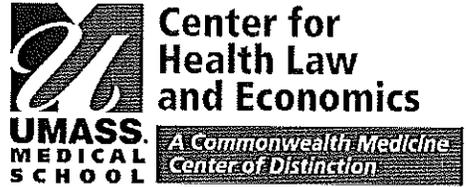


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# State of Vermont Health Care Financing Plan Beginning Calendar Year 2017 Analysis

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Table 1. Estimated average annual *employer* contribution to ESI premiums<sup>2</sup>

Class	Firm Size	Number of Firms	Number of Employees	Number of Employees enrolled in Employer Health Plan	Average 2011 Spending per Employee	Average 2011 Spending per Enrolled Employee	Estimated 2011 HC Premium Spending as a percent of total payroll
1	1-9	14,950	44,268	13,108	\$1,700	\$5,700	5%
2	10-19	2,113	28,483	10,308	\$1,800	\$5,100	6%
3	20-49	1,331	39,514	16,991	\$2,200	\$5,200	7%
4	50-249	623	60,531	30,847	\$3,500	\$6,900	9%
5	250+	102	61,186	28,146	\$3,900	\$8,500	7%
TOTAL		19,119	233,982	99,399			
Average					\$2,900	\$6,700	7%

Table 2. Estimated average annual *employee* contribution to ESI premiums<sup>3</sup>

Class	Firm Size	Number of Firms	Number of Employees	Number of Employees enrolled in Employer Health Plan	Average 2011 Spending per Employee	Average 2011 Spending per Enrolled Employee	Estimated 2011 HC Premium Spending as a percent of total wages
1	1-9	14,950	44,268	13,108	\$700	\$2,400	2%
2	10-19	2,113	28,483	10,308	\$1,000	\$2,700	3%
3	20-49	1,331	39,514	16,991	\$1,100	\$2,600	3%
4	50-249	623	60,531	30,847	\$1,100	\$2,100	3%
5	250+	102	61,186	28,146	\$1,100	\$2,400	2%
TOTAL		19,119	233,982	99,399			
Average					\$1,000	\$2,400	2%

Employee cost-sharing includes additional amounts that individual employees and their families pay for health care through copayments, coinsurance, and deductibles. Individual cost-sharing varies considerably depending on the health plan actuarial value and plan design, as well as the type, cost, and amount of health care services used. Table 3 below illustrates the average experience by employer size.

For purposes of developing these estimates, we assume that the actuarial value of small group plans (1-49 employees) is 75 percent, while the actuarial value of large group plans (50 employees or more) is 87 percent. Further, we assume that in small firms (1-49 employees) that offer a high deductible plan, 80 percent of enrolled employees enroll in the high deductible plan

<sup>2</sup> Data sources: Insurance enrollment from Vermont Department of Labor, 2011 Fringe Benefit Survey, April 2012; premiums from Hickox & Boardman Group Benefits, 2011 Vermont Employee Benefits Survey; wage data from Vermont Department of Labor, 2011 [add citation]; inflated to 2017 using the projected increase in national health expenditures per capita, Centers for Medicare and Medicaid Services, Office of the Actuary, January, 2012.

<sup>3</sup> Data sources: Insurance enrollment from Vermont Department of Labor, 2011 Fringe Benefit Survey, April 2012; premiums from Hickox & Boardman Group Benefits, 2011 Vermont Employee Benefits Survey; wage data from Vermont Department of Labor, 2011, taken from [www.vtflmi.info/public/qcew\\_size\\_firm\\_2011q1.xls](http://www.vtflmi.info/public/qcew_size_firm_2011q1.xls), 1/4/13; inflated to 2017 using the projected increase in national health expenditures per capita, Centers for Medicare and Medicaid Services, Office of the Actuary, January, 2012.