 - \$1,999	4.96%	3.78%
\$2,000 - \$2,499	2.69%	3.93%
\$2,500 +	3.36%	5.79%
No out-of-network coverage	--	44.09%

HMO In-Network vs. Out-of-Network Employee Coinsurance

	In-Network Employee Coinsurance	Out-of-Network Employee Coinsurance
0%	49.27%	17.59%
1% - 9%	4.96%	3.10%
10% - 14%	9.31%	2.89%
15% - 19%	3.93%	1.96%
20% - 24%	21.94%	10.97%
25% - 29%	2.07%	3.31%
30% - 34%	2.48%	4.55%
35% - 39%	0.45%	--
40% +	5.59%	0.05%
No out-of-network coinsurance	--	46.58%

HMO In-Network vs. Out-of-Network Out-of-Pocket Maximum

	In-Network Out-of-Pocket Max	Out-of-Network Out-of-Pocket Max
Less than \$249	15.32%	4.58%
\$250 - \$499	4.14%	1.86%
\$500 - \$999	11.18%	4.76%
\$1,000 - \$1,499	13.04%	3.51%
\$1,500 - \$1,999	18.21%	4.76%
\$2,000 - \$2,499	12.62%	6.62%
\$2,500 - \$3,499	15.73%	6.83%
\$3,500 - \$4,999	3.10%	4.14%
\$5,000 - \$7,499	2.89%	9.10%
\$7,500 +	3.77%	3.93%
No out-of-network coverage	--	49.91%

HMO In-Network vs. Out-of-Network Office Copay

	In-Network Office Copay	Out-of-Network Office Copay
\$0	2.07%	0.62%
\$1 - \$9	0.20%	--
\$10 - \$14	10.35%	1.44%
\$15 - \$19	20.91%	2.69%
\$20 - \$24	32.91%	7.66%
\$25 - \$29	14.69%	3.93%
\$30 - \$34	7.66%	3.51%
\$35 +	6.83%	7.45%
Subject to deductible & coinsurance	4.38%	20.95%
No out-of-network coverage	--	51.75%

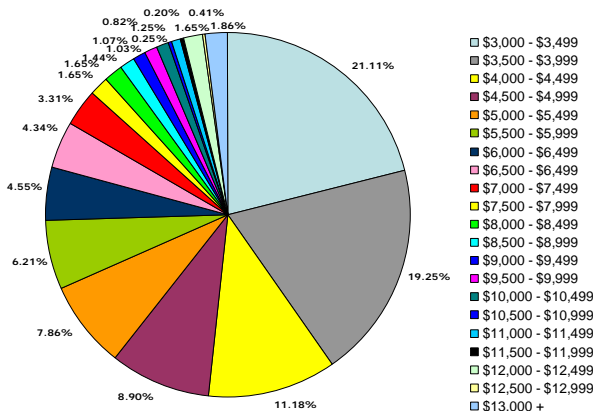
HMO In-Network vs. Out-of-Network Emergency Room Copay

	In-Network ER Copay	Out-of-Network ER Copay
\$25 - \$49	5.17%	1.44%
\$50 - \$74	17.59%	6.62%
\$75 - \$99	14.90%	3.93%
\$100 - \$124	31.26%	9.93%
\$125 - \$149	2.07%	0.41%
\$150 +	18.05%	9.31%
Subject to deductible & coinsurance	10.97%	24.01%
No out-of-network coverage	--	44.35%

HMO Employee Contribution Percentage

	Employee	Employee + Spouse	Employee + Children	Family Coverage
0%	25.05%	6.83%	7.03%	6.83%
1% - 4%	7.03%	2.89%	2.48%	2.48%
5% - 9%	3.31%	2.48%	2.07%	1.03%
10% - 14%	8.07%	3.10%	3.72%	3.72%
15% - 19%	7.86%	6.83%	6.62%	6.41%
20% - 24%	15.73%	11.18%	9.93%	9.93%
25% - 29%	8.69%	7.45%	8.90%	9.10%
30% - 34%	7.24%	6.21%	6.62%	8.07%
35% - 40%	3.10%	4.76%	4.76%	3.74%
41% +	12.06%	41.65%	39.99%	44.35%
N/A	1.86%	6.62%	7.88%	4.34%

Annual Average Cost per Employee for HMO Plans



POS Results

POS plans rank third, with 8.13% of the plans offered being POS plans. Including an HRA are 9.1%, with 18% being offered as a total replacement option. Twelve percent include an HSA, with 23.8% being offered as a total replacement option. The POS results include information on 175 plans.

POS In-Network vs. Out-of-Network Deductible

	In-Network Deductible	Out-of-Network Deductible
\$0	33.71%	5.14%
\$1 - \$99	4%	2.29%
\$100 - \$199	1.71%	5.14%
\$200 - \$249	2.29%	1.71%
\$250 - \$499	9.14%	9.14%
\$500 - \$749	18.29%	20%
\$750 - \$999	1.14%	2.86%
\$1,000 - \$1,499	13.14%	20.57%
\$1,500 - \$1,999	6.86%	7.43%
\$2,000 - \$2,499	5.71%	8.01%
\$2,500 +	4.01%	16%
No out-of-network coverage	--	1.71%

POS In-Network vs. Out-of-Network Employee Coinsurance

	In-Network Employee Coinsurance	Out-of-Network Employee Coinsurance
0%	42.29%	10.86%
1% - 9%	2.86%	2.29%
10% - 14%	16%	2.87%
15% - 19%	5.70%	2.87%
20% - 24%	22.86%	17.14%
25% - 29%	2.29%	3.43%
30% - 34%	2.86%	28%
35% - 39%	0.57%	1.12%
40% +	4.57%	25.71%
No out-of-network coinsurance	--	5.71%

In-Network vs. Out-of-Network Out-of-Pocket Maximum

	In-Network Out-of-Pocket Max	Out-of-Network Out-of-Pocket Max
Less than \$249	16%	2.29%
\$250 - \$499	2.86%	0.57%
\$500 - \$999	7.43%	1.71%
\$1,000 - \$1,499	19.43%	12%
\$1,500 - \$1,999	12.57%	5.71%
\$2,000 - \$2,499	17.14%	10.29%
\$2,500 - \$3,499	13.71%	17.71%
\$3,500 - \$4,999	6.29%	22.29%
\$5,000 - \$7,499	2.86%	14.29%
\$7,500 +	1.71%	9.71%
No out-of-network coverage	--	3.43%

POS In-Network vs. Out-of-Network Office Copay

	In-Network Office Copay	Out-of-Network Office Copay
\$0	4.57%	3.43%
\$1 - \$9	0.57%	--
\$10 - \$14	10.86%	0.57%
\$15 - \$19	17.71%	4%
\$20 - \$24	33.71%	6.86%
\$25 - \$29	16.57%	4.57%
\$30 - \$34	8%	4%
\$35 +	1.15%	5.14%
Subject to deductible & coinsurance	6.86%	65.72%
No out-of-network coverage	--	5.71%

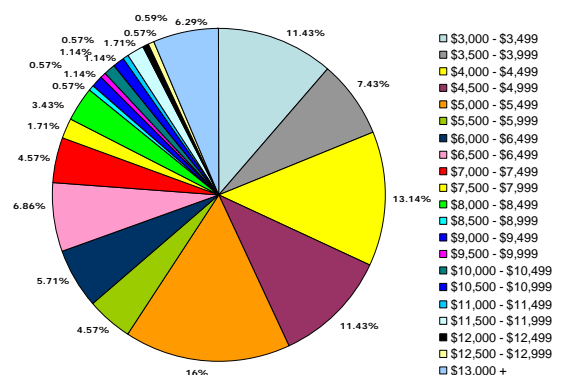
POS In-Network vs. Out-of-Network Emergency Room Copay

	In-Network ER Copay	Out-of-Network ER Copay
\$25 - \$49	5.14%	3.43%
\$50 - \$74	13.14%	4%
\$75 - \$99	12%	6.29%
\$100 - \$124	33.14%	25.71%
\$125 - \$149	2.86%	1.14%
\$150 +	19.43%	17.14%
Subject to deductible & coinsurance	14.29%	37.15%
No out-of-network coverage	--	5.14%

POS Employee Contribution Percentage

	Employee	Employee + Spouse	Employee + Children	Family Coverage
0%	16.57%	6.29%	6.29%	5.14%
1% - 4%	7.43%	2.29%	2.29%	2.86%
5% - 9%	4%	2.29%	2.29%	1.71%
10% - 14%	12%	6.86%	5.14%	5.14%
15% - 19%	10.29%	5.71%	7.43%	6.29%
20% - 24%	17.14%	13.71%	12.57%	14.29%
25% - 29%	8.57%	9.14%	9.14%	9.71%
30% - 34%	5.71%	6.29%	5.14%	6.29%
35% - 40%	5.15%	8.57%	8.57%	7.43%
41% +	12%	31.42%	32%	35.43%
N/A	1.14%	7.43%	9.14%	5.71%

Annual Average Cost per Employee for POS Plans



Indemnity Results

Indemnity plans are, of course, the smallest percentage being offered, as they are only 1.76% of the total. An HRA is included in 26.31% of plans. Of these plans, 10% of them are offered as a total replacement option. An additional 52.63% of the indemnity plans use an HSA option, with 25% being offered as a total replacement. The indemnity results include information from 38 plans.

Indemnity In-Network vs. Out-of-Network Deductible

	In-Network Deductible	Out-of-Network Deductible
\$0	5.2%	--
\$1 - \$99	2.63%	5.26%
\$100 - \$199	7.89%	7.89%
\$200 - \$249	2.68%	2.63%
\$250 - \$499	7.89%	5.26%
\$500 - \$749	18.42%	13.15%
\$750 - \$999	7.89%	5.26%
\$1,000 - \$1,499	10.52%	10.57%
\$1,500 - \$1,999	7.89%	7.89%
\$2,000 - \$2,499	10.57%	5.26%
\$2,500 +	18.42%	28.94%
No out-of-network coverage	--	7.89%

Indemnity In-Network vs. Out-of-Network Employee Coinsurance

	In-Network Employee Coinsurance	Out-of-Network Employee Coinsurance
0%	31.5%	21.05%
1% - 9%	--	--
10% - 14%	7.89%	2.63%
15% - 19%	5.26%	7.89%
20% - 24%	42.15%	28.94%
25% - 29%	--	--
30% - 34%	5.31%	--
35% - 39%	--	7.89%
40% +	7.89%	21.08%
No out-of-network coinsurance	--	10.52%

Indemnity In-Network vs. Out-of-Network Out-of-Pocket Maximum

	In-Network Out-of-Pocket Max	Out-of-Network Out-of-Pocket Max
Less than \$249	7.89%	--
\$250 - \$499	7.89%	5.26%
\$500 - \$999	5.26%	7.89%
\$1,000 - \$1,499	7.89%	5.26%
\$1,500 - \$1,999	15.78%	7.89%
\$2,000 - \$2,499	15.78%	10.52%
\$2,500 - \$3,499	23.68%	10.52%
\$3,500 - \$4,999	10.57%	10.52%
\$5,000 - \$7,499	5.26%	21.10%
\$7,500 +	--	7.89%
No out-of-network coverage	--	13.15%

Indemnity In-Network vs. Out-of-Network Office Copay

	In-Network Office Copay	Out-of-Network Office Copay
\$0 - \$9	18.42%	10.52%
\$10 - \$14	7.89%	2.63%
\$15 - \$19	--	--
\$20 - \$24	10.52%	7.89%
\$25 - \$29	18.42%	7.89%
\$30 - \$34	2.63%	--
\$35 +	2.65%	10.52%
Subject to deductible & coinsurance	39.47%	50.03%
No out-of-network coverage	--	10.52%

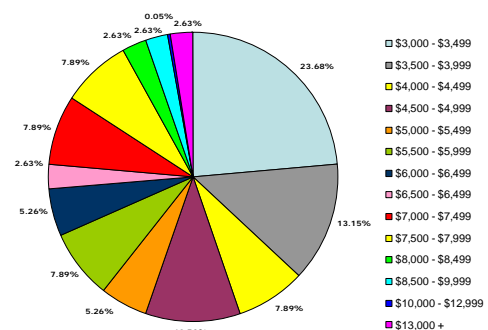
Indemnity In-Network vs. Out-of-Network Emergency Room Copay

	In-Network ER Copay	Out-of-Network ER Copay
\$25 - \$49	7.89%	5.26%
\$50 - \$74	10.52%	7.89%
\$75 - \$99	7.89%	2.63%
\$100 - \$124	2.66%	5.26%
\$125 - \$149	--	--
\$150 +	7.89%	5.26%
Subject to deductible & coinsurance	63.15%	60.52%
No out-of-network coverage	--	13.18%

Indemnity Employee Contribution Percentage

	Employee	Employee + Spouse	Employee + Children	Family Coverage
0%	18.42%	--	--	--
1% - 4%	2.63%	2.63%	2.63%	2.63%
5% - 9%	2.63%	5.26%	2.63%	2.63%
10% - 14%	18.42%	7.89%	5.26%	10.52%
15% - 19%	15.78%	13.15%	15.78%	18.42%
20% - 24%	15.78%	7.89%	13.15%	5.26%
25% - 29%	7.89%	13.15%	7.89%	5.26%
30% - 34%	2.63%	10.52%	13.20%	13.15%
35% - 40%	5.26%	5.26%	7.89%	10.53%
41% +	5.26%	10.57%	7.89%	21.08%
N/A	5.30%	23.68%	23.68%	10.52%

Annual Average Cost per Employee for Indemnity Plans



Prescription and Health Care Cost Results

The majority of respondents, 52%, are utilizing a three-tier copay plan to control costs for their prescription drug plans. Only 9% offer a 4-tier program at this point.

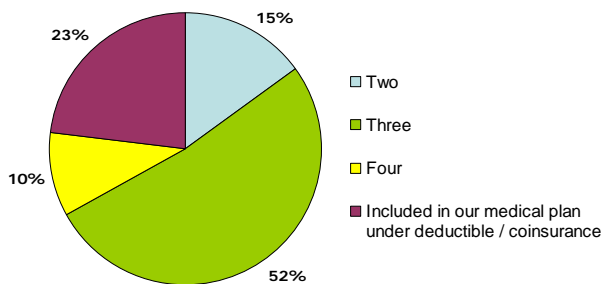
Employers plan to utilize a number of strategies to reduce health care costs. The top strategies for reducing health care cost include: increasing and enhancing employee communications (at 63%, this was the option most likely to be used); studying health care data for cost or utilization patterns (53% are likely to try this); and including consumerism resources (50% are probably going to try this).

Similar to the 2007 survey, many respondents commented on their interest in the following strategies: an HSA or HRA plan, adding more consumer information, health fairs and wellness initiatives, and making plan design or carrier changes. Finding new and creative ways to address these concerns is the continued challenge for the future.

What is your organization doing to reduce health care costs for this plan year, or in the near future?

	Will not utilize	Might utilize	Will likely utilize	Will definitely utilize
Study health care data for cost or utilization patterns	23%	24%	31%	22%
Increase/Enhance employee communications	6%	31%	33%	30%
Include consumerism resources (Web site, self-help)	20%	30%	31%	19%
Increase the amount employees pay in contributions	37%	21%	26%	16%
Increase cost sharing to the employees (copays, deductibles, coinsurance)	33%	23%	29%	15%
Restrict employee eligibility for coverage	82%	9%	6%	3%
Add/Increase use of Disease Management	48%	24%	21%	7%
Add/Increase wellness program	25%	27%	29%	19%

According to an April 2007 survey by the National Business Group on Health, the vast majority of U.S. workers say they are very satisfied with their employer-provided healthcare benefits and consider the health plan to be their most important benefit.



How many tiers does your prescription plan have (excluding mail order)?

Contact your broker to discuss how this survey information can assist you in your future benefit plan strategies.

This survey was conducted from January to April, 2008 and available to over 200,000 individuals through the Client Portal Web site provided by your broker/consultant. This survey was anonymous, so responses have not been validated for statistical significance or margin of error.