

# HCTrends

## Greater Milwaukee

### Annual Employer Health Care Benefits Survey

---

## 2013 Renewal Projections

---

[www.HCTrends.com](http://www.HCTrends.com)

*Percentages May Not Equal 100% Due to Rounding*

Expected Renewal	End Plan	<5%	5-7%	8-10%	11-14%	15-19%	20%+
Before Changes		12%	24%	19%	22%	13%	10%
After Changes		3%	21%	23%	16%	10%	6%

Expectation Based On:	
National Trends	28%
Broker Discussions	48%
Renewal Notice	24%

Percent of Companies Considering Changes	80%
<b>Principal Cost-Containment Strategies</b>	
Increase Employee Share of Premium	52%
Increase Deductibles/Copays/Co-Insurance	65%
Increase Out-Of-Pocket Maximums	41%
Reduce or Suspend Funding of HSA/HRA	3%
Eliminate Mental Health Benefits	3%
Scale Back or Eliminate Wellness Program	3%
Scale Back or Eliminate EAP Program	3%
Change Network and/or Plans	42%
Change Pharmacy Benefit Manager/Benefits	14%
Other	10%

**Change in Enrollment (from January 2011 to January 2012)**

Projected Change in Enrollment	Decrease Enrollment				Same	Increase Enrollment		
	>15%	11-15%	5-10%	<5%		<5%	5-10%	>10%
	0%	3%	0%	3%	76%	11%	5%	4%

**Percent of Payroll Spent on Medical Benefits**

Percent of Payroll	<5%	5-7%	8-9%	10-11%	12-13%	14-15%	16-20%	>20%
	8%	12%	17%	17%	2%	13%	16%	15%

**Health Reform Impact On Health Care Costs**

Do Not Know	52%
No Impact	6%
Minimal Impact	16%
Moderate Impact	7%
Major Impact	19%

**Terminate Plan in Favor of Exchanges**

Do Not Know	57%
Very Unlikely	20%
Somewhat Unlikely	13%
Likely	7%
Very Likely	3%

**Expect to Lose Plan's Grandfather Status**

Do Not Know	49%
Very Unlikely	6%
Somewhat Unlikely	8%
Likely	1%
Very Likely	6%
Will Happen 2011	1%
Already Lost	29%

Minimal Impact: <2%; Moderate Impact: 2-4%; Major Impact: >4%

	<5	5-19	20-49	50-99	100-199	200-499	500-999	1000+
<b>Number of Employees</b>	<b>21%</b>	<b>79%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

**Type of Business**

Manufacturing	<b>19%</b>	Transportation/Utilities	<b>0%</b>
Service/Retail	<b>15%</b>	Printing/Publishing	<b>4%</b>
Government/Education	<b>0%</b>	Health Care	<b>4%</b>
Finance	<b>4%</b>	Professional (Law/Accounting)	<b>8%</b>
Warehouse/Distribution	<b>8%</b>	Construction	<b>15%</b>
Non-Profit	<b>23%</b>	Other	<b>15%</b>

**Expected Renewal**

	End Plan	<5%	5-7%	8-10%	11-14%	15-19%	20%+
Before Changes		<b>11%</b>	<b>24%</b>	<b>19%</b>	<b>22%</b>	<b>14%</b>	<b>11%</b>
After Changes		<b>3%</b>	<b>17%</b>	<b>23%</b>	<b>17%</b>	<b>11%</b>	<b>6%</b>

**Expectation Based On:**

National Trends	<b>30%</b>
Broker Discussions	<b>46%</b>
Notice	<b>24%</b>

Percent of Companies Considering Changes	<b>82%</b>
<b>Principal Cost-Containment Strategies</b>	
Increase Employee Share of Premium	<b>52%</b>
Increase Deductables/Co-Pays/Co-Insurance	<b>65%</b>
Increase Out-Of-Pocket Maximums	<b>42%</b>
Reduce or Suspend Funding of HAS/HRA	<b>3%</b>
Eliminate Mental Health Benefits	<b>3%</b>
Scale Back or Eliminate Wellness Program	<b>3%</b>
Scale Back or Eliminate EAP Program	<b>3%</b>
Change Network and/or Plans	<b>39%</b>
Change Pharmacy Benefit Manager/Benefits	<b>13%</b>
Other	<b>10%</b>

**Change in Enrollment (from January 2011 to January 2012)**

	Decrease Enrollment				Same	Increase Enrollment		
	<15%	11-15%	5-10%	<5%		<5%	5-10%	>10%
Projected Change in Enrollment	<b>0%</b>	<b>3%</b>	<b>0%</b>	<b>3%</b>	<b>82%</b>	<b>8%</b>	<b>3%</b>	<b>3%</b>

**Percent of Payroll Spent on Medical Benefits**

	<5%	5-7%	8-9%	10-11%	12-13%	14-15%	16-20%	>20%
Percent of Payroll	<b>8%</b>	<b>11%</b>	<b>17%</b>	<b>17%</b>	<b>0%</b>	<b>14%</b>	<b>17%</b>	<b>17%</b>

**Health Reform Impact on Health Care Costs**

Do Not Know	<b>53%</b>
No Impact	<b>5%</b>
Minimal Impact	<b>16%</b>
Moderate Impact	<b>5%</b>
Major Impact	<b>21%</b>

**Terminate Plan in Favor of Exchanges**

Do Not Know	<b>63%</b>
Very Unlikely	<b>18%</b>
Somewhat Unlikely	<b>11%</b>
Likely	<b>5%</b>
Very Likely	<b>3%</b>

**Will Plan Lose Grandfather Status**

Do Not Know	<b>53%</b>
Very Unlikely	<b>6%</b>
Somewhat Unlikely	<b>9%</b>
Likely	<b>0%</b>
Very Likely	<b>6%</b>
Will Happen 2012	<b>0%</b>
Already Lost	<b>26%</b>

# 20-99 Employees

## 2013 Renewal Information

www.HCTrends.com

	<5	5-19	20-49	50-99	100-199	200-499	500-999	1000+
<b>Number of Employees</b>	0%	0%	65%	35%	0%	0%	0%	0%

### Type of Business

Manufacturing	40%	Transportation/Utilities	0%
Service/Retail	10%	Printing/Publishing	0%
Government/Education	2%	Health Care	14%
Finance	4%	Professional (Law/Accounting)	2%
Warehouse/Distribution	6%	Construction	8%
Non-Profit	10%	Other	8%

### Expected Renewal

	End Plan	<5%	5-7%	8-10%	11-14%	15-19%	20%+	
Before Changes		17%	17%	24%	24%	9%	9%	
After Changes		2%	36%	21%	15%	17%	2%	6%

### Expectation Based On:

National Trends	23%
Broker Discussions	53%
Notice	25%

Percent of Companies Considering Changes **73%**

### Principal Cost-Containment Strategies

Increase Employee Share of Premium	54%
Increase Deductibles/Co-Pays/Co-Insurance	68%
Increase Out-Of-Pocket Maximums	35%
Reduce or Suspend Funding of HAS/HRA	0%
Eliminate Mental Health Benefits	0%
Scale Back or Eliminate Wellness Program	3%
Scale Back or Eliminate EAP Program	3%
Change Network and/or Plans	73%
Change Pharmacy Benefit Manager/Benefits	22%
Other	5%

### Change in Enrollment (from January 2011 to January 2012)

	Decrease Enrollment				Same	Increase Enrollment		
	<15%	11-15%	5-10%	<5%		<5%	5-10%	>10%
Projected Change in Enrollment	2%	2%	2%	2%	42%	28%	12%	10%

### Percent of Payroll Spent on Medical Benefits

	<5%	5-7%	8-9%	10-11%	12-13%	14-15%	16-20%	>20%
Percent of Payroll	7%	22%	22%	17%	13%	7%	11%	2%

### Health Reform Impact on Health Care Costs

Do Not Know	60%
No Impact	8%
Minimal Impact	8%
Moderate Impact	14%
Major Impact	10%

### Terminate Plan in Favor of Exchanges

Do Not Know	26%
Very Unlikely	24%
Somewhat Unlikely	26%
Likely	22%
Very Likely	2%

### Will Plan Lose Grandfather Status

Do Not Know	34%
Very Unlikely	6%
Somewhat Unlikely	4%
Likely	6%
Very Likely	6%
Will Happen 2012	4%
Already Lost	40%

	<5	5-19	20-49	50-99	100-199	200-499	500-999	1000+
<b>Number of Employees</b>	0%	0%	0%	0%	56%	44%	0%	0%

**Type of Business**

Manufacturing	38%	Transportation/Utilities	4%
Service/Retail	8%	Printing/Publishing	2%
Government/Education	8%	Health Care	4%
Finance	13%	Professional (Law/Accounting)	4%
Warehouse/Distribution	6%	Construction	4%
Non-Profit	8%	Other	6%

**Expected Renewal**

	End Plan	<5%	5-7%	8-10%	11-14%	15-19%	20%+
Before Changes		22%	40%	10%	12%	14%	2%
After Changes		2%	46%	33%	8%	6%	2%

**Expectation Based On:**

National Trends	16%
Broker Discussions	64%
Notice	20%

Percent of Companies Considering Changes **81%**

**Principal Cost-Containment Strategies**

Increase Employee Share of Premium	43%
Increase Deductables/Co-Pays/Co-Insurance	52%
Increase Out-Of-Pocket Maximums	45%
Reduce or Suspend Funding of HAS/HRA	0%
Eliminate Mental Health Benefits	0%
Scale Back or Eliminate Wellness Program	0%
Scale Back or Eliminate EAP Program	0%
Change Network and/or Plans	33%
Change Pharmacy Benefit Manager/Benefits	14%
Other	12%

**Change in Enrollment (from January 2011 to January 2012)**

	Decrease Enrollment				Same	Increase Enrollment		
	<15%	11-15%	5-10%	<5%		<5%	5-10%	>10%
Projected Change in Enrollment	0%	2%	2%	4%	46%	21%	21%	4%

**Percent of Payroll Spent on Medical Benefits**

	<5%	5-7%	8-9%	10-11%	12-13%	14-15%	16-20%	>20%
Percent of Payroll	7%	15%	13%	15%	13%	13%	17%	7%

**Health Reform Impact on Health Care Costs**

Do Not Know	31%
No Impact	10%
Minimal Impact	37%
Moderate Impact	13%
Major Impact	10%

**Terminate Plan in Favor of Exchanges**

Do Not Know	18%
Very Unlikely	47%
Somewhat Unlikely	24%
Likely	8%
Very Likely	4%

**Will Plan Lose Grandfather Status**

Do Not Know	23%
Very Unlikely	8%
Somewhat Unlikely	2%
Likely	8%
Very Likely	10%
Will Happen 2012	6%
Already Lost	44%

	<5	5-19	20-49	50-99	100-199	200-499	500-999	1000+
<b>Number of Employees</b>	0%	0%	0%	0%	0%	0%	26%	74%

**Type of Business**

Manufacturing	30%	Transportation/Utilities	5%
Service/Retail	13%	Printing/Publishing	3%
Government/Education	13%	Health Care	10%
Finance	20%	Professional (Law/Accounting)	8%
Warehouse/Distribution	0%	Construction	0%
Non-Profit	0%	Other	5%

**Expected Renewal**

	End Plan	<5%	5-7%	8-10%	11-14%	15-19%	20%+
Before Changes		30%	37%	19%	7%	2%	5%
After Changes		0%	49%	34%	15%	0%	2%

**Expectation Based On:**

National Trends	9%
Broker Discussions	72%
Notice	20%

Percent of Companies Considering Changes **79%**

**Principal Cost-Containment Strategies**

Increase Employee Share of Premium	50%
Increase Deductables/Co-Pays/Co-Insurance	44%
Increase Out-Of-Pocket Maximums	26%
Reduce or Suspend Funding of HAS/HRA	0%
Eliminate Mental Health Benefits	0%
Scale Back or Eliminate Wellness Program	3%
Scale Back or Eliminate EAP Program	0%
Change Network and/or Plans	18%
Change Pharmacy Benefit Manager/Benefits	15%
Other	26%

**Change in Enrollment (from January 2011 to January 2012)**

	Decrease Enrollment				Same	Increase Enrollment		
	<15%	11-15%	5-10%	<5%		<5%	5-10%	>10%
Projected Change in Enrollment	0%	0%	2%	5%	55%	17%	19%	2%

**Percent of Payroll Spent on Medical Benefits**

	<5%	5-7%	8-9%	10-11%	12-13%	14-15%	16-20%	>20%
Percent of Payroll	3%	6%	31%	9%	11%	6%	26%	9%

**Health Reform Impact on Health Care Costs**

Do Not Know	12%
No Impact	5%
Minimal Impact	49%
Moderate Impact	30%
Major Impact	5%

**Terminate Plan in Favor of Exchanges**

Do Not Know	5%
Very Unlikely	74%
Somewhat Unlikely	21%
Likely	0%
Very Likely	0%

**Will Plan Lose Grandfather Status**

Do Not Know	5%
Very Unlikely	12%
Somewhat Unlikely	0%
Likely	7%
Very Likely	0%
Will Happen 2012	7%
Already Lost	68%