



1999 CENTRAL IOWA  
**EMPLOYER BENEFITS STUDY**  
RESULTS

DAVID P. LIND & ASSOCIATES

**This Survey was funded by David P. Lind and Associates, L.C. To learn more about the services provided by DPL&A, please call: David Lind or Brad Johnson at (800) 821-5463.**

**Confidence Levels (as reported by Data Point Research, Inc.)**

**The results reported in this survey provide estimates of current health insurance policies offered by employers within Central Iowa. For all companies in the region, the employee-size weighted averages are all accurate to within plus or minus 5 percent, at a 95 percent confidence level. Averages reported for companies grouped into Service and Non-service are accurate to within plus or minus 8 percent. Reported results for companies in the two smaller employee size categories are also plus or minus 8 percent, and those for companies in the two larger employee size categories are plus or minus 12 percent. All precision levels are stated at the 95 percent confidence level. That is, for this study the reader can be 95 percent certain that the percentages presented in this report are equal to the employee benefits offered by area employers plus or minus 5 percent.**



We at David P. Lind & Associates, L.C. are pleased to provide you with this copy of the *Central Iowa Employer Benefits Study*®. We wish to thank every employer that participated in this study, which is a first of its kind in Iowa. There are national studies and regional studies on this topic, but we have found no *local* studies that would be beneficial to central Iowa employers.

David P. Lind & Associates, L.C. is an independent employee benefit brokerage/consulting firm located in Des Moines that primarily works with employers in Iowa and surrounding states. Our intention is to be a direct resource to Iowa employers on the benefit trends that are occurring within the state of Iowa. We understand that Iowa employers would like to compare their plans to other employers located in the same vicinity, not with employers in other areas of the country.

The results of this survey are quite extensive, and because of this, we have attempted to summarize some key areas of interest within this publication. Should you need further consulting information based on this study, please contact us at (800) 821-5463 or (515) 280-6334. We would also welcome any comments or suggestions that you have which could improve this study in future years.

*Thank you for your interest in this very important study.*

DAVID P. LIND  
PRESIDENT, DAVID P. LIND & ASSOCIATES

## EXPLANATION OF THE SURVEY PROCESS

This survey proposes to study the group insurance benefits offered by companies with five or more employees in the central Iowa region, defined by the following nine counties: Boone, Dallas, Jasper, Madison, Marion, Marshall, Polk, Story, and Warren County. A total of 9,544 such companies were identified and split into eight categories, based on the number of employees and industry sector, identified by SIC code. These industry categories can loosely be interpreted as representing “service” and “non-service,” but it should be noted that SIC classifications are often imprecise and only refer to the industry sector of the parent company. Table 1 shows the number of employers in these eight categories. Over 64 percent of all the companies are located in Polk County, and 11 percent were in Story County. All other counties represented five percent or less.

**TABLE 1: POPULATION CHARACTERISTICS**

EMPLOYEES	5-49	50-249	250-999	1,000+	TOTAL
SERVICE	3,525	460	29	11	4,025
NON-SERVICE	4,876	590	32	21	5,519
TOTAL	8,401	1,050	61	32	9,544

Companies within each of these eight categories were randomly selected and received a questionnaire via mail. Some 1,635 companies were mailed the questionnaire. Firms which did not respond to the initial mailing were sent a reminder post card, then a second copy of the questionnaire. Forty-three firms were found to be ineligible for this survey as they had ceased to operate in Iowa. The targeted response rate was 20% for this survey. The actual response rate we obtained was 21.5%.

### INDUSTRY KEY CODE:

Our survey results have been segmented by two overall industry classifications. Before reading the results of this survey, you may find it helpful to first determine the S.I.C. sector that applies to your company.

#### SERVICE SECTOR

##### INCLUDES THE FOLLOWING PRIMARY S.I.C. CLASSES:

- FINANCE, INSURANCE, AND REAL ESTATE (SIC 60-67)
- SERVICES (SIC 70-90)

#### NON-SERVICE SECTOR

##### INCLUDES THE FOLLOWING PRIMARY S.I.C. CLASSES:

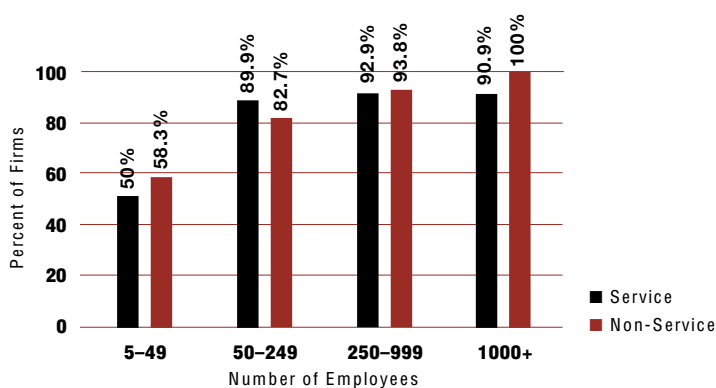
- AGRICULTURE (SIC 1-14)
- CONSTRUCTION (SIC 15-17)
- MANUFACTURING (SIC 20-39)
- TRANSPORTATION AND PUBLIC UTILITIES (SIC 40-49)
- WHOLESALE TRADE (SIC 50-51)
- RETAIL TRADE (SIC 52-59)

## Group Life Insurance Results

Group Life insurance is a very common employee benefit because the cost is minimal compared to other benefits, such as medical coverage. Our study concentrated on whether central Iowa employers provided life coverage on a flat amount basis, multiple of salary basis, or some other arrangement. We were also curious if employee voluntary life coverage (100 percent employee paid) was a popular benefit offered by employers. The results are as follows:

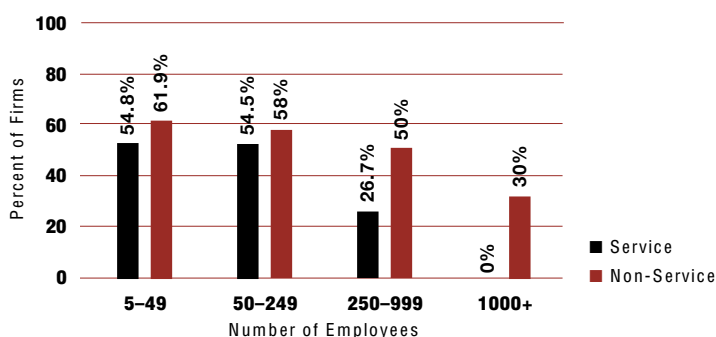
### CHART A: GROUP LIFE OFFERINGS

Overall, 72.6 percent of employers (weighted by the number of employees) offer some type of employer-paid group life insurance coverage. Firms with more employees are more likely to offer this type of insurance.



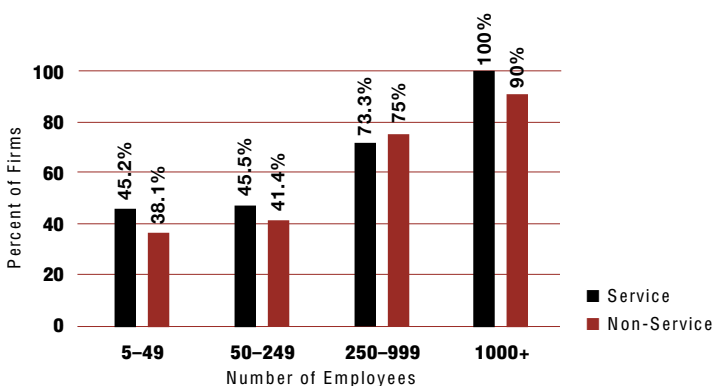
### CHART B: FLAT AMOUNT PLANS

In aggregate, 50.3 percent of employers, weighted by size, offer a "flat amount" plan. This type of coverage is more common among smaller employers.\*



### CHART C: SALARY MULTIPLE PLANS

Salary multiples varied from 0.25 to 5.0, with 2.0 as the most common salary multiple. Among service firms, the average salary multiple is 1.5, compared to 1.6 in non-service firms. Plans whose benefits are a function of the employees' salary are offered by 52.6 percent of employers.\*

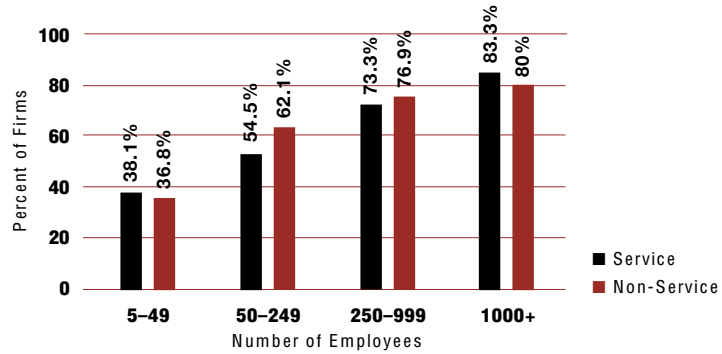


\* NOTE: Some employers offer both flat amount and salary multiple plans.

Group Life Insurance Continued

**CHART D: VOLUNTARY EMPLOYEE PLANS**

**Overall, 56.7 percent of employers offered voluntary life insurance coverage. Note that larger firms are more likely to offer this type of insurance.**



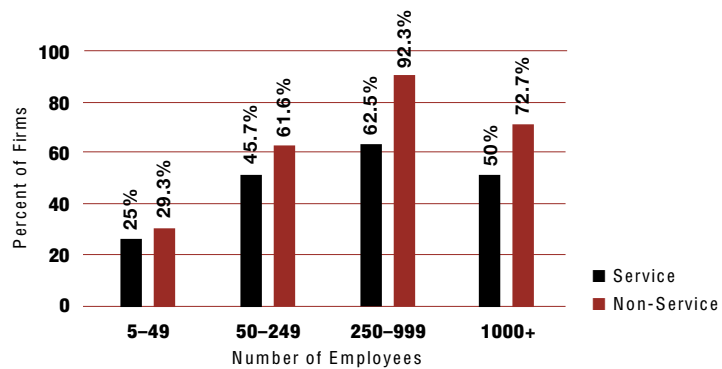
## Disability Insurance and Sick Leave

When an employee becomes disabled off the job, we wanted to know whether central Iowa employers offered some form of coverage for short-term and/or long-term disabilities. Are the disability premiums paid by the employer or employee, or shared by both the employer and employee? Also, does the employer offer a sick leave plan? If so, how many sick days per year can be accrued with the average central Iowa employer? NOTE: Paid Time Off (PTO) is becoming more popular with employers, but due to the length of the questionnaire, we did not include the PTO benefit. PTO will most likely be included with future surveys.

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**CHART E: SHORT-TERM DISABILITY OFFERED**

**Overall 45.2 percent of employers offer some type of short-term disability insurance. Non-service firms are more likely to provide short-term disability coverage than service organizations.**

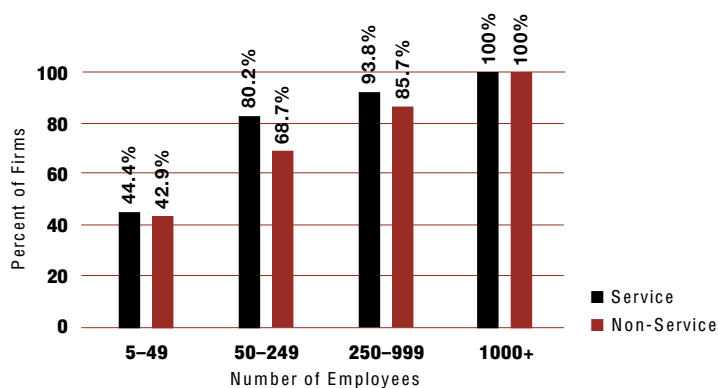


For 73.3 percent of employers (size-weighted) offering short-term disability plans, the coverage is paid entirely by the employer. In 14.9 percent of instances, the employee pays the premium, while 11.8 percent of employees share the cost of short-term disability with their employer.

## Disability Insurance and Sick Leave Continued

**CHART F: LONG-TERM DISABILITY**

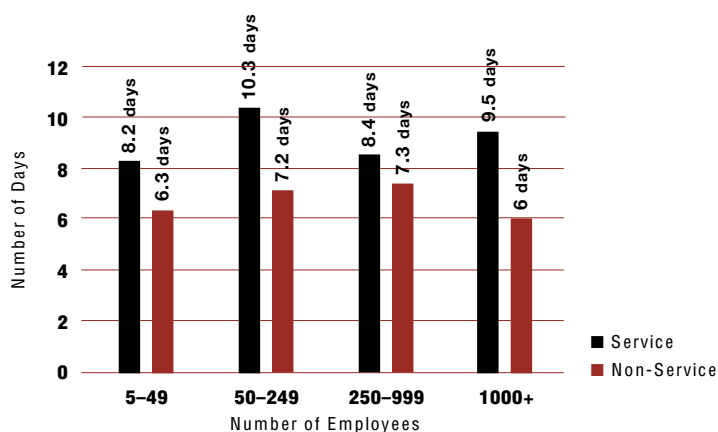
Overall, 63.9 percent of employers offer long-term disability insurance. Large firms are more likely to carry long-term disability insurance than smaller firms, and service firms display a slightly higher propensity to offer long-term disability than non-service companies.



67.6 percent of employers pay for their employees to be covered by long-term disability insurance. 20 percent of firms require employees to pay their own long-term disability, while the remaining 12.4 percent of size-weighted firms share the cost of long-term disability insurance with their employees.

**CHART G: SICK LEAVE OFFERED**

Overall, 63.2 percent of employers offer some type of sick leave plan. Service organizations are much more likely to offer sick leave. On average, employers offer 8.0 days of sick leave per year. Service firms offer an average of 9.2 days, while Non-service firms average only 6.7 days. The amount of leave offered varies from 1 to 30 days.



## Section 125 Plans

Section 125 plans, also described as “flexible benefit” plans or “cafeteria plans”, allow participating employees to choose between a number of non-taxable qualified benefits or taxable cash. The design of cafeteria plans can range from simple “premium only” plans to full-blown flexible benefit plans including flexible spending accounts. Premium only plans allow employees to use their before-tax, rather than after-tax, dollars for plan contributions. Flexible spending accounts allow employees to defer before-tax dollars to pay for dependent care expenses and unreimbursed medical expenses (such as deductibles and coinsurance payments, dental care, glasses and eye exams). Our study includes the following:

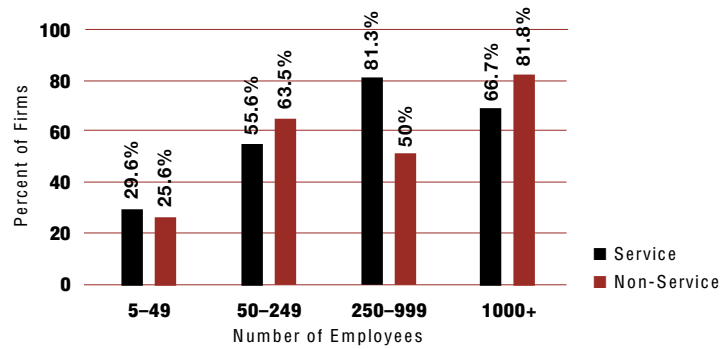
**PRE-TAX PREMIUM**

Overall, 67 percent of employers (size-weighted) offer the Pre-Tax Premium plan. Service organizations in this survey are slightly more likely to offer this benefit than non-service firms.

Section 125 Plans Continued

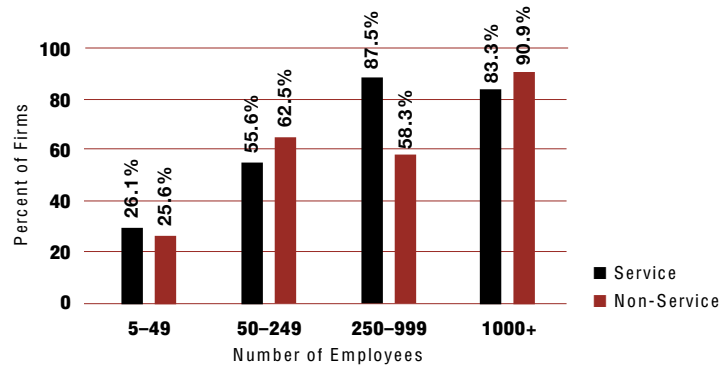
**CHART H: MEDICAL SPENDING ACCOUNTS**

Overall, 47.5 percent of employers offer medical spending accounts.



**CHART I: DEPENDENT CARE SPENDING ACCOUNTS**

Dependent care spending accounts are about as common as medical spending accounts. In general, 48.5 percent of employers (weighted by number of employees) in the study offer dependent care spending accounts.

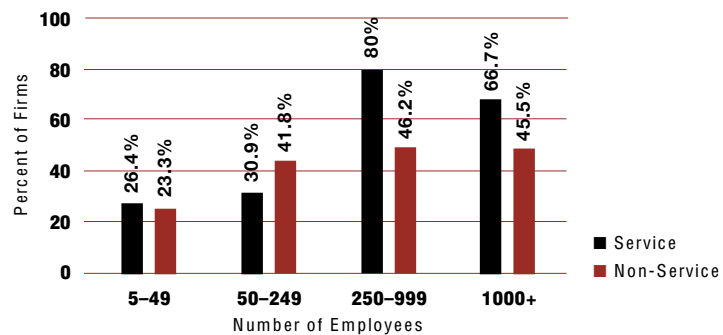


## Vision Coverage

Our study asked central Iowa employers whether they offer a vision discount and/or vision insurance program to their employees. The results are as follows:

**CHART J: VISION BENEFIT OFFERED**

Just over a third of employers studied (34.9 percent, size-weighted) offer a vision discount or insurance program. Large service organizations are most likely to offer this type of benefit.



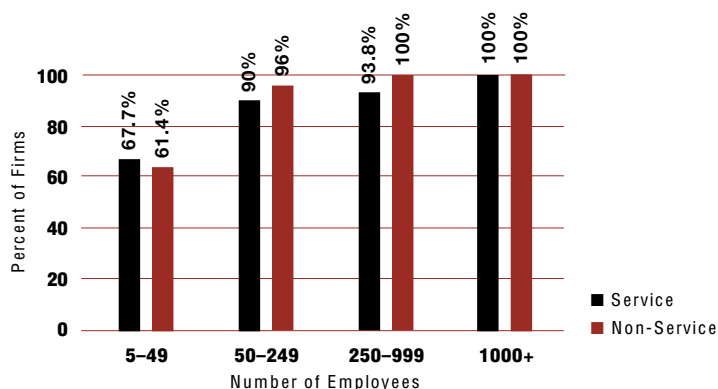


## Retirement Plans

Based on the type of organization, retirement plans can be established in a variety of ways. Our study concentrated on the likelihood of central Iowa employers offering some type of retirement plan(s), and the plan(s) most widely used (i.e. 401(k)'s, profit sharing, defined benefit, etc).

### CHART K: RETIREMENT PLANS

**Overall, 80.7 percent of employers (size-weighted) offer a retirement plan. Firms with fewer than 50 employees are significantly less likely to offer this benefit than larger firms.**



Employers were asked to indicate what type of plan is offered to their employees. About 4.8 percent overall offer the opportunity to participate in a Simple IRA program, but such plans are offered only by firms with less than 100 employees. Smaller service companies are the most likely to offer such programs.

Profit sharing is offered by 20.7 percent of employee-weighted firms. Non-service firms are more likely to offer profit sharing than service companies.

Overall 65 percent of employers (size-weighted) offer a 401(k) plan. Non-service firms are significantly more likely to offer 401(k) plans.

Overall, 4.4 percent of employers offer participation in SEP plans. As reported, only firms with fewer than 50 employees offer this program to their employees. Among service firms with 5-49 employees, 11.5 percent of firms offer SEP plans, while 12.5 percent of non-service firms of the same size offer them.

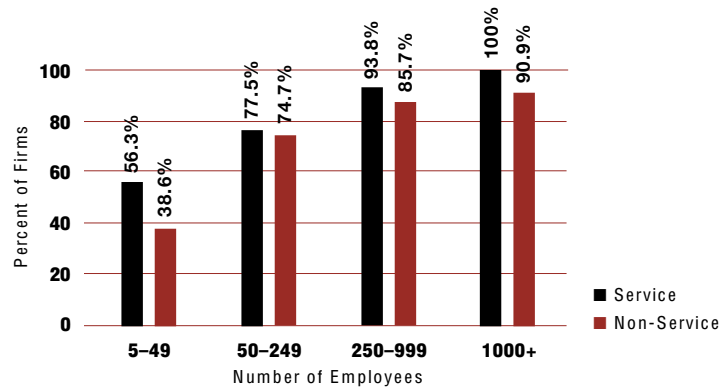
Of all employers, 39.9 percent offer some other type of retirement package. About 15 percent of these are 403(b) plans (all are service firms). Just over 20 percent of employers offer defined benefit plans, while nearly 18 percent offer participation in IPERS. Also mentioned were ESOP plans and money purchase plans.

## Dental Insurance

Dental plans can be offered in addition to medical coverage, usually with each coverage having a separate policy. However, some medical plans offer dental coverage within one master policy, providing no distinction between medical and dental rates. We felt it was important to make that distinction within our study. Our study concentrated on the prevalence of dental coverage being offered by central Iowa employers and the corresponding contribution levels.

### CHART L: DENTAL PLAN OFFERINGS

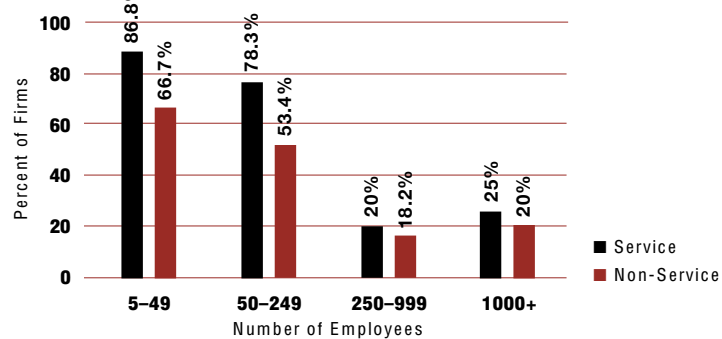
**In aggregate, 65 percent of employers offer a dental plan. Larger firms are more likely to offer dental coverage. Service organizations are more likely to offer dental plans than non-service firms.**



Approximately 14 percent of employers (size-weighted) offer a true voluntary (100 percent paid by employee) dental insurance program. Non-service companies are more likely to offer voluntary dental programs than service firms.

### CHART M: FULLY-INSURED DENTAL PLAN OFFERINGS

**More than half (56.1 percent) of employers offer coverage by a fully-insured dental program, while 43.9 percent offer a self-funded program. Not surprisingly, smaller firms are significantly more likely to offer fully-insured plans.**



### PAYMENT

The reported average monthly premium is \$17.70 for employee only, \$38.41 for employee and spouse, \$42.14 for employee and children, and \$50.27 for family. Rates do not vary significantly by either size of company or industry type.

Employee contributions average 48.2 percent for employee-only plans. The average for employee and spouse contribution is 58.6 percent, while employee and children plans average 57.8 percent contribution. Family plans have an average employee contribution of 57.3 percent.

## Medical Insurance

A large part of the employer's benefit costs are a direct result of group medical coverage. Medical costs can be quite complex when distinguishing between fully insured, partially self funded, and self funded costs. In addition, there are various plans available in central Iowa, such as Health Maintenance Organizations (HMO), Point of Service plans (POS), Preferred Provider Organizations (PPO), and Traditional Indemnity (TI). We wanted to track the premium rates between many of these plans along with employer/employee contribution rates. Just as importantly, we analyzed the average benefits structure offered by each corresponding medical plan.

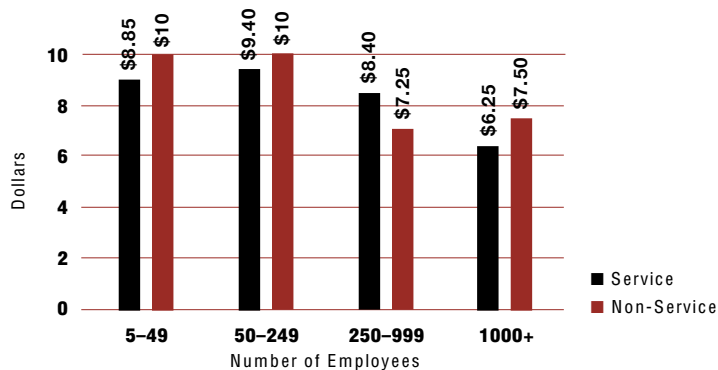
Of the three major types of plans, PPO is the most popular. Of those employers who offer health coverage, about 74.2 percent have at least one PPO plan from which to select. HMO/POS plans are the second-most common type, with 36.1 percent of employers making it possible for their employees to be able to select this type of plan. Traditional indemnity plans are offered by less than a quarter (22.5 percent) of employers who offer health insurance. Companies with more than 250 employees tend to offer more health plan choices on average.

### HMO/POS PLAN BENEFITS

In total, 83.6 percent of employers (size-weighted) offering an HMO plan have fully-insured coverage, the remaining 16.4 percent provide self-funded coverage. Larger firms are more likely to have self-funded plans.

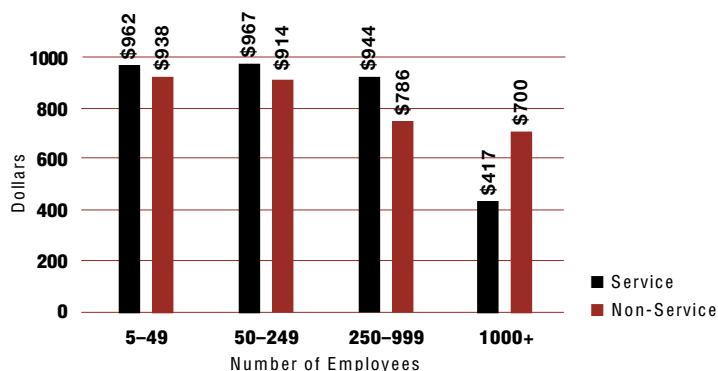
**CHART N: DOCTOR'S OFFICE CO-PAY (HMO)**

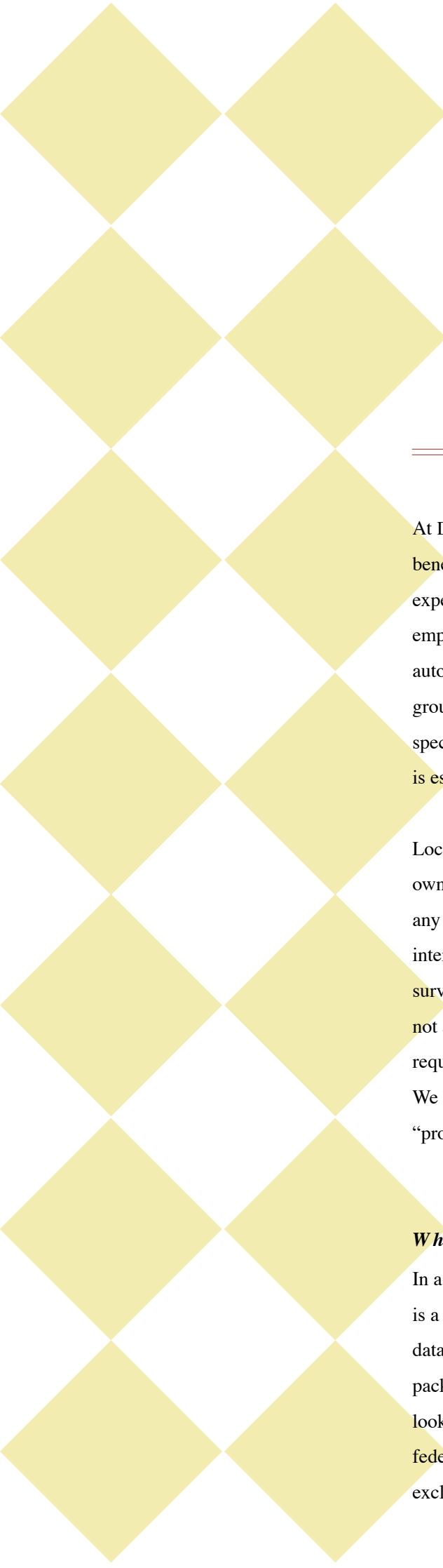
The average HMO doctor's office co-pay is \$ 8.77. Doctor co-pay varies from \$ 0 to \$ 15. Service and non-service firms have similar doctor co-pay amounts.



**CHART O: MAX OUT-OF-POCKET, SINGLE (HMO)**

The maximum out-of-pocket for HMO plans averages \$ 867 for single employees. Controlling for size, service and non-service firms have similar maximum out of pocket expenses.





ABOUT  
**DAVID P. LIND &  
ASSOCIATES**

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At DPL&A, we specialize in providing technical consulting and benefit support services for group clients. We have the knowledge, experience, and resources to back this up. By concentrating only on employee benefits plans (not property & casualty, homeowners, automobile insurance, etc), we are truly specialized experts in the group benefits marketplace. The business of group benefits requires specialization, and because of its complexity, full attention to detail is essential.

Located in Des Moines, Iowa, DPL&A is locally and privately owned. As a true broker/consultant, DPL&A has no allegiance to any insurance carriers. We are strictly independent from outside interests, and are driven only by what is best for our clients. This survey should help illustrate this point. We have a strict policy of not allowing insurance companies (or other benefits entities) to require “quotas” from us in exchange for their products or services. We believe this industry should be *client* driven rather than “product” driven.

***Why We Undertook This Study***

In a tight labor market, recruiting and retaining qualified employees is a high priority for central Iowa employers, and benchmarking data can help you determine how competitive your firms’ benefits package is. Because of the nature of our clients, it is our desire to look at benefits available through the private sector. State and federal governmental entities, which are publicly funded, were excluded from this study.

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We also felt that a study was necessary because there was no other source of this information available in central Iowa. We needed this information to more completely assist our clients in making their employee benefits decisions.

This study is useful to all employers because it is NOT a study of any particular industry within Iowa. Rather, it reflects a broad stroke of all employers with at least 5 employees in central Iowa, randomly selected within almost all industries. Most importantly, this study was NOT conducted by an insurance company selling an insurance product. This is a TOTALLY NON-BIASED study. It is the first real attempt that we know of, to paint an objective picture of what is happening in the central Iowa area regarding employee benefits. After this initial study, our hopes are to continually monitor local employee benefit trends and to remain at the leading edge of the benefits consulting field.

We wish to thank Data Point Research, Inc. for their statistical expertise and guidance.

***How to Find Out More About This Study***

For more information about this study and the many services available through DPL&A, please call David Lind or Brad Johnson at (800) 821-5463. We can also be reached by

Email at: [DPLA@Worldnet.att.net](mailto:DPLA@Worldnet.att.net).

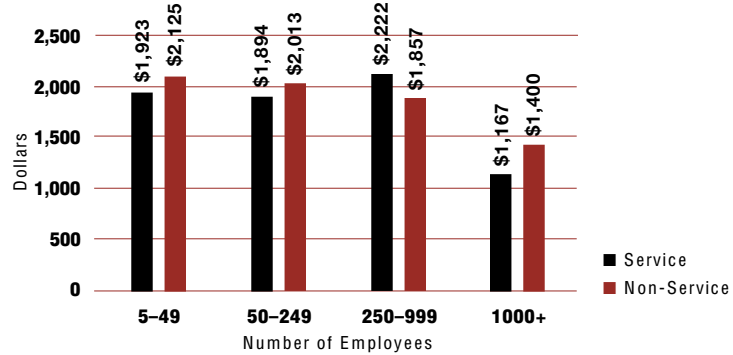
We certainly welcome your comments and/or suggestions on this and future studies.



Medical Insurance Continued

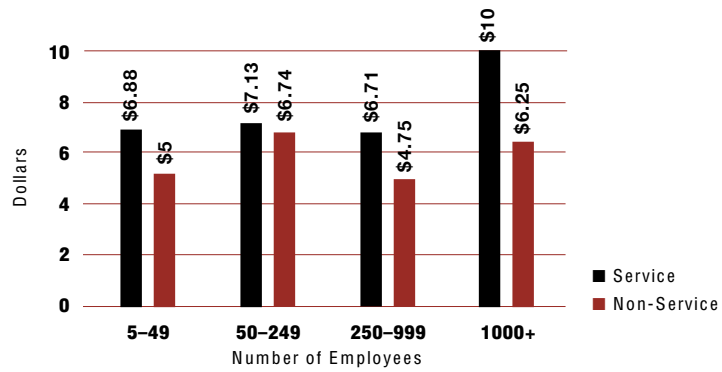
**CHART P: MAX OUT-OF-POCKET, FAMILY (HMO)**

The maximum out-of-pocket for HMO plans averages \$ 1,867 for employees under a family plan. Controlling for size, service and non-service firms have similar maximum out of pocket expenses.



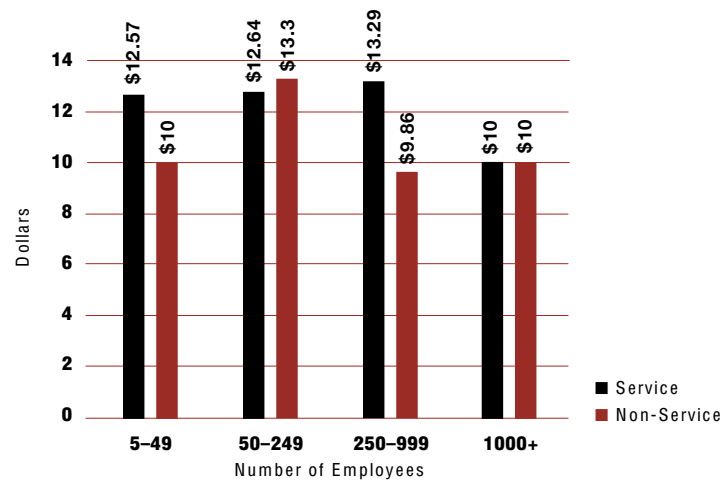
**CHART Q: GENERIC DRUG CO-PAY (HMO)**

On average, the HMO generic medicine co-pay is \$ 6.51.



**CHART R: BRAND-NAME CO-PAY (HMO)**

On average, the HMO brand-name medicine co-pay is \$ 12.01.



**HMO / POS PAYMENT**

The average monthly HMO/POS premium is \$159 for employee-only coverage, \$338 for employee and spouse, \$364 for employee and children, and \$448 for family. Rates do not vary significantly by either size of company or industry type.

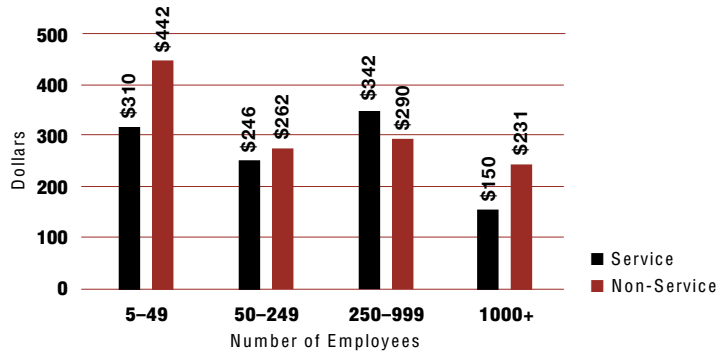
**TABLE 2: EMPLOYEE CONTRIBUTION AS A PERCENT OF HMO PREMIUM**  
Employee contributions average 20.7 percent for employee-only plans. The average for employee and spouse is 31.2 percent, while employee and children plans average 32.1 percent. Family plans have an average employee contribution of 35.6 percent.

Number of Employees	EMPLOYEE ONLY		EMPLOYEE & SPOUSE		EMPLOYEE & CHILDREN		FAMILY	
	Service	Non-Service	Service	Non-Service	Service	Non-Service	Service	Non-Service
5-49	20.7%	25.0%	41.6%	10.0%	38.9%	10.0%	47.0%	33.3%
50-249	16.0%	25.6%	40.1%	32.2%	37.4%	35.5%	40.2%	39.6%
250-999	8.2%	19.0%	28.2%	15.6%	28.1%	10.0%	32.6%	16.7%
1000+	12.3%	31.1%	27.0%	30.6%	25.8%	37.5%	22.9%	30.9%
<b>WEIGHTED AVE.</b>	<b>20.7%</b>		<b>31.2%</b>		<b>32.1%</b>		<b>35.6%</b>	

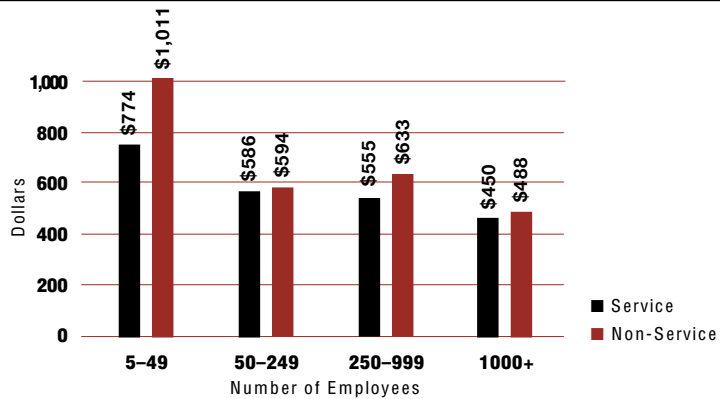
**PPO PLAN BENEFITS**

In total, 64.7 percent of employers providing their employees coverage by a PPO plan offer fully-insured coverage, while the remaining 35.3 percent of companies have self-funded coverage. As with HMO plans, larger firms are more likely to be self-funded.

**CHART S: IN-NETWORK DEDUCTIBLE, SINGLE (PPO)**  
In-network deductibles average \$305 per employee for single coverage. Larger firms typically offer a lower deductible than smaller firms.



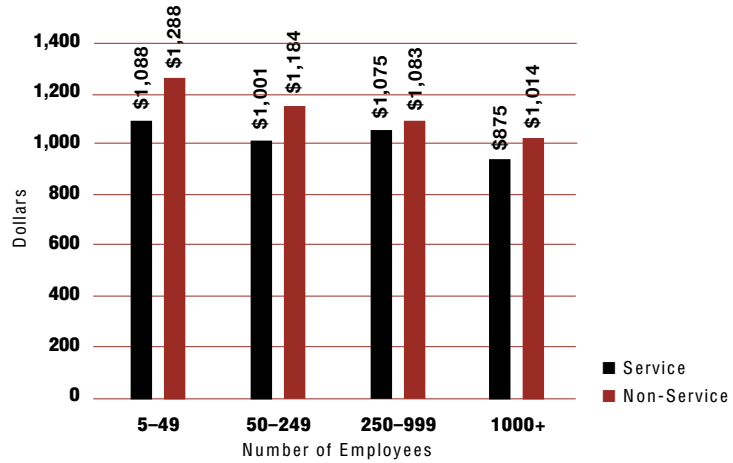
**CHART T: IN-NETWORK DEDUCTIBLE, FAMILY (PPO)**  
In-network deductibles average \$693 per employee for family coverage. Larger firms typically offer a lower deductible than smaller firms.



Medical Insurance Continued

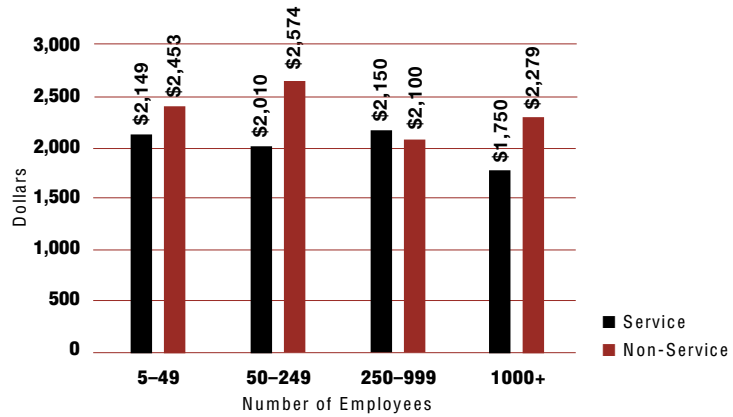
**CHART U: MAX OUT-OF-POCKET, SINGLE (PPO)**

The maximum out-of-pocket for PPO plans averages \$1,117 for single employees. Controlling for business size, service and non-service firms have similar maximum out of pocket expenses.



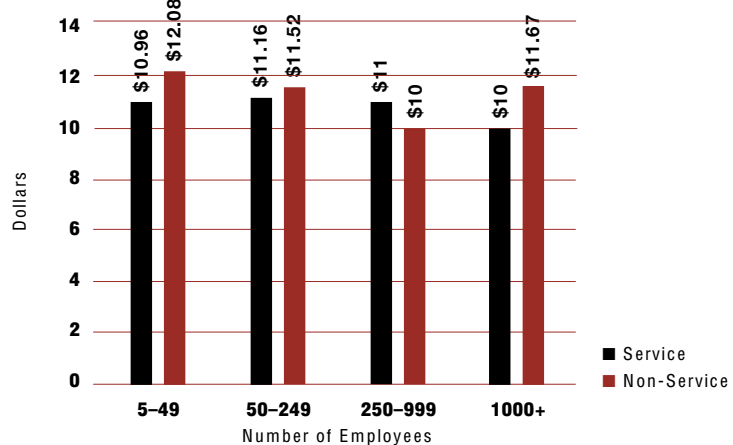
**CHART V: MAX OUT-OF-POCKET, FAMILY (PPO)**

The maximum out-of-pocket for PPO plans averages \$2,277 for family plan employees. Controlling for business size, service and non-service firms have similar maximum out of pocket expenses.



**CHART W: DOCTOR'S OFFICE CO-PAY (PPO)**

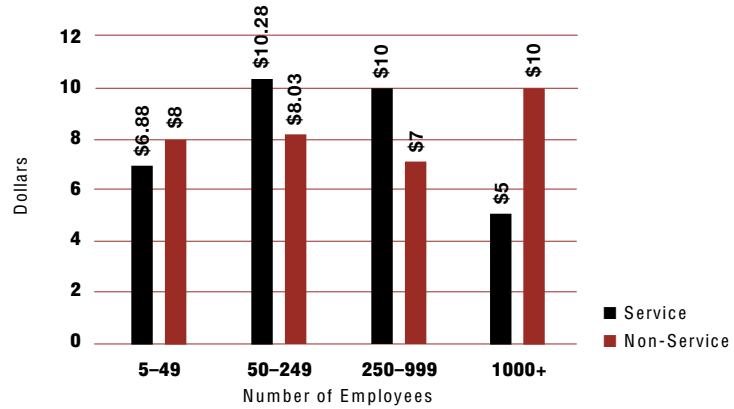
The average PPO doctor's office co-pay is \$11.33. Doctor co-pay varies from \$0 to \$20. Service and non-service firms have similar doctor co-pay amounts.





**CHART X: GENERIC DRUG CO-PAY (PPO)**

Approximately 59.9 percent of employers in a PPO offer a prescription drug benefit card. On average, employee PPO generic medicine co-pay is \$ 8.07.



**CHART Y: BRAND-NAME CO-PAY (PPO)**

On average, employee PPO brand-name medicine co-pay is \$ 13.26.



**PPO PAYMENT**

The average monthly PPO premium is \$178 for employee only, \$368 for employee and spouse, \$366 for employee and children, and \$457 for family. Most notable is the large difference between service and non-service firms employing 1,000 or more employees. Small firms generally have larger premiums than do larger firms.

**TABLE 3: EMPLOYEE CONTRIBUTION AS A PERCENT OF PPO PREMIUM**

Employee contributions average 22.6 percent of PPO premiums for employee-only plans. The average for employee and spouse is 42.1 percent, while employee and children plans average 46 percent. Family plans have an average employee contribution of 42.7 percent. Employee contribution in large non-service firms is a much larger percentage of premium than for large service firms.

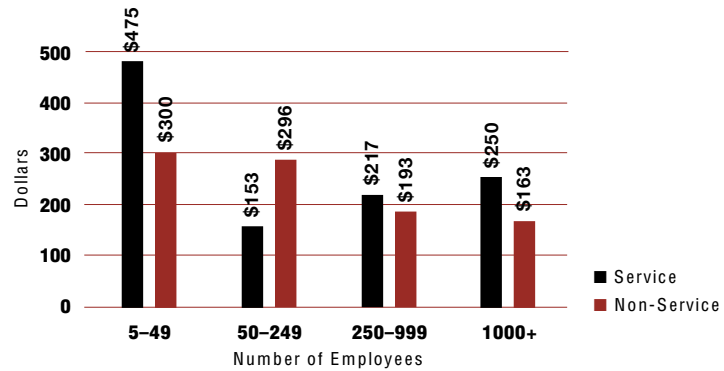
Number of Employees	EMPLOYEE ONLY		EMPLOYEE & SPOUSE		EMPLOYEE & CHILDREN		FAMILY	
	Service	Non-Service	Service	Non-Service	Service	Non-Service	Service	Non-Service
5-49	21.2%	27.3%	46.2%	62.9%	51.8%	61.9%	52.8%	45.2%
50-249	19.3%	23.0%	41.9%	38.2%	43.1%	37.9%	44.6%	40.0%
250-999	11.7%	26.7%	35.8%	33.3%	35.8%	33.3%	35.6%	26.5%
1000+	15.2%	29.8%	27.4%	34.6%	36.4%	49.4%	21.8%	42.6%
<b>WEIGHTED AVE.</b>	<b>22.6%</b>		<b>42.1%</b>		<b>46.0%</b>		<b>42.7%</b>	

Medical Insurance Continued

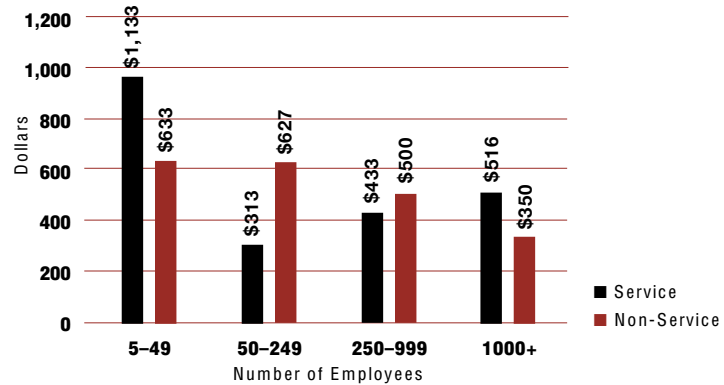
**TRADITIONAL INDEMNITY PLAN BENEFITS**

In total, 46.5 percent of employers offer a Traditional Indemnity (TI) plan with fully-insured coverage, while the majority (53.5 percent) of companies offer self-funded coverage. As with HMO and PPO plans, larger firms are more likely to have self-funded plans.

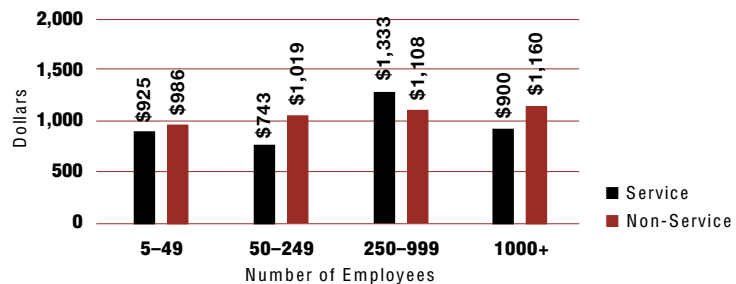
**CHART Z: DEDUCTIBLE, SINGLE (TI)**  
**Deductibles average \$ 255 per employee for single coverage.**



**CHART AA: DEDUCTIBLE, FAMILY (TI)**  
**Deductibles average \$ 542 per employee for family coverage.**

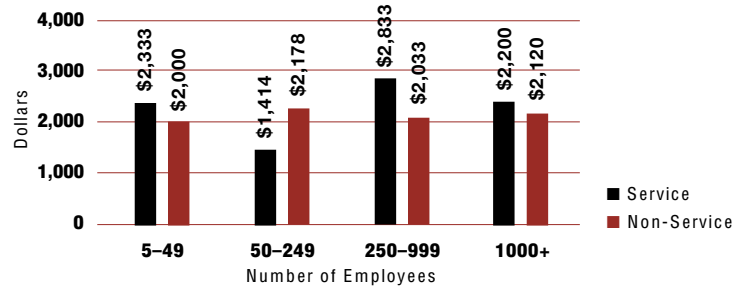


**CHART BB: MAX OUT-OF-POCKET, SINGLE (TI)**  
**The maximum out-of-pocket for TI plans averages \$ 989 for single employees. Controlling for employer size, service and non-service firms have similar maximum out of pocket expenses.**



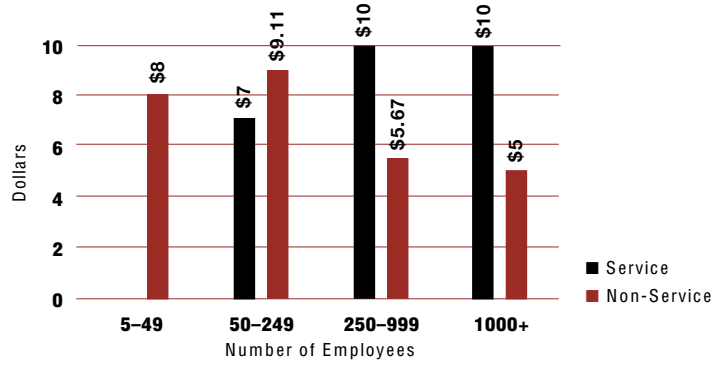
**CHART CC: MAX OUT-OF-POCKET, FAMILY (TI)**

The maximum out of pocket for TI plans averages \$ 2,034 for family plan employees. Controlling for employer size, service and non-service firms have similar maximum out of pocket expenses.



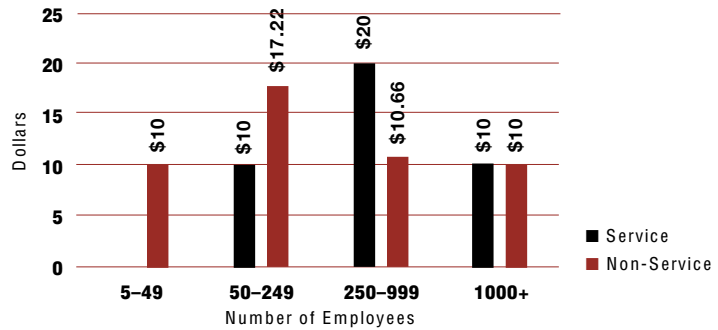
**CHART DD: GENERIC DRUG CO-PAY**

On average, employee TI generic medicine co-pay is \$ 7.88.



**CHART EE: BRAND-NAME DRUG CO-PAY**

On average, employee TI Brand-name medicine co-pay is \$ 13.22.



**TRADITIONAL INDEMNITY PAYMENT**

The average reported monthly TI premium is \$181 for employee only, \$341 for employee and spouse, \$363 for employee and children, and \$487 for family. As with PPO and HMO plans, small firms generally have larger premiums than do larger firms.

Medical Insurance Continued

**TABLE 4: EMPLOYEE CONTRIBUTION AS A PERCENT OF TI PREMIUM**

Employee contributions average 18.4 percent of TI premiums for employee-only plans. The average for employee and spouse is 27.2 percent, while employee and children plans average 35.6 percent. Family plans have an average employee contribution of 30.7 percent.

		EMPLOYEE ONLY		EMPLOYEE & SPOUSE		EMPLOYEE & CHILDREN		FAMILY	
Number of Employees	5-49	6.7%	14.2%	0.1%	26.2%	0.0%	27.0%	6.7%	30.6%
	50-249	15.2%	23.4%	*	26.8%	*	43.4%	49.1%	29.7%
	250-999	7.0%	18.0%	34.2%	23.6%	34.2%	33.3%	33.1%	17.2%
	1000+	22.7%	37.4%	33.7%	36.1%	30.1%	69.4%	32.1%	35.5%
	<b>WEIGHTED AVE.</b>	<b>18.4%</b>		<b>27.2%</b>		<b>35.6%</b>		<b>30.7%</b>	

■ Service ■ Non-Service \* Data not available

## Overall Picture of Average Central Iowa Employer

What does the average central Iowa employer (regardless of size and industry) offer to their employees for benefits? The following information will depict the “average” offering of employee benefits by central Iowa employers who do offer employee benefits.

**TABLE 5: OVERALL HEALTH PLAN PREMIUMS – FIRM'S BILLED RATE**

The average reported monthly health premium is \$ 172 for employee only, \$ 354 for employee and spouse, \$ 365 for employee and children, and \$ 459 for family. It is notable that small firms generally have larger premiums than do larger firms.

		EMPLOYEE ONLY		EMPLOYEE & SPOUSE		EMPLOYEE & CHILDREN		FAMILY	
Number of Employees	5-49	\$ 190	\$ 159	\$ 393	\$ 330	\$ 376	\$ 345	\$ 538	\$ 425
	50-249	\$ 189	\$ 159	\$ 367	\$ 353	\$ 369	\$ 353	\$ 481	\$ 435
	250-999	\$ 216	\$ 169	\$ 425	\$ 337	\$ 414	\$ 335	\$ 459	\$ 467
	1000+	\$ 154	\$ 160	\$ 335	\$ 327	\$ 375	\$ 381	\$ 509	\$ 405
	<b>WEIGHTED AVE.</b>	<b>\$ 172</b>		<b>\$ 354</b>		<b>\$ 365</b>		<b>\$ 459</b>	

■ Service ■ Non-Service

**TABLE 6: OVERALL EMPLOYEE CONTRIBUTION AS A PERCENT OF HEALTH PREMIUM**

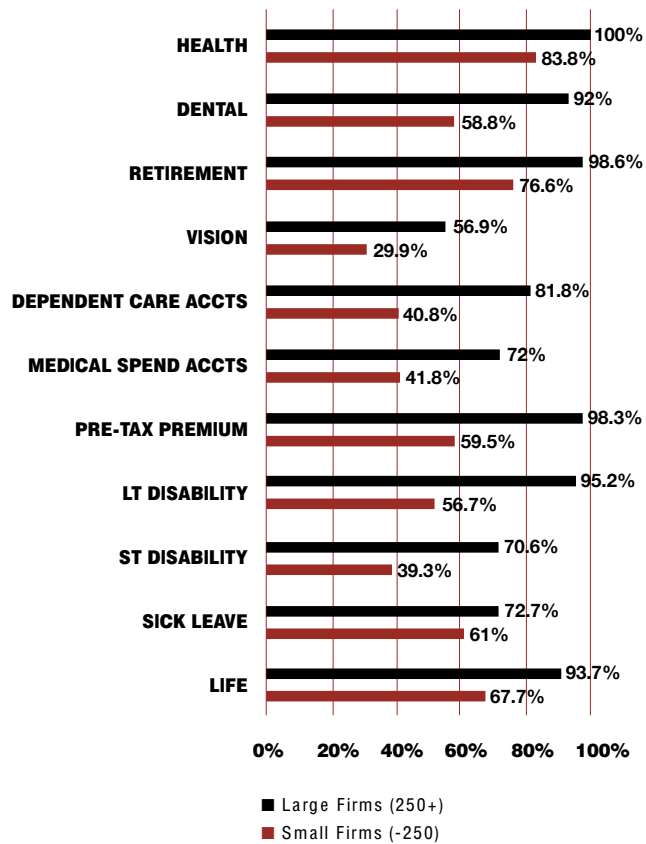
Employee contributions average 21.4 percent of health premiums for employee-only plans. The average for employee and spouse plans is 36.2 percent, while employee and children plans average 39.9 percent. Family plans have an average employee contribution of 38.6 percent.

		EMPLOYEE ONLY		EMPLOYEE & SPOUSE		EMPLOYEE & CHILDREN		FAMILY	
Number of Employees	5-49	19.8%	23.3%	41.9%	38.9%	45.9%	38.7%	46.7%	39.3%
	50-249	17.8%	24.0%	41.2%	35.1%	41.3%	38.1%	43.9%	38.5%
	250-999	9.8%	22.1%	31.8%	21.6%	31.7%	25.6%	34.0%	21.0%
	1000+	16.1%	31.3%	29.0%	33.3%	28.8%	46.0%	25.2%	37.8%
	<b>WEIGHTED AVE.</b>	<b>21.4%</b>		<b>36.2%</b>		<b>39.9%</b>		<b>38.6%</b>	

■ Service ■ Non-Service

**CHART FF: OVERALL BENEFITS OF LARGE VS. SMALL FIRMS**

In general, larger firms (employees of 250+) tend to offer more benefits to their employees. This chart shows the percentage of firms with fewer than 250 employees offering each benefit, alongside the percentage of firms with 250 or more employees offering that same benefit. On average, large firms are about 30% more likely to offer a given benefit than a small firm.



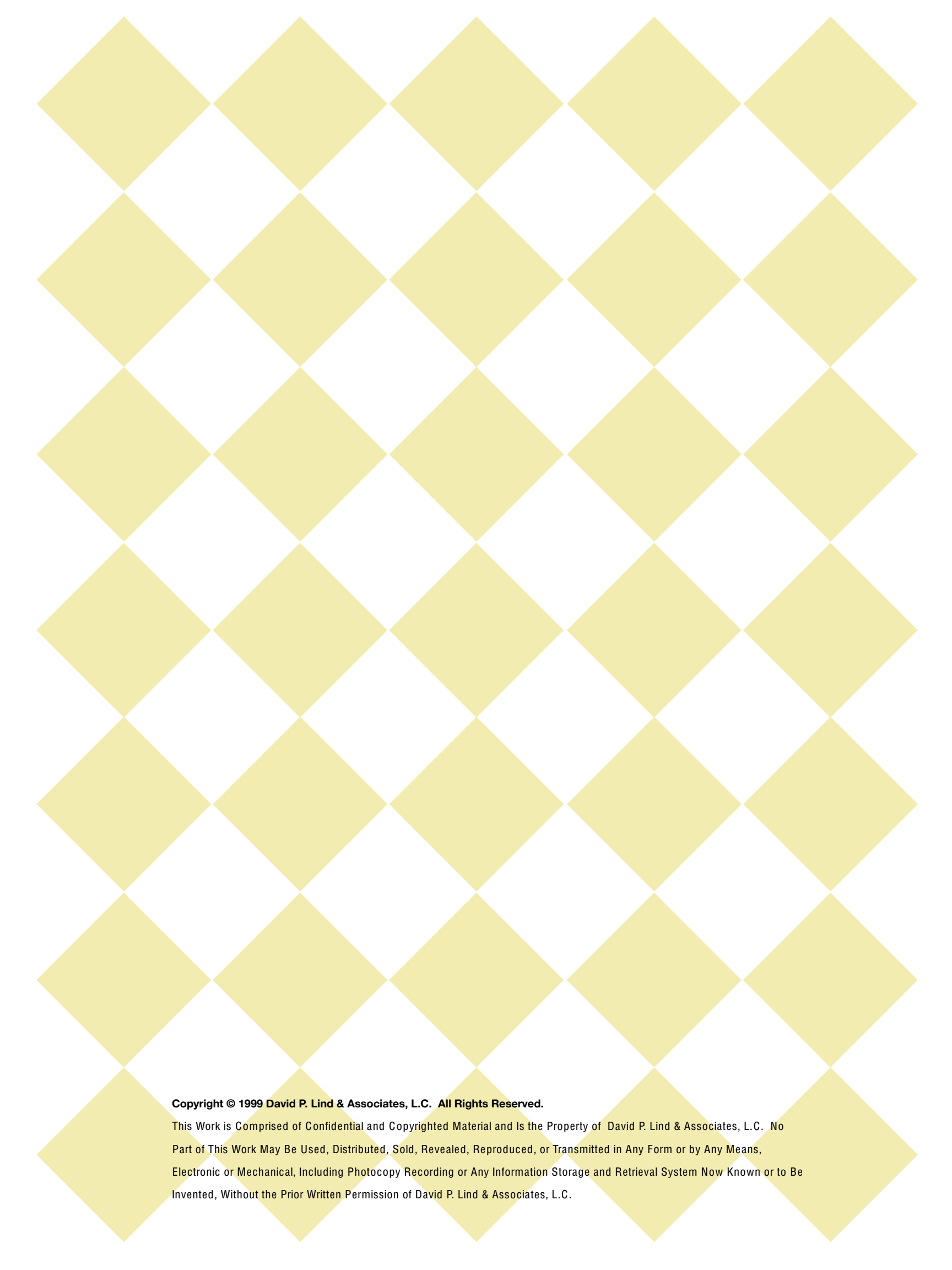
The average small firm offers six of these eleven benefits, while the average large firm offers nine. About 22 percent of large firms offer all of these eleven benefits, while less than 5 percent of small firms offer the same selection. No large firm offers less than five of these benefits, while 32 percent of small firms offer four or fewer benefits (8.5 percent offer none at all). Additionally, larger firms are more likely to have self-funded dental and health benefits while smaller firms offer fully-insured plans. Health, dental and retirement plans are the most commonly offered benefits across all companies, while vision is the least commonly offered.

## Overall Picture of Average Central Iowa Employer Continued

**TABLE 7: BENEFIT OFFERINGS BY INDUSTRY SECTOR**

	<b>AGRICULTURE</b>	<b>CONSTRUCTION</b>	<b>MANUFACTURING</b>	<b>TRANSPORTATION</b>	<b>WHOLESALE</b>	<b>RETAIL</b>	<b>FINANCIAL SERVICE</b>	<b>SERVICE</b>
<b>LIFE</b>	39.5%	68.5%	90.1%	89.4%	88.4%	50.5%	71.5%	73.9%
<b>SICK LEAVE</b>	69.7%	33.5%	51.0%	64.7%	53.5%	51.1%	82.0%	78.8%
<b>ST DISABILITY</b>	69.7%	50.0%	66.7%	45.3%	66.0%	30.9%	45.6%	36.4%
<b>LT DISABILITY</b>	69.7%	53.1%	65.9%	96.2%	87.5%	42.0%	81.5%	64.5%
<b>PRE-TAX PREMIUM</b>	69.7%	48.3%	77.7%	75.4%	67.3%	53.3%	80.3%	68.8%
<b>MEDICAL SPEND ACCTS</b>	100%	46.7%	59.3%	57.6%	50.9%	31.2%	48.6%	46.2%
<b>DEPENDENT CARE ACCTS</b>	100%	46.7%	64.0%	57.6%	43.6%	34.6%	67.2%	44.8%
<b>VISION</b>	40.0%	50.0%	36.5%	47.3%	36.0%	23.1%	50.2%	34.9%
<b>RETIREMENT</b>	69.7%	80.4%	92.5%	89.4%	92.4%	63.9%	87.7%	79.8%
<b>DENTAL</b>	69.7%	48.8%	73.8%	89.4%	70.0%	41.3%	77.2%	70.1%
<b>HEALTH</b>	100%	96.2%	96.2%	89.4%	92.4%	65.9%	93.8%	90.6%

Financial Services offered the most benefits, on average, with 7.7 of the eleven offered. Transportation, Manufacturing, Wholesale and Agriculture are close behind with averages greater than 7. The two industries that offer the least benefits are Construction, with an average of 5.9, and Retail, with an average of 4.7, of the eleven benefits.



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