



Consumer Driven Health Plans surpass HMO's in popularity with employees.

Nation's largest health plan survey sites key trends in employer health plans

NEWTON, MA, 8/21/2009 -- Consumer Driven Health Plans (CDHPs) in the U.S. have surpassed HMO plans in covered employees, according to preliminary results released by United Benefit Advisors (UBA) from their 2009 *UBA Health Plan Survey*, the nation's largest health plan benchmarking survey with 17,655 plans from 12,316 employers reporting.

CDHPs grew at a rate of 33.9% this past year and now cover more employees (15.4%) than HMO plans (13.6%), according to Paul Rooney, Managing Partner at EBS Capstone. The Northeast region of the country had the largest concentration of CDHPs (23%), followed by the North Central region (20.1%). The average cost increase for all CDHPs at 6.3% was slightly lower than that of the average of all plan types, which increased 7.3 this year.

Employers often offset the higher out-of-pocket costs of CDHPs by offering employees a health reimbursement account (HRA) or a health savings account (HSA) and contributing funds. The 2009 UBA Health Plan Survey found the average employer contribution to an HRA was \$1,310 (up from \$1,209 in 2008) for a single employee and \$2,502 for a family (up from \$2,274 in 2008).

"Across the board, we're seeing a trend toward employee empowerment and participation when it comes to health care," said Mr. Rooney. "They're taking more control over health care expenditures by increasing participation in CDHPs, and they are also realizing that there are financial benefits – in addition to health benefits – of participating in wellness programs."

Other key statistics from this year's Survey results:

- The average increase for all plan types was 7.3%
- PPO plans have nearly two-thirds of all enrolled employees (63.9%)
- Fee For Service Plans are all but extinct, with only 0.4% of employees enrolled
- The average employee contribution for plans with contributions for all plan types is \$105 for single and \$419 for family
- More than three-fourths of all wellness plans (78.4%) offered a health risk assessment
- More than two-thirds (67.2%) of all family plans without a deductible are located in the Northeast and West
- Of all plans in the Northeast, 86.6% have 100% coinsurance
- 52.7% of all covered employees also elected to cover their dependents

As health care plan offerings become more complex, Rooney points out that benchmarking data like the annual UBA Health Plan Survey has become increasingly critical.

"The intent of the survey is to provide employers of all sizes with the data they need to manage their health care benefit programs effectively," said Mr. Rooney. "Especially for the more than 99% of U. S. employers with fewer than 1,000 employees who have operations in multiple locations, this survey is the best source of reliable regional – and in many cases state – health plan benchmarks by employer size and industry categories."

The 2009 UBA Health Plan Survey will be available to the public after Nov. 1. Only UBA Member Firms have access to the more granular state, region, and industry data. Rooney also said the analysis of the 2009 UBA Health Plan Survey data will continue over the next several months, and additional findings will be forthcoming.

UBA has Member Firms in virtually every major U.S. market. To locate one and learn more about the 2009 UBA Health Plan Survey, visit www.UBAbenefits.com.

ABOUT THE 2009 UBA HEALTH PLAN SURVEY – With responses from 17,655 health plans sponsored by 12,316 employers nationwide, the 2009 UBA Health Plan Survey is the nation's largest and most comprehensive survey of plan design and plan costs. As the largest survey of its kind, the UBA Health Plan Survey defines benchmarks by a greater number of specific industries, regions, and employer size categories than is available from any other resource. The *2009 UBA Employer Benefit Perspectives* (which delineates employers' positions and opinions on Employee Communications, Personal Health Management and Scope of Benefits Offered) and the *2008 UBA Employer Opinion Survey* (which addressed employers' specific health care strategies, health benefits philosophy and opinion, health plan management, and Consumer Driven Health Care) serve as companion pieces to the *2009 UBA Health Plan Survey*.

ABOUT UNITED BENEFIT ADVISORS – United Benefit Advisors, is an alliance of nearly 140 premier independent benefit advisory firms with offices in more than 165 offices throughout the U.S, Canada and the U.K., and is one of the nation's top five employee benefits advisory organizations. As trusted and knowledgeable advisors, UBA Members collaborate with more than 1,900 professionals to seek out ideas, insight, expertise and best-in-class solutions that positively impact employers and make a real difference in the lives of their employees and families.

ABOUT EBS CAPSTONE

EBS Capstone, www.ebscapstone.com is a full service insurance brokerage firm offering customized solutions in all lines of Property/Casualty and Employee Benefit services. With a management team comprised of entrepreneurs, engineers, attorneys and certified employee benefit specialists, we are positioned to assist companies across all industries and sizes with their insurance needs. EBS Capstone, is one of the leading insurance brokerage firms in New England.

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