

Business Record

Health insurance premiums up sharply for single workers

BY: BUSINESS RECORD STAFF

Due to rising health insurance premiums, Iowa employers are asking employees with single coverage to contribute a significantly higher share toward premium costs this year than last year, according to the 2015 Iowa Employer Benefits Survey released today by David P. Lind Benchmark of Clive.



According to the survey, employees with single (employee-only) coverage are paying 22 percent more toward premiums this year compared with 2014, while employees with family coverage saw an increase in 5.5 percent in their premiums. Deductibles paid by employees are also moving upward, with double-digit increases.

"Cost control through additional cost-sharing with employees, having more competition within the marketplace, and driving employee behavioral changes are just a few of the key desires that employers continue to have when offering health coverage," the company's principal, David Lind, said in a release.

The study also found that Iowa employer health insurance premiums increased an average of 7.7 percent from 2014 to 2015. The average factors in employers receiving an increase, decrease or no change in their premiums, and represents the premium increase employers received prior to making design changes to their medical insurance plans.

After the health plans were modified by employers, such as increasing employee cost-sharing arrangements, the increase over last year was 2.8 percent for single premiums and 4.6 percent for family premiums. During the similar period, wages for Iowans increased by 3.4 percent, according to Iowa Workforce Development data.

This year, 76 percent of employers responding to the survey reported offering health coverage, a slight decrease from 81 percent from last year. The most apparent reason for this decrease is that fewer employers with fewer than 10 employees are reportedly offering health insurance.

The study, conducted during the spring and summer of 2015, is based on 1,001 responses from 4,347 randomly selected employers with two or more employees.

The survey also showed:

- The combined average annual premiums for all types of medical plans offered by Iowa employers (HMO, PPO, Traditional Indemnity and Consumer-Driven Health Plans) were \$6,143 (up 2.8 percent from 2014) for employee-only coverage and \$15,668 (up 4.6 percent) for employees who include family members.
- Employees were asked to contribute more than \$93 monthly for employee-only coverage, an increase of 22.4 percent compared with last year. Employees with family members were asked to pay over \$417 a month, a 5.5 percent increase over last year.
- When asked to rate the importance of five key health care outcomes they hope to achieve, employers responded that "lowering the health risk of employees" was most important, averaging 4.9 on a 6-point scale where 1 is "not all important" and 6 is "very important." "Reducing long-term health care costs" and "increasing employees' awareness of health issues to enable them to make better decisions" followed closely at 4.8 and 4.7, respectively.

[Click here](#) to read David Lind's blog with more results from the survey.

Read more: <http://www.businessrecord.com/Content/Health-Wellness/Health-Wellness/Article/Health-insurance-premiums-up-sharply-for-single-workers-/174/836/70103#ixzz3lpfmWPU7>