



# EBRI *Advisory*

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## EBRI Research on Employment-Based Health Coverage Presented at Health Summit

Paul Fronstin, director of the health research and education program at the nonpartisan Employee Benefit Research Institute (EBRI), participated in the Senate Finance Committee's Health Reform Summit held today at the Library of Congress. At the summit, he presented EBRI research on health coverage of American workers under the employment-based benefits system.

Fronstin's statement for the record is available online at [www.ebri.org](http://www.ebri.org)

Fronstin was a member of a panel that discussed trends in employment-based health benefits. Here are some of the points in his statement:

- **Total coverage rates:** The percentage of workers reporting that they have access to health benefits through their job is largely unchanged from the mid-1990s and down only slightly from the late-1980s.
- **Small employer coverage:** Recently, there has been some erosion in the availability of health insurance through smaller employers.
- **Cost-sharing going up but out-of-pocket share still low:** Worker cost-sharing for health care services *has* been increasing and *has* been outpacing overall inflation. Even though more workers are subject to higher deductibles and co-payments, the percentage of consumer health care expenses paid out-of-pocket is at an all-time low.
- **Premium share relatively stable:** The percentage of the premium paid by employees for employee-only coverage is down from the mid-1990s and essentially unchanged for family coverage.
- **Employer cost-control efforts:** Employers have also been changing the structure of health benefits in order to control the cost of providing health benefits. Participation in so-called "consumer-driven" health plans, which include high-deductible health plans and a tax-preferred savings or spending account, grew to an estimated 7.5 million adults ages 21–64 with private health insurance in 2007.
- **Retiree health benefits:** Research has consistently found that fewer employers are offering retiree health benefits than in the past. Most workers will never be eligible for health insurance in retirement through a former employer.

Senate Finance Committee Chairman Max Baucus (D-MT) and ranking member Chuck Grassley (R-IA) organized a bipartisan summit to discuss options for health care reform in 2009. Summit details: <http://finance.senate.gov/healthsummit2008/index.html>

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