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Most Workers Satisfied With Pay-Benefits Balance; Health Insurance Remains Key Job-Choice Factor

January, 2014

Employee Benefit Research Institute

Most workers are satisfied with the health benefits they have now and express little interest in changing the current mix of benefits and wages offered by their employers, according to a new survey by the nonpartisan Employee Benefit Research Institute (EBRI).

And even though enactment of the Patient Protection and Affordable Care Act (PPACA) has raised questions about whether employers will continue to offer health coverage to their workers in the future, the importance of benefits in choosing a job—especially health insurance—remains high.

“By far, health insurance in particular continues to be the most important employee benefit to workers,” said Paul Fronstin, director of EBRI’s Health Research and Education Program, and author of the new report from the 2013 Health and Voluntary Workplace Benefits Survey (WBS) measuring public opinion surrounding employment-based health coverage. The survey was conducted by EBRI and Greenwald and Associates.

Fronstin also noted that workers who have health coverage are generally satisfied with it. One-half of those with employment-based health insurance coverage are extremely (12 percent) or very satisfied (39 percent) with their current plans, and 37 percent are somewhat satisfied. Only 10 percent say they are not too (8 percent) or not at all (2 percent) satisfied. The percentage of workers satisfied with their health benefits has been consistently high since the survey was launched in 1998.

“While there may be a lot of questions about the future of the American health insurance system, the majority of those who have health coverage like the plan they have,” said Ruth Helman of Greenwald and Associates, the co-author of the report.

EBRI’s report notes that PPACA has raised the question of whether employers will continue to offer health coverage in the future, and if so, to which workers. This stems from the health insurance exchange provisions in the new law, which, once they are fully operational and certain insurance-market reforms take effect, will provide workers with an expanded number of options beyond their employers to obtain health coverage. In addition, there are ongoing debates in Congress over whether to reduce or even end current tax preferences for employment-based health benefits.

The EBRI survey finds that if current tax preferences for employment-based health benefits were to change, and the benefits were to become taxable, 39 percent of individuals say they would continue with their current level of coverage—virtually unchanged from the 40 percent level in 2012 but up from 31 percent who indicated that preference in 2011.

Also, the WBS found that even though most respondents expressed a desire for greater choice of health plans, individuals are not highly comfortable that they could use an objective rating system (such as that provided by the health insurance exchanges), to choose health insurance. Nor are they extremely confident that a rating system could help them choose the best health insurance.

Overall, workers are of mixed minds when it comes to their preferred methods for obtaining health insurance. About one-third (35 percent) prefer to continue getting coverage the way they do today. Nearly one-half (45 percent) prefer to choose their insurance plan, having their employer pay the same amount it currently spends toward that insurance, and then paying the remaining amounts themselves. And one-fifth (21 percent) prefer their employer to give them the

money and allow the workers to decide whether to purchase coverage at all, and how much to spend.

The full report, "Views on Employment-Based Health Benefits: Findings from the 2013 Health and Voluntary Workplace Benefits Survey," is published in the December *EBRI Notes*, available at www.ebri.org

Commemorating its 35th anniversary in 2013, the Employee Benefit Research Institute is a private, nonpartisan, nonprofit research institute based in Washington, DC, that focuses on health, savings, retirement, and economic security issues. EBRI does not lobby and does not take policy positions. The work of EBRI is made possible by funding from its members and sponsors, which include a broad range of public, private, for-profit and nonprofit organizations. For more information go to www.ebri.org or www.asec.org

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