



2017 Health Care Benchmarking Report

HR Metrics

SHRM's Benchmarking Service

Are you looking for HR data that are 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 2017 SHRM Health Care Benchmarking Survey. Additional reports are available in:
 - Employee Benefits Prevalence
 - Human Capital
 - Paid Leave
 - Talent Acquisition

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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.

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Key Findings

Health Care Coverage: 98% of organizations offered health care coverage for their employees. Eleven percent of employees opted out of their organization's health care plan(s), down from 19% in 2015.

High-Deductible Plans: On average, employers contributed \$495 to their employees' health savings accounts (HSAs), while employers contributed \$2,063 to employee health reimbursement accounts (HRAs). In 2015, employers contributed an average of \$576 to HSAs and \$1,885 to HRAs.

Health Care Costs: The average total employee annual health care cost per covered employee in 2016 was \$9,666, up from \$8,669 in 2015.

Premiums and Deductibles: Across all plans, the average total monthly premium for employee-only coverage was \$493, the average annual in-network deductible for employee-only coverage was \$1,702, and the average annual out-of-network deductible for employee-only coverage was \$2,638.

Cost Sharing: Employers paid an average of 76% of the monthly premium for employee-only coverage.

Retirement: 93% of organizations offered a 401(k), 403(b) or similar plan, and organizations matched up to an average of 6% of an employee's salary.

Education: 56% of organizations offered tuition reimbursement.

Average total
employee annual
health care cost
per covered
employee:
\$9,666

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.

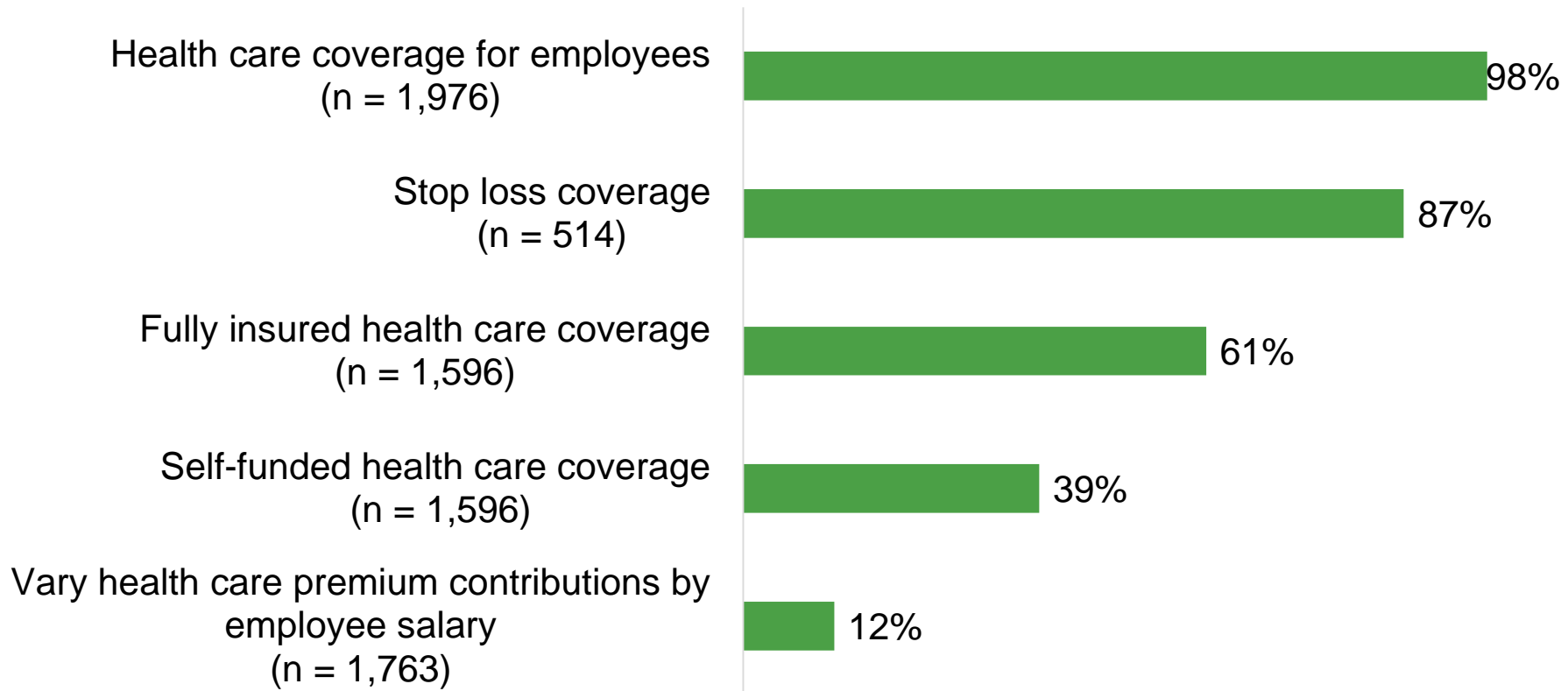
Median (50th percentile)

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

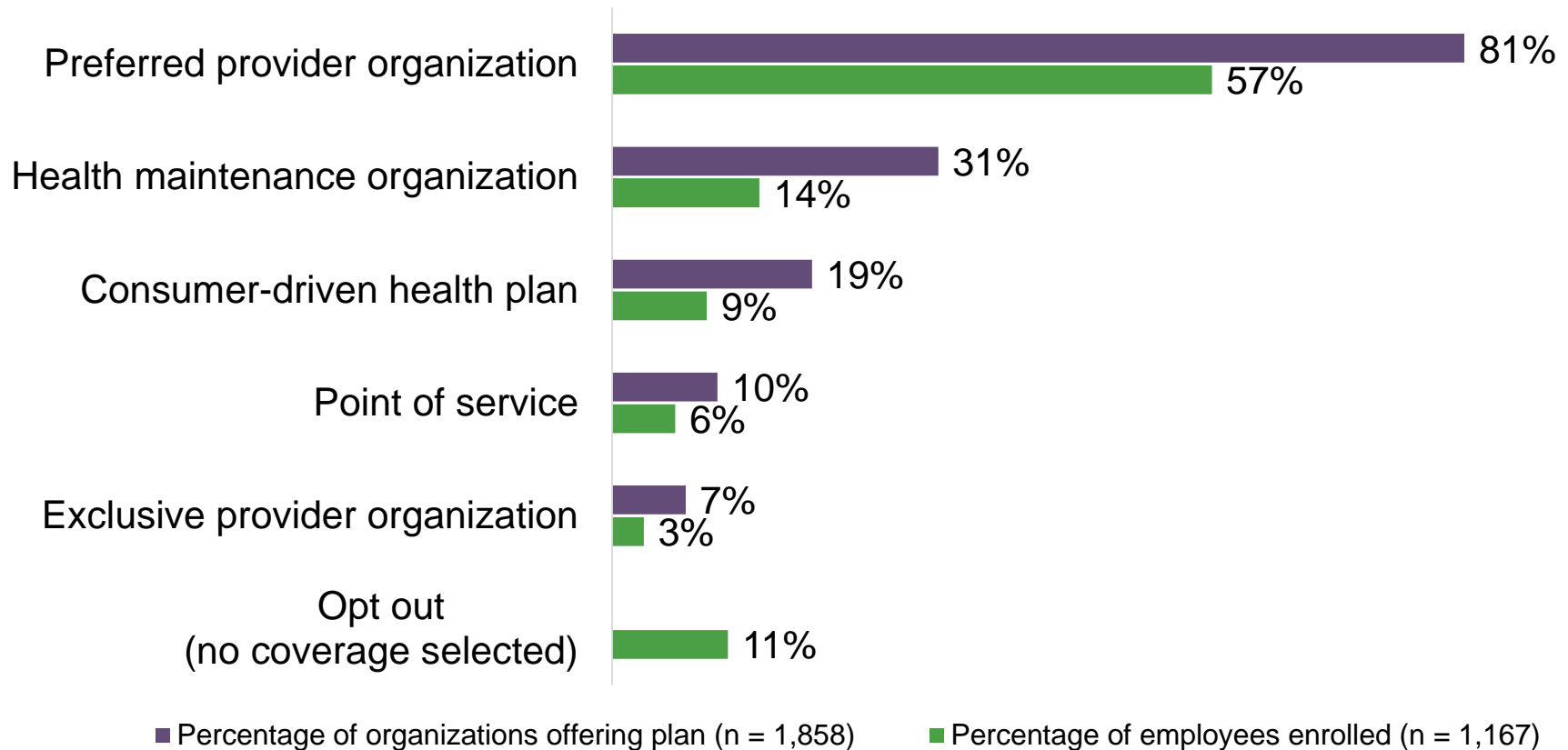
Average

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 and Stop Loss Coverage Prevalence



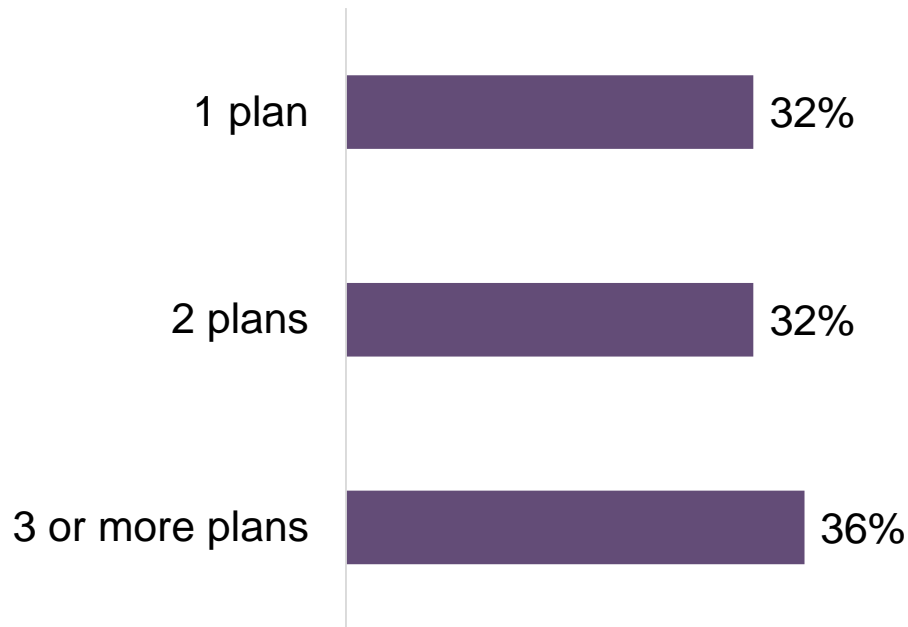
Employee Participation and Plans Offered



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

Employee Participation and Plans Offered

Numbers of Health Care Plans Offered



n = 1,501

Health Care Cost and Stop Loss Coverage Amount

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|--------------------|-----------|--------------------|-----------|
| Health care cost as a percentage of operating expense | 291 | 2.48% | 4.16% | 6.50% | 5.23% |
| Total employee annual health care cost per covered employee | 718 | \$6,098 | \$8,685 | \$11,989 | \$9,666 |
| Amount of stop loss coverage | 286 | \$55,000 | \$100,000 | \$175,000 | \$145,197 |

Health Care Costs for All Plans Combined

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-------|-----------------|---------|-----------------|---------|
| Total monthly premium for employee-only coverage | 1,108 | \$365 | \$502 | \$617 | \$493 |
| Percentage of premium employer pays for employee-only coverage | 1,135 | 70% | 80% | 92% | 76% |
| Percentage of premium employer pays for spouse or domestic partner coverage | 1,071 | 35% | 65% | 80% | 56% |
| Annual in-network deductible for employee-only coverage | 1,131 | \$600 | \$1,375 | \$2,500 | \$1,702 |
| Annual out-of-network deductible for employee-only coverage | 953 | \$1,000 | \$2,500 | \$4,000 | \$2,638 |
| Co-pay for in-network primary care office visits for employee-only coverage | 1,065 | \$15 | \$25 | \$30 | \$22 |

Note: All plans is an average of each plan type.

Health Maintenance Organization (HMO) Plans

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|-----------------|--------|-----------------|---------|
| Total monthly premium for employee-only coverage | 273 | \$360 | \$477 | \$582 | \$463 |
| Percentage of premium employer pays for employee-only coverage | 291 | 68% | 80% | 100% | 77% |
| Percentage of premium employer pays for spouse or domestic partner coverage | 274 | 25% | 60% | 78% | 52% |
| Annual in-network deductible for employee-only coverage | 282 | \$0 | \$750 | \$2,000 | \$1,251 |
| Annual out-of-network deductible for employee-only coverage | 192 | \$0 | \$110 | \$3,000 | \$1,450 |
| Co-pay for in-network primary care office visits for employee-only coverage | 272 | \$15 | \$20 | \$30 | \$20 |

Preferred Provider Organization (PPO) Plans

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|-----------------|---------|-----------------|---------|
| Total monthly premium for employee-only coverage | 885 | \$366 | \$517 | \$650 | \$511 |
| Percentage of premium employer pays for employee-only coverage | 909 | 70% | 80% | 91% | 75% |
| Percentage of premium employer pays for spouse or domestic partner coverage | 857 | 35% | 65% | 80% | 55% |
| Annual in-network deductible for employee-only coverage | 905 | \$500 | \$1,000 | \$2,250 | \$1,570 |
| Annual out-of-network deductible for employee-only coverage | 765 | \$1,000 | \$2,000 | \$4,000 | \$2,533 |
| Co-pay for in-network primary care office visits for employee-only coverage | 856 | \$20 | \$25 | \$30 | \$23 |

Point of Service (POS) Plans

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|-----------------|---------|-----------------|---------|
| Total monthly premium for employee-only coverage | 101 | \$400 | \$551 | \$650 | \$529 |
| Percentage of premium employer pays for employee-only coverage | 103 | 70% | 77% | 90% | 75% |
| Percentage of premium employer pays for spouse or domestic partner coverage | 99 | 35% | 55% | 75% | 52% |
| Annual in-network deductible for employee-only coverage | 101 | \$500 | \$1,300 | \$2,500 | \$1,505 |
| Annual out-of-network deductible for employee-only coverage | 88 | \$1,100 | \$2,550 | \$4,000 | \$2,715 |
| Co-pay for in-network primary care office visits for employee-only coverage | 94 | \$20 | \$25 | \$30 | \$24 |

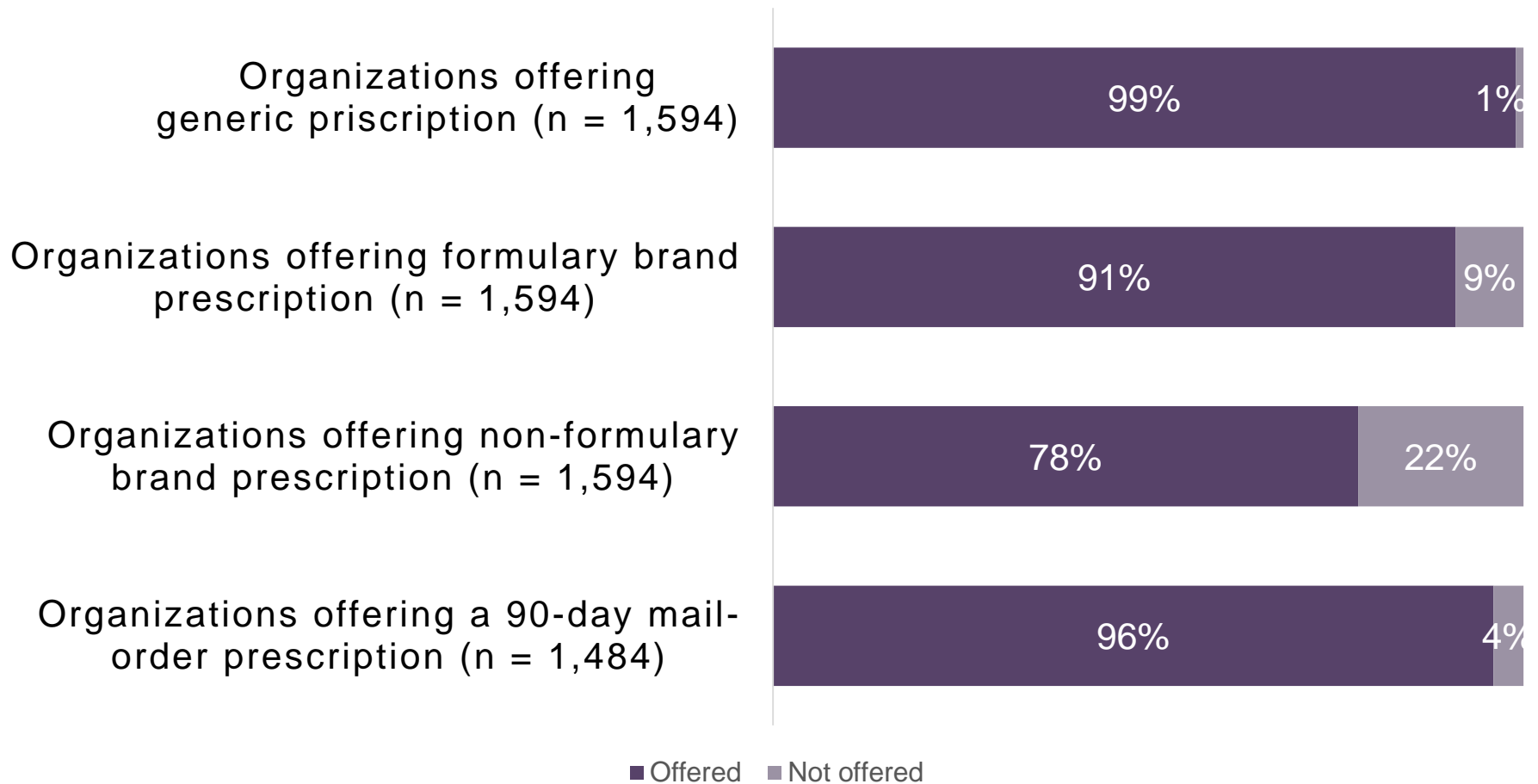
Consumer-Driven Health Plans (CDHP): High-Deductible Health Plans

| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|--------------------|---------|--------------------|---------|
| Total monthly premium for employee-only coverage | 218 | \$368 | \$467 | \$565 | \$457 |
| Percentage of premium employer pays for employee-only coverage | 216 | 75% | 82% | 92% | 80% |
| Percentage of premium employer pays for spouse or domestic partner coverage | 207 | 55% | 75% | 83% | 66% |
| Annual in-network deductible for employee-only coverage | 221 | \$1,500 | \$2,500 | \$3,000 | \$2,464 |
| Annual out-of-network deductible for employee-only coverage | 182 | \$3,000 | \$3,800 | \$5,000 | \$3,746 |
| Co-pay for in-network primary care office visits for employee-only coverage | 138 | \$0 | \$0 | \$20 | \$13 |

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 | 552 | \$0 | \$480 | \$750 | \$495 |
| Employer contribution to a health reimbursement arrangement | 198 | \$500 | \$1,000 | \$2,250 | \$2,063 |

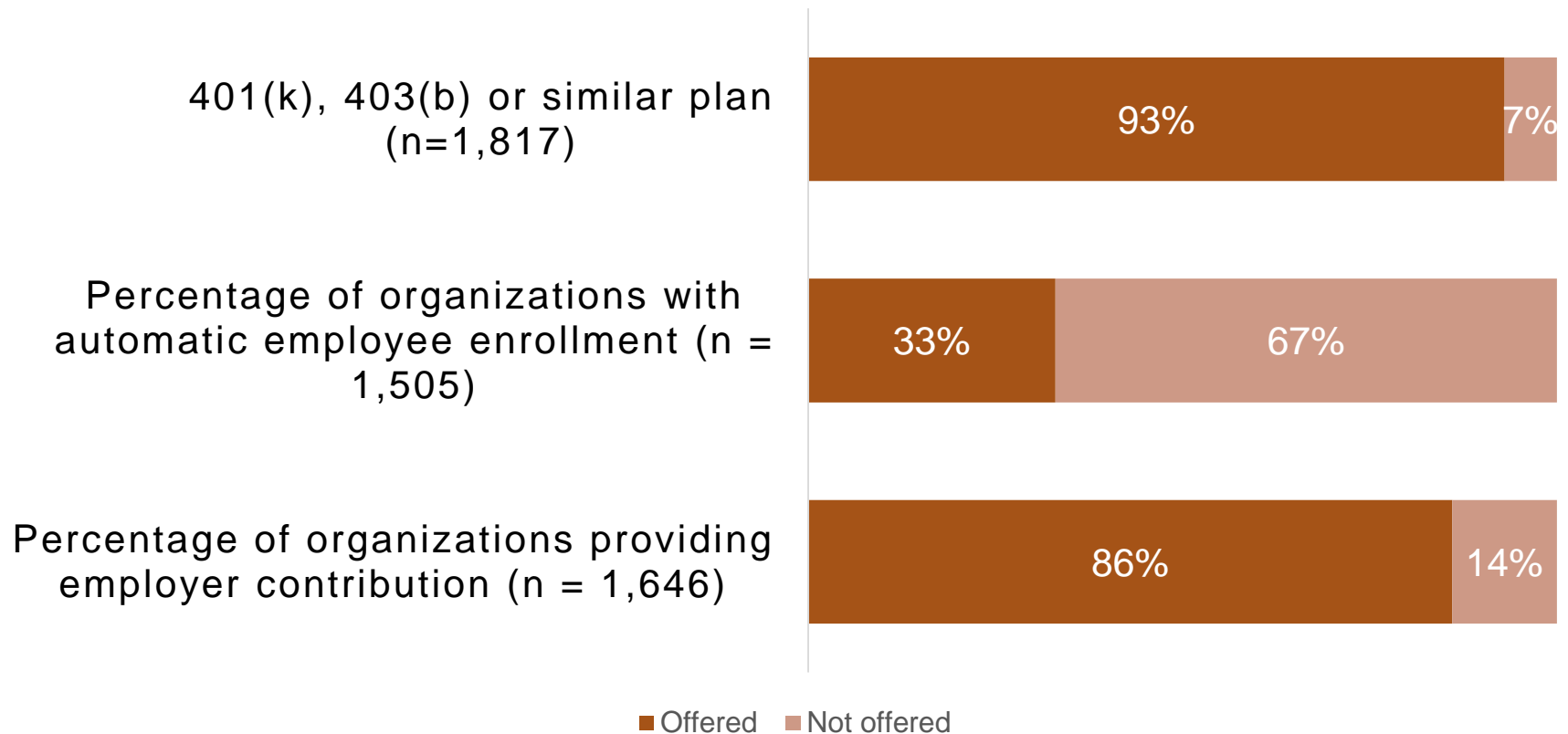
Prescription Drug Co-Pay and Co-Insurance Prevalence



Prescription Drug Co-Pays

| | n | 25th Percentile | Median | 75th Percentile | Average |
|--|-------|-----------------|--------|-----------------|---------|
| Employee co-pay for generic medication | 1,096 | \$10 | \$10 | \$15 | \$11 |
| Employee co-pay for formulary brand medication | 990 | \$25 | \$35 | \$40 | \$34 |
| Employee co-pay for non-formulary brand medication | 856 | \$50 | \$60 | \$70 | \$60 |
| Employee co-pay for 90-day mail-order supply of generic medication | 877 | \$13 | \$20 | \$30 | \$23 |
| Employee co-pay for 90-day mail-order supply of formulary brand medication | 808 | \$50 | \$70 | \$100 | \$73 |
| Employee co-pay for 90-day mail-order supply of non-formulary brand medication | 694 | \$80 | \$120 | \$175 | \$128 |

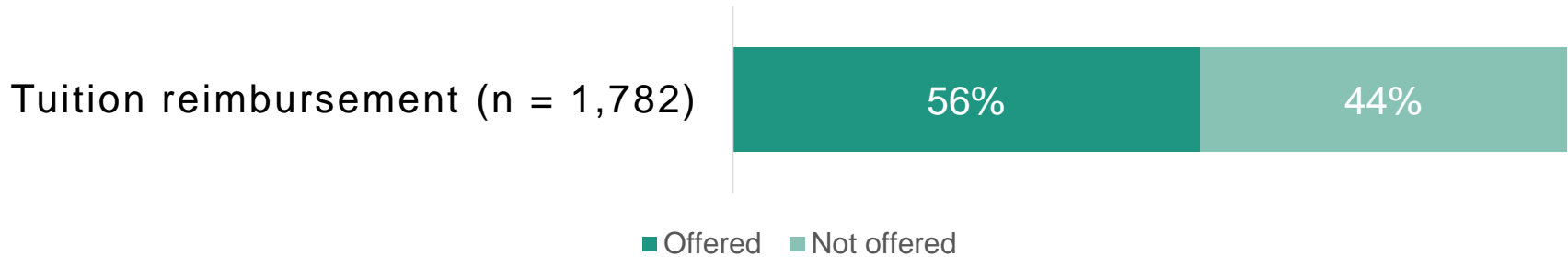
Retirement



Retirement

| | n | 25th Percentile | Median | 75th Percentile | Average |
|--|-------|-----------------|--------|-----------------|---------|
| Employee participation rate | 1,062 | 40% | 75% | 90% | 63% |
| Percentage of an employee's salary automatically contributed by employer | 419 | 3.00% | 3.00% | 6.00% | 4.02% |
| Percentage of an employee's contribution matched by the employer | 1,049 | 50% | 75% | 100% | 66% |
| Maximum percentage of salary matched by the employer | 1,024 | 3.00% | 4.00% | 6.00% | 5.73% |

Tuition/Education



| | n | 25th Percentile | Median | 75th Percentile | Average |
|---|-----|-----------------|---------|-----------------|---------|
| Maximum reimbursement allowed for tuition/education expenses per year | 561 | \$2,000 | \$3,678 | \$5,250 | \$4,057 |
| Percentage of employees participating in tuition/education reimbursement programs | 570 | 1% | 3% | 9% | 9% |

Demographics: Organization Industry

| | Percentage |
|--|------------|
| Professional, scientific, and technical services | 20% |
| Manufacturing | 20% |
| Health care and social assistance | 15% |
| Administrative and support and waste management and remediation services | 12% |
| Finance and insurance | 11% |
| Educational services | 10% |
| Government agencies | 8% |
| Retail trade | 7% |

Note: n = 2,237. Percentages do not total 100% due to multiple response options.

Demographics: Organization Industry (continued)

| | Percentage |
|--|------------|
| Transportation and warehousing | 7% |
| Construction | 7% |
| Information | 6% |
| Religious, grantmaking, civic, professional, and similar organizations | 5% |
| Accommodation and food services | 5% |
| Wholesale trade | 4% |
| Utilities | 4% |

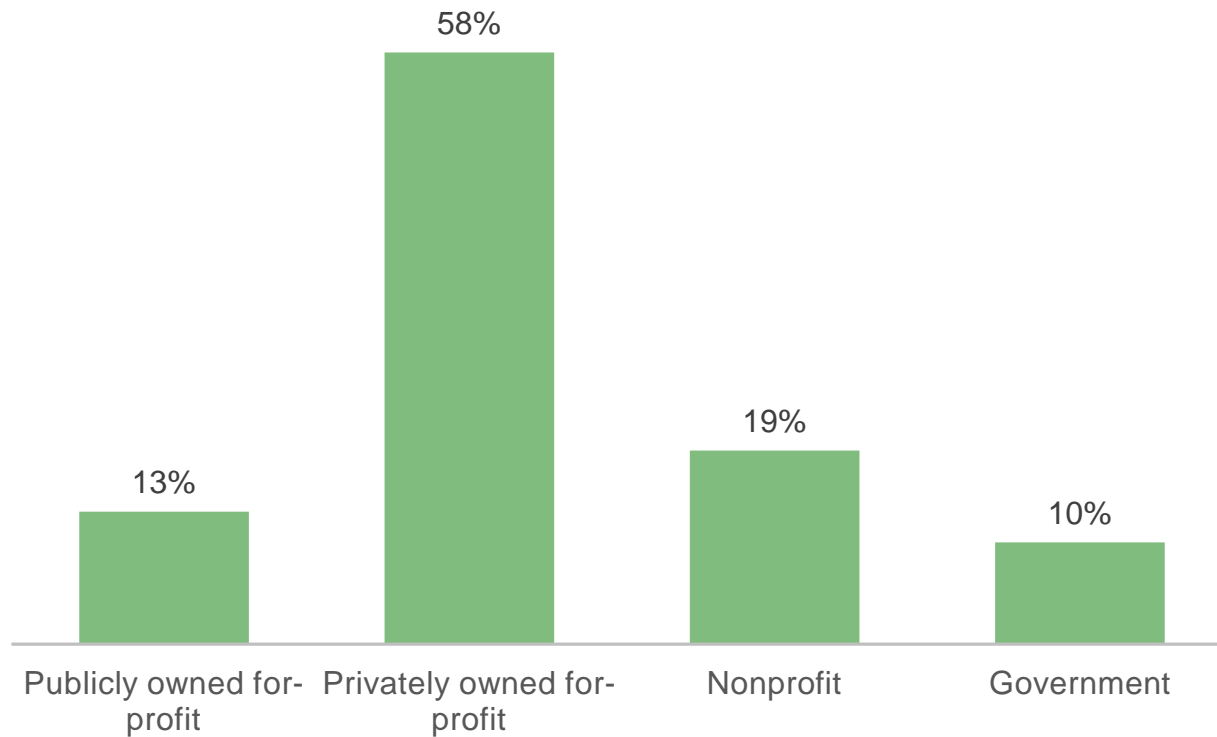
Note: n = 2,237. Percentages do not total 100% due to multiple response options.

Demographics: Organization Industry (continued)

| | Percentage |
|---|------------|
| Repair and maintenance | 4% |
| Real estate and rental and leasing | 3% |
| Arts, entertainment, and recreation | 3% |
| Mining, quarrying, and oil and gas extraction | 2% |
| Agriculture, forestry, fishing and hunting | 2% |
| Personal and laundry services | 1% |

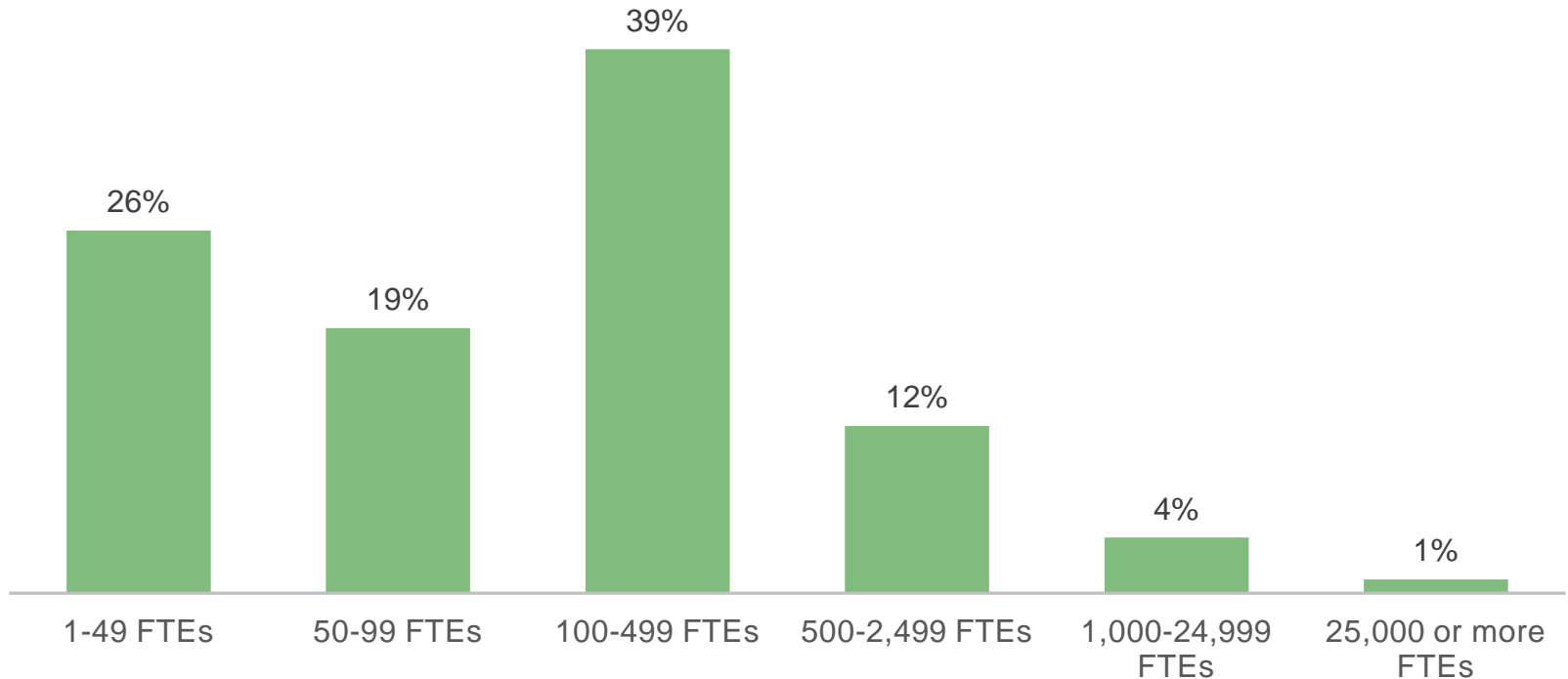
Note: n = 2,237. Percentages do not total 100% due to multiple response options.

Demographics: Organization Sector



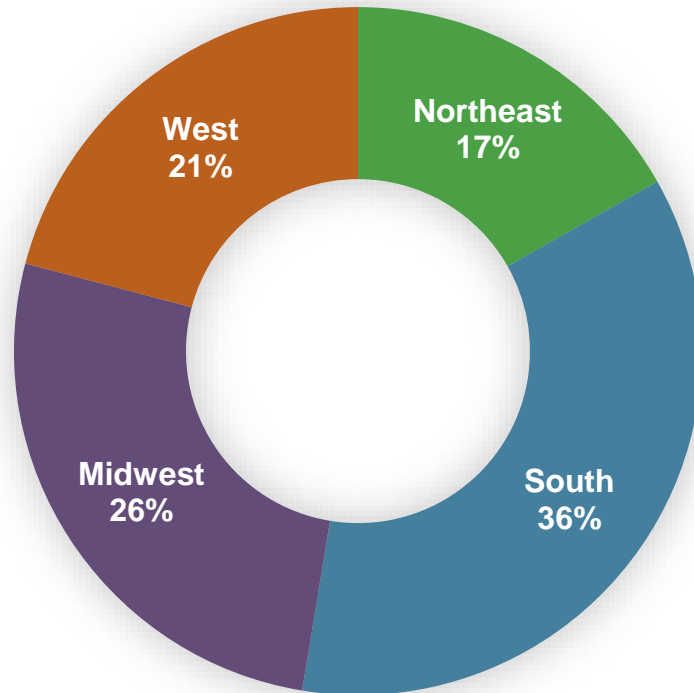
n = 2,209

Demographics: Organization Staff Size



Note: n = 1,645. Percentages do not total 100% due to rounding.

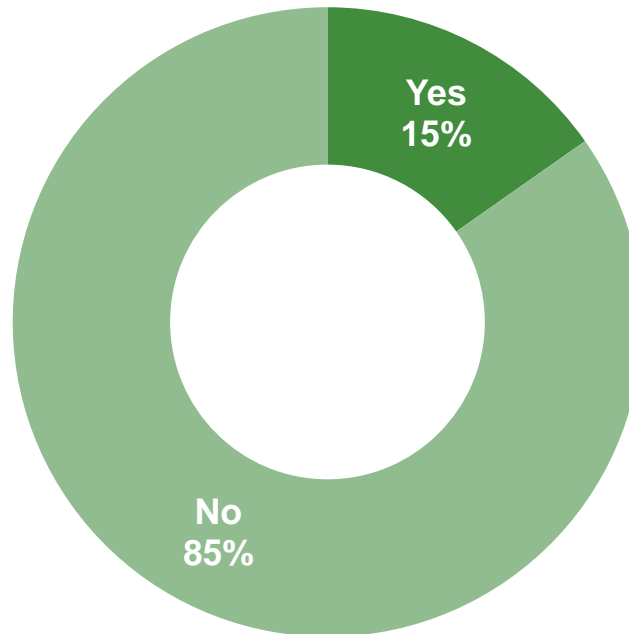
Demographics: Organization Region



n = 2,224

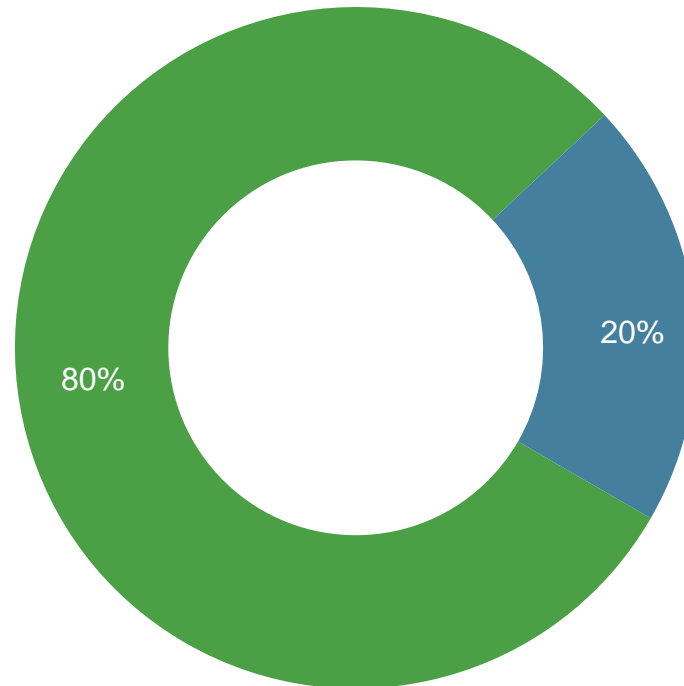
Demographics: International Workforce

ORGANIZATIONS HAVING WORKFORCE BASED OUTSIDE THE US



n = 2,134. Responses that answered "Not sure" were not included

Demographics: HR Department Level

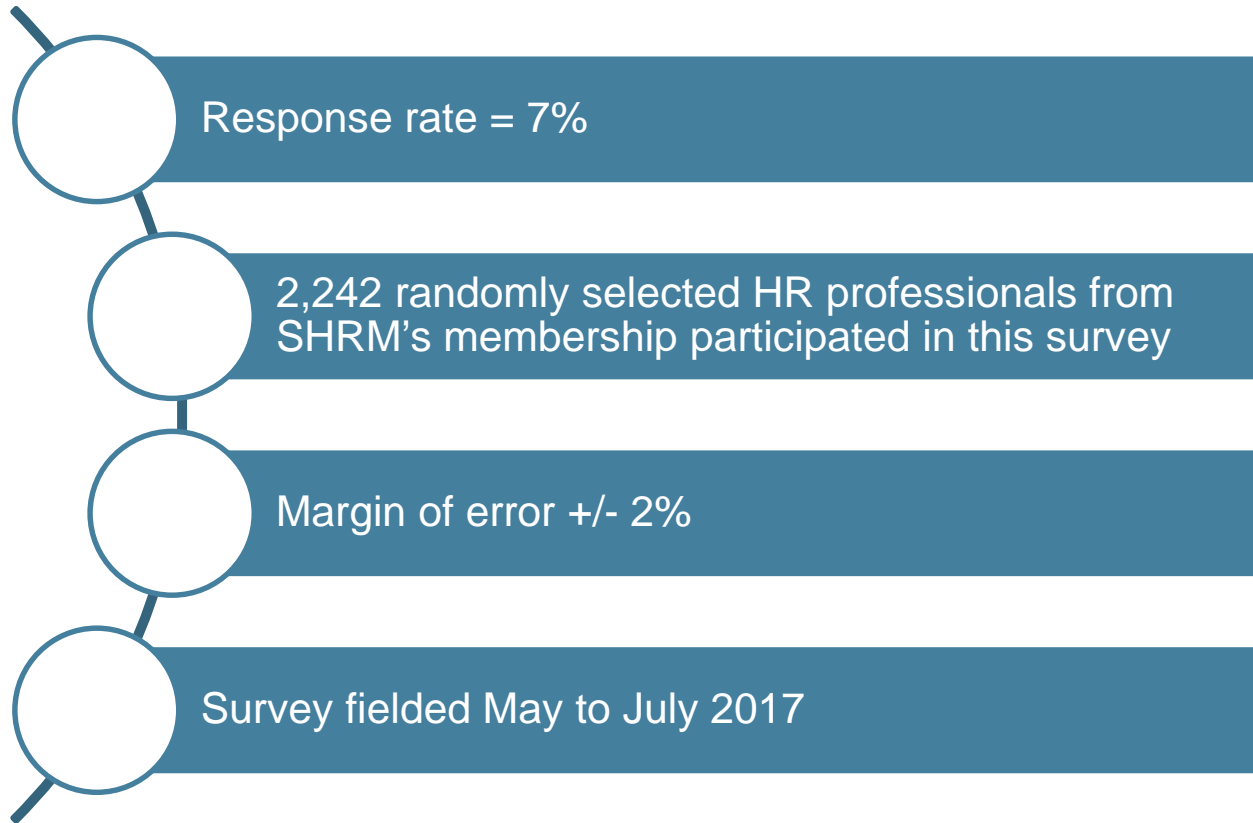


n = 2,235

■ Entire organization/corporate level

■ A specific business unit/work location(s)

Survey Methodology



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