



EBRI News

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New Research from EBRI

Workers With Employment-Based Health Benefits Steady Over Time

WASHINGTON—While the overall rate of uninsured Americans has increased in recent years, the percentage of workers offered health insurance and the percentage of workers taking coverage when it was offered have remained relatively steady since the late 1980s, according to a study published today by the nonpartisan Employee Benefit Research Institute (EBRI).

“Employment-based health benefits have historically—and continue to be—the most common source of insurance in the United States,” says Paul Fronstin, director of the EBRI health research and education program. His study appears in the March 2007 *EBRI Issue Brief*, available at www.ebri.org

In the study, Fronstin focuses on key factors that affect the availability of health insurance in the work place. Here is a summary of the findings concerning the factors that Fronstin examined in detail:

- **Sponsor rates:** The share of individuals working for an employer that sponsors a health plan (the offer rate) has hovered between 81–84 percent since the late 1980s, and in 2005 stood at 80.9 percent.
- **Eligibility rates:** Since the late 1980s, the share of workers eligible for health benefits (the eligibility rate) from their own employer has ranged from 74–78 percent, and in 2005 was 74 percent.
- **Participation rates:** The share of workers with health benefits from their own employer (the participation rate) has ranged from 62–68 percent since the late 1980s, and in 2005 was 62 percent.
- **Take-up rates:** The share of workers who take health benefits when they are offered (the take-up rate) fell from 88 percent in 1988 to about 84 percent in 2005. However, workers who decline health coverage at their place of work are likely to get it elsewhere, such as from another employed family member. Only about 4 percent of workers eligible for health coverage were uninsured from 1995–2005.

A number of reasons explain why workers may not be covered by their own employer’s health plan, the study says. In 2005, 50.1 percent of workers were employed at a firm that did not offer health benefits to any workers. Nearly 18 percent worked for an employer that provided benefits, but were not eligible for them; and nearly one-third were offered benefits but chose not to participate.

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