

# EMPLOYER-SPONSORED INSURANCE: THE BACKBONE OF U.S. HEALTHCARE



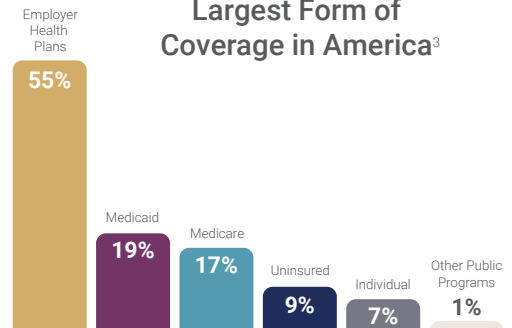
**181 MILLION AMERICANS**

have access to healthcare coverage through their employers<sup>1</sup>

**7 MILLION PEOPLE**

gained coverage through their employer between 2013 and 2017<sup>2</sup>

## Largest Form of Coverage in America<sup>3</sup>



\*Adds up to greater than 100% due to overlapping coverage



## Innovative, Comprehensive and Quality-Driven

40% of employers have **value-based care initiatives** to better manage chronic conditions and lower costs for employees<sup>6</sup>

Employers who use value-based strategies **cut medical costs by 5.6% and improved care quality by 80%**<sup>10</sup>

**96%** of larger employers made telehealth services available in 2018<sup>5</sup>

Replacing in-office consults, urgent care use, or ER visits with telehealth consults for common conditions can **save more than 50% of typical costs per visit, and patient issues were resolved in one visit 83% of the time**<sup>8</sup>

**83%** of employers offer wellness plans<sup>5</sup>

Employers offering disease management-specific wellness programs **saved \$136 per employee per month, driven by a nearly 30% reduction in hospital admissions**<sup>4</sup>



## Effective at Controlling Costs



In 2017, premiums for family coverage rose **3%** in the group market and **20%** in the individual market<sup>7</sup>



## Bears the Brunt of Price Increases

**2X**

Employer-sponsored health plans pay twice as much as Medicare and Medicaid for common tests and procedures. Prices are highest in the commercial insurance market because of cost shifting in a fee-for-service environment.

## How Congress Can Help to Strengthen Employer-Sponsored Insurance



- Keep the income tax exclusion for employer-provided health insurance
- Avoid shifting rising costs to the employer-sponsored health market and instead, address actual cost-drivers in the system
- Stabilize the individual marketplace
- Increase business to business transparency on quality (services, delivery, experiences, etc.) and pricing to allow for more thoughtful healthcare consumption

Sources: <sup>1</sup> AHIP Surprise Billing Consensus Statement 2018  
<sup>2</sup> Axios  
<sup>3</sup> "Health Insurance Coverage in the United States 2017," United States Census Bureau, 2018;  
<sup>4</sup> Kaiser Health Insurance Coverage of Total Population 2017

<sup>5</sup> Final Report, Santa Monica, Calif. RAND Corporation, 2014  
<sup>6</sup> Kaiser Employee Benefits 2018 Annual Survey  
<sup>7</sup> Med City News, 2017  
<sup>8</sup> Kaiser Family Foundation  
<sup>9</sup> Alliance for Connected Care as seen in EHR Intelligence

<sup>9</sup> Center for Medicare and Medicaid services, National Health Statistics Projections, Table 17, Health Insurance Enrollment and Growth Rates Online  
<sup>10</sup> "Finding the Value in Value-Based Care," Change Healthcare, National Research Brief, 2018