These survey findings examine the impact of the Patient Protection and Affordable Care Act (ACA), legislation passed by the U.S. Congress in 2010, on organizations. Starting on January 1, 2015, the employer mandate became effective for organizations with 100 or more full-time equivalent employees working an average of at least 30 hours per week (including the sum of hours by part-time employees that added together equal “equivalent” full-time employees). Under the ACA, these employers must offer full-time employees and their dependents affordable health care coverage or be subject to penalties. Small businesses with 50 to 99 FTEs will need to start insuring full-time employees by January 1, 2016.

In this report, 2015 data are compared with previous data where possible. The results are presented in the following sections:

» Health Care Costs.
» Employee Hours and Health Care Eligibility.
» Health Care Benefits.
» Other Impacts of the ACA.
» HR Opinions and Actions.
» Demographics.

View previous reports and additional SHRM resources on health care reform
Key Findings: Health Care Costs

- **How did organizations’ overall health care coverage costs change from 2014 to 2015?** About three-quarters (77%) of respondents indicated their organization’s costs increased, 17% said they stayed the same, and 6% saw a decrease in costs. Of those expecting increased costs, 21% had a 1% to 5% increase, 38% had a 6% to 10% increase, 16% had an 11% to 15% increase, and about one-quarter (24%) experienced a 16% or more increase in costs. For those that had decreased costs, about one-half (51%) had a 1% to 5% decrease, and one-third (33%) a 6% to 10% decrease.

- **Have organizations taken action to avoid the excise tax (a 40% tax on employers that provide high-cost health benefits to their employees scheduled to take effect in 2018)?** One-third of organizations (33%) have or are planning to take action: 9% have already made changes to their health care plan to avoid the excise tax and 24% plan to conduct an analysis to explore options to avoid the tax. Twenty percent did not ever offer a plan that would be subject to the tax, and the remaining 46% of respondents indicated their organization had not yet considered the tax, were awaiting further guidance or did not know what their organization would be doing.

- **Have organizations received medical loss ratio rebates since 2012?** One out of five organizations (20%) have received medical loss ratio rebates. Thirty-seven percent of those organizations distributed a portion of those rebates to employee participants in the plan, and 28% applied the rebate toward future participant premiums. About one out of five organizations either applied the rebate toward other benefit enhancements (19%) or distributed the full amount to employee participants in the plan (18%).
Key Findings: Employee Hours and Health Care Eligibility

- **How many hours per week do employees need to work to be eligible for health care coverage?** Currently, 54% of organizations require 30 hours per week to be eligible for coverage, an increase from 44% in 2014 and 39% in 2013. One out of five organizations (20%) offer health care coverage to employees who work less than 30 hours per week, the same as in 2014, but a decrease from 28% in 2013.

- **Are organizations changing their definition of full-time or part-time employees as a result of the ACA?** Three-quarters of organizations (76%) had a definition of full-time and part-time employees that conforms with the ACA. Seven percent considered changing the definition but decided not to, and 17% have not explored the ACA’s definition in comparison with their internal definition.

- **Are organizations reducing the total number of employees or part-time hours because of the ACA?** Very few organizations (5%) have already reduced or plan to reduce the total number of employees. More organizations (14%) have already reduced part-time hours, and 6% plan to do so. On average, 19% of employees were affected at organizations that reduced or planned to reduce hours.
Key Findings: Health Care Benefits

- **Have organizations maintained a “grandfathered health plan” status?** Similar to 2013, 22% of organizations had grandfathered status. One out of five organizations (20%) had grandfathered status in the past, but had since dropped it. Over one-half of organizations (58%) never attempted to maintain or did not qualify for grandfathered status.

- **Why do organizations want to maintain grandfathered status?** In 2013, the primary reason was to avoid additional costs to the organization and/or employees (46%), but this figure dropped to 26% in 2015. Now one-half (50%) of respondents indicated that their organization’s current plan was more robust than what was required by the ACA. Nearly two out of 10 (19%) wanted to avoid compliance with specific elements of the law.

- **Why have organizations decided not to maintain grandfathered status?** Of organizations that decided not to maintain grandfathered status, 45% wanted to make changes to their benefits plan. This was followed by 19% of organizations whose respondents said it cost more to keep than to change health care plans and 16% whose insurance carrier made changes to their health care plan.
• Are organizations considering alternative health care plans? More organizations offered alternative health care plans in 2015 (54%) compared with 2013 (37%), and another 13% of respondents said their organization plans to offer them in the future.

• Have organizations changed health care coverage from 2014 to 2015? About three out of five organizations (59%) made changes to their health care coverage. Most commonly, organizations made modifications to existing health plans (41%), followed by 20% that added new health plans.

• What kind of impact did these health care coverage changes have on recruitment and retention? Over one-half of HR professionals thought the changes had no impact on recruitment and retention (54% and 55% respectively). One-quarter (25%) said it had a positive impact, and less than one-quarter thought it had a negative impact on recruitment (19%) and retention (22%).

• Are organizations following nondiscrimination rules? (Employers subject to the new nondiscrimination provisions must refrain from discriminating in favor of highly compensated employees with regard to health benefits. The Internal Revenue Service has delayed enforcement of these new rules until regulations or further guidance has been issued.) The majority (85%) of organizations were following nondiscrimination rules, and 14% were waiting for more guidance, similar to results found in 2013.
• **Have health-related employee benefits offerings changed as a result of the ACA?** Two-thirds of respondents (66%) believed their organization offered the same level of health benefits, unchanged from 2013. Twenty-one percent said their health benefits had decreased, and 13% said they had improved.

• **Have nonhealth-related employee benefits offerings changed as a result of the ACA?** Similar to 2013, the majority of respondents (84%) indicated that their organization’s nonhealth-related benefits remained at the same level. Eight percent had improved nonhealth benefits, and 7% had decreased the level of benefits.

• **What type of nonhealth benefits did organizations reduce or cut?** Of organizations that decreased nonhealth benefits, 44% reduced retirement savings and planning benefits, 38% reduced financial and compensation benefits, and 38% decreased employee programs and services. Compared with anticipated reductions in 2013, fewer organizations had reduced leave benefits (23% versus 34%), family-friendly benefits (10% versus 26%), and housing and relocation benefits (2% versus 13%).

• **Are organizations concerned about losing employees through voluntary turnover when the public exchanges become available?** The majority of organizations (86%) were not concerned that the availability of public exchanges would affect voluntary turnover, an increase from 69% in 2013. About one in ten (11%) were somewhat concerned, and few organizations (3%) were very or extremely concerned.
**Key Findings: HR Opinions and Actions**

- **What is the main implementation barrier for organizations?** HR professionals (41%) indicated that the complexity of the ACA was still the main implementation barrier, unchanged from 2013. Fewer cited a lack of understanding of the law’s details and its impact on organizations, a decrease from 27% to 16%, and the cost of implementing the law remained the third most common challenge at 14%. Fifteen percent indicated there was no implementation barrier for their organization.

- **What actions have organizations taken in response to the ACA?** Three-quarters (75%) of organizations have worked with legal/benefits counsel to understand implications of the ACA, and 71% have sent HR staff to classes/training on the law. The biggest changes from 2013 are that more organizations have communicated the impact of the ACA to employees (from 32% to 67%) and to retirees (from 7% to 17%).

- **What resources have organizations used to navigate the ACA?** More than three-quarters (78%) of organizations have used an insurance broker, 56% used SHRM’s resources on health care reform and one-half (50%) used either internal or external legal counsel.
What Do These Findings Mean for the HR Profession?

- **Organizations will continue to see their health care benefits packages as a key recruitment and retention tool.** The awareness of the importance of health care benefits to recruitment and retention will encourage many organizations to maintain offerings that go beyond what is required by the law. Most HR professionals report that the ACA changes had no impact on recruitment and retention (54% and 55% respectively) suggesting that other factors most influence their benefits strategies. Meanwhile, one-half (50%) of organizations indicated that their current plan was more robust than what was required by the ACA.

- **More organizations may start considering alternative health care plans.** The findings indicated that more organizations were offering alternative health care plans in 2015 (54%) compared with 2013 (37%), and another 13% said they plan to offer them in the future. Many organizations continue to move toward the use of health savings accounts (HSAs). The *SHRM 2014 Employee Benefits* research report shows that over the past five years there was a 12 percentage point increase in the number of organizations offering HSAs (33% in 2010, 45% in 2014) and a 17 percentage point increase in the prevalence of employer contributions to HSAs (15% in 2010 and 32% in 2014).

- **Many organizations are changing health care coverage.** Between 2014 and 2015 about three out of five organizations (59%) made changes to their health care coverage. As HR professionals, brokers and legal experts become more familiar with the law, a growing number may begin to make strategic modifications to existing health plans to maximize their return on investment.
What Do These Findings Mean for the HR Profession? (continued)

• **It is critical that employers understand what counts toward the 30 hours of service threshold that classifies an employee as a full-time employee under the law.** Both penalties and lawsuits from the employee may occur if an employer does not count an employee’s hours of service accurately. HR professionals must therefore be vigilant in making sure their organizations are fully in compliance. Currently, 54% of organizations provide health care eligibility to employees who work 30 hours per week, an increase from 44% in 2014 and 39% in 2013. In addition, 20% provide health care coverage for employees who work fewer than 30 hours.

• **It is important to have a communication strategy in place to explain health benefits.** Organizations will continue to need to communicate effectively with employees, especially those who may not be familiar with benefits offerings and enrollment procedures. Organizations have already made progress on this front; the biggest change from 2013 is that more organizations have communicated the impact of the ACA to employees (from 32% to 67%) and to retirees (from 7% to 17%).

• **Resources and education are needed to help HR professionals navigate the complexity of the ACA.** HR professionals (41%) indicated that the complexity of the ACA was still the main implementation barrier, unchanged from 2013. Though fewer cited a lack of understanding of the law’s details and its impact on organizations’ resources, information is still needed to help HR professionals understand and comply with the law. These sources of information are likely to continue to be insurance brokers, SHRM’s resources on health care reform and internal or external legal counsel.
Health Care Costs
2014 to 2015 Change in Organizations’ Overall Health Care Coverage Costs

Change in Costs

- Decrease 6%
- Stay the same 17%
- Increase 77%

Percentage Increase in Costs

- 1% - 5%: 21%
- 6% - 10%: 38%
- 11% - 15%: 16%
- 16% or more: 24%

Note: n = 687. Respondents who answered "don't know" or "not applicable" were excluded from this analysis.

Note: n = 492. Only respondents who indicated a change in the costs from 2014 to 2015 were asked this question. Percentages do not total 100% due to rounding.
Will your organization restructure its health care options to avoid the excise tax?

The excise tax ("Cadillac tax"): A tax scheduled to take effect in 2018 to reduce health care use and costs by encouraging employers to offer plans that are cost-effective and by engaging employees in sharing in the cost of care. It is a 40% tax on employers that provide high-cost health benefits to their employees.

- **Yes, we have made changes to our plan to avoid the excise tax**: 9%
- **We are/will be conducting analyses and exploring different health care options to ensure that we don’t pay the excise tax**: 24%
- **We have not yet begun to consider the issues around the excise tax**: 13%
- **We are awaiting guidance on the excise tax before making any changes**: 14%
- **Not applicable; we did not ever offer a health care plan that would require us to pay the excise tax**: 20%
- **Don’t know**: 19%

*Note: n = 714. Percentages do not total 100% due to rounding.*
Medical loss ratio rebates: These rebates were mandated under the ACA whenever health insurers did not spend at least a certain percentage (generally, 80% to 85%) of the prior year’s health insurance premiums on health care services. If they fail to meet these standards, the insurance companies are required to provide a rebate to their customers (effective 2012).

Received Rebates Since 2012

<table>
<thead>
<tr>
<th>Yes</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>80%</td>
</tr>
</tbody>
</table>

Note: n = 540. Respondents who answered “don’t know” or “not applicable” were excluded from this analysis.

If Yes, How Were Rebates Used?

- Distributed a proportion of the rebate to employee participants in the plan: 37% (2015 n = 103), 40% (2013 n = 117)
- Applied the rebate toward future participant premium payments: 21% (2015), 28% (2013)
- Applied the rebate toward other benefit enhancements: 19% (2015), 11% (2013)
- Distributed the full amount of the rebate to employee participants in the plan: 18% (2015), 28% (2013)
- Other: 4% (2015), 5% (2013)

Note: Only respondents whose organizations received rebates were asked this question. Percentages do not total 100% due to multiple response options.
Employee Hours and Health Care Eligibility
How many hours per week do employees need to work to be eligible for health care coverage?

- Less than 30 hours per week:
  - 20% (2015, n = 708)
  - 20% (2014, n = 713)
  - 28% (2013, n = 699)

- 30 hours per week:
  - 54% (2015, n = 708)
  - 44% (2014, n = 713)
  - 39% (2013, n = 699)

- More than 30 hours per week:
  - 26% (2015, n = 708)
  - 36% (2014, n = 713)
  - 33% (2013, n = 699)

Note: Respondents who answered "don't know" or "not applicable" were excluded from this analysis.
As a result of the ACA employer mandate, has your organization considered changing its definition of full-time or part-time employees?

- Yes, we've changed our definition for ALL of our benefits and for classification purposes: 10% (full-time), 12% (part-time)
- Yes, we've changed our definition ONLY for health care benefits: 10% (full-time), 14% (part-time)
- We already defined employees in a way that conforms to ACA's definition: 56% (full-time), 50% (part-time)
- Yes, we considered this, but do NOT plan to change our definition: 7% (full-time), 7% (part-time)
- No, we have not explored ACA's definition of employees in comparison to our internal definition: 17% (full-time), 17% (part-time)

Three-quarters of organizations (76%) have a definition of full-time and part-time employees that conforms to ACA's definition.

Note: Respondents who answered "don't know" or "not applicable" were excluded from this analysis.
As a result of the ACA employer mandate, has your organization considered reducing its total number of employees?

- Yes, we have already reduced the number of employees: 3% (2015), 2% (2013)
- Yes, we plan to reduce the number of employees: 2% (2015), 2% (2013)
- Yes, we considered this, but do NOT plan to reduce the number of employees: 6% (2015), 4% (2013)
- No, we have not considered reducing the number of employees: 90% (2015), 93% (2013)

Note: Percentages may not total 100% due to rounding. Respondents who answered "don’t know" were excluded from this analysis.
As a result of the ACA employer mandate, has your organization considered reducing the number of hours worked for some full-time or part-time employees?

- Yes, we have already reduced employee hours: 2% (14%)
- Yes, we plan to reduce employee hours: 1% (6%)
- Yes, but we have decided NOT to reduce employee hours: 6% (8%)
- No, we have not considered reducing employee hours: 91% (72%)

On average, among organizations that reduced or planned to reduce hours for full- or part-time employees as a result of the ACA—19% of employees were affected.

Note: Respondents who answered "don't know" or "not applicable" were excluded from this analysis.
Health Care Benefits
Did your organization ever have a “grandfathered health plan” status?

Grandfathered health plan: Any group health plan or individual coverage that was in effect on the date of the ACA’s enactment, March 23, 2010. If an employer maintains the same group health plan, it may be grandfathered—exempt from certain provisions of the ACA. A plan can lose its grandfathered status if certain changes are made—for example, if the plan significantly cuts or reduces benefits, raises co-insurance rates, significantly raises co-payments or deductibles, or significantly lowers employer contributions.

- Yes, we currently have a grandfathered health plan: 22%
- Yes, we had grandfathered status, but do not currently have a grandfathered health plan: 20%
- No, we did not ever attempt to maintain grandfathered status: 43%
- Not applicable; we did not ever qualify for grandfathered status: 15%

26% of organizations planned to maintain grandfathered status according to 2013 survey findings.

Note: n = 635. Respondents who answered “don’t know” were excluded from this analysis.
What is the primary reason that your organization wants to maintain grandfathered status?

- Our current plan is more robust than what is required by the ACA: 50% (2015, n = 129) vs. 43% (2013, n = 178)
- To avoid additional costs to the organization and/or employees: 46% (2015, n = 129) vs. 26% (2013, n = 178)
- To avoid having to comply with specific elements of the ACA: 19% (2015, n = 129) vs. 10% (2013, n = 178)
- Other: 5% (2015, n = 129) vs. 2% (2013, n = 178)

Note: Percentages may not total 100% due to rounding. Only respondents whose organizations had or were planning to maintain grandfathered status were asked this question. Respondents who answered "don't know" were excluded from this analysis.
What is the primary reason that your organization decided *not* to maintain grandfathered status?

- *We wanted to make changes to our benefits plan* - 45%
- It cost more to keep than to change health care plans - 35% (2015: 19%)
- *Our insurance carrier made changes to our plan* - 16%
- We wanted to provide the additional benefits to employees mandated by the ACA - 44%
- We wanted to reduce the benefits offerings to employees - 1% (2013: 5%)
- Other - 8% (2013: 16%)

Note: An asterisk (*) indicates that this response option was not asked in 2013; 8% of the 2013 “other” responses noted they wanted to make changes to their benefits plan. Only respondents whose organizations decided not to maintain grandfathered status were asked this question. Respondents who answered “don’t know” were excluded from this analysis.
Has your organization considered alternative health care plans?

Alternative health care plan examples:
- Less expensive coverage plans
- Health savings accounts
- Health reimbursement accounts

- Yes, we already offer alternative health care plans: 54% (2015), 37% (2013)
- Yes, we plan to offer alternative health care plans in the future: 13% (2015), 19% (2013)
- Yes, we considered this but do not plan to offer alternative health care plans: 17% (2015), 19% (2013)
- No, we have not considered offering alternative health care plans: 16% (2015), 25% (2013)

Note: Respondents who answered "don't know" were excluded from this analysis.
From 2014 to 2015, has your organization made any of the following changes to your employee health care coverage?

- None, we did not make any changes to our health care coverage (41%)
- Modified existing health plan(s) (41%)
- Added new health plan(s) (20%)
- Changed health care provider(s) (14%)
- Dropped previous health plan(s) (11%)
- Other (6%)

About three out of five organizations (59%) made changes to their health care coverage from 2014 to 2015.

Note: n = 701. Percentages do not total 100% due to multiple response options. Respondents who answered "don’t know" were excluded from this analysis.
What kind of an impact do you think the changes made to your organization’s health care coverage will have on your recruitment and retention of employees?

- **Very positive impact**: 5% (Recruitment) 6% (Retention)
- **Positive impact**: 20% (Recruitment) 19% (Retention)
- **No impact**: 55% (Recruitment) 54% (Retention)
- **Negative impact**: 15% (Recruitment) 17% (Retention)
- **Very negative impact**: 4% (Recruitment) 5% (Retention)

Note: Percentages do not total 100% due to rounding. Respondents who answered "don’t know" were excluded from this analysis. Only respondents whose organizations had made changes to their health care coverage were asked this question.
Is your organization currently following the new nondiscrimination rules for your health care plan?

**Nondiscrimination rules**: Under the ACA, employers subject to the new nondiscrimination provisions must refrain from discriminating in favor of highly compensated employees with regard to health benefits. The Internal Revenue Service has delayed enforcement of these new rules until regulations or further guidance has been issued.

- Yes, we are currently following nondiscrimination rules: 85% (2015, n = 339), 88% (2013, n = 403)
- No, we are waiting for more guidance: 14% (2015), 11% (2013)
- No, but for other reasons: 1% (2015), 1% (2013)

Note: Only respondents whose organizations had fully insured primary medical benefits were asked this question. Respondents who answered "don't know" were excluded from this analysis.
Other Impacts of ACA
As a result of the ACA, would you say that your organization’s employee benefit offerings have improved, stayed the same or decreased?

**Health Care Benefit Offerings**
- **Improved**: 2015 (n = 703) - 13%, 2013 (n = 677) - 11%
- **Same level**: 66%
- **Decreased**: 21%

**Nonhealth-Related Benefit Offerings**
- **Improved**: 2015 (n = 686) - 8%, 2013 (n = 651) - 5%
- **Same level**: 84%
- **Decreased**: 7%

*Note: Percentages may not total 100% due to rounding. Respondents who answered "don't know" were excluded from these analyses.*
What type of nonhealth-related benefits has your organization decreased or eliminated?

- **Retirement savings and planning benefits**: 44% (2015), 45% (2013)
- **Financial and compensation benefits**: 38% (2015), 45% (2013)
- **Employee programs and services**: 38% (2015), 40% (2013)
- **Professional and career development benefits**: 23% (2015), 29% (2013)
- **Leave benefits**: 23% (2015), 34% (2013)
- **Business travel benefits**: 21% (2015), 21% (2013)
- **Flexible working benefits**: 19% (2015), 17% (2013)
- **Family-friendly benefits**: 10% (2015), 26% (2013)
- **Housing and relocation benefits**: 2% (2015), 13% (2013)
- **Other benefits**: 21% (2015), 17% (2013)

Note: Percentages do not total 100% due to multiple response options. Only respondents who indicated their organization’s nonhealth-related benefits would decrease were asked this question. Respondents who answered “don’t know” were excluded from this analysis.
How concerned is your organization about employees leaving the organization now that the public exchanges are available and employees may have new options to purchase affordable coverage?

![Bar chart showing concern levels for 2015 and 2013](chart)

- **Unconcerned**: 86% (2015), 69% (2013)
- **Somewhat concerned**: 11% (2015), 26% (2013)
- **Very concerned**: 2% (2015), 3% (2013)
- **Extremely concerned**: 1% (2015), 2% (2013)

Note: Respondents who answered "don't know" were excluded from this analysis.
HR Opinions and Actions
In general, what do you think is the main implementation barrier of the ACA for your organization?

- Complexity of the law: 41% (2015) vs. 41% (2013)
- Lack of overall understanding of details of the law and how my organization will be impacted: 16% (2015) vs. 27% (2013)
- Cost of implementing: 14% (2015) vs. 10% (2013)
- Employee out-of-pocket cost: 8% (2015) vs. 5% (2013)
- None, there is no implementation barrier for my organization: 15% (2015) vs. 10% (2013)
- Other: 6% (2015) vs. 7% (2013)

Note: Percentages may not total 100% due to rounding. Respondents who answered "don't know" or "not applicable" were excluded from this analysis.
Which of the following actions has or will your organization take in response to the ACA?

<table>
<thead>
<tr>
<th>Action</th>
<th>Already done/2013</th>
<th>Planning to do/2013</th>
<th>Not doing/no plans to do/2013</th>
<th>Not sure/N/A/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultation with experts: Work with legal/benefits counsel to help organization understand implications of the ACA.</td>
<td>73% 75%</td>
<td>14% 10%</td>
<td>6% 6%</td>
<td>7% 9%</td>
</tr>
<tr>
<td>Education: Send HR staff to classes/training to learn details of the ACA and its impact on organization.</td>
<td>74% 71%</td>
<td>12% 10%</td>
<td>7% 11%</td>
<td>6% 8%</td>
</tr>
<tr>
<td>Communication: Communicate impact of the ACA to employees.</td>
<td>32% 67%</td>
<td>55% 14%</td>
<td>5% 8%</td>
<td>8% 12%</td>
</tr>
<tr>
<td>Consultation with experts: Partner with health benefits provider to design health care plan, which includes areas affected by the ACA.</td>
<td>61% 64%</td>
<td>25% 9%</td>
<td>4% 13%</td>
<td>10% 15%</td>
</tr>
<tr>
<td>Analysis: Analyze short-term financial impact of the ACA and my organization’s ability to offer health care.</td>
<td>60% 61%</td>
<td>25% 15%</td>
<td>5% 10%</td>
<td>10% 14%</td>
</tr>
<tr>
<td>Analysis: Analyze long-term financial impact of the ACA and my organization’s ability to offer health care.</td>
<td>50% 51%</td>
<td>35% 24%</td>
<td>5% 10%</td>
<td>10% 14%</td>
</tr>
<tr>
<td>Planning: Develop a new health care strategy plan.</td>
<td>31% 36%</td>
<td>28% 20%</td>
<td>19% 24%</td>
<td>23% 19%</td>
</tr>
<tr>
<td>Consultation with experts: Hire a consultant(s) to develop an employment strategy that suits our benefits spending and staffing plan.</td>
<td>21% 25%</td>
<td>6% 6%</td>
<td>45% 45%</td>
<td>28% 24%</td>
</tr>
<tr>
<td>Planning: Develop a plan for automatically enrolling employees in our primary health care plan.</td>
<td>19% 22%</td>
<td>26% 13%</td>
<td>25% 38%</td>
<td>29% 26%</td>
</tr>
<tr>
<td>Communication: Communicate impact of the health care law to retirees.</td>
<td>7% 17%</td>
<td>20% 7%</td>
<td>24% 27%</td>
<td>49% 49%</td>
</tr>
</tbody>
</table>

Note: n = 729-818. Percentages may not total 100% due to rounding.
What are the resources your organization is currently using in regard to the ACA?

- Insurance broker: 78% (2015) vs. 78% (2013)
- SHRM’s resources on the health care reform law: 56% (2015) vs. 62% (2013)
- Legal counsel (internal or external): 50% (2015) vs. 48% (2013)
- Consultants: 31% (2015) vs. 34% (2013)
- Internal experts: 21% (2015) vs. 20% (2013)
- Other: 4% (2015) vs. 10% (2013)

Note: Percentages do not total 100% due to multiple response options.
Demographics
## Demographics: Organization Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional, scientific and technical services</td>
<td>16%</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>15%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>15%</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>13%</td>
</tr>
<tr>
<td>Educational services</td>
<td>11%</td>
</tr>
<tr>
<td>Government agencies</td>
<td>7%</td>
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<tr>
<td>Transportation and warehousing</td>
<td>5%</td>
</tr>
<tr>
<td>Utilities</td>
<td>5%</td>
</tr>
<tr>
<td>Construction</td>
<td>4%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>4%</td>
</tr>
<tr>
<td>Mining, quarrying, and oil and gas extraction</td>
<td>3%</td>
</tr>
</tbody>
</table>

*Note: n = 721. Percentages do not total 100% due to multiple response options.*
## Demographics: Organization Industry (continued)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale trade</td>
<td>3%</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>2%</td>
</tr>
<tr>
<td>Administrative and support and waste management and remediation services</td>
<td>2%</td>
</tr>
<tr>
<td>Agriculture, forestry, fishing and hunting</td>
<td>2%</td>
</tr>
<tr>
<td>Information</td>
<td>2%</td>
</tr>
<tr>
<td>Real estate and rental and leasing</td>
<td>2%</td>
</tr>
<tr>
<td>Religious, grant-making, civic, professional and similar organizations</td>
<td>2%</td>
</tr>
<tr>
<td>Repair and maintenance</td>
<td>2%</td>
</tr>
<tr>
<td>Arts, entertainment, and recreation</td>
<td>1%</td>
</tr>
<tr>
<td>Personal and laundry services</td>
<td>1%</td>
</tr>
<tr>
<td>Other industry</td>
<td>11%</td>
</tr>
</tbody>
</table>

Note: $n = 721$. Percentages do not total 100% due to multiple response options.
Demographics: Organization Sector

- Privately owned for-profit: 50%
- Nonprofit: 23%
- Publicly owned for-profit: 14%
- Government: 9%
- Other: 4%

n = 726
Demographics: Organization Staff Size

- 1 to 99 employees: 27%
- 100 to 499 employees: 34%
- 500 to 2,499 employees: 24%
- 2,500 to 24,999 employees: 13%
- 25,000 or more employees: 3%

Note: n = 743. Percentages do not total 100% due to rounding.
Demographics: Region

- South: 35%
- Midwest: 26%
- West: 20%
- Northeast: 19%

n = 679
Demographics: Other

Does your organization have U.S.-based operations (business units) only, or does it operate multinationally?

<table>
<thead>
<tr>
<th>Operations Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.-based operations only</td>
<td>84%</td>
</tr>
<tr>
<td>Multinational operations</td>
<td>16%</td>
</tr>
</tbody>
</table>

n = 724

What is the HR department/function for which you responded throughout this survey?

<table>
<thead>
<tr>
<th>Department/Function</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate (companywide)</td>
<td>85%</td>
</tr>
<tr>
<td>Business unit/division</td>
<td>7%</td>
</tr>
<tr>
<td>Facility/Location</td>
<td>7%</td>
</tr>
</tbody>
</table>

Note: n = 447. Percentages do not total 100% due to rounding.

Is your organization a single-unit organization or a multi-unit organization?

<table>
<thead>
<tr>
<th>Organization Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-unit organization: An organization in which the location and the organization are one and the same.</td>
<td>39%</td>
</tr>
<tr>
<td>Multi-unit organization: An organization that has more than one location.</td>
<td>61%</td>
</tr>
</tbody>
</table>

n = 720

For multi-unit organizations, are HR policies and practices determined by the multi-unit headquarters, by each work location or by both?

<table>
<thead>
<tr>
<th>Determination Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-unit headquarters determines HR policies and practices.</td>
<td>66%</td>
</tr>
<tr>
<td>Each work location determines HR policies and practices.</td>
<td>4%</td>
</tr>
<tr>
<td>A combination of both the work location and the multi-unit headquarters determines HR policies and practices.</td>
<td>30%</td>
</tr>
</tbody>
</table>

n = 446
Survey Methodology

- Response rate = 13%
- 743 HR professionals from a randomly selected sample of SHRM’s membership with the job function of benefits or compensation or with the job title of manager or above participated in this survey
- Margin of error +/-4%
- Survey fielded January 21-February 4, 2015

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Additional SHRM Resources

• Health Care Reform Resource Page: shrm.org/healthcare

• 2013 Health Care Reform Survey Findings:
  » Health Care Reform—Challenges and Strategies
  » Health Care Reform—Impact on Health Care Coverage and Costs
  » Research Spotlight: Health Care Reform—Challenges and Costs
  » Research Spotlight: Health Care Reform—Actions and Strategies

• 2014 Employee Benefits Report

• Recent survey/poll findings: shrm.org/surveys

• For more information about SHRM’s Research Services:
  » Customized Research Services: shrm.org/CustomizedResearch
  » Engagement Survey Service: shrm.org/PeopleInSight
  » Customized Benchmarking Service: shrm.org/Benchmarks

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