



# 2016 Health Care Benchmarking Report

November 2016

# SHRM Benchmarking Service

**Are you looking for data that is customizable by industry, region, organization staff size, and more? SHRM's Benchmarking Service provides just that.**

- The data in this report can be customized for your organization by industry, staff size, geographic or metropolitan region, profit status (for profit/nonprofit), sector (public/private), unionized environments, and more.
- The data in this report were collected from the 2016 SHRM Human Capital Benchmarking Survey. Additional reports available in Health Care, Paid Leave, Employee Benefits Prevalence, and Talent Acquisition.

To view  
sample  
reports or  
place an  
order, visit  
[shrm.org/benchmarks](http://shrm.org/benchmarks)  
or call  
**(703) 535-6366**

# Table of Contents

## About SHRM

Founded in 1948, the Society for Human Resource Management (SHRM) is the world's largest HR membership organization devoted to human resource management. Representing more than 275,000 members in over 160 countries, the Society is the leading provider of resources to serve the needs of HR professionals and advance the professional practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China, India and United Arab Emirates. Visit us at [shrm.org](http://shrm.org).

<a href="#">Key Findings</a>	4
<a href="#">Statistical Definitions</a>	5
<a href="#">Health Care Benchmarking Survey Findings</a>	6
<a href="#">Demographics</a>	29
<a href="#">Methodology</a>	38

The average total employee annual health care cost per covered employee in 2015 was **\$8,669**.

## Key Findings

- **Health care coverage:** 98 percent of organizations offer health care coverage for full-time employees. Twenty-three percent of companies offer health care coverage for part-time employees, which is down from 27 percent in 2014. Ninety-two percent offer coverage for the spouse of employees, which is down from 96 percent in 2011.
- **High-deductible plans:** On average, employers contribute \$576 to their employees' HSA accounts, while employers contribute \$1,885 to employee HRAs. In 2014, employers contributed an average of \$632 to HSAs and \$2,829 to HRAs.
- **Health care costs:** The average total employee annual health care cost per covered employee in 2015 was \$8,669.
- **Prescription drug co-pays:** The average employee co-pay is \$11 for generic medication, \$33 for formulary brand medication (insurance carriers' preferred drugs) and \$58 for nonformulary brand medication.
- **Deductibles and Premiums:** Across all plans, the average annual in-network deductible for employee-only coverage is \$1,554, the total monthly premium for employee-only coverage is \$461 and the total monthly premium for family coverage is \$1,292.
- **Co-pays:** The average co-pay for in-network primary care office visits for employee-only coverage across all plans is \$22.

# Statistical Definitions

## “n”

The letter “n” in tables and figures indicates the number of respondents to each question. In other words, when it is noted that n = 25, it indicates that the number of respondents was 25.

## Percentile

The percentile is the percentage of responses in a group that have values less than or equal to that particular value. For example, when data are arranged from lowest to highest, the 25th percentile is the point at which 75% of the data are above it and 25% are below it. Conversely, the 75th percentile is the point at which 25% of the data are above it and 75% are below it.

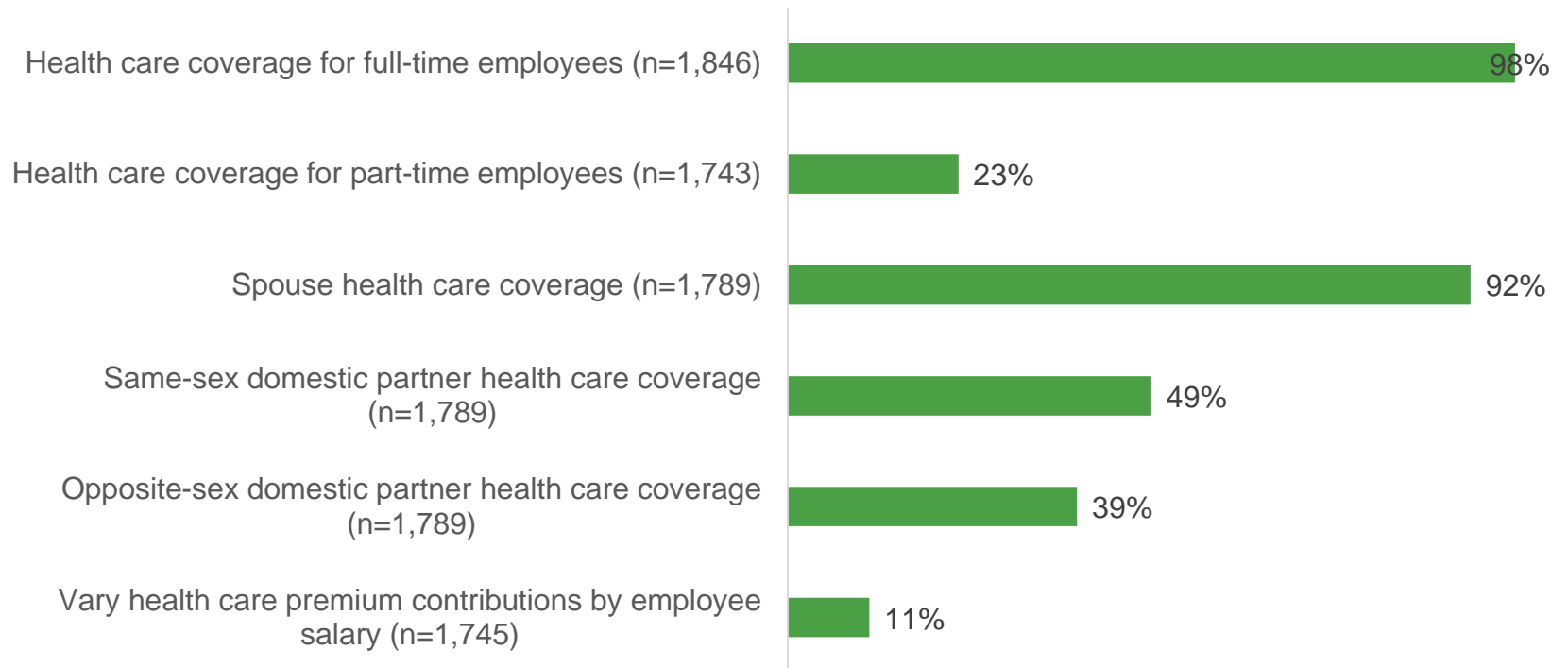
## Median (50th percentile)

The median is the midpoint of the set of numbers or values arranged in ascending order. It is recommended that the median is used as a basis for all interpretations of the data when the average and median are discrepant.

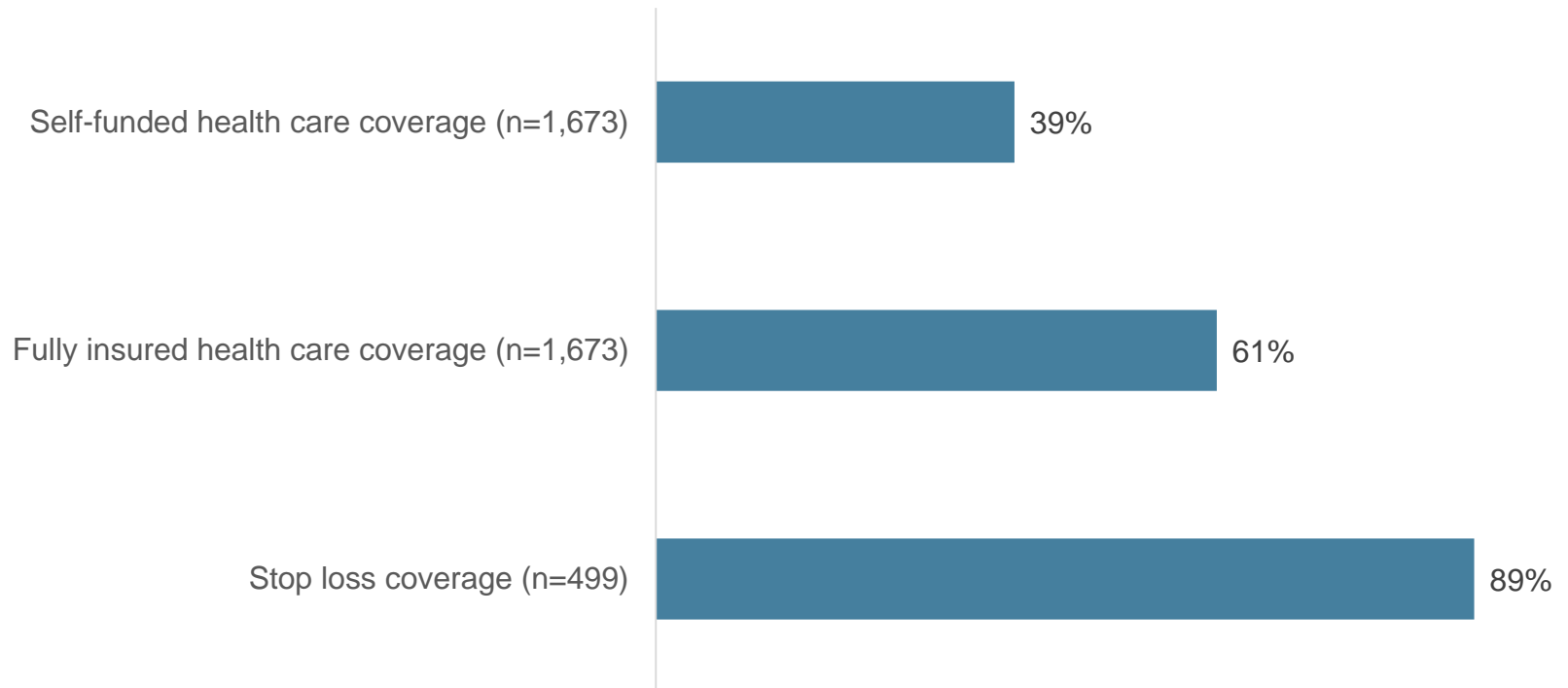
## Average

The average is the sum of the responses divided by the total number of responses. It is also known as the mean. This measure is affected more than the median by the occurrence of outliers (extreme values). For this reason, the average reported may be greater than the 75th percentile or less than the 25th percentile.

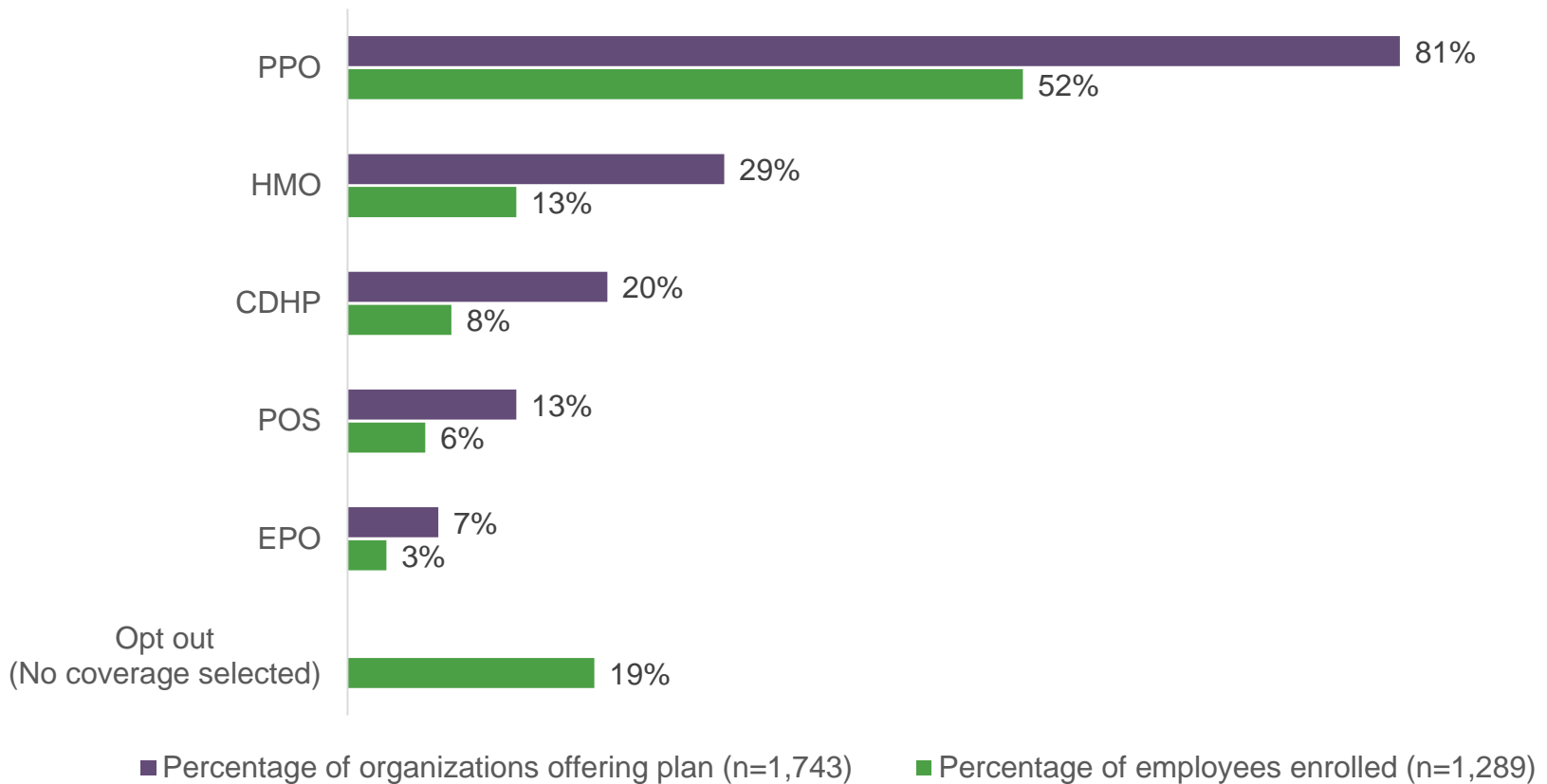
# Health Care Coverage Prevalence



# Stop Loss Coverage Prevalence



# Employee Participation and Plans Offered

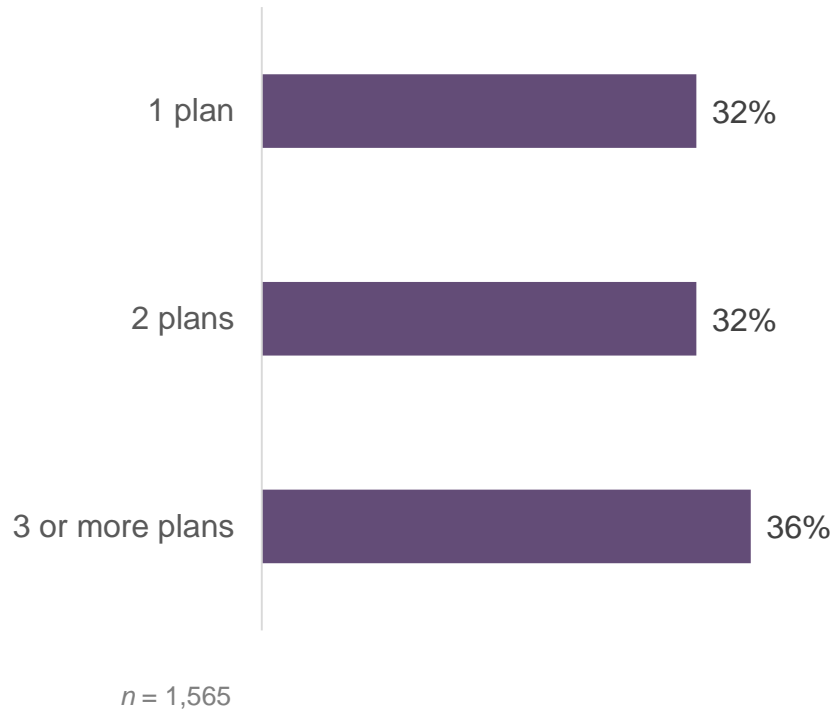


*Note: Percentages may not total 100% due to rounding*



# Employee Participation and Plans Offered

Numbers of Health Care Plans Offered



# Health Care Cost and Stop Loss Coverage Amount

	n	25th Percentile	Median	75th Percentile	Average
Health care cost as a percentage of operating expense	529	2.65%	4.93%	8.54%	7.69%
Total employee annual health care cost per covered employee	1,188	\$5,325	\$8,171	\$11,062	\$8,669
Amount of stop loss coverage	348	\$60,000	\$100,000	\$200,000	\$144,054

# Health Care Costs for All Plans Combined

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	1,122	\$340	\$480	\$600	\$461
Total monthly premium for spouse or domestic partner coverage	1,064	\$666	\$996	\$1,271	\$959
Total monthly premium for family coverage	1,093	\$946	\$1,367	\$1,687	\$1,292
Percentage of premium employer pays for employee-only coverage	1,146	70%	80%	90%	77%
Percentage of premium employer pays for spouse or domestic partner coverage	1,078	47%	67%	80%	60%
Percentage of premium employer pays for family coverage	1,098	40%	66%	80%	59%

*All plans is an average of each plan type.*

# Health Care Costs for All Plans Combined

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	1,152	\$500	\$1,250	\$2,113	\$1,554
Annual out-of-network deductible for employee-only coverage	967	\$1,000	\$2,000	\$4,000	\$2,450
Co-pay for in-network primary care office visits for employee-only coverage	1,067	\$15	\$25	\$30	\$22
Co-pay for out-of-network primary care office visits for employee-only coverage	583	\$0	\$20	\$40	\$27
Co-insurance for in-network primary care office visits for employee-only coverage	872	0%	20%	80%	38%
Co-insurance for out-of-network primary care office visits for employee-only coverage	907	30%	40%	60%	43%

# Health Maintenance Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	262	\$361	\$479	\$590	\$490
Total monthly premium for spouse or domestic partner coverage	236	\$750	\$1,000	\$1,224	\$981
Total monthly premium for family coverage	248	\$999	\$1,364	\$1,662	\$1,301
Percentage of premium employer pays for employee-only coverage	271	68%	80%	92%	77%
Percentage of premium employer pays for spouse or domestic partner coverage	250	42%	63%	77%	57%
Percentage of premium employer pays for family coverage	256	33%	65%	77%	56%

# Health Maintenance Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	256	\$0	\$300	\$1,500	\$982
Annual out-of-network deductible for employee-only coverage	142	\$0	\$0	\$2,000	\$1,374
Co-pay for in-network primary care office visits for employee-only coverage	250	\$15	\$20	\$30	\$21
Co-pay for out-of-network primary care office visits for employee-only coverage	107	\$0	\$15	\$40	\$21
Co-insurance for in-network primary care office visits for employee-only coverage	160	0%	0%	70%	30%
Co-insurance for out-of-network primary care office visits for employee-only coverage	112	0%	15%	60%	32%

# Exclusive Provider Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	41	\$284	\$499	\$646	\$468
Total monthly premium for spouse or domestic partner coverage	40	\$675	\$1,030	\$1,253	\$952
Total monthly premium for family coverage	41	\$873	\$1,494	\$1,811	\$1,365
Percentage of premium employer pays for employee-only coverage	41	65%	80%	87%	73%
Percentage of premium employer pays for spouse or domestic partner coverage	40	40%	69%	80%	61%
Percentage of premium employer pays for family coverage	40	38%	69%	80%	60%

# Exclusive Provider Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	65	\$150	\$1,000	\$2,000	\$1,265
Annual out-of-network deductible for employee-only coverage	39	\$0	\$700	\$2,000	\$1,322
Co-pay for in-network primary care office visits for employee-only coverage	62	\$20	\$25	\$30	\$24
Co-pay for out-of-network primary care office visits for employee-only coverage	30	\$0	\$0	\$20	\$10
Co-insurance for in-network primary care office visits for employee-only coverage	51	0%	10%	80%	31%
Co-insurance for out-of-network primary care office visits for employee-only coverage	33	0%	0%	60%	27%



# Preferred Provider Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	910	\$344	\$494	\$633	\$478
Total monthly premium for spouse or domestic partner coverage	861	\$671	\$1,027	\$1,317	\$1,003
Total monthly premium for family coverage	886	\$955	\$1,404	\$1,754	\$1,346
Percentage of premium employer pays for employee-only coverage	927	70%	80%	90%	76%
Percentage of premium employer pays for spouse or domestic partner coverage	875	47%	66%	80%	60%
Percentage of premium employer pays for family coverage	893	40%	65%	79%	59%

# Preferred Provider Organization Plans

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	915	\$500	\$1,000	\$2,000	\$1,453
Annual out-of-network deductible for employee-only coverage	782	\$800	\$2,000	\$4,000	\$2,318
Co-pay for in-network primary care office visits for employee-only coverage	847	\$20	\$25	\$30	\$23
Co-pay for out-of-network primary care office visits for employee-only coverage	452	\$0	\$25	\$45	\$30
Co-insurance for in-network primary care office visits for employee-only coverage	676	0%	20%	80%	39%
Co-insurance for out-of-network primary care office visits for employee-only coverage	736	30%	40%	60%	44%

# Point of Service Plans

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	115	\$400	\$520	\$624	\$506
Total monthly premium for spouse or domestic partner coverage	109	\$825	\$1,143	\$1,369	\$1,081
Total monthly premium for family coverage	111	\$1,168	\$1,581	\$1,807	\$1,472
Percentage of premium employer pays for employee-only coverage	118	65%	80%	90%	75%
Percentage of premium employer pays for spouse or domestic partner coverage	113	40%	65%	80%	58%
Percentage of premium employer pays for family coverage	116	36%	70%	80%	59%

# Point of Service Plans

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	118	\$100	\$1,000	\$2,000	\$1,238
Annual out-of-network deductible for employee-only coverage	103	\$750	\$2,000	\$4,000	\$2,486
Co-pay for in-network primary care office visits for employee-only coverage	113	\$20	\$25	\$30	\$23
Co-pay for out-of-network primary care office visits for employee-only coverage	51	\$0	\$30	\$50	\$29
Co-insurance for in-network primary care office visits for employee-only coverage	83	0%	20%	90%	39%
Co-insurance for out-of-network primary care office visits for employee-only coverage	98	30%	40%	60%	44%

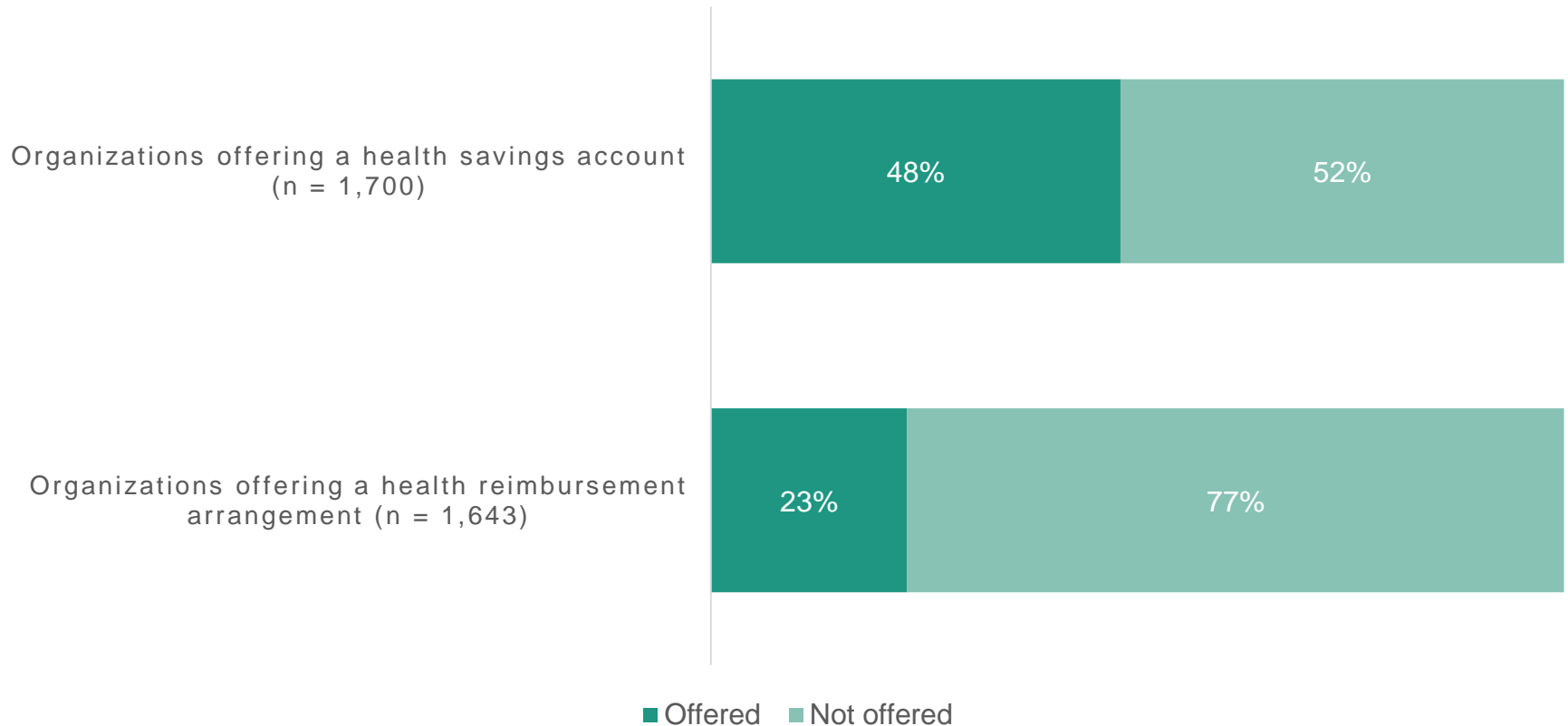
# Consumer-Driven Health Plan: High-Deductible Health Plans

	n	25th Percentile	Median	75th Percentile	Average
Total monthly premium for employee-only coverage	203	\$307	\$435	\$528	\$404
Total monthly premium for spouse or domestic partner coverage	205	\$474	\$890	\$1,105	\$811
Total monthly premium for family coverage	203	\$860	\$1,259	\$1,500	\$1,135
Percentage of premium employer pays for employee-only coverage	207	75%	81%	91%	78%
Percentage of premium employer pays for spouse or domestic partner coverage	200	60%	74%	80%	66%
Percentage of premium employer pays for family coverage	201	58%	71%	80%	65%

# Consumer-Driven Health Plan: High-Deductible Health Plans

	n	25th Percentile	Median	75th Percentile	Average
Annual in-network deductible for employee-only coverage	214	\$1,500	\$2,500	\$3,000	\$2,442
Annual out-of-network deductible for employee-only coverage	176	\$3,000	\$4,000	\$5,000	\$3,821
Co-pay for in-network primary care office visits for employee-only coverage	99	\$0	\$0	\$20	\$9
Co-pay for out-of-network primary care office visits for employee-only coverage	83	\$0	\$0	\$0	\$13
Co-insurance for in-network primary care office visits for employee-only coverage	171	10%	20%	85%	46%
Co-insurance for out-of-network primary care office visits for employee-only coverage	173	30%	50%	60%	47%

# Consumer-Driven Health Plan: Health Savings Accounts and Health Reimbursement Arrangements

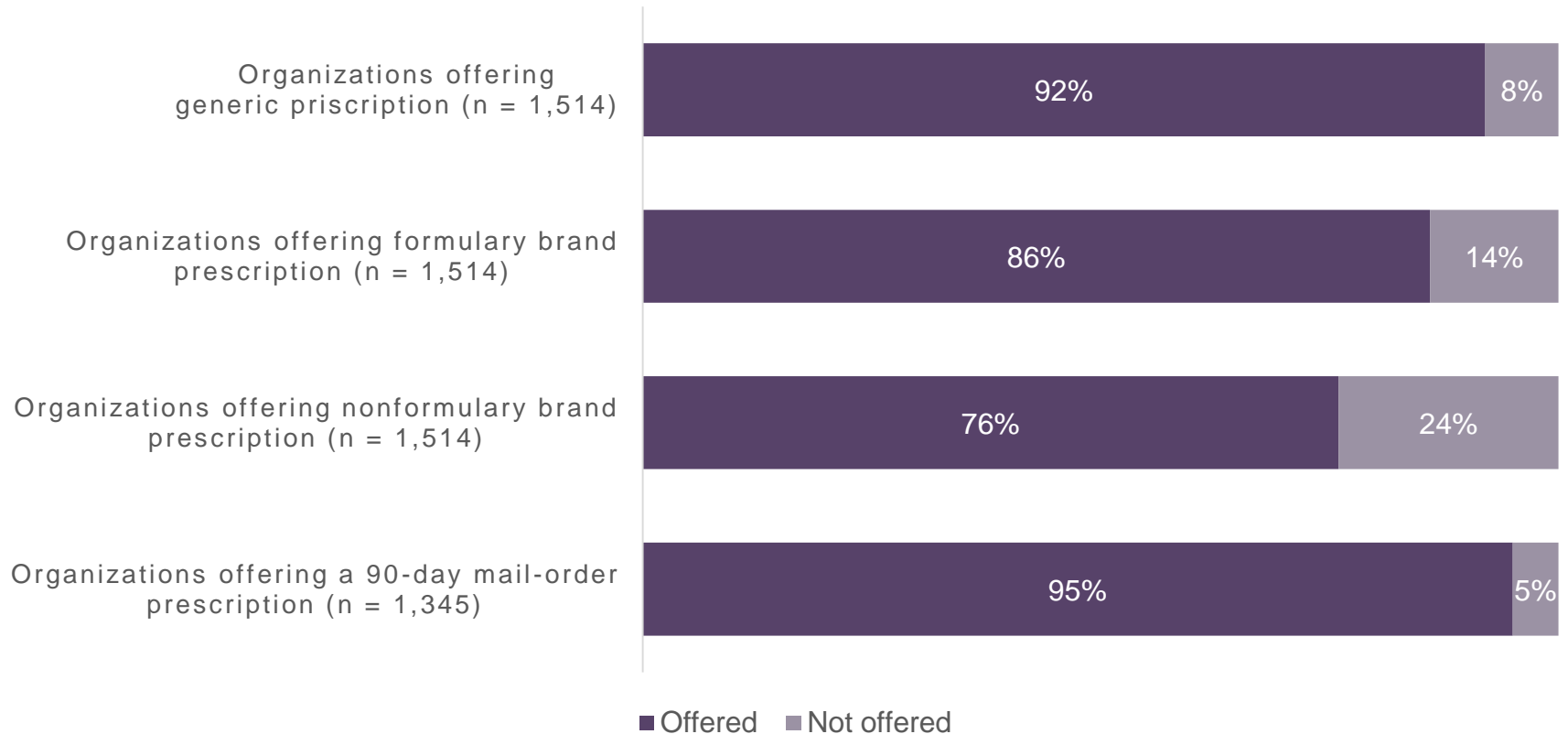


# Consumer-Driven Health Plan: Health Savings Accounts and Health Reimbursement Arrangements

	n	25th Percentile	Median	75th Percentile	Average
Employer contribution to a health savings account	665	\$0	\$500	\$1,000	\$576
Employer contribution to a health reimbursement arrangement	218	\$700	\$1,250	\$2,250	\$1,885



# Prescription Drug Co-Pay and Co-Insurance Prevalence



# Prescription Drug Co-Pays

	n	25th Percentile	Median	75th Percentile	Average
Employee co-pay for generic medication	1,053	\$10	\$10	\$15	\$11
Employee co-pay for formulary brand medication	962	\$25	\$35	\$40	\$33
Employee co-pay for nonformulary brand medication	855	\$50	\$60	\$70	\$58
Employee co-pay for generic medication 90-day mail-order supply	821	\$15	\$20	\$30	\$24
Employee co-pay for formulary brand medication 90-day mail-order supply	755	\$50	\$70	\$88	\$71
Employee co-pay for nonformulary brand medication 90-day mail-order supply	680	\$90	\$120	\$150	\$122

# Prescription Drug Co-Insurance

	n	25th Percentile	Median	75th Percentile	Average
Employee co-pay for generic medication	422	0%	10%	40%	27%
Employee co-pay for formulary brand medication	406	0%	20%	50%	29%
Employee co-pay for nonformulary brand medication	372	0%	20%	50%	31%
Employee co-pay for generic medication 90-day mail-order supply	324	0%	20%	50%	28%
Employee co-pay for formulary brand medication 90-day mail-order supply	312	0%	20%	50%	31%
Employee co-pay for nonformulary brand medication 90-day mail-order supply	277	0%	20%	50%	31%

# Demographics: Organization Industry

	Percentage
Services — Professional, Scientific, Technical	13%
High-Tech	9%
Health Care, Social Assistance	9%
Consulting	9%
Retail/Wholesale Trade	8%
Manufacturing (durable goods)	6%
Finance	5%
Government/Public Administration — State/Local	5%

*Note: n = 2,106. Percentages do not total 100% due to multiple response options.*

# Demographics: Organization Industry

	Percentage
Manufacturing (non-durable goods)	5%
Educational Services	4%
Publishing, Broadcasting, Other Media	3%
Religious, Grant-Making, Civic, Professional, and Similar Organizations	3%
Business Support Services	3%
Construction, Mining, Oil & Gas	3%
Insurance	2%

*Note: n = 2,106. Percentages do not total 100% due to multiple response options.*

## Demographics: Organization Industry

	Percentage
Services — Accommodation, Food & Drinking Places	2%
Transportation, Warehousing	2%
Arts, Entertainment, Recreation	2%
Real Estate, Rental, Leasing	2%
Telecommunications	2%
Utilities	1%
Repair and Maintenance	1%
Association — Professional/Trade	1%

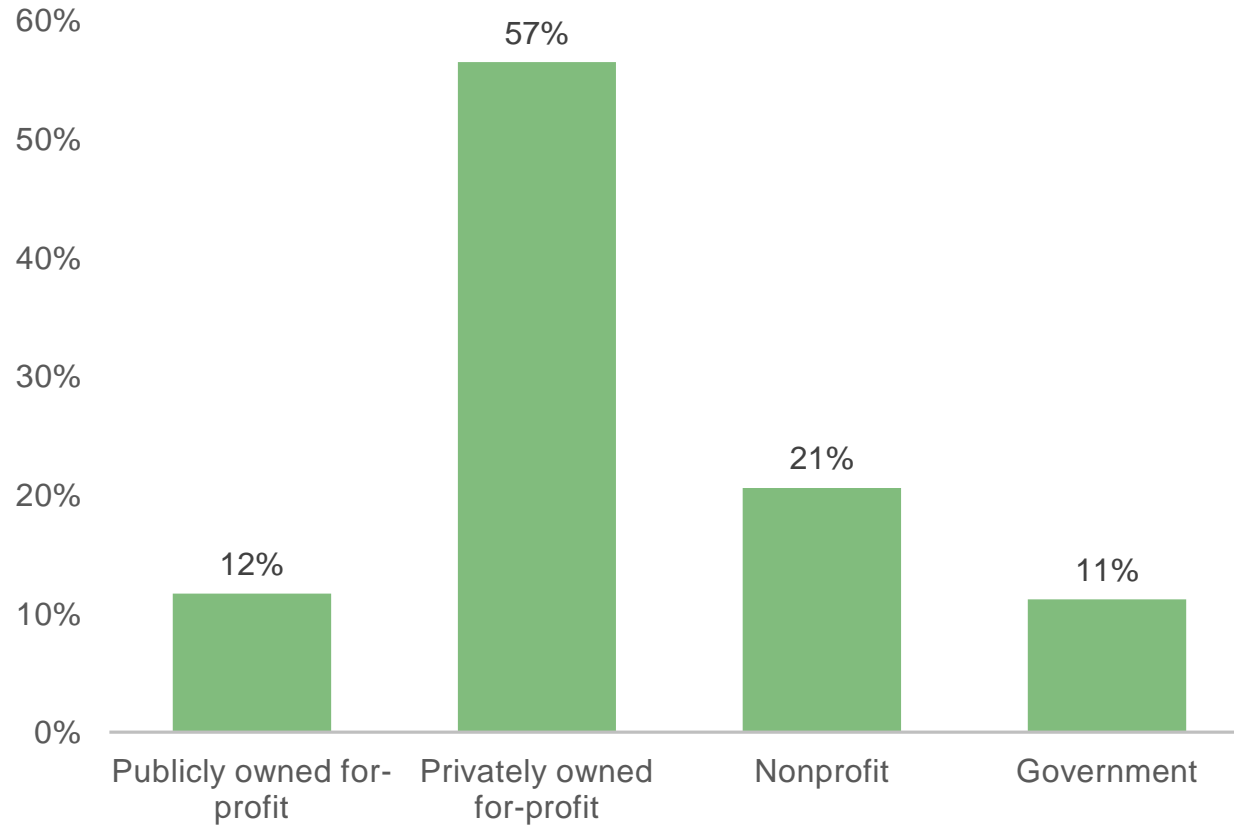
*Note: n = 2,106. Percentages do not total 100% due to multiple response options.*

# Demographics: Organization Industry

	Percentage
Biotech	1%
Pharmaceutical	<1%
Government/Public Administration — Federal	<1%
Waste Management & Remediation Services	<1%

*Note: n = 2,106. Percentages do not total 100% due to multiple response options.*

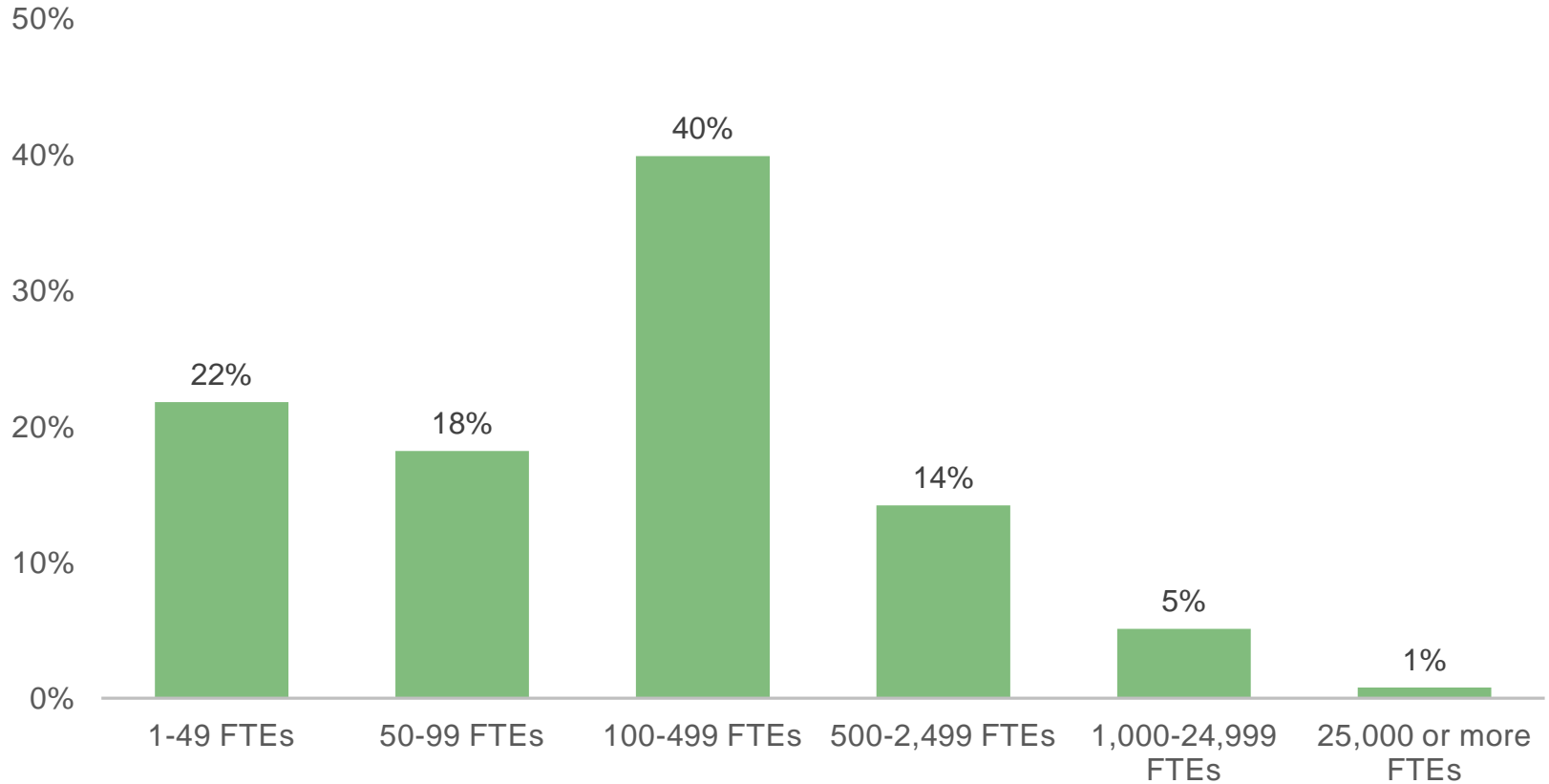
# Demographics: Organization Sector



*n* = 2,114

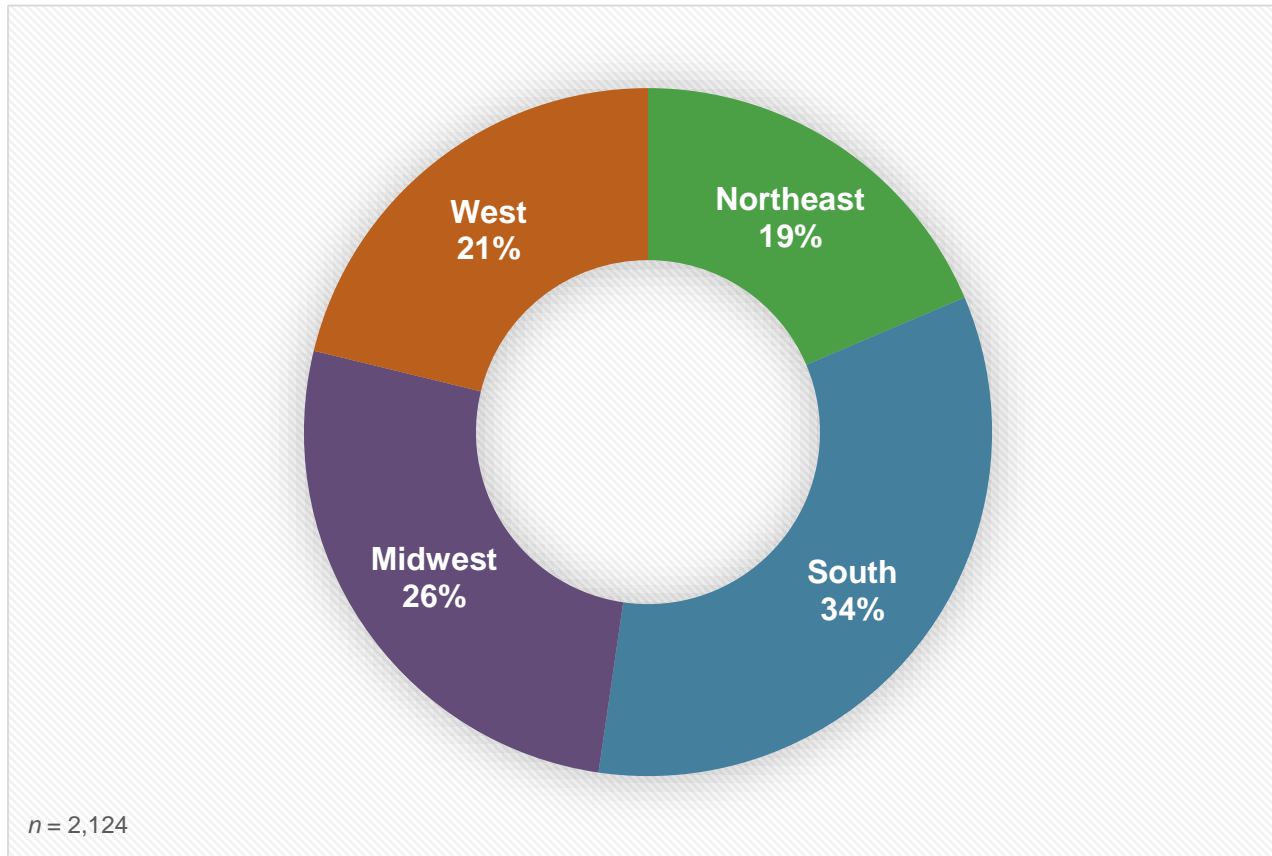


# Demographics: Organization Staff Size



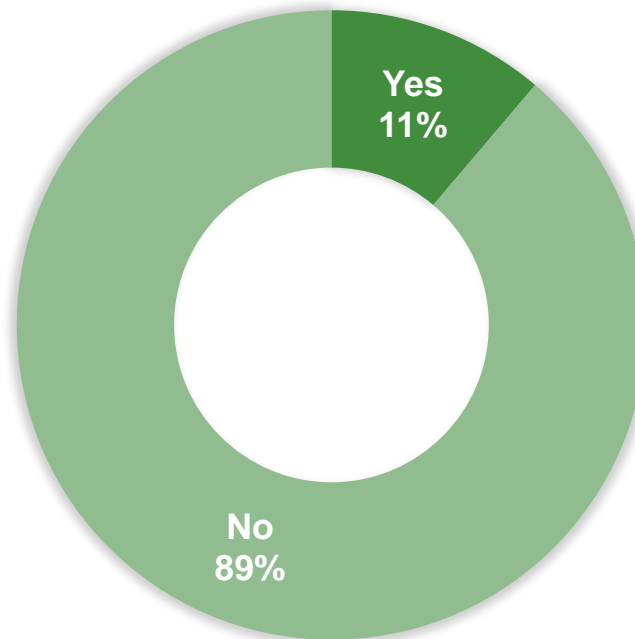
n = 1,975

# Demographics: Organization Region



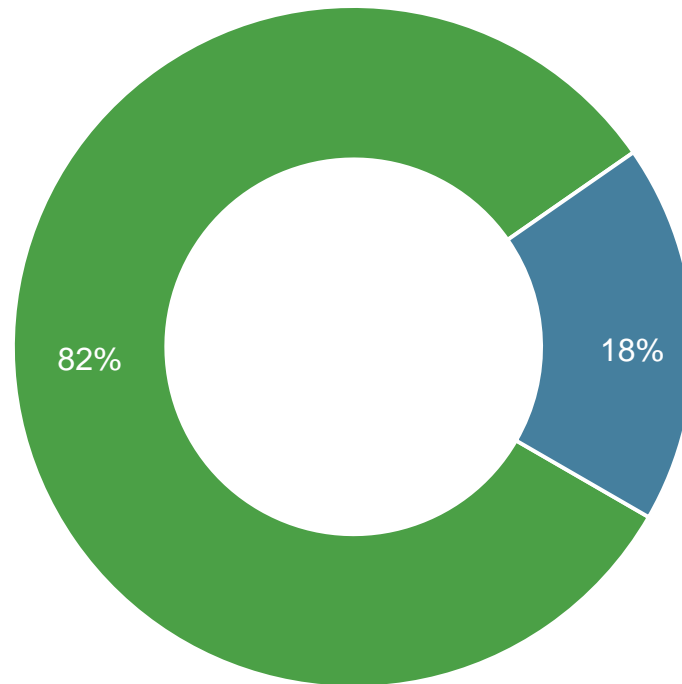
# Demographics: International Workforce

## ORGANIZATIONS HAVING WORKFORCE BASED OUTSIDE THE US



*n* = 2,124. Responses that answered "Not sure" were not included

# Demographics: HR Department Level

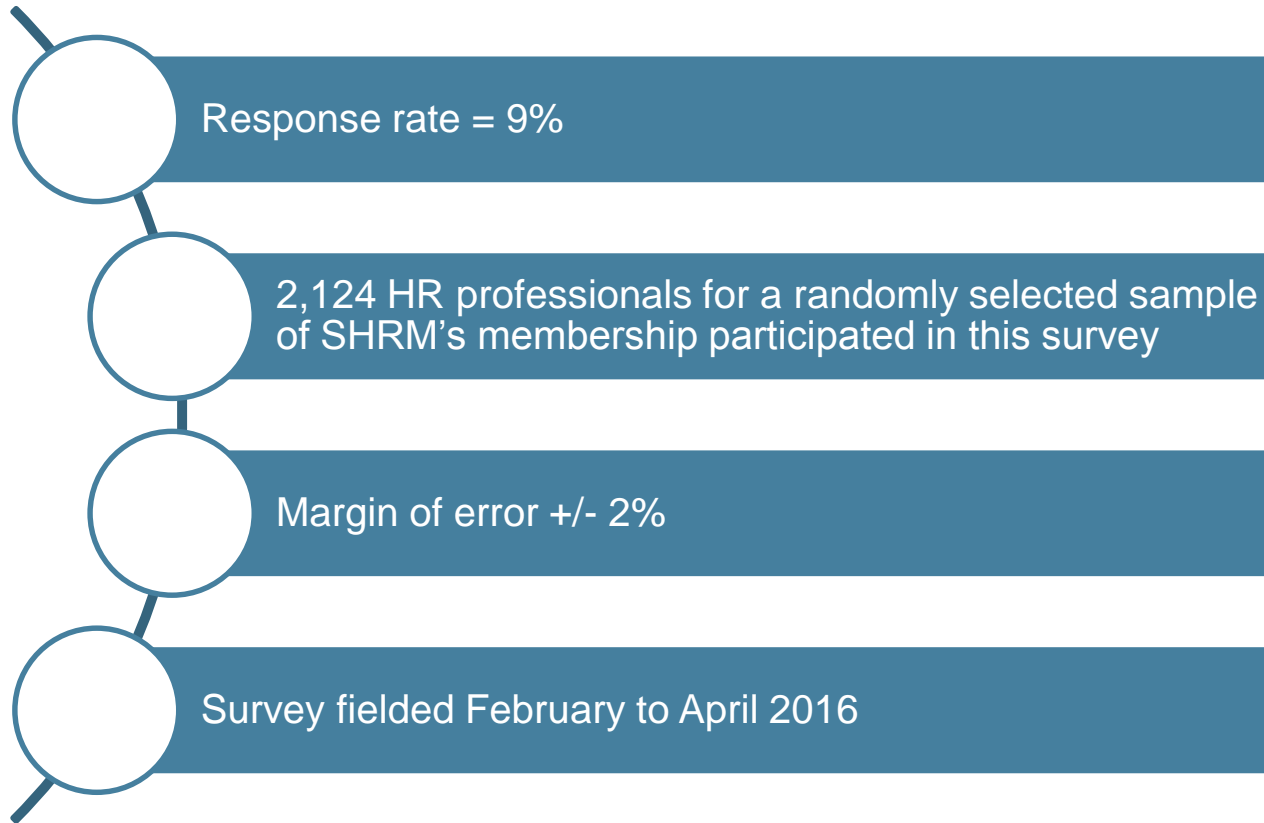


*n* = 2,105

■ Entire organization/corporate level

■ A specific business unit/work location(s)

# Survey Methodology



# Project Contributors

---

Project  
Lead

Andrew Mariotti, Senior Researcher, SHRM Research

---

Project  
Contributors

John Dooney, Manager, Training, Knowledge Center

---

Evren Esen, Director, Workforce Analytics, SHRM Research

---

Wenmo Kong, Research Coordinator, SHRM Research

---

Lindsay Northon, Specialist, HR Competencies

---