



EBRI News

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EMBARGOED FOR RELEASE:
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12:01 a.m. EST, Dec. 11, 2008

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*****Embargoed for Release at 12:01 a.m. EST, Dec. 11, 2008*****

Consumer Engagement in Health Care Survey:

Employer Contributions Increased to Some Health Savings Accounts *Additional Findings Published from EBRI Health Care Survey*

WASHINGTON—The nonpartisan Employee Benefit Research Institute (EBRI) today published additional findings from the 2008 EBRI Consumer Engagement in Health Care Survey, including data showing that employer contributions to participants' health savings accounts increased from 2006 to 2008. Individual contributions to these accounts also increased.

The latest results appear in the December 2008 *EBRI Notes* and follow publication of the major consumer engagement survey findings in the November 2008 *EBRI Issue Brief*. Both publications are available at www.ebri.org.

Health savings accounts (HSAs) became available in 2004, following the introduction of health reimbursement arrangements (HRAs) in 2001. When combined with a high-deductible health insurance plan, HSAs and HRAs form what are often called consumer-driven health plans. Employers of all sizes are increasingly focused on how to achieve high-value health care, and are examining a number of different approaches—including consumer-driven plans—that use cost-sharing incentives to engage their workers in health decisions, according to Paul Fronstin, director of the EBRI health research and education program and author of both survey reports.

As of 2008, 9.8 million adults ages 21–64 were either in a consumer-driven health plan or were eligible to open a health savings account.

In addition to data on account contributions, the December 2008 *EBRI Notes* provides results from the consumer engagement survey on participants' time enrolled in consumer-driven plans, eligibility, account balances, and rollover behavior. Here are some of the details.

Employer Contributions

The *Notes* study contains these points about workers whose employers contribute to an HRA or HSA:

- After falling between 2006 and 2007, the percentage of workers with an employer contribution increased from 61 percent in 2007 to 66 percent in 2008.
- Among workers with an employer contribution, those with employee-only coverage have seen their annual employer contributions increase. From 2006 and 2008 the percentage reporting that their employer contributed \$1,000 or more to the account increased from 26 percent to 37 percent.
- Among workers with family coverage, the percentage reporting a contribution of \$200–\$499 decreased from 11 percent to 6 percent between 2006 and 2008, while the percentage reporting contributions of \$500–\$749 increased from 4 percent to 10 percent between 2007 and 2008. A majority of workers with family coverage receive a contribution of \$1,000 or more.
- The percentage of workers with family coverage receiving a contribution of \$1,000 or more increased from 52 percent in 2006 to 70 percent in 2007, but then declined to 59 percent in 2008.

((more))

Individual Contributions

Here are some of the key points in the *Notes* study about individuals' contributions to HSA plans:

- From 2006 to 2007, the percentage of individuals with employee-only coverage contributing nothing to an HSA decreased from 28 percent to 18 percent, and it remained at 19 percent in 2008.
- In contrast, the percentage contributing between \$1,000 and \$1,499 increased from 9 percent in 2006 to 21 percent in 2008, while the percentage contributing \$1,500 or more increased from 21 percent to 30 percent.
- Among persons with the family coverage, the percentage not making any contributions was unchanged between 2006 and 2008, but the percentage contributing less than \$500 fell from 16 percent to 5 percent, while the percentage contributing \$1,500 or more increased from 36 percent in 2006 to 51 percent in 2008.
- It is not surprising that individuals with family coverage contribute more than individuals with employee-only coverage, as deductibles are higher for family coverage.

Time Enrolled in Plans

From 2006 to 2008, the percentage of individuals in a consumer-driven health plan for one to two years increased from 30 percent to 41 percent, and the percentage in these plans for three to four years increased from 9 percent to 19 percent.

Eligibility

Among individuals with traditional employment-based health benefits and a choice of health plan, 40 percent were eligible for a consumer-driven health plan in 2008, up from 33 percent in 2006. About 22 million workers were eligible for such a plan in 2008 but chose to remain in a more traditional plan.

Account Balances

The amount of money that individuals have accumulated in their accounts has grown. The percentage of individuals reporting that they had nothing in their account declined from 14 percent in 2006 to 9 percent in 2008. The percentage of individuals reporting an account balance of at least \$1,000 increased from 25 percent in 2006 to 44 percent in 2007, and remained at 43 percent in 2008.

Rollover Behavior

The percentage of persons reporting no rollover fell from 23 percent to 16 percent between 2006 and 2008. The percentage reporting a rollover of \$1,500 or more increased from 13 percent in 2006 to 27 percent in 2008.

Survey background

The 2008 EBRI Consumer Engagement in Health Care Survey involved a 16-minute online survey of 4,532 privately insured adults ages 21-64 to provide nationally representative data regarding the growth of account-based health plans and high-deductible health plans, and the impact of these plans and consumer engagement more generally on the behavior and attitudes of adults with private health insurance coverage. The survey was conducted Aug. 14–28, 2008. Details of the methodology are in the reported in the November 2008 *EBRI Issue Brief*.

EBRI is a private, 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. www.ebri.org

The full December 2008 EBRI Notes will be posted early Dec. 11 on the EBRI Web site, www.ebri.org Embargoed copies are available in advance upon request.