Section 3: Employment-Based Health Insurance

• Background on the labor market
  • Firm sizes
  • Industry sector distributions
  • Part-time employment

• Availability of coverage
  • Employer offer rates
  • Eligibility
  • Access, take-up, and coverage

• Cost of coverage & cost sharing
  • Total premium
  • Employer/employee shares of premium
  • Enrollees in plans with deductibles

This slide deck is part of Minnesota’s Health Care Markets Chartbook, an annual review of key metrics in health care access, coverage, market competition and health care costs (MN Statutes, Section 144.70).

A summary of the charts and graphs contained within is provided at Chartbook Summaries - Section 3. Direct links are listed on each page. Please contact the Health Economics Program at 651-201-3550 or health.hep@state.mn.us if additional assistance is needed for accessing this information.
Background on the Labor Market (Select years)
Distribution of Minnesota Establishments and Employees by Firm Size, 2016/2017

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph

- Firms
  - Less than 10: 18.4%
  - 10-24: 6.2%
  - 25-50: 5.1%
  - 51-200: 11.2%
  - 201+: 59.1%

- Employees
  - Less than 10: 60.1%
  - 10-24: 13.2%
  - 25-50: 7.5%
  - 51-200: 8.6%
  - 201+: 10.6%
Percentage of Minnesota Employees in Each Industry Sector

*Indicates a statistically significant difference (95% level) from previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph

- Agriculture/Fishing/Forestry
- Mining/Manufacturing
- Retail/Other Services
- Professional Services
- All Others

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture/Fishing/Forestry</th>
<th>Mining/Manufacturing</th>
<th>Retail/Other Services</th>
<th>Professional Services</th>
<th>All Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>21.0%</td>
<td>36.6%</td>
<td>14.3%</td>
<td>5.8%</td>
<td>5.8%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>21.6%</td>
<td>34.3%</td>
<td>12.3%</td>
<td>5.8%</td>
<td>5.8%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>21.6%</td>
<td>33.7%</td>
<td>11.1%</td>
<td>4.6%</td>
<td>6.5%</td>
</tr>
<tr>
<td>2016/2017</td>
<td>20.2%</td>
<td>30.8%</td>
<td>13.4%</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
</tbody>
</table>
Percentage of Minnesota Employees Working Part-Time

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Part-time is defined by survey respondent as not being full-time. Full-time definition is determined by respondent and no minimum number of hours is specified in the survey. Data presented are weighted averages of two years of data.

Summary of Graph
Availability of Coverage (Select Years)
Percent of Minnesota Establishments Offering Health Insurance Coverage

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>54.7%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>54.5%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>49.5%*</td>
</tr>
<tr>
<td>2016/2017</td>
<td>45.3%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from previous time period shown.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
Percent of Minnesota Employees Working for an Establishment That Offers Health Insurance

*Indicates a statistically significant difference (95% level) from previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph

- 2003/2004: 88.4%
- 2008/2009: 87.7%
- 2012/2013: 84.8%*
- 2016/2017: 83.6%
Fewer than 10 Employees
10 to 24 Employees
25 to 50 Employees
51 to 200 Employees
201+ Employees
All Firms

<table>
<thead>
<tr>
<th></th>
<th>Fewer than 10</th>
<th>10 to 24 Employees</th>
<th>25 to 50 Employees</th>
<th>51 to 200 Employees</th>
<th>201+ Employees</th>
<th>All Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>32.9% ^</td>
<td>75.4% ^</td>
<td>75.1% ^</td>
<td>95.1% ^</td>
<td>98.1% ^</td>
<td>54.7%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>32.6% ^</td>
<td>64.9% ^</td>
<td>77.1% ^</td>
<td>88.7% ^</td>
<td>97.9% ^</td>
<td>54.5%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>30.3% ^</td>
<td>55.2%</td>
<td>68.2% ^</td>
<td>87.7% ^</td>
<td>98.1% ^</td>
<td>49.5% *</td>
</tr>
<tr>
<td>2016/2017</td>
<td>21.4% ^*</td>
<td>50.3%</td>
<td>74.1% ^</td>
<td>83.0% ^</td>
<td>98.6% ^</td>
<td>45.3%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from previous time period estimate.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
Percentage of Minnesota Employers that Offer Family Coverage, by Firm Size

Among Firms that Offer Coverage

<table>
<thead>
<tr>
<th></th>
<th>Fewer than 25 Employees</th>
<th>25-50 Employees</th>
<th>51-200 Employees</th>
<th>201+ Employees</th>
<th>All Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>Not Reported</td>
<td>93.1%</td>
<td>92.9% ^</td>
<td>99.4% ^</td>
<td>85.9%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>72.0% ^</td>
<td>94.6% ^</td>
<td>92.8% ^</td>
<td>99.4% ^</td>
<td>84.7%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>78.4%</td>
<td>96.3%</td>
<td>92.1%</td>
<td>99.3% ^</td>
<td>87.8%</td>
</tr>
<tr>
<td>2016/2017</td>
<td>76.8%</td>
<td>85.6%</td>
<td>95.9%</td>
<td>99.9% ^</td>
<td>88.9%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from previous time period estimate.

^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data. “Not reported” indicates not enough data to provide results.

Summary of Graph
Percent of Minnesota Employees in Establishments That Offer Health Insurance, by Firm Size

<table>
<thead>
<tr>
<th></th>
<th>Fewer than 10 Employees</th>
<th>10 to 24 Employees</th>
<th>25 to 50 Employees</th>
<th>51 to 200 Employees</th>
<th>201+ Employees</th>
<th>All Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>43.8%^</td>
<td>80.1%^</td>
<td>75.5%</td>
<td>97.1%^</td>
<td>99.3%^</td>
<td>88.4%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>39.0%^</td>
<td>68.6%^</td>
<td>82.3%</td>
<td>92.8%</td>
<td>98.5%^</td>
<td>87.7%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>36.3%^</td>
<td>58.9%^</td>
<td>68.4%^</td>
<td>90.5%^</td>
<td>98.5%^</td>
<td>84.8%^*</td>
</tr>
<tr>
<td>2016/2017</td>
<td>26.6%^*</td>
<td>52.2%^</td>
<td>74.2%^</td>
<td>89.1%</td>
<td>98.0%^</td>
<td>83.6%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from previous time period estimate.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
## Percent of Minnesota Employees Eligible for Health Insurance, by Firm Size

**Among Firms that Offer Health Insurance**

<table>
<thead>
<tr>
<th></th>
<th>Fewer than 10 Employees</th>
<th>10 to 24 Employees</th>
<th>25 to 50 Employees</th>
<th>51 to 200 Employees</th>
<th>201+ Employees</th>
<th>All Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>83.5%</td>
<td>73.9%</td>
<td>65.3%</td>
<td>69.9%</td>
<td>81.7%</td>
<td>78.4%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>75.7%</td>
<td>75.4%</td>
<td>74.1%</td>
<td>73.1%</td>
<td>80.7%</td>
<td>78.6%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>84.3%</td>
<td>67.8%</td>
<td>71.4%</td>
<td>67.5%</td>
<td>77.4%</td>
<td>75.4%</td>
</tr>
<tr>
<td>2016/2017</td>
<td>81.6%</td>
<td>68.9%</td>
<td>71.0%</td>
<td>75.4%</td>
<td>79.2%</td>
<td>77.7%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.

^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

**Summary of Graph**
Percent of Eligible Minnesota Employees Who Enroll in Coverage (Take-up Rate), by Firm Size

Among Employees Eligible for Health Insurance Coverage

Among those eligible for coverage from their employer.

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.

^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph

<table>
<thead>
<tr>
<th></th>
<th>Fewer than 10 Employees</th>
<th>10 to 24 Employees</th>
<th>25 to 50 Employees</th>
<th>51 to 200 Employees</th>
<th>201+ Employees</th>
<th>All Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>80.9%</td>
<td>74.4% ^</td>
<td>75.5%</td>
<td>81.2%</td>
<td>81.3%</td>
<td>80.4%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>82.8%</td>
<td>77.4%</td>
<td>79.8%</td>
<td>78.2%</td>
<td>77.7%</td>
<td>78.1%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>73.5%</td>
<td>67.1%</td>
<td>65.3% *</td>
<td>73.6%</td>
<td>74.7%</td>
<td>73.6% *</td>
</tr>
<tr>
<td>2016/2017</td>
<td>73.9%</td>
<td>72.0%</td>
<td>68.1%</td>
<td>69.8%</td>
<td>77.1%</td>
<td>75.2%</td>
</tr>
</tbody>
</table>
# Trends in Eligibility, Take-up and Coverage in Firms That Offer Health Insurance

## Among Minnesota Employees in Establishments that Offer Coverage

<table>
<thead>
<tr>
<th>Year</th>
<th>Eligibility</th>
<th>Take-up</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>78.4%</td>
<td>80.4%</td>
<td>60.9%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>78.6%</td>
<td>78.1%</td>
<td>60.5%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>75.4%</td>
<td>73.6% *</td>
<td>55.4% *</td>
</tr>
<tr>
<td>2016/2017</td>
<td>77.7%</td>
<td>75.2%</td>
<td>58.4%</td>
</tr>
</tbody>
</table>

“Take-up” is the percentage of eligible employees who enroll in health insurance. “Coverage” is the percentage of all employees with an offer who enroll in health insurance.

*Indicates a significant difference (95% level) from estimate of previous time period shown.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
Percent of Minnesota Employees Enrolled in Coverage, by Industry Sector

“Coverage” is the percentage of all employees with an offer who enroll in health insurance.
*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Professional Services 2003/2004 figure does not meet MEPS survey standard of reliability or precision. “Not reported” indicates not enough data to provide results. Data presented are weighted averages of two years of data.

Summary of Graph
Percent of Minnesota Employees Enrolled in Coverage by Full-Time/Part-Time Status

<table>
<thead>
<tr>
<th>Year</th>
<th>Full-Time</th>
<th>Part-Time</th>
<th>All workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>74.9%</td>
<td>19.3%</td>
<td>63.1%</td>
</tr>
<tr>
<td>2008/2009</td>
<td>73.1%</td>
<td>20.4%</td>
<td>61.3%</td>
</tr>
<tr>
<td>2012/2013</td>
<td>69.3%</td>
<td>9.1%</td>
<td>55.4% *</td>
</tr>
<tr>
<td>2016/2017</td>
<td>70.2%</td>
<td>9.8%</td>
<td>58.4%</td>
</tr>
</tbody>
</table>

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Part-time is defined by survey respondent as not being full-time. Full-time definition is determined by respondent and no minimum number of hours is specified in the survey. Data presented are weighted averages of two years of data. 2003/2004 figure does not meet MEPS survey standard of reliability or precision.

Summary of Graph
Cost of Coverage & Cost Sharing
(Select Years)
Average Annual Health Insurance Premiums in Minnesota

<table>
<thead>
<tr>
<th>Year</th>
<th>Single Coverage</th>
<th>Family Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/04</td>
<td>$3,744</td>
<td>$10,192</td>
</tr>
<tr>
<td>2008/09</td>
<td>$4,513 *</td>
<td>$13,424 *</td>
</tr>
<tr>
<td>2012/13</td>
<td>$5,306 *</td>
<td>$15,123 *</td>
</tr>
<tr>
<td>2016/17</td>
<td>$6,148 *</td>
<td>$17,979 *</td>
</tr>
</tbody>
</table>

*Indicates a significant difference (95% level) from estimates of previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Data presented are weighted averages of two years of data.

Summary of Graph
Average Annual Health Insurance Premiums in Minnesota for Single Coverage, by Firm Size

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Data presented are weighted averages of two years of data. "Not reported" indicates not enough data to provide results.

Summary of Graph
Average Annual Health Insurance Premiums in Minnesota for Family Coverage, by Firm Size

Summary of Graph

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
^Indicates a statistically significant difference (95% level) from average of all firms within a time period.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. “Not reported” indicates not enough data to provide results. Data presented are weighted averages of two years of data.
Average Employer and Employee Shares of Premiums in Minnesota

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Results are not statistically significant at the 95% level from previous time period shown. Data presented are weighted averages of two years of data.

Summary of Graph
Average Annual Employee and Employer Contribution to Premiums in Minnesota

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one. Data presented are weighted averages of two years of data.

Summary of Graph
Percent of Enrollees Whose Employer Pays 100 Percent of Premiums in Minnesota

Summary of Graph

Family figure for 2016/2017 does not meet MEPS survey standard of reliability or precision.
*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Data presented are weighted averages of two years of data.

*Summary of Graph*
Distribution of Minnesotans with Employer Coverage by Level of Employer Contribution

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Data presented are weighted averages of two years of data.

Summary of Graph

* Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
Percent of Employees Enrolled in a Health Plan with a Deductible

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph

* Indicates a statistically significant difference (95% level) from estimate of previous time period shown. 
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
Average Deductible for Individuals with Employer Coverage

*Indicates a statistically significant difference (95% level) from estimate of previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data presented are weighted averages of two years of data.

Summary of Graph
Cumulative Growth Rates of Premiums and Deductibles for Individual Coverage

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Deductible data not reported prior to 2002. Data presented are weighted averages of two years of data.

Summary of Graph
Cumulative Growth Rates of Premiums and Deductibles for Family Coverage

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Deductible data not reported prior to 2002. Data presented are weighted averages of two years of data.

Summary of Graph
Percent of Minnesotans Enrolled in a High Deductible Health Plan (HDHP), 2016/2017

Summary of Graph

Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Data not reported prior to 2016 on the MEPS website. Data presented are weighted averages of two years of data.

Summary of Graph
Additional Information from the Health Economics Program Available Online

- Health Economics Program Home Page (www.health.state.mn.us/healtheconomics)
- Publications (https://heppublications.web.health.state.mn.us/)
- Health Care Market Statistics (Chartbook Updates) (www.health.state.mn.us/data/economics/chartbook/index.html)

A summary of the charts and graphs contained within is provided at Chartbook Summaries - Section 3. Direct links are listed on each page. Please contact the Health Economics Program at 651-201-3550 or health.hep@state.mn.us if additional assistance is needed for accessing this information.