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Statement

Before the

Committee on Labor and Human Resources
U.S. Senate

Hearing on
Health Insurance and Older Workers

by
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Principal Points

- Health insurance coverage for Americans ages 55–64 is an important issue. These individuals are particularly vulnerable when it comes to their health insurance for a number of reasons. First, employment-based health insurance is the primary source of coverage for Americans of all ages, including those ages 55–64. As individuals in this group make the transition from the labor force to retirement, they are at risk of losing health insurance, or of paying a considerable amount for it in the individual market. While many can work, many cannot because of poor health. Of the 21.5 million near elderly Americans, 2.3 million (about 11 percent) are not working because of an illness or disability. Only those who are very poor or disabled qualify for health insurance under the Medicaid or Medicare programs.

- Health insurance for individuals ages 55–64 is also of concern because surveys of employers and retirees indicate that there is a continuing significant erosion of retiree health benefits. In addition, the individual market is not always a feasible alternative for the near elderly if they are subject to medical underwriting and preexisting condition exclusions. While continuation-of-coverage is available for many early retirees for 18 months under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), and is probably a bargain when compared with purchasing health insurance on the individual market, it is also very costly.

- While the issue of health insurance for the near elderly population is an important one, it should be noted that this age group, when compared with other age groups under age 65, is least likely to be uninsured. Almost 14 percent of individuals ages 55–64 were uninsured in 1996, compared with 14.8 percent of individuals under age 18, 28.9 percent of those ages 18–24, 22.5 percent of those ages 35–34, 16.4 percent of those ages 35–44, and 13.7 percent of those ages 45–54. Individuals ages 55–64 have been less likely than the overall nonelderly population to be uninsured since at least 1987.

- Among the uninsured population, individuals ages 55–64 are more likely than other age groups to experience an uninsured spell of at least 12 months, suggesting that once they do become uninsured, it is more difficult for them to obtain health insurance. For example, between October 1994 and September 1995, 42.5 percent of the uninsured ages 55–64 were uninsured for the entire 12 months, compared with 39.4 percent among those ages 45–54, 37.8 percent among those ages 35–44, and 34.2 percent among those ages 25–34.

- While individuals ages 55–64 are less likely than the overall nonelderly population to have employment-based coverage, they have not experienced the same erosion of health insurance coverage as the overall population has experienced, and, in fact, have experienced a relatively large increase in the percentage covered by some form of employment-based health insurance. However, starting in 1992, retirees ages 55–64 have seen a relatively large erosion in retiree health benefits and a subsequent increase in the number of uninsured, most likely in response to FAS 106.

- Findings from the 1998 Health Confidence Survey (HCS), a public opinion poll on health care co-sponsored by the Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates, point to a direct link between a worker's decision to retire early and the availability of retiree health insurance. In 1998, 74 percent of workers reported that they would not retire before becoming eligible for Medicare if their employer did not provide retiree health benefits. Yet HCS shows that 45 percent plan to retire before age 65. HCS also found that 82 percent of responding workers believed they would need additional health insurance coverage beyond what is provided by the Medicare program, and 47 percent expected their former employer to provide retiree health insurance. Not surprisingly, this number is down from 54 percent in 1993.

- In response to FAS 106 and increases in health care costs, some firms have dropped retiree health benefits, while others still have no plans to change their existing benefit provisions. However, the vast majority of companies have made numerous modifications to their retiree health benefit programs. For example, one study found that 51 percent of responding employers have modified or are considering modifications to their postretirement nonpension benefit program. Only 4 percent of surveyed employers had made or were considering making modifications that would entirely phase out retiree health benefits and/or company contributions.

- Some employers have completely eliminated retiree health benefits. A recent survey of employers with 500 or more workers found that 38 percent offered retiree health benefits to retirees under age 65 in 1997, compared with 46 percent in 1993. This study may overstate the erosion of retiree health benefits, as it does not examine a constant sample of employers over time. New employers, those least likely to offer retiree health benefits, may enter the survey over time, giving the impression that employers are eliminating retiree health benefits. A better method of determining if employers are eliminating these benefits may be to examine a constant sample of employers instead of taking a random sample. Another recent study of the same large employers in 1991 and 1996 found that virtually none eliminated retiree health benefits for retirees under age 65. These two surveys would seem to indicate that, while very few employers that offer retiree health benefits are completely eliminating the program, an ever-increasing proportion of Americans continue to lose access to these programs because relatively young employers do not offer them to begin with. These studies may also understate the degree to which employers are dropping coverage because many employers, while continuing to offer retiree health benefits to some workers, have terminated the program for workers hired after a certain date. It may be 10 or 20 years before we see the real effects of the erosion of retiree health benefits.

- An important question to ask is what the future looks like for retiree health benefits and employment-based health benefits, in general, for individuals ages 55–64. The labor force participation rate of males ages 55–64 has stopped declining and may start to increase in the near future. With unemployment at its lowest rate since the mid-1970s, employers are finding it increasingly difficult to retain skilled workers. Some employers may turn to the pool of retirees to fill job openings. This pool of retirees contains not only skilled workers but also workers with institutional knowledge and years invested in acquiring human capital. Employers could use the promise of lower cost retiree health benefits to recruit and retain this pool of workers. In contrast, if the economy experiences a recession, retiree health benefits may become as major tool employers use to manage their work force, since the emphasis in retirement planning shifted has away from traditional defined benefit plans.

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U.S. SENATE
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Mr. Chairman, ranking member, and members of the Committee, I am pleased to appear before you today to discuss health insurance coverage of the population ages 55–64. My name is Paul Fronstin. I am a senior research associate and director of the Health Security and Quality Research Program at the Employee Benefit Research Institute (EBRI), a private, nonprofit, nonpartisan, public policy research organization based here in Washington, DC. EBRI has been committed, since its founding in 1978, to the accurate statistical analysis of economic security issues. Through our research we strive to contribute to the formulation of effective and responsible health and retirement policies. Consistent with our mission, we do not lobby or advocate specific policy solutions.

Introduction

Health insurance coverage for Americans ages 55–64 is an important issue for all Americans. Americans ages 55–64 are particularly vulnerable when it comes to their health insurance for a number of reasons. First, employment-based health insurance is the primary source of coverage for Americans of all ages, including individuals ages 55–64. As individuals in this age group make the transition from the labor force to retirement, they are at risk of losing health insurance, or of paying a considerable amount for health insurance in the individual market. While many can work, many cannot because of poor health. Of the 21.5 million near elderly Americans, 2.3 million (about 11 percent) are not working because of an illness or disability (table 1). Only those who are very poor or disabled qualify for health insurance under the Medicaid or Medicare programs.

Health insurance for individuals ages 55–64 is also of concern because surveys of employers and retirees indicate that there is a continuing significant erosion of retiree health benefits, a problem which may be understated for a number of reasons that will be addressed below. In addition, the individual market is not always a feasible alternative for the near elderly if they are subject to medical underwriting and preexisting condition exclusions. While continuation-of-coverage is available for many early retirees for 18 months under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), and is probably a bargain when compared with purchasing health insurance on the individual market, it is also very costly.

As will be discussed in the next section, while health insurance is an important issue for the near elderly population, this age group, when compared with other age groups under age 65, is least likely to be uninsured. However, for those who are uninsured, the duration of their uninsured status is longer than that of other age groups.

Health Insurance Coverage 1987–1996

Although individuals ages 55–64 have lower labor force participation rates than other age groups, the majority—65.3 percent—get their health insurance coverage through an employment-based plan (table 2). This compares with 71.2 percent of individuals ages 35–44 and 73.7 percent of those ages 45–54. Individuals ages 55–64 are more likely than other age groups to have purchased insurance directly from an insurance company. Almost 10.5 percent have such a policy, compared with 5.1 percent of individuals ages 35–44 and 5.9 percent of those ages 45–54. The high rate of privately purchased coverage among the near elderly is a result of their weak attachment to the labor force and their increased likelihood of being retired or disabled. They are less likely to have employment-based health insurance, yet they are more likely than others to need some form of health insurance.

Individuals ages 55–64 are not significantly more likely than other age groups to be uninsured. In fact, they are least likely to be uninsured. Almost 14 percent of individuals ages 55–64 were uninsured in 1996, compared with 14.8 percent of those under age 18, 28.9 percent of those ages 18–24, 22.5 percent of those ages 35–34, 16.4 percent of those ages 35–44, and 13.7 percent of those ages 45–54 (chart 1).

Individuals ages 55–64 have been less likely than the overall nonelderly population to be uninsured since at least 1987 (chart 2). While they are less likely than the overall nonelderly population to have employment-based coverage, they have not experienced the same erosion of health insurance coverage as the overall population has experienced, and, in fact, have experienced a relatively large increase in the percentage covered by some form of employment-based health insurance. However, starting in 1992, retirees ages 55–64 have seen a relatively large erosion in retiree health benefits and a subsequent increase in the number of uninsured, most likely in response to FAS 106, as discussed below (chart 3).

Among the uninsured population, individuals ages 55–64 are more likely than other age groups to experience an uninsured spell of at least 12 months, suggesting that once they do become uninsured, it is more difficult for them to obtain health insurance. For example, between October 1994 and September 1995, 42.5 percent of the uninsured ages 55–64 were uninsured for the entire 12 months, compared with 39.4 percent of those ages 45–54, 37.8 percent among those ages 35–44, and 34.2 percent of those ages 25–34 (table 3).

Health Insurance and Retirement

Findings from the 1998 Health Confidence Survey (HCS), a public opinion poll on health care co-sponsored by the Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates, point to a direct link between a worker's decision to retire early and the availability of retiree health insurance. In 1998, 74 percent of workers reported that they would not retire before becoming eligible for Medicare if their employer did not provide retiree health benefits. Yet, HCS shows that 45 percent plan to retire before age 65. HCS also found that 82 percent of responding workers believed they would need additional health insurance coverage beyond what is provided by the Medicare program, and 47 percent expected their former employer to provide retiree health insurance. Not surprisingly, this number is down from 54 percent in 1993. Using data from the 1992 Health and Retirement Study, we have also found that individuals are more likely to expect to retire before age 65 if they expect to have retiree health insurance (chart 4).

The rationale for why availability of retiree health insurance should affect the retirement process is straightforward. Almost 75 percent of wage and salary workers ages 18–64 have employment-based health coverage. This insurance is portable only in the sense that some workers have the option of continuing their coverage under COBRA. Otherwise, without the availability of retiree health insurance, retirees may not have access to health insurance coverage until they reach age 65, unless they have access to coverage through a spouse.

While some workers have access to retiree health insurance, most do not or do not even know if they would have coverage if they retired. EBRI analysis of the April 1993 Current Population Survey found that 34 percent of workers ages 45 and older worked for an employer that sponsored retiree health insurance either throughout their retirement (29 percent) or only until they reach age 65 (5 percent). While 15 percent reported that retiree health insurance was not available, 21 percent did not respond to the question or did not know the answer, and 30 percent did not have access to health insurance through their employer. If we assume that the 21 percent who did not know the answer or did not respond to the question do not have access to retiree health insurance, then 66 percent of workers ages 45 and older do not have access to retiree health insurance. Even among workers with health benefits in retirement, most would be required to pay at least a portion of the premium, and in some cases, all of it.

Workers considering retiring early could obtain health insurance prior to becoming eligible for Medicare either through a spouse or in the private market for insurance. However, even for workers who qualify for health insurance in the private market through the guaranteed issue provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), purchasing health insurance in the private market may not be affordable. Employers that provide access to group health insurance often are able to obtain lower premiums than individuals can because insurance companies can spread the risk across a larger group of people, and the average administrative costs are lower. In addition, the need for health insurance increases with age. Older individuals are relatively more likely to report having been diagnosed with a serious health condition, and they spend a greater proportion of their family income on medical expenses. As a result, lack of health insurance during retirement could be an impediment to early retirement. On the other hand, individuals ages 55–64 may be unable to work because of a serious health condition, which may exacerbate the issue of obtaining affordable health insurance.

Retiree Health Benefits

Retiree health benefits were originally offered in the late 1940s and the 1950s, when business was booming as a result of economic expansions and there were very few retirees in relation to the number of active workers. Retiree health benefits were a simple benefit to provide. These benefits emerged as part of collective bargaining agreements, and employers were more than willing to provide them because the cost was such a small proportion of total compensation. With the enactment of Medicare in 1965, employer obligations became even less significant, with resulting costs even lower as employers were able to integrate their retiree health benefits programs with Medicare. The resulting liabilities were not substantial, and the financing of these benefits was not of concern. However, in more recent years, the changing demographics of the work force, combined with increased life expectancy, rising health care costs, downsizing, and early retirement, have left many employers with higher retiree-to-active worker ratios and caused these liabilities to grow.

In December 1990, the Financial Accounting Standards Board (FASB) approved Financial Accounting Statement No. 106 (FAS 106), "Employers' Accounting for Postretirement Benefits Other than Pensions." FAS 106 requires companies to record unfunded retiree health benefit liabilities on their financial statements in order to comply with generally accepted accounting standards, beginning with fiscal years after December 15, 1992. As a result, the retiree health care liabilities required to be listed on a balance sheet in accordance with FAS 106 far exceed the costs that appeared prior to this standard.

In response to FAS 106 and increases in health care costs, some firms have dropped retiree health benefits, while others still have no plans to change their existing benefit provisions. However, the vast majority of companies have made numerous modifications to their retiree health benefit programs. For example, one study found that 51 percent of responding employers have modified or are considering modifications to their postretirement nonpension benefit program (Buck Consultants, 1995). This survey studies the year-end 1993 and 1994 annual reports of 489 Fortune 1000 companies that adopted FAS 106. Of those companies indicating that they had modified their plans, the most common modification was a change in cost-sharing provisions (29 percent), followed by a cap on company contributions (22 percent) (chart 5). Only 4 percent of surveyed employers had made or were considering making modifications that would entirely phase out retiree health benefits and/or company contributions.

Some employers have completely eliminated retiree health benefits. A recent survey of employers with 500 or more workers found that 38 percent offered retiree health benefits to retirees under age 65 in 1997, compared with 46 percent in 1993 (chart 6). The survey also found that 31 percent of employers offered retiree health benefits to Medicare-eligible retirees in 1997, compared with 40 percent in 1993. This study may overstate the erosion of retiree health benefits, as it does not examine a constant sample of employers over time. New employers, those least likely to offer retiree health benefits, may enter the survey over time, giving the impression that employers are eliminating retiree health benefits. A better method of determining if employers are eliminating retiree health benefits may be to examine a constant sample of employers instead of taking a random sample. Another recent study of the same large employers in 1991 and 1996 found that virtually none eliminated retiree health benefits for retirees under age 65 (chart 7). In contrast, employers were found to eliminate retiree health benefits for Medicare-eligible retirees. These two surveys would seem to indicate that, while very few employers that offer retiree health benefits are completely eliminating the program, an ever-increasing proportion of Americans continue to lose access to these programs, as relatively young employers do not offer them to begin with. I would note, however, that most data sets have shortcomings that make comparisons over time difficult, make comparisons with one another difficult, make generalizations difficult, and may ultimately call into question the conclusions that studies draw from the data.

The erosion of retiree health benefits may be understated for a number of reasons. First, the return of older women to the labor force has undoubtedly increased health insurance coverage rates among their retired spouses. In 1948, 24.3 percent of women ages 55–64 were participating in the labor force (chart 8). By 1995, their labor force participation rate was bordering on 50 percent. At the same time, labor force participation rates among near elderly males are no longer declining, which may account for an increase in the percentage of older males covered by employment-based health insurance. As a result of these labor market dynamics, more individuals ages 55–64 have access to health insurance coverage through the work place. Second, it may be 10 or 20 years before we see the real effects of the erosion of retiree health benefits. While many employers continue to offer retiree health benefits, some have cut back on the program by either terminating it for workers hired after a certain date or by imposing vesting schedules that affect whether a worker qualifies for retiree health benefits as well as the

worker share of the premium. Few workers will qualify for retiree health benefits as long as workers are no longer tied to a job for life.

Conclusion

An important question to ask is what the future looks like for retiree health benefits and employment-based health benefits, in general, for individuals ages 55–64. The labor force participation rate of males ages 55–64 has stopped declining and may start to increase in the near future. With unemployment at its lowest rate since the mid-1970s, employers are finding it increasingly difficult to retain skilled workers. Some employers may turn to the pool of retirees to fill job openings. This pool of retirees not only contains skilled workers but also workers with institutional knowledge and years invested in acquiring human capital. Employers could use the promise of lower cost retiree health benefits to recruit and retain this pool of workers.

During this time of low unemployment, few employers are thinking about downsizing and layoffs. However, if the economy experiences a recession, employers will start to once again think about how to best manage the size of their work force. As many employers have de-emphasized defined benefit pensions plans, and have put more emphasis on defined contribution pension plans, they have lost a natural tool to manage their labor force. Under a defined benefit plan, the employer usually offered reduced pension benefits at an early retirement age and full pension benefits at a normal retirement age. Using traditional defined benefit pension plans, employers were able to provide additional incentives to get workers to take early retirement when there was not enough revenue to sustain the size of their work force. Employers cannot design defined contribution plans, such as 401(k) plans, with an incentive for workers to retire at any specific age. Since the emphasis in retirement planning has shifted away from traditional defined benefit plans, employers that already offer retiree health benefits may hesitate to eliminate them, as they may become a major tool to manage the work force in the future.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to testify today. I would be happy to answer any questions that you or members of the committee may have.

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Table 1
Persons Ages 55-64
by Work Status and Self-Assessed Health Status, 1996

	Total	Workers	Retirees	Ill and Disabled
		(millions)		
Total	21.5	13.9	3.6	2.3
Excellent	4.2	3.3	0.6	0.0
Very good	5.8	4.4	0.9	0.1
Good	6.6	4.5	1.2	0.3
Fair	3.0	1.4	0.6	0.7
Poor	1.8	0.4	0.2	1.2
		(percentage within work status category)		
Total	100%	100%	100%	100%
Excellent	20	24	18	1
Very good	27	31	25	3
Good	31	32	34	14
Fair	14	10	17	32
Poor	9	3	6	50

Source: Employee Benefit Research Institute estimates from the March 1997 Current Population Survey.

Table 2
Persons Ages 35-64 with Selected Sources of Health Insurance, by Main Activity and Age, 1996

	Total	Total Private	Employment-Based			Other Private	Total Public	Medicare	Medicaid	Uninsured
			Total	Own name	Dependent					
					(millions)					
Ages 35–44	43.7	33.3	31.1	22.6	8.5	2.2	4.4	0.8	3.1	7.2
Working	37.4	30.6	28.8	22.2	6.5	1.8	2.1	0.2	1.3	5.6
Retired	0.1	a	a	a	a	a	a	a	a	a
Ill or disabled	1.9	0.4	0.3	0.1	0.2	0.1	1.3	0.5	1.0	0.4
Taking care of home or family	3.3	2.1	1.8	0.2	1.7	0.2	0.6	0.0	0.5	0.7
Other[b]	0.9	0.3	0.2	a	0.1	0.1	0.3	0.0	0.2	0.4
Ages 45–54	33.0	26.2	24.3	18.2	6.1	1.9	3.6	0.9	1.9	4.5
Working	27.8	23.7	22.1	17.7	4.5	1.6	1.6	0.1	0.6	3.4
Retired	0.4	0.3	0.2	0.1	0.1	a	0.1	0.1	a	0.1
Ill or disabled	2.1	0.7	0.6	0.3	0.3	0.1	1.5	0.7	1.0	0.3
Taking care of home or family	2.1	1.3	1.2	0.1	1.0	0.2	0.3	a	0.2	0.5
Other[b]	0.5	0.2	0.2	0.1	0.1	0.1	0.1	a	0.1	0.2
Ages 55–64	21.5	16.2	14.0	10.6	3.5	2.2	3.9	1.8	1.6	3.0
Working	13.9	11.8	10.5	8.7	1.8	1.3	1.1	0.2	0.3	1.6
Retired	3.6	2.6	2.1	1.4	0.7	0.5	0.8	0.5	0.1	0.6
Ill or disabled	2.3	0.8	0.6	0.3	0.3	0.2	1.7	1.0	0.9	0.3
Taking care of home or family	1.4	0.9	0.7	0.1	0.6	0.1	0.2	0.1	0.1	0.4
Other[b]	0.3	0.1	0.1	a	a	a	a	a	a	0.1
					(percentage within main activity category)					
Ages 35–44	100.0%	76.3%	71.2%	51.7%	19.6%	5.1%	10.1%	1.8%	7.1%	16.4%
Working	100.0	81.8	76.8	59.4	17.4	4.9	5.6	0.4	3.5	15.0
Retired	100.0	36.8	22.3	19.3	2.9	14.6	37.6	10.1	13.6	37.6
Ill or disabled	100.0	19.6	15.9	6.2	9.7	3.7	69.0	27.9	52.8	19.9
Taking care of home or family	100.0	61.9	55.6	4.9	50.6	6.4	19.2	0.4	16.2	21.7
Other[b]	100.0	28.7	20.5	4.7	15.8	8.2	30.4	4.1	25.5	44.3
Ages 45–54	100.0	79.6	73.7	55.3	18.4	5.9	11.1	2.9	5.7	13.7
Working	100.0	85.4	79.7	63.7	16.0	5.7	5.8	0.4	2.2	12.3
Retired	100.0	64.9	55.1	22.3	32.8	9.8	28.3	12.2	8.6	17.0
Ill or disabled	100.0	31.4	26.7	12.2	14.5	4.7	70.2	35.1	45.1	13.1
Taking care of home or family	100.0	64.1	56.4	6.8	49.6	7.7	14.7	0.8	8.8	24.9
Other[b]	100.0	43.5	33.5	10.6	22.9	10.0	20.0	2.4	13.3	41.0
Ages 55–64	100.0	75.7	65.3	49.2	16.1	10.4	18.2	8.5	7.3	13.9
Working	100.0	85.5	75.9	62.8	13.0	9.6	7.9	1.3	2.5	11.5
Retired	100.0	72.1	58.1	37.8	20.3	14.0	23.1	14.8	4.1	16.7
Ill or disabled	100.0	34.1	25.3	13.6	11.7	8.8	73.6	44.9	40.8	12.2
Taking care of home or family	100.0	61.1	51.8	9.8	42.0	9.3	17.2	4.0	8.7	27.9
Other[b]	100.0	53.9	35.6	18.4	17.2	18.3	14.9	2.4	6.6	37.3

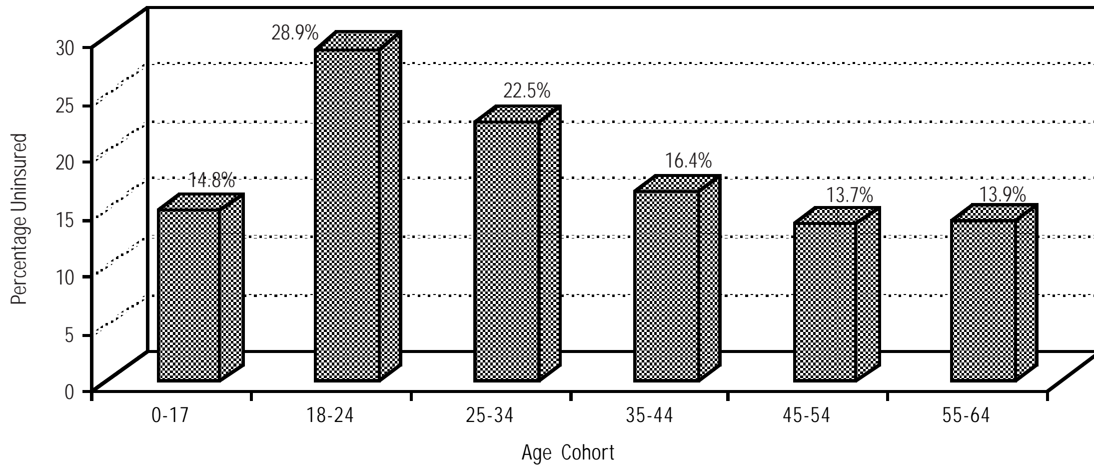
Source: Employee Benefit Research Institute estimates from the March 1997 Current Population Survey
[a]Less than 50,000 weighted respondents. Numbers less than 50,000 should be interpreted with caution, as they are based on a relatively small sample.
[b]Other includes going to school, unemployed, and other.

Table 3
Percentage of Nonelderly with a Spell without Health Insurance, by Age, October 1994 to September 1995

Length of Spell	Total	Under Age 18	Ages 18–20	Ages 21–24	Ages 25–34	Ages 35–44	Ages 45–54	Ages 55–64
Total	100%	100%	100%	100%	100%	100%	100%	100%
1–4 months	36.7	39.6	38.7	40.8	34.6	34.1	35.3	32.9
5–8 months	21.5	22.8	24.6	25.0	21.0	20.5	17.9	18.0
9–11 months	8.8	8.6	10.8	10.2	10.2	7.7	7.5	6.6
12 months	32.9	29.0	25.9	24.0	34.2	37.8	39.4	42.5

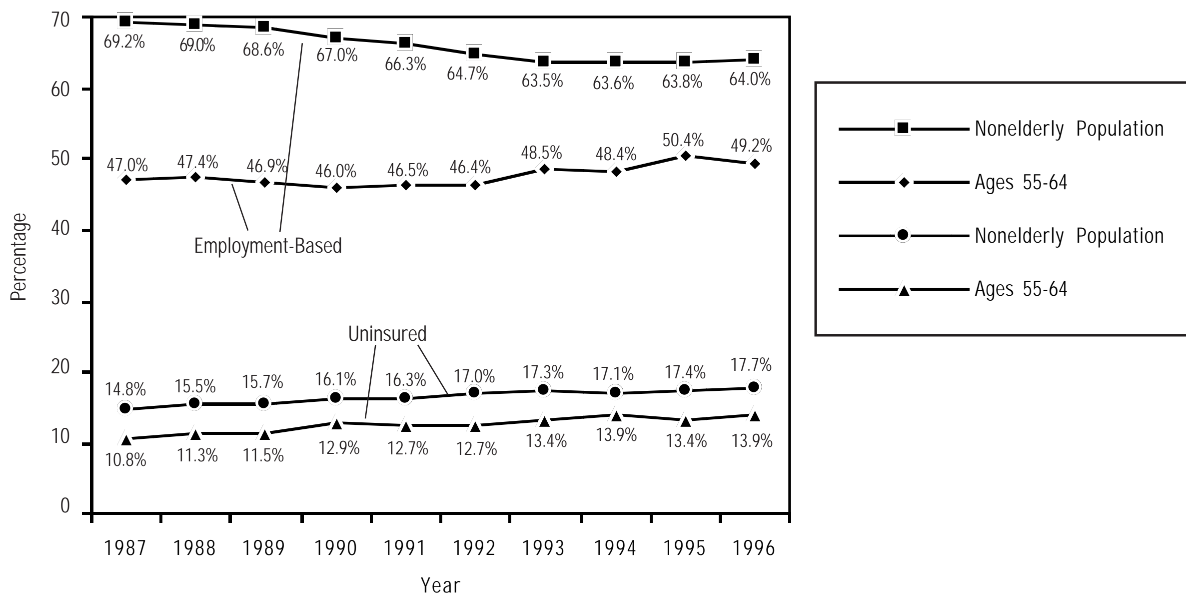
Source: Employee Benefit Research Institute estimates of the 1993 Survey of Income and Program Participation (SIPP) Waves 6–9.

Chart 1
Percentage of Uninsured Americans, by Age, 1996



Source: Employee Benefit Research Institute estimates from the March 1997 Current Population Survey.

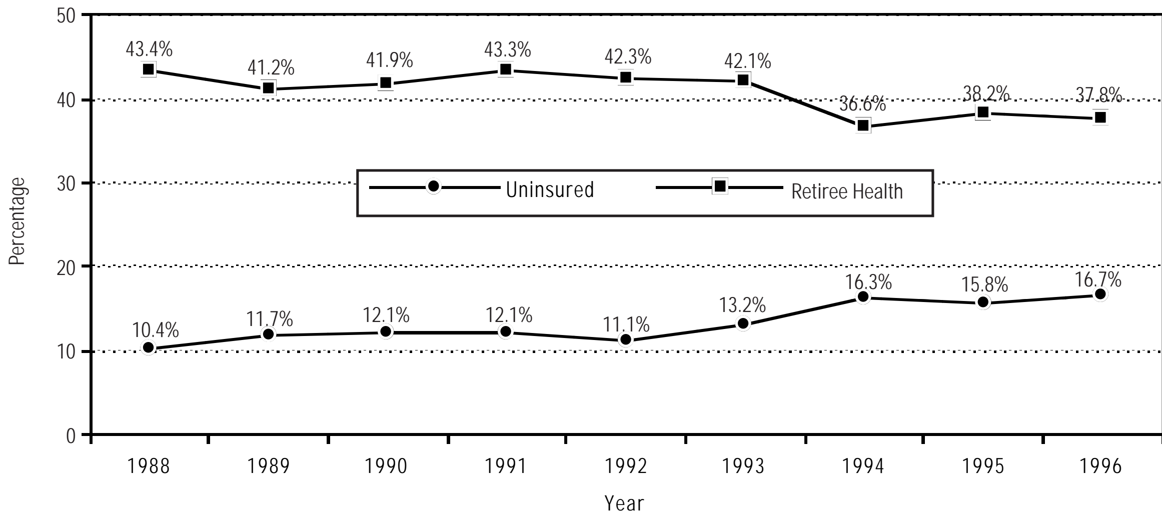
Chart 2
Percentage of Americans with Employment-Based Health Insurance and Uninsured, 1987–1996



Source: Employee Benefit Research Institute estimates from the March 1988–1997 Current Population Surveys.

Chart 3

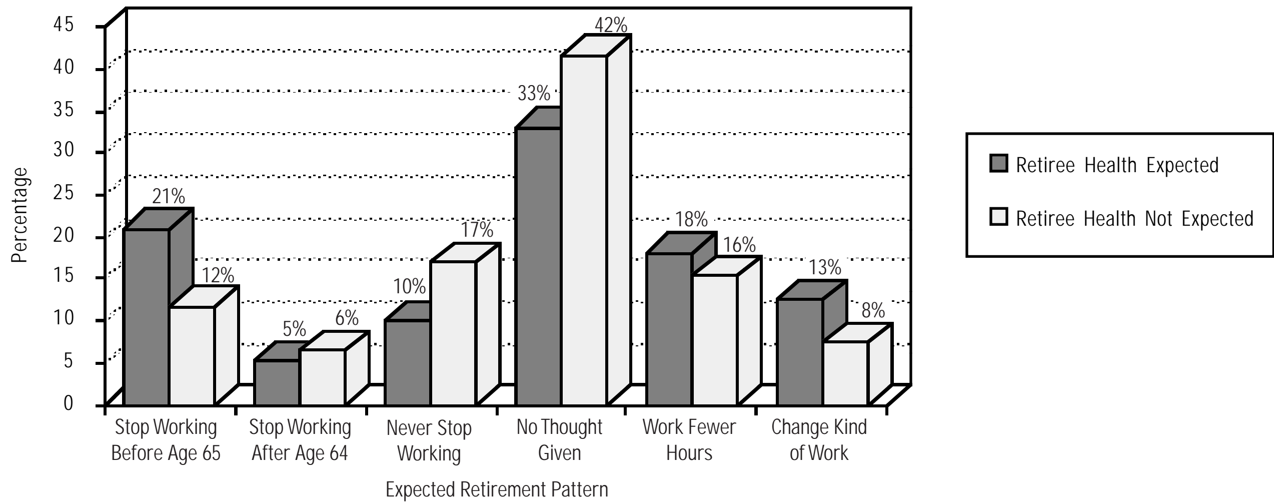
Retirees Ages 55–64 with Retiree Health Benefits or Uninsured, 1988–1996



Source: Employee Benefit Research Institute estimates from the March 1989–1997 Current Population Surveys.

Chart 4

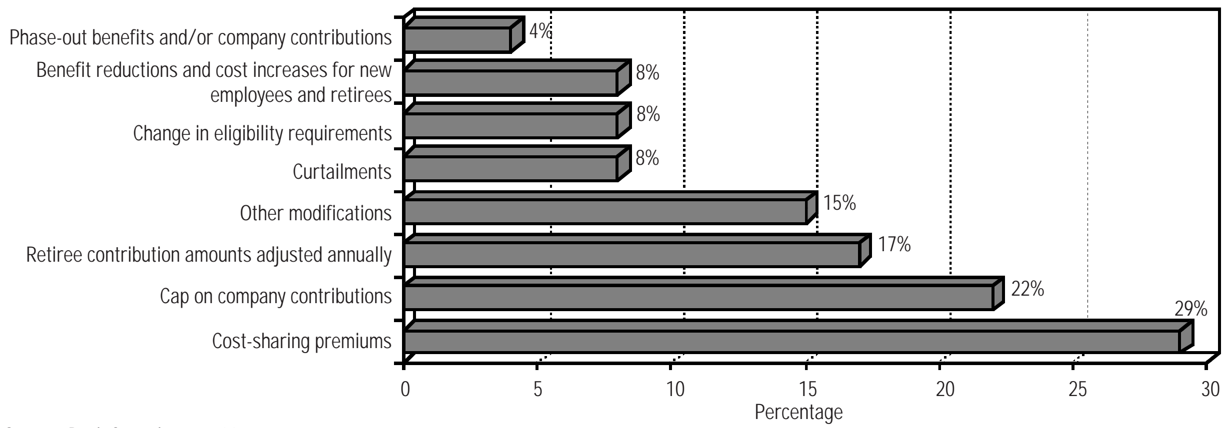
Expected Retirement Pattern, by Retiree Health Insurance Availability, Wage and Salary Workers, Aged 51–61, 1992 Primary Respondents Only



Source: Employee Benefit Research Institute estimates from the 1992 Health and Retirement Survey, Wave 1.

Chart 5

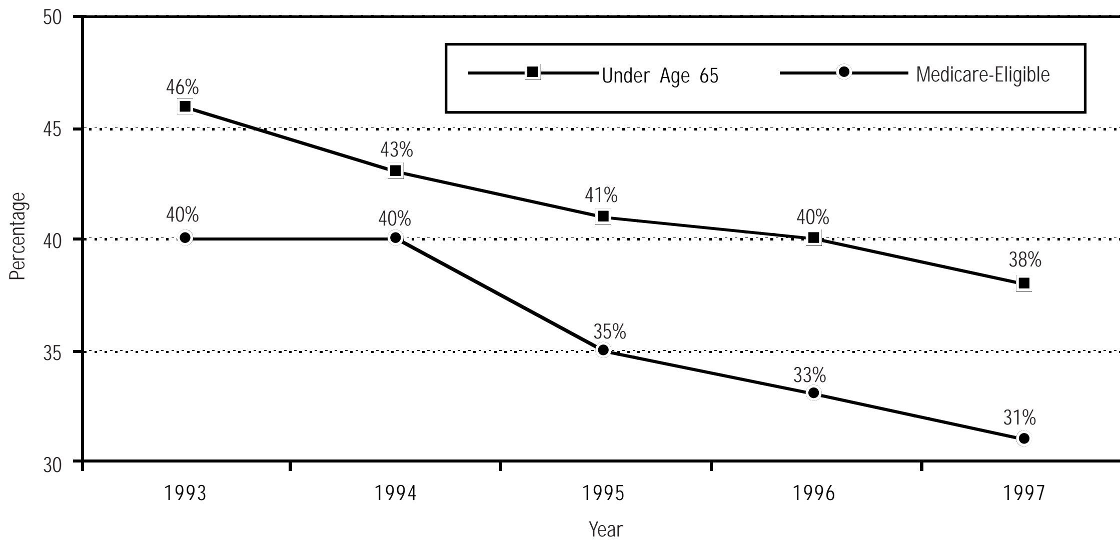
Postretirement Nonpension Benefit Modifications



Source: Buck Consultants, 1995.

Chart 6

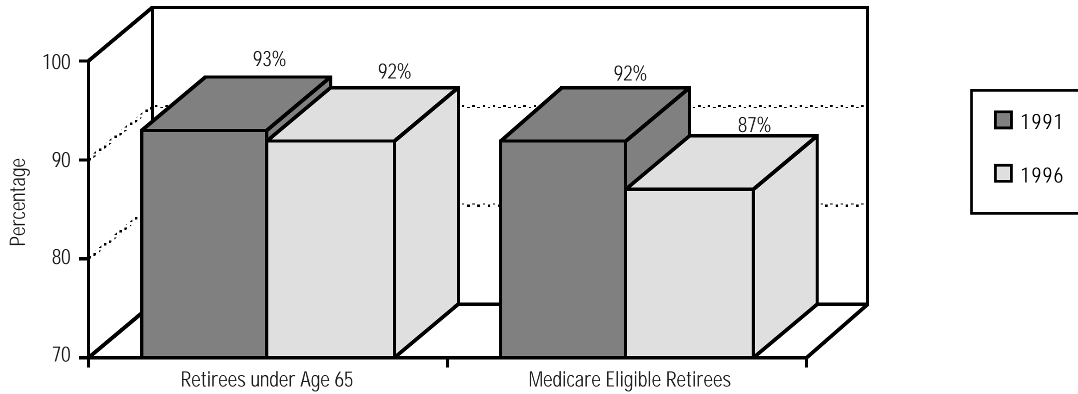
Percentage of Large Employers Offering Retiree Health Benefits, 1993–1997



Source: William M. Mercer.

Chart 7

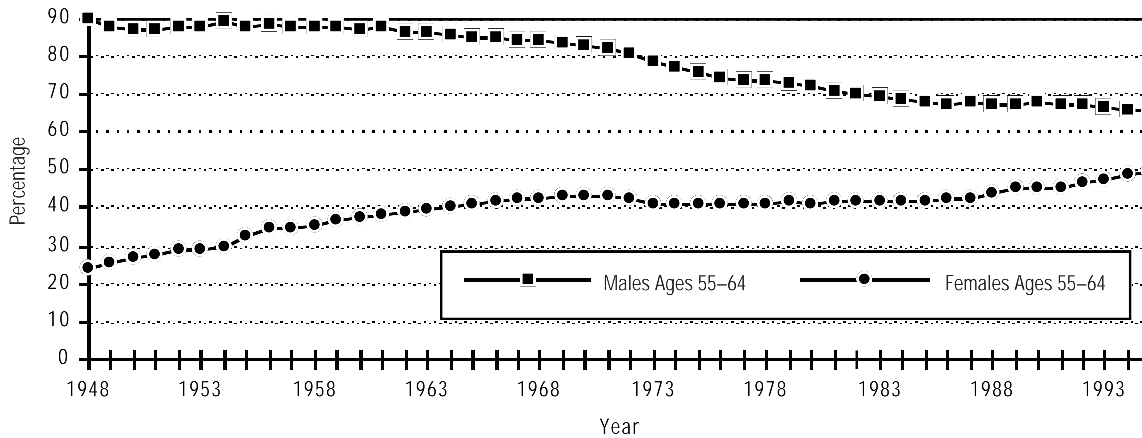
Percentage of Employers Offering Health Benefits to Retirees, 1991 and 1996



Source: Hewitt Associates LLC, 1997.

Chart 8

Labor Force Participation Rate, by Age and Gender, 1948–1995



Source: U.S. Department of Labor, Bureau of Labor Statistics.