

**State Employment Relations Board  
Research and Training Section**



**2015**

**23<sup>rd</sup> Annual**

**Report on the**

**Cost of Health Insurance**

**in Ohio's Public Sector**

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## PROJECT DESIGN AND RESPONSE RATE

The State Employment Relations Board (SERB), as mandated by section 4117.02 of the Ohio Revised Code, is pleased to present the Annual Report on the Cost of Health Insurance in Ohio’s Public Sector (2015 Report). In its 23<sup>rd</sup> year, the purpose of this project is to provide data on various aspects of health insurance, plan design, and cost for government entities. Our goal is to provide constituents with statistics that may be useful for the employer and employee organizations, and to promote orderly and constructive relationships between public employers and their employees.

The original 2015 health insurance survey was web-based, although 6.5% (n=82) of respondents completed a paper form. The online survey was designed by SERB utilizing Novi Survey On Demand Edition ([www.novisurvey.com](http://www.novisurvey.com)). Pre-testing was conducted to ensure reliability of the survey instrument with regard to question and response wording and overall format. Survey question content alterations from the 2014 survey are minimal, but a few new questions were added to reflect the ever-changing arena of healthcare plan design and cost-management strategies.

The 2015 Health Insurance Survey was created and dispersed using Novi Survey, an online survey tool. SERB emailed or mailed links of the 2015 Health Insurance Survey to 1,322 governmental jurisdictions via email or postal mail<sup>i</sup> on or around January 15, 2015, requesting completion of the survey by March 1, 2015. The target survey population included:

Government	Schools	Colleges/Universities	Special Districts
<ul style="list-style-type: none"> <li>• State</li> <li>• Cities</li> <li>• Counties</li> <li>• Townships</li> </ul>	<ul style="list-style-type: none"> <li>• School Districts (City, Local, Exempted Village)</li> <li>• Joint Vocational Schools &amp; Career Centers</li> <li>• Educational Service Centers (ESCs)</li> </ul>	<ul style="list-style-type: none"> <li>• Community Colleges</li> <li>• State Colleges</li> <li>• State Universities</li> </ul>	<ul style="list-style-type: none"> <li>• Metropolitan Housing Authorities</li> <li>• Transit Authorities</li> <li>• Port Authorities</li> <li>• Regional Fire Districts</li> </ul>

Eighty-two surveys were completed on a paper form made available to entities that could not access the website. These surveys were entered into the online survey tool by individuals trained specifically for this project by SERB researchers. Completed surveys were downloaded from the survey manager’s website into an Excel database, where data were organized and transferred to SPSS Statistics 17.0 software. The data was cleaned and analyzed in-house using SPSS Statistics 17.0 software.

Just under ninety-six percent (95.8%) of public employers that received a survey submitted a completed response. Fifteen employers responded that they did not offer insurance. Statistics in this report represent about 383,638 public employees in the State of Ohio. The number of employer responses required to make generalizations about the entire population surveyed (the aforementioned public entities) is 307.<sup>ii</sup> With a response rate of 95.8%, statistics presented in this report are representative of various aspects of public employee medical care in the State of Ohio.

In addition to providing SERB with the costs of medical premiums, employers were also asked a series of questions on plan procurement (e.g. consortium membership, formal bid processes, brokers), plan design (e.g. opt-out stipends, disease management programs), and fringe benefits (e.g., dental, vision, prescription). Collecting all of this information helps SERB provide constituents with a more complete picture of the current medical care environment.

Data are presented in several tables that are found throughout the body of the report. All benefit information is presented for single and family coverage. Data have been collected on other coverage types (single + 1, single & child, and single & spouse). Due to the sparse distribution of these coverage types, these categories will not be presented this year in all tables.<sup>iii</sup> Please keep in mind that the survey is representative of public sector medical insurance plans in effect on January 1, 2015.

## SUMMARY OF KEY FINDINGS

- ▶ Statewide, the average monthly premium for medical and prescription coverage, when prescription is included in the medical premium<sup>iv</sup>, is \$570 for single coverage and \$1,493 for family coverage. Calculations include employee contributions of \$0 towards the medical premium (Table 3.2).
- ▶ The one-year increase in medical premiums, when prescription is included in the medical premium, between January 1, 2014 and January 1, 2015 is 4.4% for single coverage and 4.3% for family coverage (Table 3.2).
- ▶ Average monthly employee contributions to bundled medical premiums, including prescription drug coverage, are \$69 for single coverage and \$195 for family coverage. Employee premium contributions for single coverage rose 4.5% from last year and employee contributions for family coverage rose 4.3% from last year. Calculations include employee contributions of \$0 towards the medical premium (Table 3.2).
- ▶ Average monthly employer contributions to medical premiums, including prescription drug coverage, are \$502 for single coverage and \$1,306 for family coverage. Employer premium contributions for single coverage increased 4.6% from last year and employer contributions for family premiums increased 4.7% (Table 16.2 found in the appendix).
- ▶ The average annual total cost per employee for medical coverage, when prescription drug is included in the premium, is \$13,710. This is a 3.9% increase from the average total cost in 2014<sup>1</sup> (Table 6).
- ▶ For medical plans where prescription drug is purchased separately from medical coverage, the average monthly medical and prescription premiums increased to \$615 for single and \$1,466 for family coverage. This is a 0.8% increase for single and a 1.0% decrease for family over last year.
- ▶ For plans that have prescription coverage included as part or separate from the medical premium, the average annual cost for medical and prescription coverage is \$11,952, which is a 4.3% increase from 2014<sup>2</sup> (Table 3.1 Statewide PEPM x 12).
- ▶ The vast majority of medical plans require employees to contribute a portion of the medical premium cost. For 2015, only 13.0% of single medical plans and 10.7% of family medical premiums were paid 100% by the employer.
- ▶ When employees pay a portion of the medical premium, the average employee monthly contribution is \$76 for single and \$209 for family coverage. This represents an increase in premium cost to employees of 5.5% for single coverage and 5.0% for employees with family coverage from 2014. Calculations exclude employees who contribute \$0 towards the medical premium (Table 16.1 found in the appendix).
- ▶ The vast majority of medical premiums (90.4%) include prescription benefits. In 7.5% of plans, prescription benefits are carved-out (Table 10).
- ▶ In some cases, dental (10.5%) or vision (11.4%) benefits are included in the medical premium package (Table 10).

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<sup>1</sup> The average yearly cost per employee is calculated by multiplying the amount paid by the employer and employee for each single, single + 1, single & child, single & spouse, and family plan by the number of people electing each, then dividing by the total number of people covered. See page 17 (Table 6) for more detail.

<sup>2</sup> The average yearly cost per employee is calculated by multiplying the amount paid by the employer for each single, single + 1, single & child, single & spouse, and family plan by the number of people electing each, then dividing by the total number of people covered. See page 7 (Table 3.1) for more detail.

- ▶ Statewide median co-payments are \$15 for office visits (non-specialist), \$75 for emergency room visits (sometimes waived if admitted), and \$20 for urgent care visits.
- ▶ The vast majority of plans (91.4%) require a deductible before cost-sharing of out-of-pocket medical expenses begins.
- ▶ Only 6.9% (n=131) of plans do not require employees to pay a deductible or co-insurance for medical coverage.
- ▶ Most jurisdictions (93.5%) offer an option for dental benefits. The majority of jurisdictions that offer dental coverage (83.0%) do so via a carve-out plan separate from the medical premium (Table 10).
- ▶ Dental maximums range widely - from \$500 to \$4,000. The majority (68.4%) of jurisdictions with dental coverage have dental maximums between \$1,000 and \$1,500 per person covered (Table 12).
- ▶ Almost three quarters (74.1%) of jurisdictions offer some level of vision coverage. Of the jurisdictions offering vision coverage, most jurisdictions (62.7%) do so via a separate, carve-out plan (Table 10).

## SUMMARY TABLES

### Survey Population Response Rates

Table 1 shows the percent of entities that completed and returned surveys for 2015 by jurisdiction. The response rate of the number of surveys completed and returned to SERB for 2014 are also included for comparison.

**Table 1**

Survey Response Rates by Jurisdiction						
	2014			2015		
	Surveys Sent	Surveys Completed	Response Rate	Surveys Sent	Surveys Completed	Response Rate
Counties	88	81	92.0%	88	84	95.5%
Cities	251	226	90.0%	251	241	96.0%
Townships	152	122 (4)	80.3%	154	140 (7)	90.9%
School Districts & Ed Svc Centers	720	696 (5)	96.7%	712	695 (2)	97.6%
Colleges & Universities	37	34	91.9%	37	33	89.2%
Fire Districts	18	17 (5)	94.4%	20	20 (5)	100.0%
Metropolitan Housing Authorities	40	38	95.0%	40	36	90.0%
Port Authorities	5	3	60.0%	5	3	60.0%
Regional Transit Authorities	15	13 (1)	86.7%	14	13 (1)	92.9%
State of Ohio	1	1	100.0%	1	1	100.0%
<b>Overall Response Rate</b>	<b>1,327</b>	<b>1,231 (15)</b>	<b>92.5%</b>	<b>1,322</b>	<b>1,266 (15)</b>	<b>95.8%</b>

Note: Number of surveys that do not offer insurance are in parenthesis. These values are included in the total number of surveys completed.  
 Note: Health Districts were not surveyed this year, since past surveys found majority were included in county submitted surveys.

The response rate for 2015 included 95.8% of all public jurisdictions responding to the health insurance survey.

This year SERB received 1,266 completed surveys. The surveys collected data on 1,914 insurance plans. Fifteen employers reported that they do not offer insurance and are also omitted from all tables in this report.

**Table 1.1**

Total Insurance Plans offered by Plan Type			
	2013	2014	2015
Traditional	28	26	12
Preferred Provider Organization (PPO)	1,302	1,230	1,174
Point of Service (POS)	42	36	32
Health Maintenance Organization (HMO)	76	62	66
High Deductible Health Plan (HDHP)	351	467	586
Exclusive Provider Organization (EPO)	10	22	29
No Insurance Offered	14	15	15
<b>Total Plans</b>	<b>1,823</b>	<b>1,858</b>	<b>1,914</b>
<b>Survey Responses Received</b>	<b>1,226</b>	<b>1,231</b>	<b>1,266</b>

Note: Plans offered vary depending on survey response rate.

## Health Plans by Jurisdiction

**Table 2**

Percentage of Plan Types by Jurisdiction*									
	TRAD	PPO	POS	HMO	EPO	HDHP (no HSA)	HDHP (w/ HSA)	% Self-funded	n
Statewide	0.6%	61.8%	1.7%	3.5%	1.5%	14.7%	16.2%	70.8%	1,899
State of Ohio	-	100.0%	-	-	-	-	-	100.0%	1
Counties	-	59.7%	3.4%	6.0%	0.7%	16.8%	13.4%	73.8%	149
Cities	1.1%	50.9%	1.4%	4.0%	2.6%	13.5%	26.5%	50.6%	348
Townships	2.1%	34.9%	1.4%	4.1%	1.4%	37.7%	18.4%	32.2%	146
School Districts & ESCs	0.4%	70.6%	1.6%	2.6%	1.3%	10.8%	12.7%	85.4%	1,095
Colleges & Universities	-	59.4%	1.4%	5.8%	2.9%	7.3%	23.2%	71.0%	69
Special Districts	1.1%	45.1%	2.2%	4.4%	1.0%	31.9%	14.3%	29.7%	91
% Self-funded	50.0%	79.6%	71.8%	33.3%	75.8%	57.0%	58.0%		
n	12	1,174	32	66	29	279	307		

† Plan types –TRAD: Traditional; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; EPO: Exclusive Provider Organization; HDHP: High Deductible Health Plan; HSA: Health Savings Account; n: number of plans.  
Note: Total number plans excludes plans stating no insurance offered.

- ▶ Preferred Provider Organizations (PPOs) continue the status of most utilized plan type. PPOs represent 61.8% of all medical plans statewide.
- ▶ In jurisdictions that offer only one plan to employees (773 employers); almost three quarters (68.9%) of the employers (531 employers) have PPOs.
- ▶ The frequency of high deductible health plans (HDHPs) has increased since the 2014 survey. HDHPs now make up 30.9% of plans statewide, compared to 25.6% in 2014. School districts remain the least likely to offer HDHPs to employees in 2015.
- ▶ Self-funded plans have increased 2.5 percentage points since last year statewide. Townships had the largest increase in self-funded plans. Townships had an 8.5 percentage point increase over 2014. Schools are the most likely to be self-funded as a large portion are members in a consortium.

## Medical Premiums

Please note the following when reading Tables 3.1- 3.4.

- 1) These averages usually include the costs of prescription benefits, but do not typically include other fringe benefits, such as dental and vision coverage.<sup>3</sup>
- 2) Averages presented in these tables are not weighted, meaning each reporting jurisdiction counts as one, regardless of size.
- 3) Table 16.1 of this report gives the employee dollar amount and percentage contribution to the premium in only plans where a contribution is required.

<sup>3</sup> Of all plans statewide, 10.5% include dental benefits in the medical premium; 11.4% include vision (Table 10).

**Table 3.1 provides the following for all medical plans, including those plans where prescription drug is provided in a plan separate from the medical premium:**

- 1) The average monthly cost for combined single and family medical and prescription drug coverage.
- 2) The number of plans reported in each category.
- 3) The average monthly cost for combined single and family medical and prescription drug coverage.

**Table 3.1**

<b>Average Monthly Medical and Prescription Premiums and Employer PEPM Costs<sup>†</sup></b>						
<b>Comparison Group</b>	<b>Average Medical &amp; Prescription Drug Premiums including separate drug plans</b>				<b>Total Employer Cost Per Month for Bundled Medical and Prescription</b>	
	<b>Single</b>	<b># of plans</b>	<b>Family</b>	<b># of plans</b>	<b>Cost</b>	<b># of plans</b>
STATEWIDE	\$574	1,851	\$1,490	1,854	\$996	1,712
State of Ohio	\$511	1	\$1,413	1	\$937	1
Counties	\$593	149	\$1,604	147	\$923	147
Less than 50,000	\$600	56	\$1,646	55	\$897	54
50,000 - 149,999	\$606	56	\$1,620	55	\$957	56
150,000 or more	\$564	37	\$1,518	37	\$908	37
Cities	\$566	340	\$1,518	340	\$1,052	339
Less than 25,000	\$560	250	\$1,511	250	\$1,028	250
25,000 - 99,999	\$581	79	\$1,528	79	\$1,108	78
100,000 or more	\$611	11	\$1,599	11	\$1,184	11
Townships	\$546	131	\$1,480	136	\$1,153	137
Less than 10,000	\$572	69	\$1,500	74	\$1,238	75
10,000 - 29,999	\$532	49	\$1,498	49	\$1,079	49
30,000 or more	\$457	13	\$1,299	13	\$940	13
School Districts <sup>††</sup>	\$575	999	\$1,455	998	\$982	874
Less than 1,000	\$550	259	\$1,375	258	\$967	224
1,000 - 2,499	\$591	423	\$1,502	423	\$1,002	367
2,500 - 9,999	\$568	288	\$1,441	288	\$965	256
10,000 or more	\$615	29	\$1,607	29	\$993	27
Colleges & Universities	\$595	69	\$1,552	59	\$907	67
Fire Districts	\$439	13	\$1,358	14	\$981	15
Metro Districts	\$632	45	\$1,673	45	\$917	45
Port Authorities	\$540	3	\$1,595	3	\$955	3
Regional Transit Authority	\$635	20	\$1,620	20	\$1,024	17

<sup>†</sup> Average employee contribution in this table includes all plans reporting, and does include plans where employees contribute \$0 to the medical premium. PEPM: Per Employee Per Month.

<sup>††</sup> ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Statewide total number of plans is different for PEPM category because some plans did not report number of participants in the plan.

Note: Includes plans where prescription is included in medical.

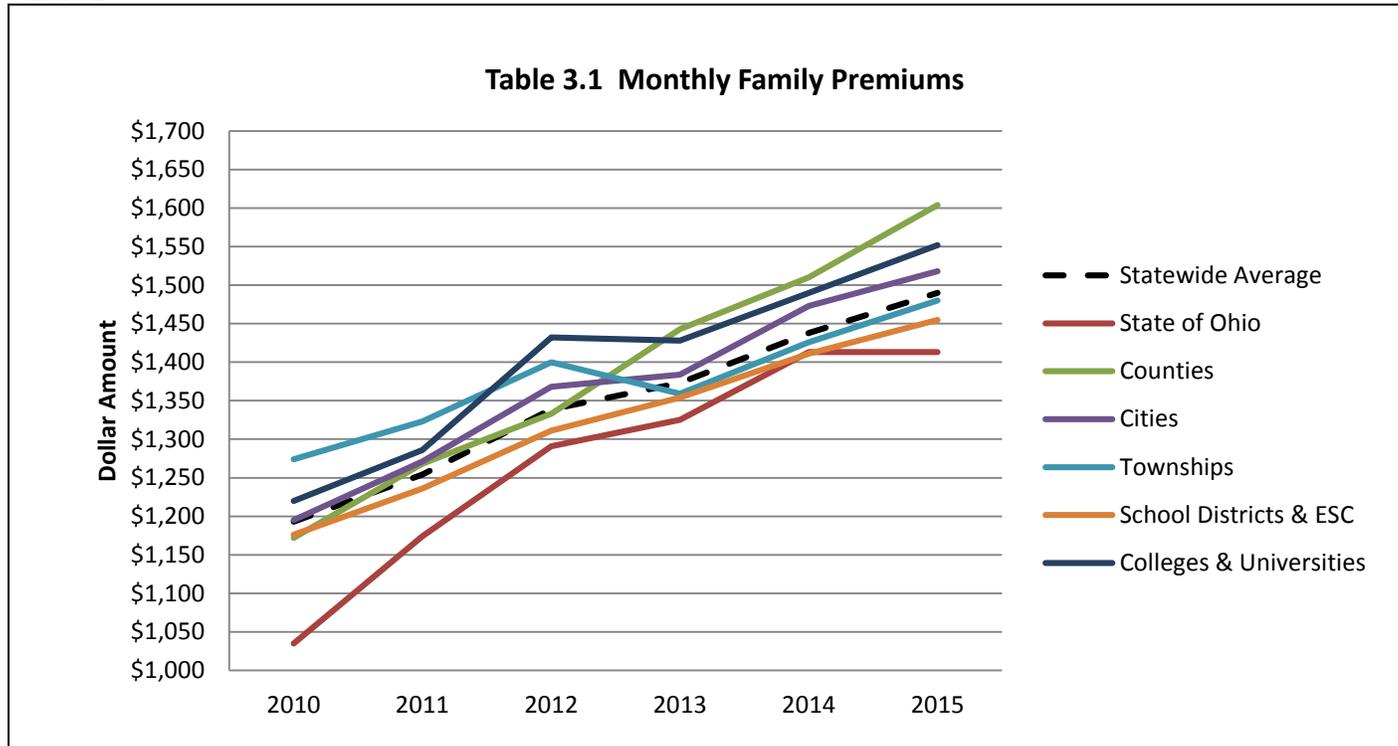
Note: Excluded plans that have one rate.

► Fire Districts reported the lowest average single and family premiums. The single premium is 30.8% below the statewide average. The family premium is 9.7% below the statewide average.

- ▶ Regional Transit Authorities reported the highest average single premiums. The single premium is 10.6% above the statewide average. Metro Housing Authorities reported the highest family premiums. The family premium is 12.3% above the statewide average.

Chart 1 displays the monthly family premiums found in table 3.1 over the past six years. In 2015 the monthly premiums have increased for all jurisdictions except the State of Ohio. Counties had the largest increase in monthly family premiums.

**Chart 1**



**Tables 3.2, 3.3, and 3.4 provide three facets of medical premiums:**

- 1) The average monthly medical premium for single and family coverage (along with the number of plans for which we received surveys in each category).
- 2) The average monthly dollar contribution by employees to the medical premium.
- 3) The percentage of the medical premium paid by employees; the remainder is paid by the employer.

**Table 3.2**

<b>Average Monthly Medical/Prescription Premiums and Employee Contributions</b>										
<b>Comparison Group</b>	<b>Average Medical Premium</b>				<b>Average Employee Contribution†</b>				<b>Percent of Premium Paid By Employee</b>	
	<b>Single</b>	<b># of plans</b>	<b>Family</b>	<b># of plans</b>	<b>Single</b>	<b># of plans</b>	<b>Family</b>	<b># of plans</b>	<b>Single</b>	<b>Family</b>
STATEWIDE	\$570	1,691	\$1,493	1,694	\$69	1,691	\$195	1,694	12.0%	12.8%
State of Ohio	\$511	1	\$1,413	1	\$77	1	\$223	1	15.1%	15.8%
Counties	\$587	135	\$1,607	133	\$78	135	\$230	133	13.3%	14.2%
Less than 50,000	\$598	55	\$1,639	54	\$83	55	\$260	54	14.0%	16.0%
50,000 - 149,999	\$590	49	\$1,627	48	\$81	49	\$224	48	13.6%	13.8%
150,000 or more	\$562	31	\$1,523	31	\$65	31	\$186	31	11.5%	11.9%
Cities	\$566	331	\$1,519	331	\$62	331	\$171	331	11.2%	11.6%
Less than 25,000	\$559	245	\$1,509	245	\$59	245	\$168	245	10.8%	11.6%
25,000 - 99,999	\$581	77	\$1,535	77	\$74	77	\$187	77	12.8%	11.9%
100,000 or more	\$631	9	\$1,667	9	\$56	9	\$139	9	9.0%	8.5%
Townships	\$539	124	\$1,469	129	\$28	124	\$88	130	5.8%	5.9%
Less than 10,000	\$575	65	\$1,490	70	\$23	65	\$74	71	4.7%	4.9%
10,000 - 29,999	\$511	46	\$1,485	46	\$32	46	\$94	46	6.2%	6.2%
30,000 or more	\$457	13	\$1,299	13	\$41	13	\$136	13	9.6%	10.5%
School Districts††	\$570	884	\$1,456	883	\$74	884	\$207	882	12.7%	13.7%
Less than 1,000	\$539	232	\$1,360	231	\$62	232	\$172	230	11.1%	12.1%
1,000 - 2,499	\$592	370	\$1,517	370	\$80	370	\$223	370	13.2%	14.2%
2,500 - 9,999	\$562	257	\$1,436	257	\$76	257	\$210	257	13.4%	14.3%
10,000 or more	\$611	25	\$1,633	25	\$78	25	\$262	25	12.8%	15.9%
Colleges & Universities	\$597	66	\$1,555	66	\$80	66	\$235	66	13.8%	15.2%
Fire Districts	\$439	13	\$1,358	14	\$24	13	\$78	14	6.2%	6.0%
Metro Housing Authorities	\$635	43	\$1,683	43	\$68	43	\$237	43	11.0%	14.3%
Port Authorities	\$540	3	\$1,595	3	\$74	3	\$215	3	13.3%	13.3%
Regional Transit Authorities	\$640	18	\$1,638	18	\$64	18	\$171	18	10.0%	9.7%

† Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium. Table 16.1 in appendix shows average employee contribution excluding plans where employee's contribution is \$0.

†† ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Includes plans where prescription is included in medical.

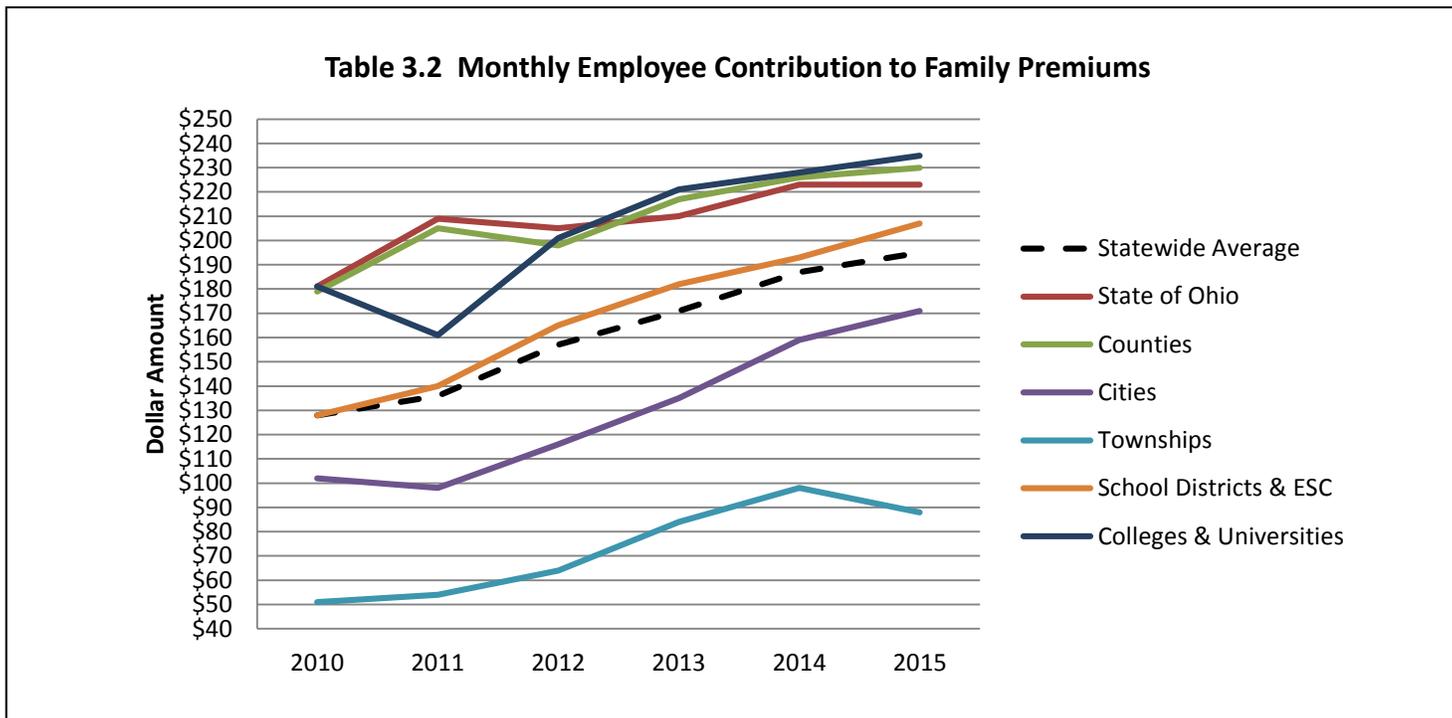
Note: Excluded plans that have one rate.

- ▶ Bundled medical/prescription premiums for the State of Ohio are 11.5% lower for single coverage and 5.7% lower for family coverage compared to the statewide average.
- ▶ Regional Transit Authorities have the highest average single premiums. Single premiums are 12.3% higher than the statewide average. Metro Housing Authorities have the highest average family premium. Family premiums are 12.7% higher than the statewide average.

- ▶ Fire Districts average lower medical premiums at 29.8% below the statewide average for single premiums and 9.9% below the statewide average for family premiums.
- ▶ The average Township employee contribution to the single premium is 146.4% less for single and 121.6% less for family medical premiums than the statewide average.
- ▶ The average employee contribution to single and family premiums is at or below 10% for Townships, Fire Districts, and Regional Transit Authorities.
- ▶ The average employee contribution to family premiums is between 11.6% and 15.2% for Counties, Cities, School Districts, Metro Housing Authorities, Port Authorities, and Colleges/Universities.
- ▶ State of Ohio employees contribute 15.8% towards the family medical premium. College/University employees contribute 15.2% towards the family medical premium. The statewide average employee contribution for family medical coverage is 12.8%.
- ▶ Considering jurisdiction size, single premiums for cities with more than 100,000 people are 10.7% higher than the statewide average. Family premiums are 11.7% higher than the statewide average for this category.

Chart 2 displays the monthly employee contribution to family premiums found in table 3.2 over the past six years. The chart illustrates that monthly family contributions have continued to increase over that last few years. Township employee’s average contribution towards the family medical premium decreased slightly over last year. This decrease can be explained by the presence of an additional fifteen medical plans where the employee contributes zero dollars towards the medical premium amount.

**Chart 2**



## Regions

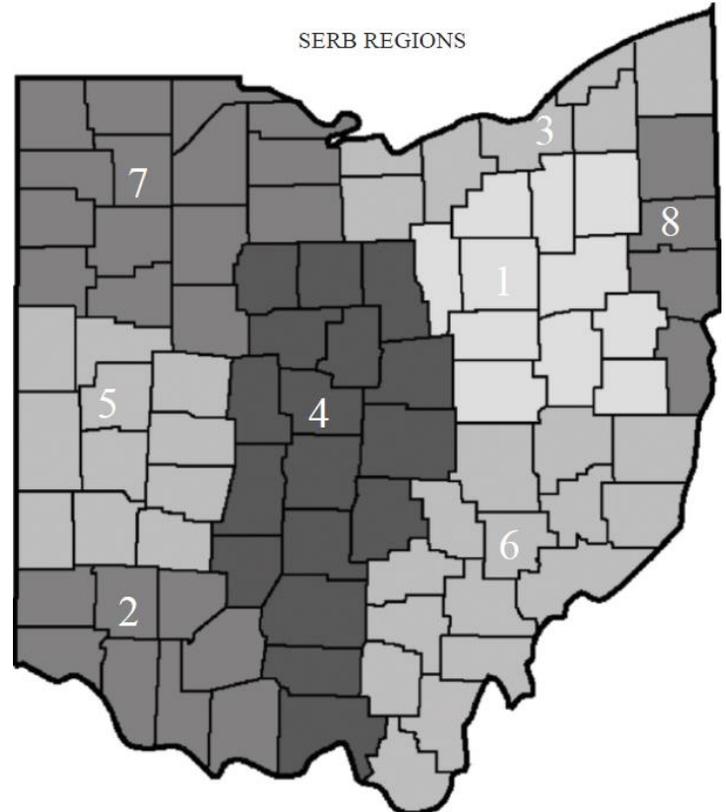
SERB divides the State into eight major regions. Insurance premiums may vary by region based on healthcare availability, proximity to larger metropolitan areas, economic, and other factors.

**Table 3.3**

Average Monthly Medical/Prescription Premiums by Region								
Comparison Group	Average Medical & Prescription Drug Premium including carve-out prescription plans				Average Employee Contribution†		Percent of Premium Paid By Employee	
	Single	# of plans	Family	# of plans	Single	Family	Single	Family
STATEWIDE	\$570.48	1,691	\$1,492.55	1,694	\$68.91	\$194.83	12.0%	12.8%
1 - Akron/Canton	\$545.35	189	\$1,402.95	191	\$58.92	\$145.26	10.8%	10.7%
2 - Cincinnati	\$533.57	214	\$1,446.14	215	\$72.86	\$216.79	13.6%	14.8%
3 - Cleveland	\$573.33	250	\$1,492.31	250	\$63.24	\$164.56	10.8%	10.8%
4 - Columbus	\$620.77	299	\$1,609.60	296	\$77.70	\$235.71	12.6%	14.5%
5 - Dayton	\$539.62	229	\$1,469.44	232	\$78.83	\$219.57	14.2%	14.7%
6 - Southeast Ohio	\$642.94	140	\$1,650.23	140	\$73.85	\$220.46	11.9%	13.9%
7 - Toledo	\$559.62	254	\$1,443.76	253	\$68.76	\$199.06	11.9%	13.1%
8 - Warren/ Youngstown	\$541.48	116	\$1,392.14	117	\$42.20	\$107.25	7.6%	7.4%

† Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium.  
 Note: Includes plans where prescription is included in medical.  
 Note: Excluded plans that have one rate.

- ▶ Compared to statewide averages, medical premiums in Southeast Ohio average 12.7% higher for single coverage and 10.6% higher for family coverage.
- ▶ Average single medical premiums in the Cincinnati region are 6.9% lower than the statewide average.
- ▶ Average family premiums in the Akron/Canton region are 6.4% lower for family coverage.
- ▶ Employees in the Dayton region contribute 14.4% more than the statewide average for single medical premiums.
- ▶ Employees in the Columbus region contribute 21.0% more than the statewide average for family medical premiums.
- ▶ Compared to statewide averages, employees in the Warren/Youngstown region contribute 63.3% less for single medical coverage and 81.7% less for family medical coverage.
- ▶ Employees in the Warren/Youngstown region contribute the lowest percentage to the medical premium.



## Number of Employees

Table 3.4 shows how insurance premiums vary by number of employees covered by the plan. Table 3.4 includes plans where prescription is included in the medical.

**Table 3.4**

Average Monthly Medical Premiums by Number of Employees Covered								
Comparison Group	Average Medical Premium				Average Employee Contribution†		Percent of Premium Paid By Employee	
	Single	# of plans	Family	# of plans	Single	Family	Single	Family
STATEWIDE	\$570.48	1,691	\$1,492.55	1,694	\$68.91	\$194.83	11.9%	12.8%
1 - 49	\$574.47	314	\$1,545.37	318	\$51.01	\$158.62	9.1%	10.1%
50 - 99	\$533.59	282	\$1,420.46	283	\$61.24	\$172.52	11.3%	12.0%
100 - 149	\$573.19	340	\$1,483.93	338	\$71.86	\$202.89	12.2%	13.4%
150 - 249	\$594.06	293	\$1,500.31	293	\$77.98	\$213.50	13.1%	14.2%
250 - 499	\$577.50	272	\$1,487.75	273	\$77.56	\$214.54	13.2%	14.0%
500 - 999	\$562.46	99	\$1,462.33	98	\$79.50	\$207.27	14.0%	14.0%
1,000 or more	\$572.88	91	\$1,586.10	91	\$76.77	\$227.80	13.5%	14.3%

† Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium.  
 Note: Includes plans where prescription is included in medical.  
 Note: Excluded plans that have one rate.

## Plan & Funding Type

Table 4.1 shows how the average rates for different types of coverage (medical and prescription when included in medical) vary by plan type.

**Table 4.1**

Average Premium Cost by Plan Type								
	TRAD	PPO	POS	HMO	EPO	HDHP (no HSA)	HDHP (with HSA)	All Plans†
Single	\$714	\$603	\$587	\$555	\$625	\$518	\$596	\$570
Family	\$1,792	\$1,530	\$1,689	\$1,581	\$1,584	\$1,420	\$1,564	\$1,493
Total cost per person	\$18,391	\$14,332	\$15,844	\$14,187	\$13,450	\$12,373	\$13,909	\$13,693
Number of plans	10	1,020	31	57	29	253	294	1,694

† Average is for all plans; Plan types – TRAD: Traditional; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; EPO: Exclusive Provider Organization; HDHP: High Deductible Health Plan; HSA: Health Savings Account.  
 Note: Includes plans where prescription is included in medical.  
 Note: Excluded plans that have one rate.

- ▶ Traditional (TRAD) plans are the most costly family plan type reported this year. TRAD family plans average 20.0% higher than the average of all family plan types.
- ▶ Traditional (TRAD) plans have the highest average cost per person. PPO plans average cost per person is 34.3% higher than the average cost per person of all plan types.

**Table 4.2**

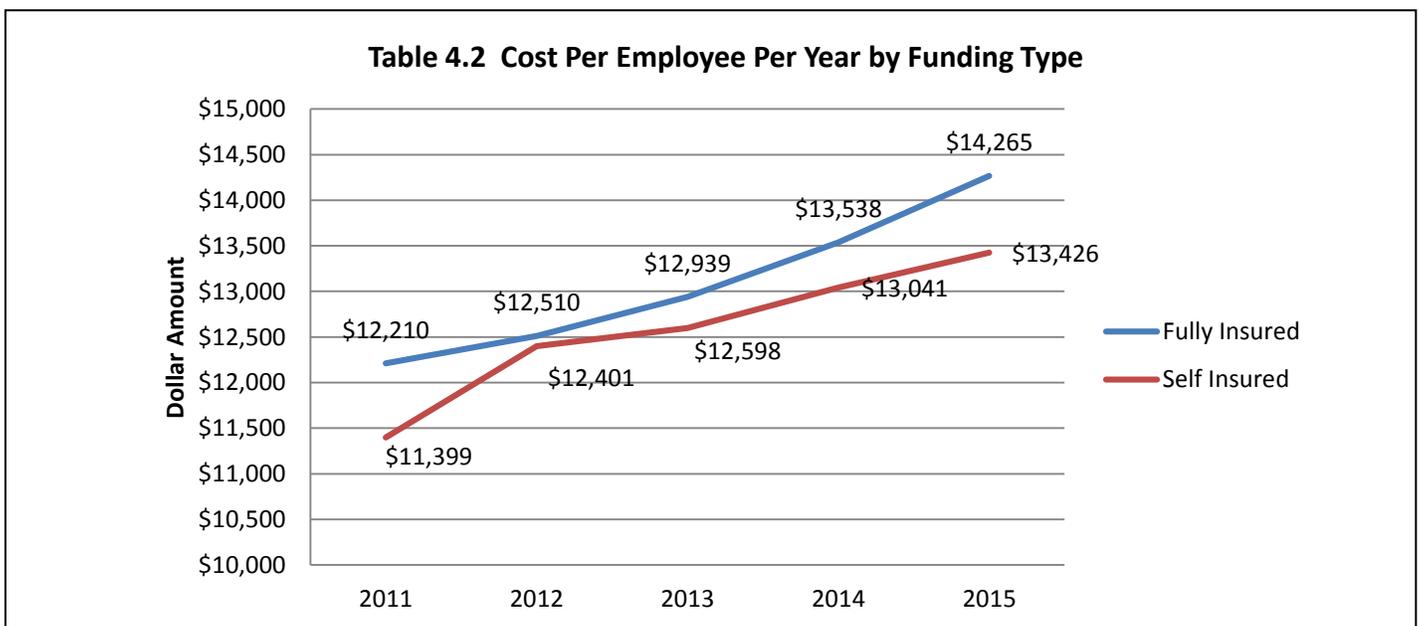
Average Premium Cost by Funding Type		
	Fully-insured	Self-insured
Single	\$577	\$568
Family	\$1,575	\$1,458
Annual cost per person (PEPY)	\$14,265	\$13,426
Number of plans	497	1,187

Note: Excludes plans where prescription is not included in the medical premium.  
 Note: Excluded plans that have one rate and Funding Type "other".

- ▶ Self-insured plans are composed of 70.5% of all plans reported this year.
- ▶ Fully-insured plans increased 5.5% for single and 4.4% for family from last year. Annual cost per person increased 5.4%.
- ▶ Self-insured plans increased 4.0% for single and 4.5% for family from last year. Annual cost per person increased 3.0%.
- ▶ Single and family premiums and annual cost per person rates are lower for self-insured benefits. Statistically significant differences in funding/premium rates are only found for family medical rates (t=6.325, df=1681, p=.000) and annual cost per person, or PEPY (t=4.113, df=1,521, p=.000). The statistical difference for single medical rates are (t= 0.983, df=1,678, p=.001).

Chart 3 displays the average cost per employee per year for fully and self-insured medical plans found in table 4.2 over the past five years. The chart illustrates that on average self-insured plans cost less per employee. Fully-insured medical plans cost per employee increased 5.4% while self-insured medical plans cost per employee increased 3.0%.

**Chart 3**



**Table 4.3**

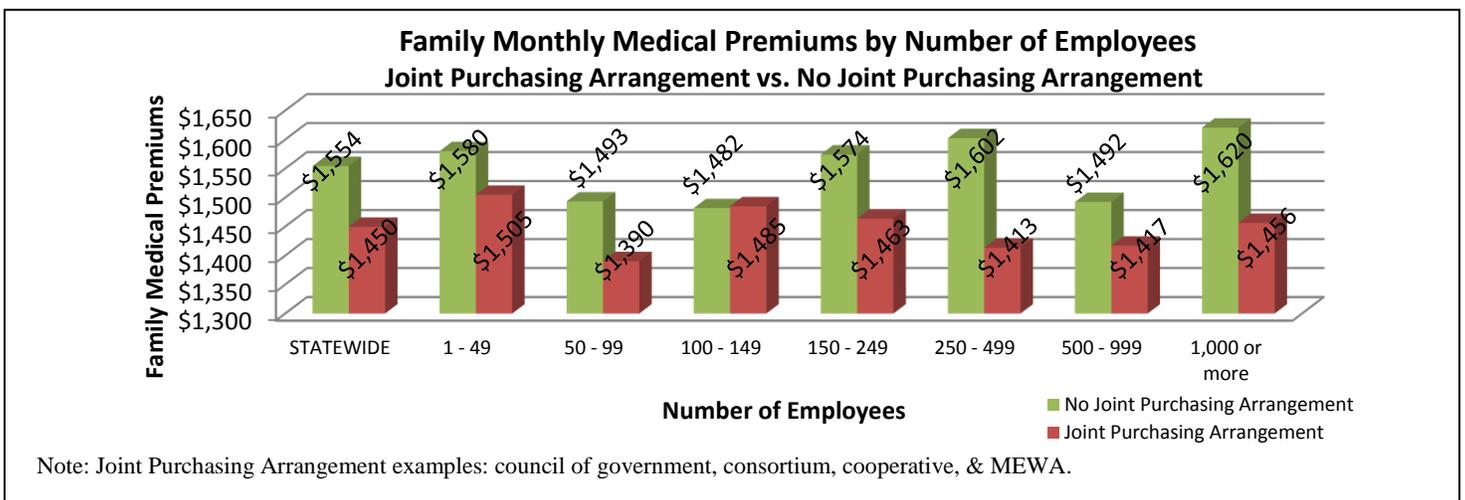
Average Premium Cost by Joint Purchasing Arrangement		
	Joint Purchasing Arrangement	No Joint Purchasing Arrangement
Single	\$560	\$586
Family	\$1,450	\$1,554
Annual cost per person (PEPY)	\$13,289	\$14,187
Number of plans	997	697

Note: Joint Purchasing Arrangement examples: council of government, consortium, cooperative, & MEWA.  
 Note: Excludes plans where prescription is not included in the medical premium.  
 Note: Excluded plans that have one rate.

- ▶ Joint purchasing membership contributes to 58.9% of all plan types reported this year.
- ▶ Joint purchasing participant plans increased 4.9% for single and increased 4.6% for family from last year. Annual cost per person increased 2.9%.
- ▶ Independently procured plans increased 3.9% for both single and family from last year. Annual cost per person increased 4.3%.
- ▶ The number of plans where employers purchasing medical benefits via a joint purchasing arrangement increased slightly from 2014.
- ▶ Medical plans purchased through a consortium are significantly lower in cost compared to those plans that are not. This trend holds true for single ( $t= 3.178$ ,  $df=1,687$ ,  $p=.000$ ), family ( $t= 6.121$ ,  $df=1,690$ ,  $p=.000$ ), and annual cost per person, or PEPY ( $t=4.712$ ,  $df=1,530$ ,  $p=.000$ ).

Chart 4 compares family monthly medical premiums, by number of employees, for organizations who participate in a joint purchasing arrangement and organizations that do not participate in a joint purchasing arrangement.

**Chart 4**



- ▶ Family monthly medical premiums for organizations with 1,000 or more employees who participate in a joint purchasing arrangement are 11.3% less than organizations with 1,000 or more employees who do not participate in a joint purchasing arrangement.
- ▶ Statewide, organizations that participate in a joint purchasing arrangement have family medical premiums that average 7.2% less than organizations that do not participate in a joint purchasing arrangement.

## Premium Change

Chart 5 graphs the percent change in single and family medical premiums compared to the average negotiated wage increase for public employees from SERB's Annual Wage Settlement report. The relatively flat line represents the average wage increases for public sector employees over the past eighteen years, all ranging between 0.7% and 3.8%. Comparatively, medical insurance premiums have risen at a much faster rate.

Chart 5

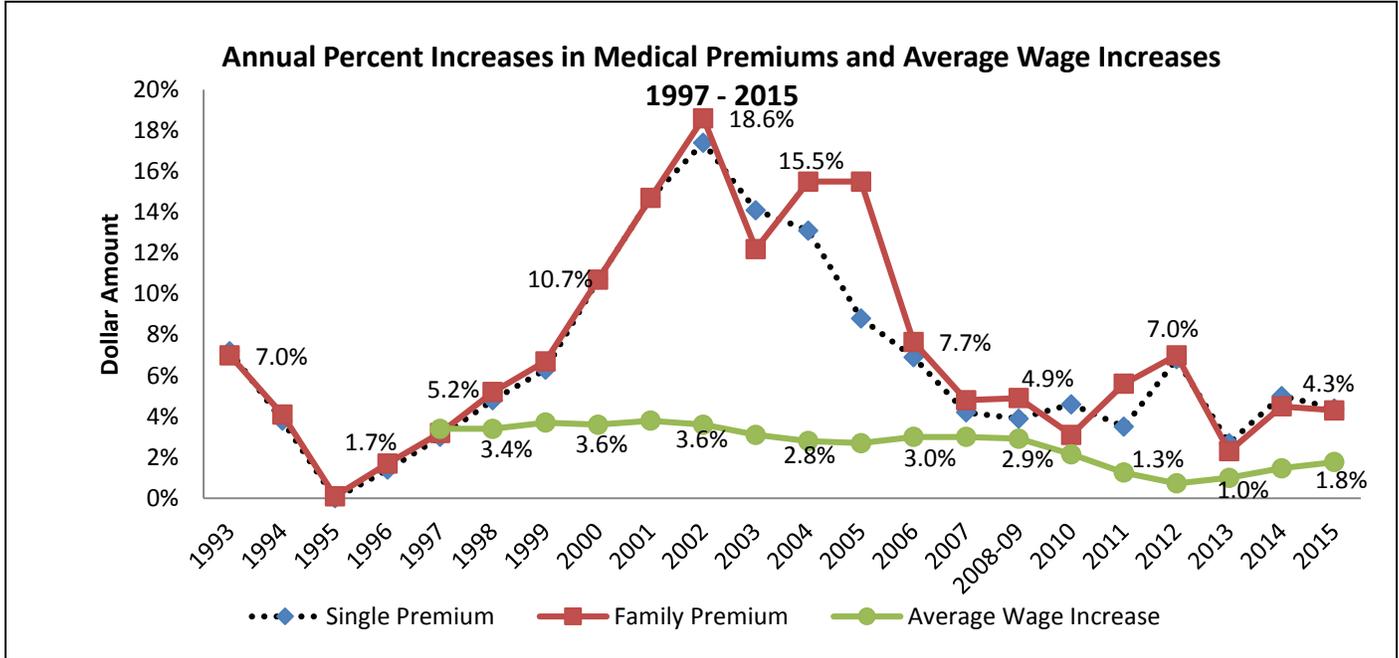


Chart 6 illustrates the diverging path of medical premium and worker salary increases since 1997. Over the eighteen year period presented, medical premiums rose more than three times faster than the average worker salary.

Chart 6

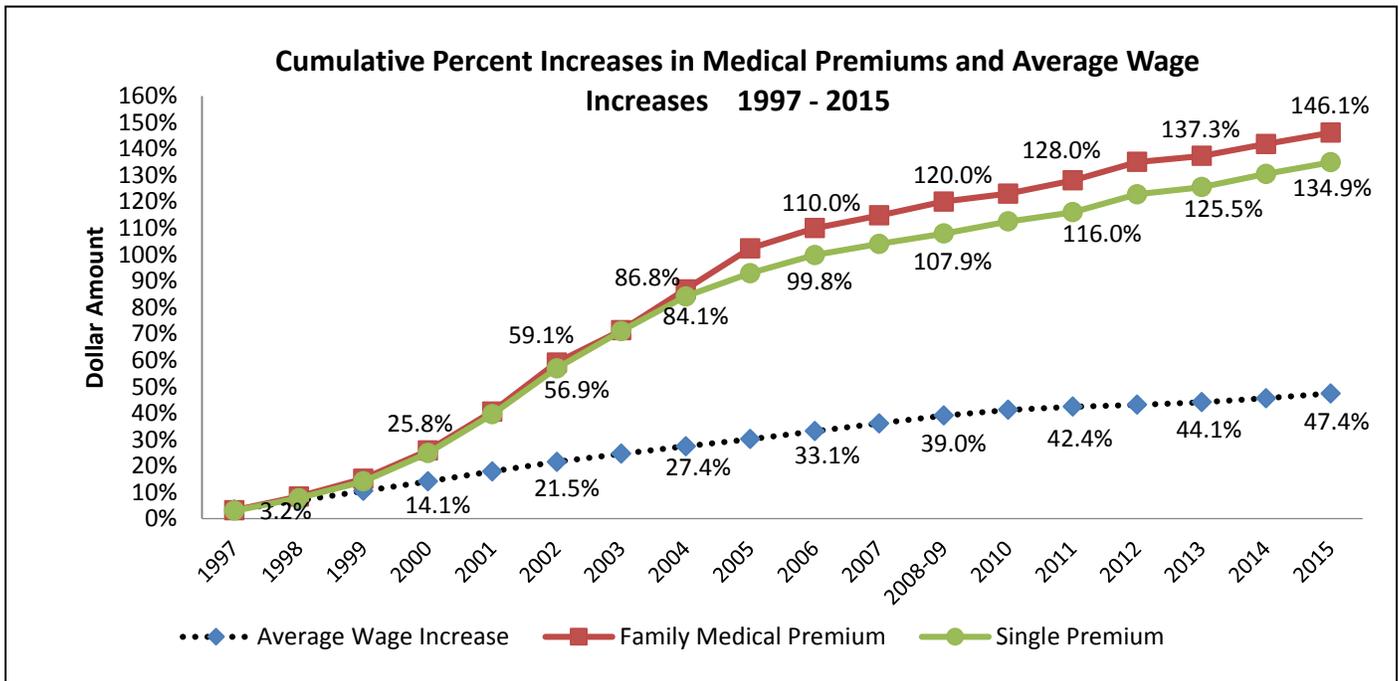


Table 5 compares percent change in insurance premiums over the past 22 years to the national overall inflation and medical care inflation rates. Premium rates for public employees in the State of Ohio rose slightly more than the overall inflation and medical care inflation rates for 2014.

**Table 5**

<b>Annual Change in Medical Care Costs, Inflation, and Medical Care Inflation Rates</b>						
<b>Report Year</b>	<b>Single Premium</b>	<b># of Plans</b>	<b>Family Premium</b>	<b># of Plans</b>	<b>Inflation Rate †</b>	<b>Medical Care †</b>
1993	7.2%	557	7.0%	536	2.7%	5.4%
1994	3.8%	437	4.1%	441	2.7%	4.9%
1995	0.0%	416	0.1%	415	2.5%	3.9%
1996	1.4%	492	1.7%	497	3.3%	3.0%
1997	3.0%	625	3.2%	631	1.7%	2.8%
1998	4.8%	457	5.2%	463	1.6%	3.4%
1999	6.3%	617	6.7%	622	2.7%	3.7%
2000	10.7%	596	10.7%	601	3.4%	4.2%
2001	14.7%	617	14.7%	617	1.6%	4.7%
2002	17.4%	655	18.6%	655	2.4%	5.0%
2003	14.1%	895	12.2%	895	1.9%	3.7%
2004	13.1%	909	15.5%	909	3.3%	4.2%
2005	8.8%	642	15.5%	642	3.4%	4.3%
2006	6.9%	1,387	10.1%	1,381	2.5%	3.6%
2007	4.2%	1,313	4.8%	1,330	4.1%	5.2%
2008-09	4.9%	1,258	4.9%	1,263	0.1%	2.6%
2010	4.6%	1,353	3.1%	1,395	2.7%	3.4%
2011	3.5%	1,135	5.6%	1,109	1.5%	3.3%
2012	6.8%	1,493	7.0%	1,499	3.0%	3.5%
2013	2.8%	1,552	2.3%	1,552	1.7%	3.2%
2014	5.0%	1,595	4.5%	1,598	1.5%	2.0%
2015	4.4%	1,691	4.3%	1,694	0.8%	3.0%

† Bureau of Labor Statistics, Consumer Price Index, December 2014 (<http://www.bls.gov/cpi/cpid1412.pdf>).  
 Note: The single and family premium annual change percentage includes medical plans with prescription only. This figure is the annual change in the statewide total from Table 3.2.  
 Note: The number of plans is the total number of single and family plans submitted; therefore this number includes plans that do not include prescription.

## Cost of Medical and Ancillary Benefits

Table 6 exhibits the 2015 annual cost per employee for medical, prescription, vision, and dental benefits.<sup>4</sup>

**Table 6**

Average Annual Cost per Employee for Medical, Prescription, Dental, and Vision Carve-outs†								
Comparison Group	Medical & Prescription Drug†	# of Plans	Prescription Drug	# of Plans	Dental	# of Plans	Vision	# of Plans
STATEWIDE	\$13,710	1,551	\$2,764	140	\$812	949	\$187	709
State of Ohio	\$13,313	1	-	-	\$972	1	\$274	1
Counties	\$12,848	133	\$2,477	14	\$677	51	\$159	36
Cities	\$14,238	325	\$2,856	6	\$785	154	\$175	107
Townships	\$14,635	130	\$3,592	1	\$889	88	\$202	71
School Districts & ESCs	\$13,640	822	\$2,795	114	\$829	582	\$195	435
Colleges & Universities	\$12,832	64	\$2,494	3	\$733	30	\$155	25
Special Districts‡	\$12,888	76	\$2,696	2	\$739	43	\$153	34
REGION								
1 - Akron/Canton	\$13,533	126	\$2,838	39	\$907	98	\$197	68
2 - Cincinnati	\$12,862	212	-	-	\$871	126	\$180	92
3 - Cleveland	\$13,959	238	\$2,510	46	\$826	143	\$180	106
4 - Columbus	\$14,617	268	\$2,524	6	\$805	172	\$197	151
5 - Dayton	\$13,464	221	\$3,352	13	\$777	131	\$190	84
6 - Southeast Ohio	\$15,381	131	\$2,728	7	\$720	77	\$185	68
7 - Toledo	\$12,727	252	\$2,628	9	\$783	130	\$198	88
8 - Warren/Youngstown	\$13,546	103	\$2,967	20	\$784	72	\$158	52
EMPLOYEES COVERED								
1 - 49	\$13,592	313	\$2,512	9	\$800	166	\$193	135
50 - 99	\$13,303	258	\$2,976	22	\$768	163	\$195	114
100 - 149	\$13,559	304	\$2,680	31	\$814	197	\$188	141
150 - 249	\$14,389	259	\$2,786	26	\$821	177	\$195	134
250 - 499	\$13,992	234	\$2,619	27	\$837	145	\$178	110
500 - 999	\$13,356	94	\$2,954	15	\$887	60	\$167	42
1,000 or more	\$13,475	89	\$2,833	10	\$788	41	\$164	33
† Monthly and yearly premiums plus ancillary benefit amounts are figured by giving equal weight to each medical plan, regardless of the number of employees receiving coverage. "-" indicates there is not enough data to report an average. †† Includes cost of: prescription in 90.4% of plans, dental in 10.5% and vision in 11.4%. ††† Includes, Fire Districts, Metropolitan Housing Authorities, Port Authorities and Regional Transit Authorities. Note: Excluded plans that have one rate.								

<sup>4</sup> Average yearly cost per employee for medical, prescription carve-out, dental, and vision benefits are figured with the following formula:

$$\text{Average Annual Cost} = 12 * (\text{SPREM} * \text{NUMS}) + (\text{S1PREM} * \text{NUMS1}) + (\text{SCPREM} + \text{NUMSC}) + (\text{SSPREM} + \text{NUMSS}) + (\text{FPREM} * \text{NUMF})$$

Where:	SPREM	=	Total monthly single rate for all health benefits
	NUMS	=	Number of employees with single medical coverage
	S1PREM	=	Total monthly single + 1 rate for all health benefits
	NUMS1	=	Number of employees with single + 1 medical coverage
	SCPREM	=	Total monthly single & child rate for all health benefits
	NUMSC	=	Number of employees with single & child medical coverage
	SSPREM	=	Total monthly single & spouse rate for all health benefits
	NUMSS	=	Number of employees with single & spouse medical coverage
	FPREM	=	Total monthly family rate for all health benefits
	NUMF	=	Number of employees with family medical coverage

## Deductibles for Medical Coverage – Managed Care Plans<sup>5</sup>

The following tables show the percent of plans in each deductible category for single and family coverage for non-traditional plans (i.e. PPO, HMO, POS, EPO, and HDHP). The highest category captures plans that are eligible for a Health Savings Account (HSA). Deductibles must be at least \$1,200 for single and \$2,400 for family to qualify for an HSA. The deductible is the amount of covered expenses that must be incurred and paid by the insured individual before benefits become payable by the insurance provider.

**Table 7.1**

Deductible Categories for Single In-Network Medical Coverage										
Comparison Group	\$0	# of plans	\$1- \$100	# of plans	\$125- \$400	# of plans	\$500- 1199	# of plans	\$1200 or more	# of plans
STATEWIDE	8.7%	163	9.0%	171	26.0%	492	25.3%	480	31.0%	588
State of Ohio	-	-	-	-	100.0%	1	-	-	-	-
Counties	5.4%	8	2.7%	4	23.0%	34	39.2%	58	29.7%	44
Cities	11.2%	39	8.1%	28	24.5%	85	15.9%	55	40.3%	140
Townships	11.0%	16	4.1%	6	7.5%	11	22.6%	33	54.8%	80
Colleges & Universities	7.3%	5	7.2%	5	29.0%	20	26.1%	18	30.4%	21
School Districts & ESCs	8.1%	88	11.4%	125	29.8%	325	27.0%	295	23.7%	259
Special Districts	7.6%	7	3.3%	3	17.6%	16	23.1%	21	48.4%	44

Note: Excluded plans where single deductible was blank or missing.

**Table 7.2**

Deductible Categories for Family In-Network Medical Coverage										
Comparison Group	\$0	# of plans	\$1- \$200	# of plans	\$200- 800	# of plans	\$900- 2399	# of plans	\$2400 or more	# of plans
STATEWIDE	8.6%	164	8.2%	155	26.7%	507	25.6%	485	30.9%	587
State of Ohio	-	-	-	-	100.0%	1	-	-	-	-
Counties	5.4%	8	2.7%	4	22.8%	34	38.9%	58	30.2%	45
Cities	11.3%	39	7.8%	27	24.5%	85	16.1%	56	40.3%	140
Townships	11.0%	16	4.1%	6	8.9%	13	21.9%	32	54.1%	79
Colleges & Universities	7.2%	5	5.8%	4	29.1%	20	24.6%	17	33.3%	23
School Districts & ESCs	8.1%	89	10.2%	112	30.9%	338	27.3%	299	23.5%	257
Special Districts	7.6%	7	2.2%	2	17.6%	16	25.3%	23	47.3%	43

Note: Excluded plans where family deductible was blank or missing.

- ▶ Cities and townships have a comparatively higher portion of single and family plans with no deductible.
- ▶ Townships have more than 50% of their plans in the high deductible category.
- ▶ Counties have a much lower percentage of plans with no deductible, compared to other jurisdictions.
- ▶ The portion of plans statewide with no deductible decreased one percentage point since the 2014 survey. Over 30% of all plans have deductibles high enough to make them eligible for an HSA, though not all of these plans have an employer funded (or partially employer funded) savings account (see Table 4.1).

<sup>5</sup> Managed care plans (PPO, HMO, POS, EPO, HDHP) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide.

## Co-Insurance for Medical Coverage – Managed Care Plans<sup>6</sup>

Tables 8.1 and 8.2 show the distribution of co-insurance splits between the plan and employees for family medical coverage. Co-insurance is the arrangement by which the insurance provider and the insured individual share a percentage of covered expenses after the deductible is met.

**Table 8.1**

<b>Co-Insurance Categories for In-Network Medical Coverage</b>										
<b>Comparison Group</b>	<b>Plan pays 100%</b>	<b># of plans</b>	<b>Plan pays 90-99%</b>	<b># of plans</b>	<b>85/15 Split</b>	<b># of plans</b>	<b>80/20 Split</b>	<b># of plans</b>	<b>Plan pays &lt;80%</b>	<b># of plans</b>
STATEWIDE	33.5%	635	27.3%	517	2.1%	40	33.8%	642	3.3%	63
State of Ohio	-	-	-	-	-	-	100.0%	1	-	-
Counties	22.8%	34	14.8%	22	1.3%	2	47.0%	70	14.1%	21
Cities	49.4%	172	18.1%	63	0.9%	3	30.2%	105	1.4%	5
Townships	63.4%	92	6.2%	9	-	-	29.7%	43	0.7%	1
Colleges & Universities	23.3%	16	37.7%	26	4.3%	3	33.3%	23	1.4%	1
School Districts & ESCs	25.1%	274	35.7%	391	2.8%	31	33.3%	364	3.1%	34
Special Districts	51.6%	47	6.6%	6	1.1%	1	39.6%	36	1.1%	1

Note: Excluded plans where in-network co-insurance was blank or missing.

**Table 8.2**

<b>Co-Insurance Categories for Out-of-Network Medical Coverage</b>										
<b>Comparison Group</b>	<b>Plan pays 90-100%</b>	<b># of plans</b>	<b>80/20 Split</b>	<b># of plans</b>	<b>70/30 Split</b>	<b># of plans</b>	<b>Plan pays 60-69%</b>	<b># of plans</b>	<b>Plan pays &lt;60%</b>	<b># of plans</b>
STATEWIDE	0.6%	11	23.0%	407	33.8%	597	34.2%	604	8.4%	149
State of Ohio	-	-	-	-	-	-	100.0%	1	-	-
Counties	0.7%	1	11.1%	15	22.2%	30	46.7%	63	19.3%	26
Cities	0.3%	1	23.4%	74	38.6%	122	32.3%	102	5.4%	17
Townships	0.7%	1	26.7%	35	26.0%	34	35.1%	46	11.5%	15
Colleges & Universities	1.6%	1	3.2%	2	53.2%	33	32.3%	20	9.7%	6
School Districts & ESCs	0.6%	7	26.0%	270	33.6%	349	32.3%	336	7.5%	78
Special Districts	-	-	13.3%	11	34.9%	29	43.4%	36	8.4%	7

Note: Excluded plans where out-of-network co-insurance was blank or missing.

- ▶ Since the 2014 survey, the percent of plans Statewide that pay 100% of deductible remains unchanged at just over thirty-three percent.
- ▶ Counties continue to have the lowest percentage of single medical plans with no co-insurance requirement, and the highest percentage of single plans with an 80/20 split.
- ▶ The majority of townships (63.4%) have plans with no in-network co-insurance requirement.

<sup>6</sup> Managed care plans (PPO, HMO, POS, EPO, HDHP) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide; data is available upon request from SERB.

## Out-of-Pocket Maximums for Medical Coverage - Managed Care Plans<sup>7</sup>

Tables 9.1 and 9.2 give the median, minimum, and maximum out-of-pocket maximums for in and out-of-network family medical coverage by jurisdiction.

**Table 9.1**

In-Network Out-of-Pocket Maximums for Medical Coverage							
Comparison Group	Single			Family			n
	Median	Minimum	Maximum	Median	Minimum	Maximum	
STATEWIDE	\$2,000	\$0	\$12,000	\$4,000	\$0	\$40,000	1,883
State of Ohio	\$1,500	\$1,500	\$1,500	\$3,000	\$3,000	\$3,000	1
Counties	\$2,500	\$0	\$10,000	\$5,000	\$0	\$20,000	149
Cities	\$2,000	\$0	\$6,600	\$4,000	\$0	\$13,200	343
Townships	\$2,500	\$0	\$12,000	\$5,200	\$0	\$40,000	143
Colleges & Universities	\$2,500	\$500	\$8,000	\$5,000	\$1,000	\$16,000	69
School Districts & ESCs	\$1,500	\$0	\$7,750	\$3,000	\$0	\$16,500	1,088
Special Districts	\$2,500	\$0	\$6,600	\$5,000	\$0	\$13,200	90

Note: Excluded plans where in-network out-of-pocket maximum was blank or missing.  
Note: Excludes Traditional Plans.

**Table 9.2**

Out-of-Network Out-of-Pocket Maximums for Medical Coverage							
Comparison Group	Single			Family			n
	Median	Minimum	Maximum	Median	Minimum	Maximum	
STATEWIDE	\$4,000	\$0	\$30,000	\$8,000	\$0	\$90,000	1,698
State of Ohio	\$3,000	\$3,000	\$3,000	\$6,000	\$6,000	\$6,000	1
Counties	\$5,000	\$500	\$18,000	\$10,000	\$1,500	\$40,000	128
Cities	\$4,500	\$0	\$20,000	\$8,500	\$0	\$42,000	306
Townships	\$8,000	\$1,000	\$30,000	\$15,000	\$2,000	\$90,000	127
Colleges & Universities	\$5,000	\$1,000	\$20,000	\$10,000	\$2,000	\$40,000	61
School Districts & ESCs	\$3,000	\$150	\$24,000	\$6,000	\$200	\$40,800	993
Special Districts	\$6,000	\$1,000	\$30,000	\$12,000	\$2,000	\$90,000	82

Note: Excluded plans where in-network out-of-pocket maximum was blank or missing.  
Note: Excludes Traditional Plans and plans that have an “unlimited” out-of-network out-of-pocket maximum.

<sup>7</sup> Managed care plans (PPO, HMO, POS, EPO, HDHP) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide; data is available upon request from SERB.

## Fringe Benefits: Prescription, Dental & Vision

### Prescription Drug

Table 10 shows the distribution of fringe benefits. Benefits shown as “included in premium” are included in the price of the overall medical premium. “Carved-out” benefits are purchased through a plan separate from the medical premium.

**Table 10**

<b>Fringe Benefit Provisions</b>			
	<b>Included in Premium</b>	<b>Carved-out</b>	<b>Not Offered</b>
Prescription	90.4%	7.5%	2.1%
Dental	10.5%	83.0%	6.5%
Vision	11.4%	62.7%	25.9%

- ▶ Prescription coverage is provided by 97.9% of all jurisdictions. In 90.4% of jurisdictions reporting, the cost for prescription coverage is included as part of the medical premium.
- ▶ Dental coverage is provided by 93.5% of jurisdictions.
- ▶ Vision coverage is offered by 74.1% of jurisdictions.

Tables 11.1 and 11.2 provide statewide data on retail and mail order prescription plan design and co-payments. The median dollar amount and percentages are given within three tier options. Retail prescriptions are for a 30-day supply; mail order prescriptions are typically for a 90-day supply.

**Table 11.1**

<b>Statewide Retail Prescription Copayments</b>				
<b>Prescription Plan</b>	<b>Dollars</b>	<b># of plans</b>	<b>Percent</b>	<b># of plans</b>
<b>No Tiers</b>	\$9	22	20.0%	130
<b>Two Tiers</b>				
Generic	\$10	129	20.0%	18
Brand	\$20	124	20.0%	23
<b>Three Tiers</b>				
Generic	\$10	995	10.0%	40
Brand (formulary)	\$25	984	20.0%	51
Brand (non-formulary)	\$40	972	20.0%	61
<b>Four Tiers</b>				
Generic	\$10	281	15.0%	7
Brand (formulary)	\$30	280	27.5%	8
Brand (non-formulary)	\$50	277	45.0%	10
Cosmetic/biologic	\$100	214	25.0%	52

Note: Excluded plans where retail prescription co-payments were blank or missing.

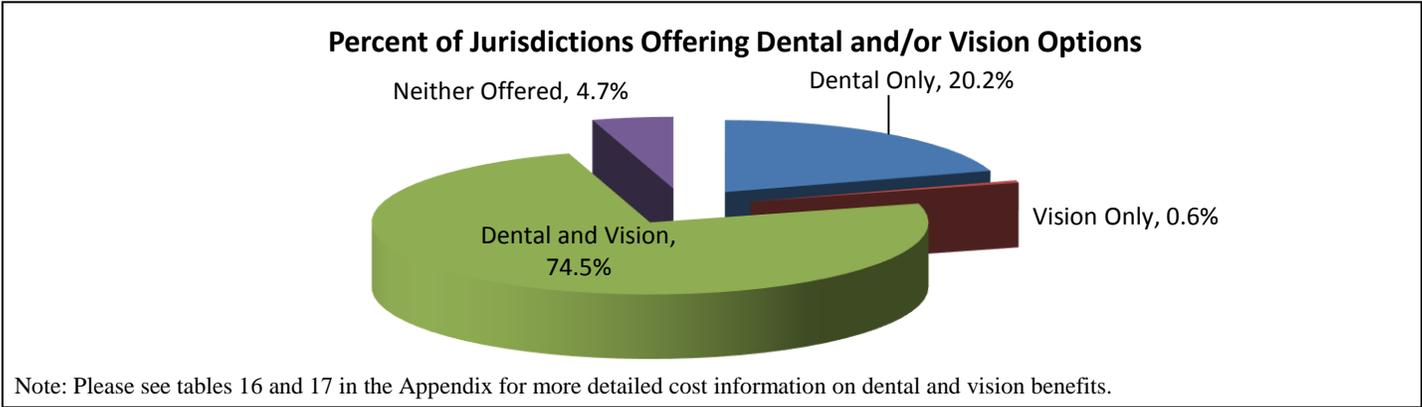
**Table 11.2**

<b>Statewide Mail Order Prescription Copayments</b>				
<b>Prescription Plan</b>	<b>Dollars</b>	<b># of plans</b>	<b>Percent</b>	<b># of plans</b>
<b>No Tiers</b>	\$5	24	20.0%	125
<b>Two Tiers</b>				
Generic	\$10	131	20.0%	12
Brand	\$30	125	20.0%	17
<b>Three Tiers</b>				
Generic	\$20	976	10.0%	38
Brand (formulary)	\$48	968	10.0%	43
Brand (non-formulary)	\$80	956	20.0%	54
<b>Four Tiers</b>				
Generic	\$20	276	20.0%	5
Brand (formulary)	\$65	276	25.0%	5
Brand (non-formulary)	\$110	273	30.0%	6
Cosmetic/biologic	\$150	93	25.0%	41

Note: Excluded plans where retail prescription co-payments were blank or missing.

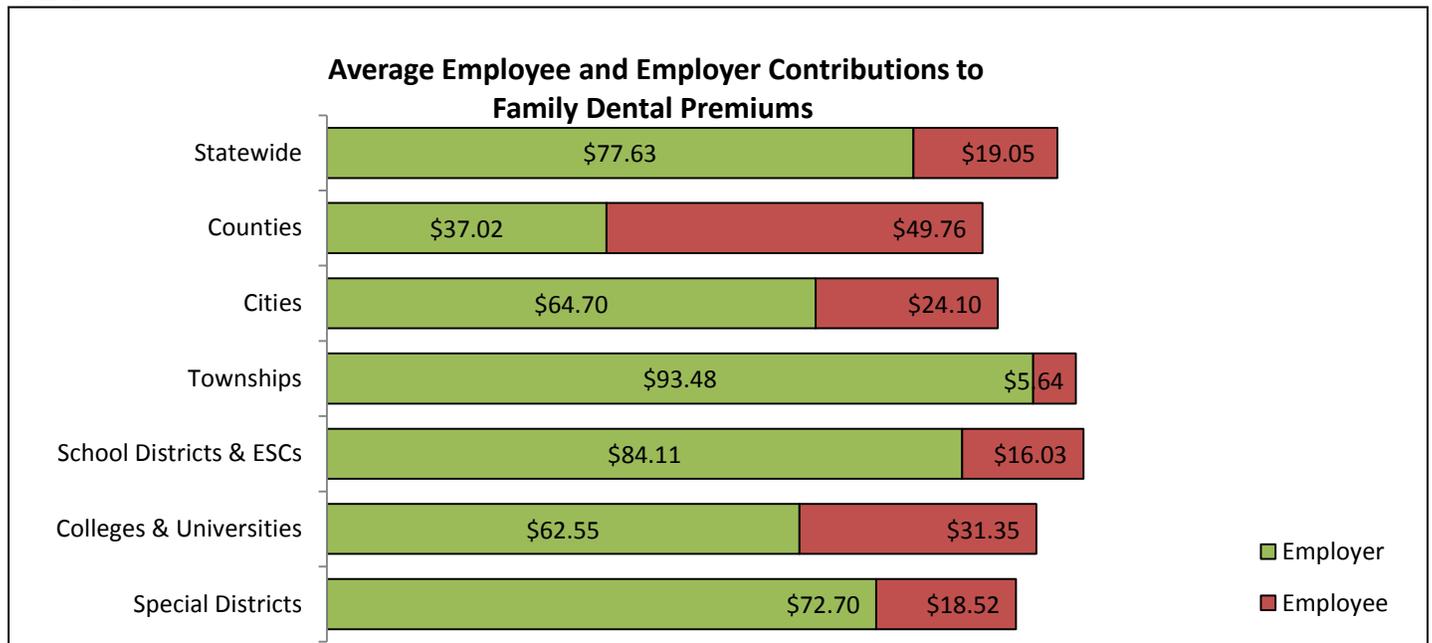
Chart 7 provides another view of dental and vision coverage.

**Chart 7**



**Dental<sup>8</sup>**

**Chart 8**



For 2015, single and family dental premiums in Table 17 are divided into tiered plans and composite rates. Chart 8 includes tiered rates for family dental plans.

- ▶ County employees pay the highest portion of the family dental premium, contributing 57.3% of the premium on average.
- ▶ Township employees contribute the least to family dental premiums, contributing 5.7% of the total premium on average.

<sup>8</sup> For a detailed breakdown of dental costs, please see Table 17 in the appendix. Dental numbers are for plans that are not included in the medical premium, or carve-outs.

Table 12 summarizes dental maximums by jurisdiction.

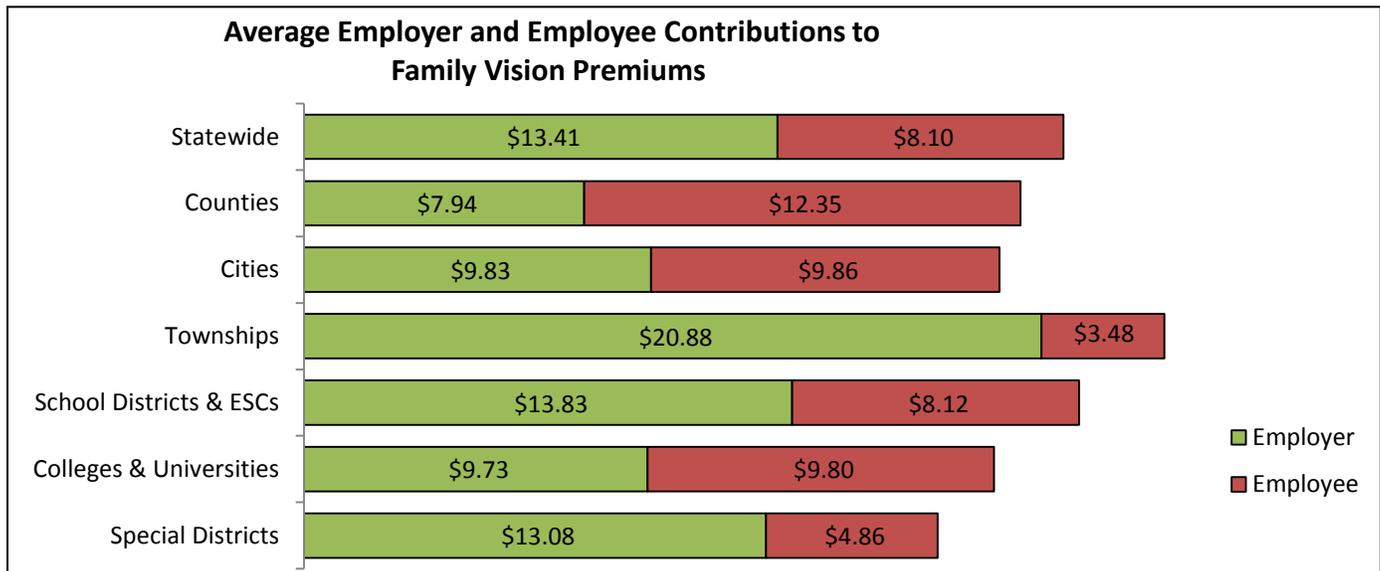
**Table 12**

Annual Dental Maximums					
Comparison Group	\$500-750	\$1,000	\$1,100-1,400	\$1,500	\$1,600-4,000
STATEWIDE	2.4%	32.1%	5.4%	30.9%	29.1%
State of Ohio	-	-	-	100.0%	-
Counties	3.1%	53.1%	7.8%	28.1%	7.8%
Cities	1.5%	48.8%	5.9%	27.1%	16.7%
Townships	-	53.9%	6.9%	29.4%	9.8%
School Districts & ESCs	2.7%	19.8%	4.5%	33.1%	39.9%
Colleges & Universities	6.5%	32.3%	19.4%	22.6%	19.4%
Special Districts	3.8%	55.8%	-	28.8%	11.5%

- ▶ The majority of dental plans statewide have annual maximums between \$1,500 and \$4,000.
- ▶ School Districts & ESCs have a comparatively larger percentage of dental plans that have maximums in the highest category (\$1,600-\$4,000).

## Vision<sup>9</sup>

**Chart 9**



For 2015, single and family vision premiums in Table 18, which is found in the appendix, are divided into tiered plans and composite rates. Chart 9 includes tiered rates for family vision plans.

- ▶ County employees pay the largest portion of family vision insurance, contributing 60.8% of the premium on average.
- ▶ Township employees pay the lowest portion of family vision insurance, contributing 14.3% of the vision premium.

<sup>9</sup> For a detailed breakdown of vision costs, please see Table 18 in the appendix. Vision numbers are for plans that are not included in the medical premiums.

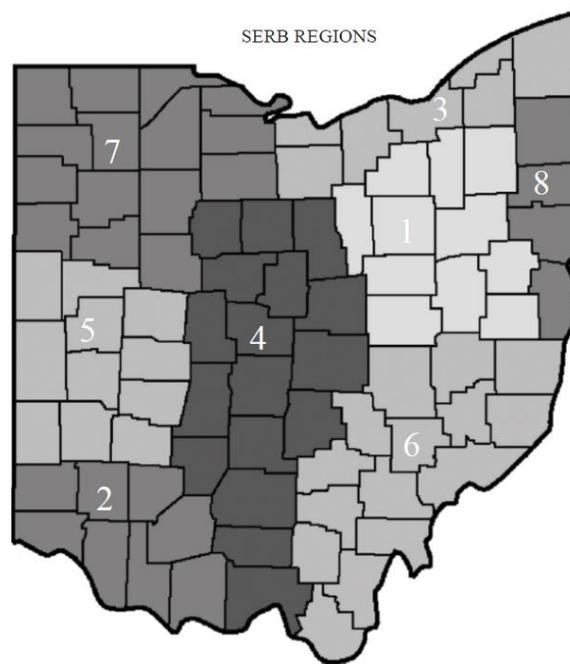
Table 13 provides regional breakdowns of dental and vision composite rates by region.

**Table 13**

<b>Median Dental and Vision Composite Rates by Region</b>		
<b>Region</b>	<b>Dental</b>	<b>Vision</b>
1 - Akron/Canton	\$67.84	\$16.25
2 - Cincinnati	\$80.91	\$14.94
3 - Cleveland	\$72.35	\$14.64
4 - Columbus	\$78.58	\$20.34
5 - Dayton	\$83.40	\$23.77
6 - Southeast Ohio	\$55.83	\$18.02
7 - Toledo	\$80.00	\$17.29
8 - Warren/Youngstown	\$63.12	\$8.03

Note: Amounts extracted from Table 17 and 18 in appendix.

- ▶ A sizable number of jurisdictions have composite rates for dental (n = 214) and vision (n=103) premiums. In these jurisdictions, the premiums for dental or vision coverage are one rate, regardless of whether the employee has single, single + 1, or family coverage.
- ▶ Composite rates typically fall somewhere in between the cost for a single plan and family plan.



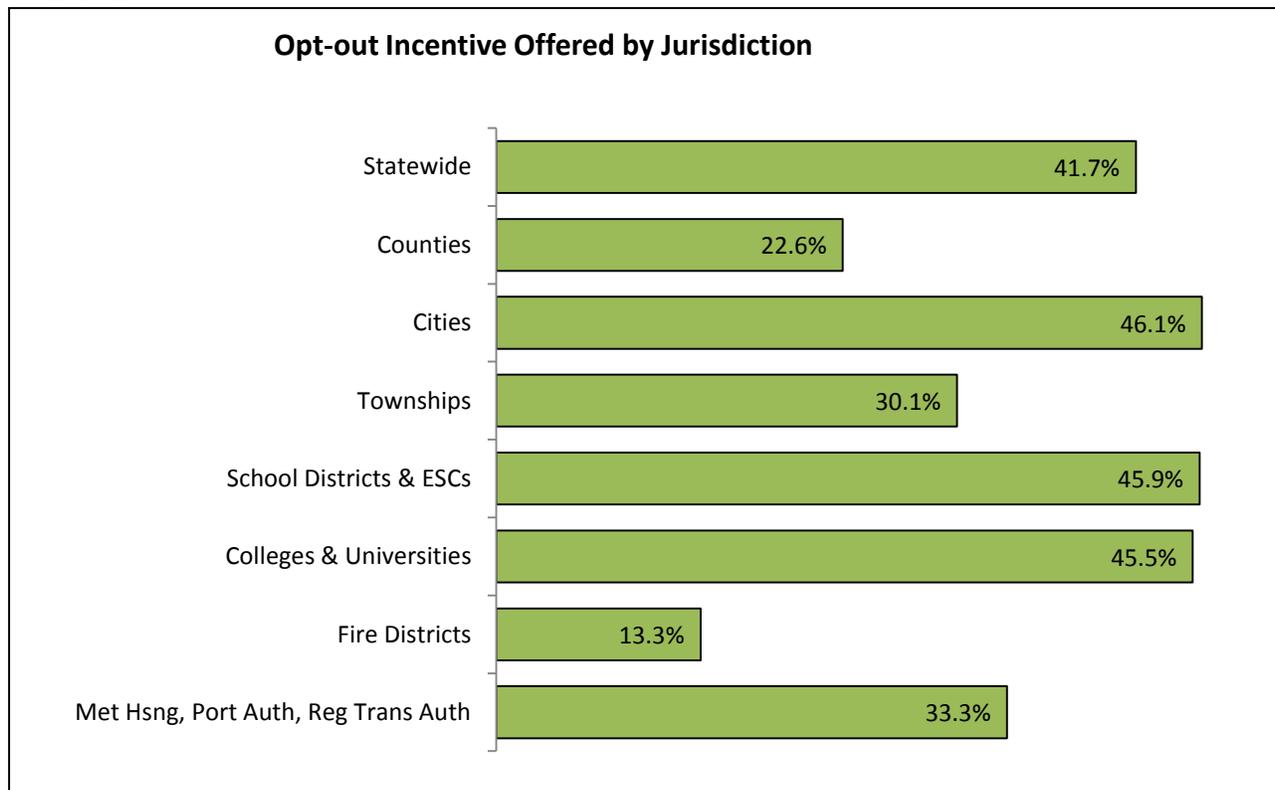
## Methods to Lower Healthcare Costs

Public employers and employees continue to look for ways to lower health insurance costs. The following describe some of the ways jurisdictions are trying to counteract ever-increasing medical premiums.

### Incentive for Opting out of the Medical Plan

- ▶ The average number of jurisdictions statewide offering monetary incentives to employees that waive medical coverage has remained unchanged since last year’s survey.

**Chart 10**



The amount of the incentive may vary depending on whether the person is eligible for single or family coverage. Table 14 illustrates the distribution of average, median, and maximum incentive categories by coverage type.

**Table 14**

<b>Incentive Offered to Employees for Opting Out of Medical Coverage</b>				
<b>Opt-out type</b>	<b>Average Incentive</b>	<b>Median Incentive</b>	<b>Maximum Incentive</b>	<b>Number of Employers</b>
Single	\$1,577	\$1,300	\$10,000	465
Single + 1	\$2,013	\$1,500	\$20,000	175
Single & child	\$2,069	\$1,500	\$20,000	217
Single & spouse	\$2,193	\$1,800	\$20,000	222
Family	\$2,264	\$2,000	\$20,000	497

## Spousal Restrictions

Over forty-one percent<sup>10</sup> of employers who completed the survey report they have some type of spousal stipulation for employees whose spouses have other means of medical coverage. Spousal Restrictions have increased slightly since last year's report. Jurisdictional breakdown is illustrated below in Chart 11.

**Chart 11**

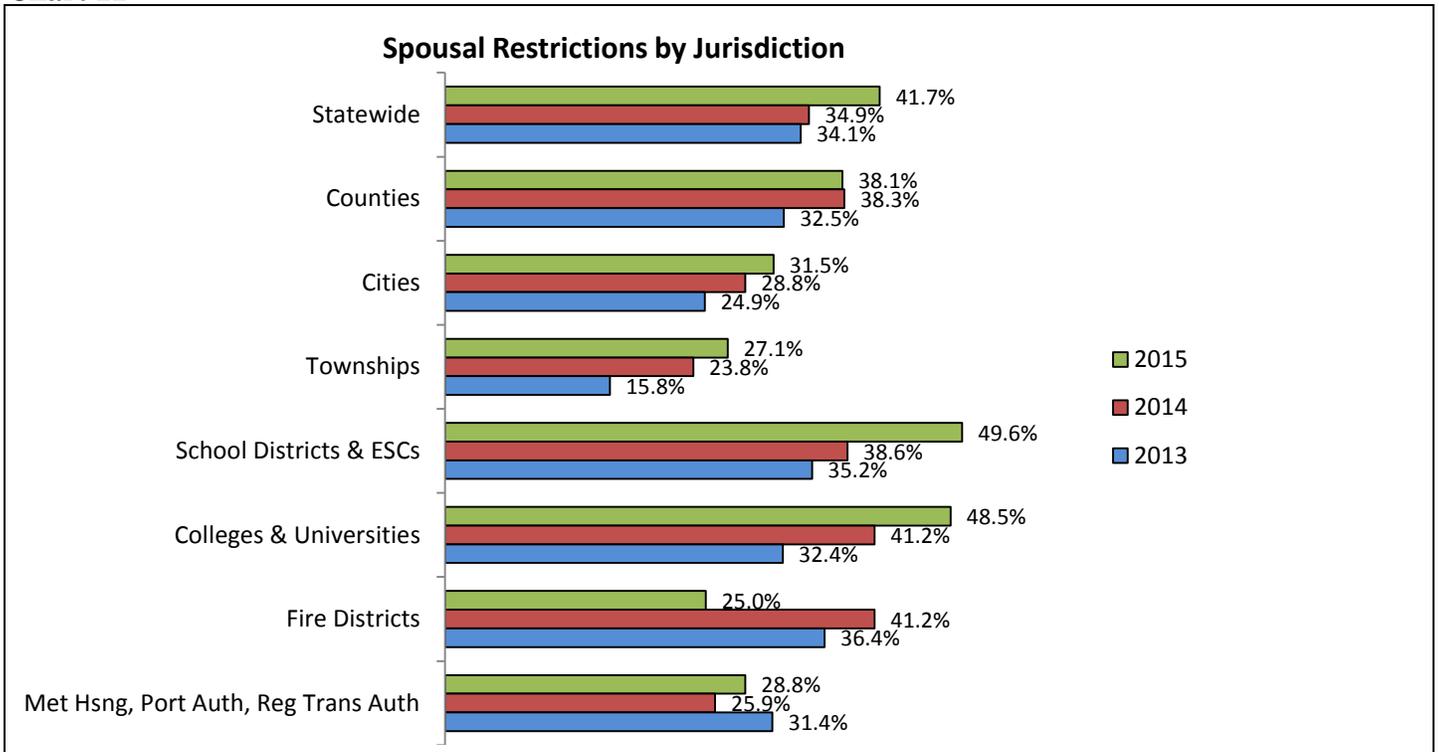
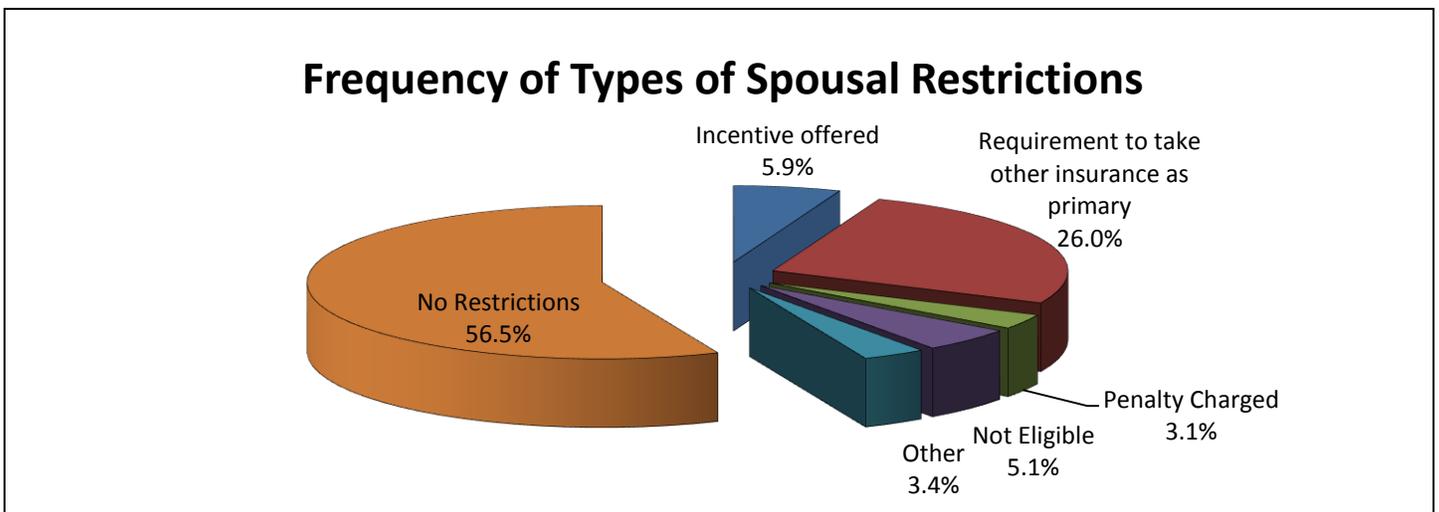


Chart 12 illustrates the frequency of the type of spousal restriction for those jurisdictions that have spousal restrictions.

**Chart 12**



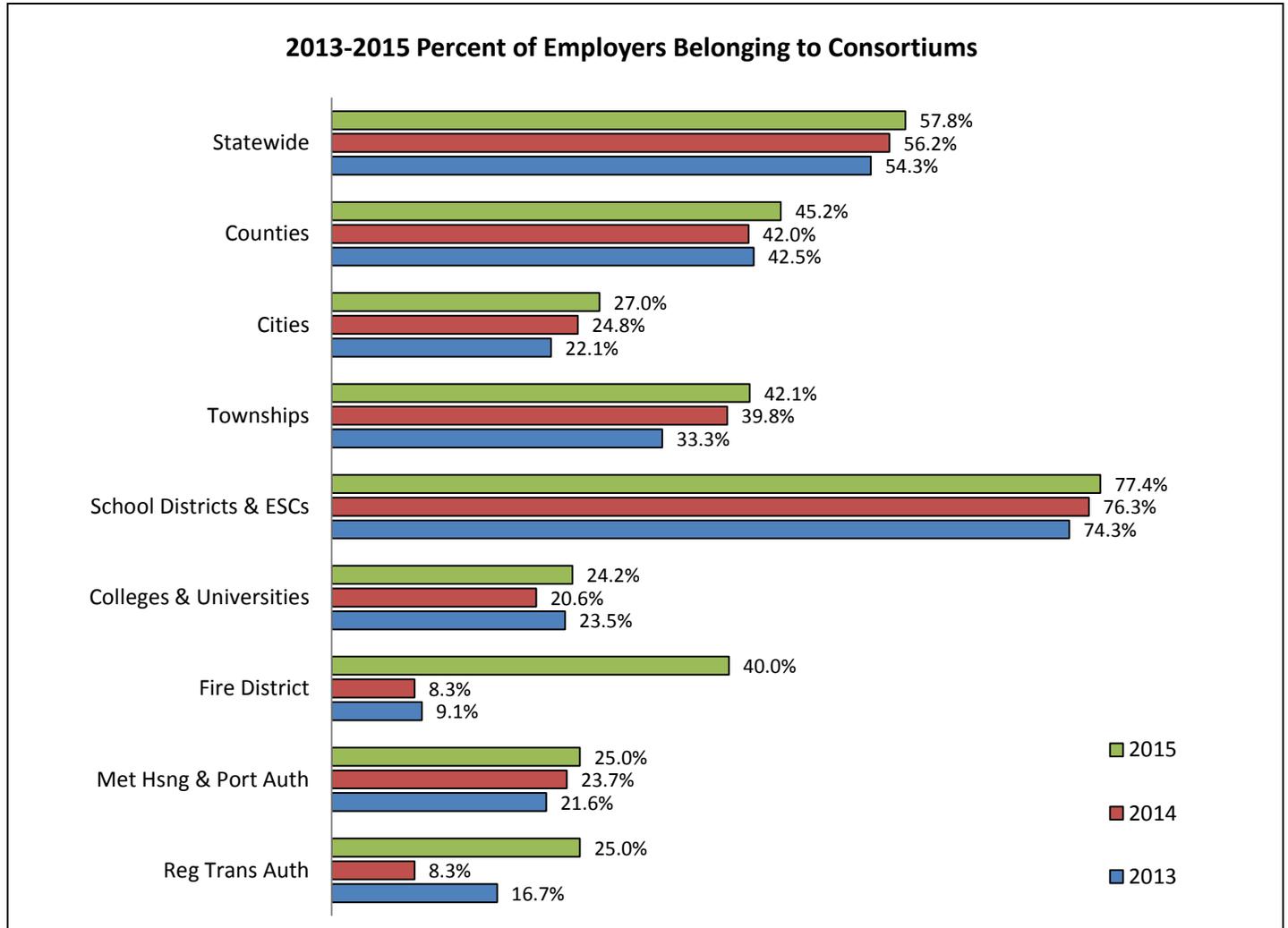
- The majority of jurisdictions that report having spousal restrictions stipulate that if an employee's spouse has medical coverage through their own employer, the spouse must use their employer's insurance as their primary form of coverage.

<sup>10</sup> 529 out of 1,268 employers reported having spousal restrictions.

## Joint Purchasing Arrangements

A joint purchasing arrangement is created when employers join together to purchase health insurance, usually to save money by increasing the risk pool. Chart 13 illustrates the wide jurisdictional variations in joint purchasing membership, comparing the percent of employers indicating they have a joint purchasing arrangement, by jurisdiction.

**Chart 13**



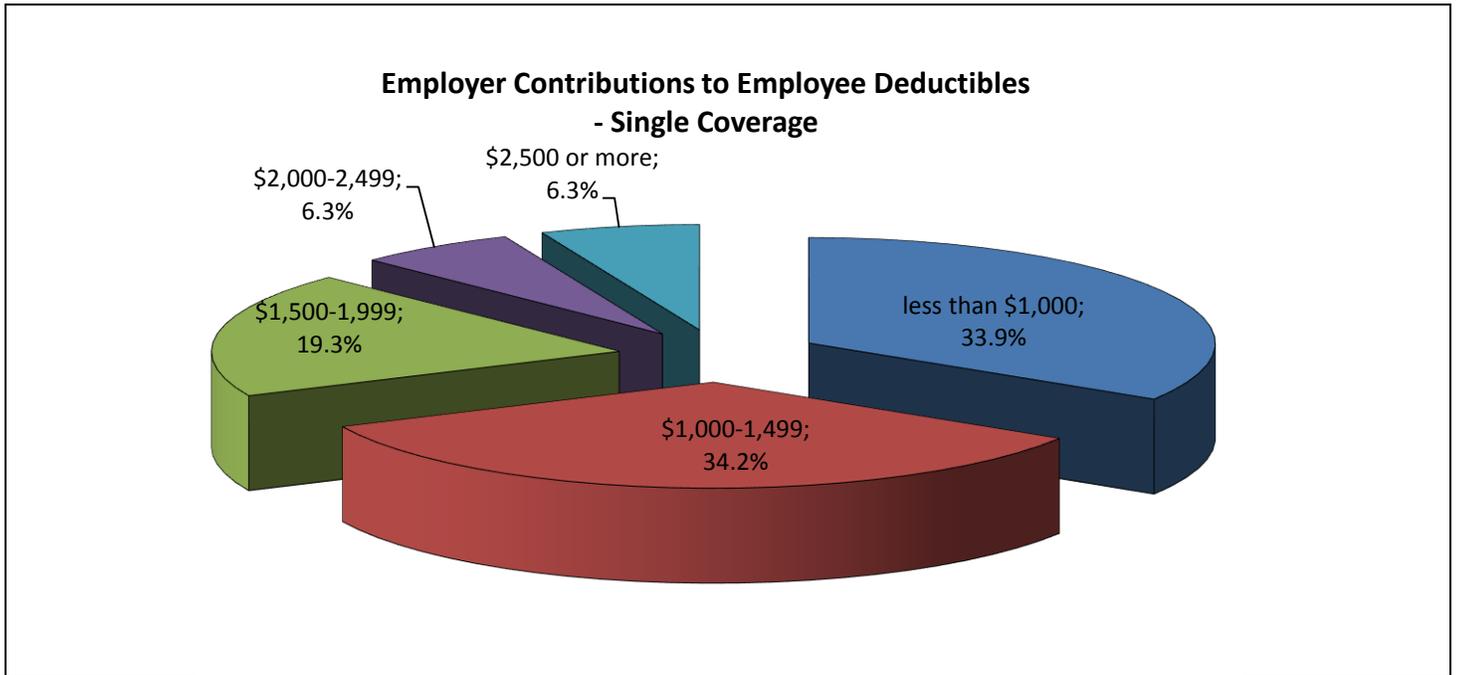
- ▶ Statewide, consortium membership increased by 1.6 percentage points.
- ▶ Fire Districts had the greatest increase in consortium participation. Six out of the fifteen surveys submitted stated that they were a member of a consortium. In 2014, only one out of eleven surveys indicated that they participated in a consortium.
- ▶ School districts continue to have the highest consortia membership. Joint purchasing was part of the School Employees Health Care Board’s “Best Practices,” explaining the much higher frequency of consortium membership for schools and ESCs.

## High Deductible Health Plans

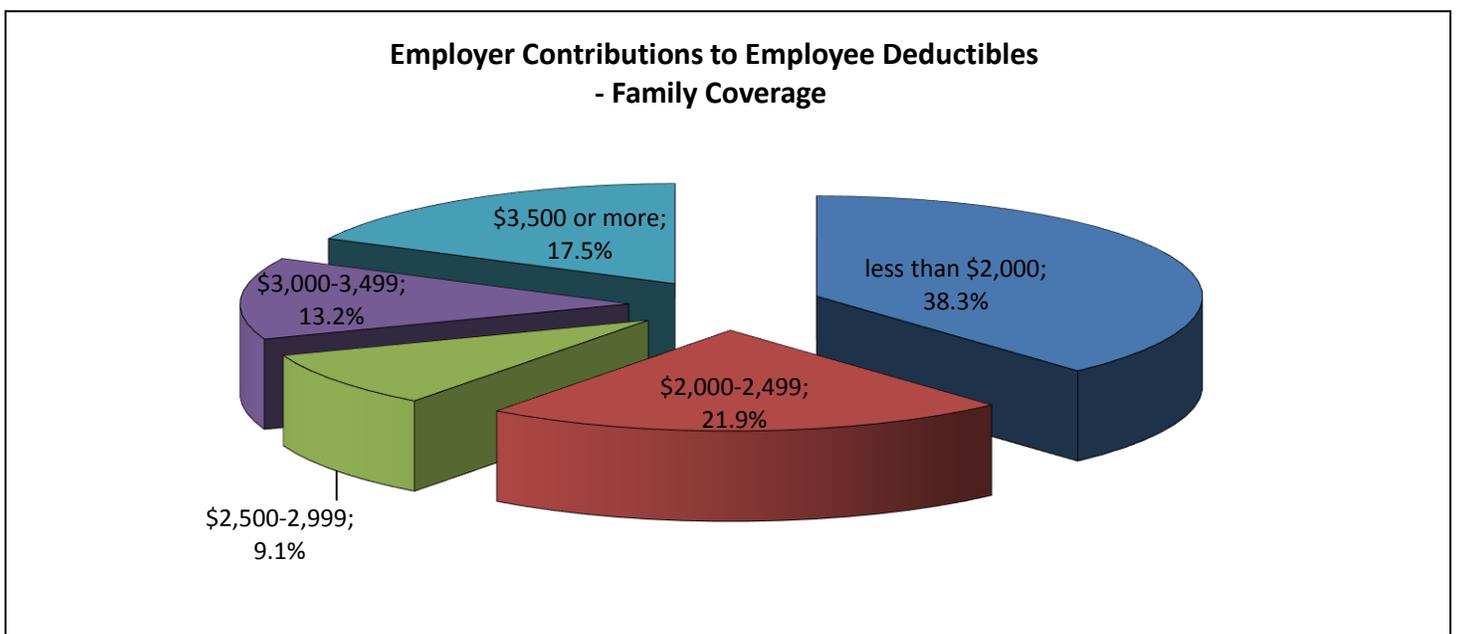
As illustrated in Table 2, High Deductible Health Plans (HDHP) are growing in popularity (30.9% of medical plans) as they feature lower premiums compared to other managed care and traditional indemnity plans.

Many HDHPs are coupled with Health Savings Accounts (HSAs) or Health Reimbursement Arrangements (HRAs) that the employer partially or fully funds. Charts 14 and 15 illustrate employer contributions to employee deductibles for HSA eligible medical plans.

**Chart 14**



**Chart 15**

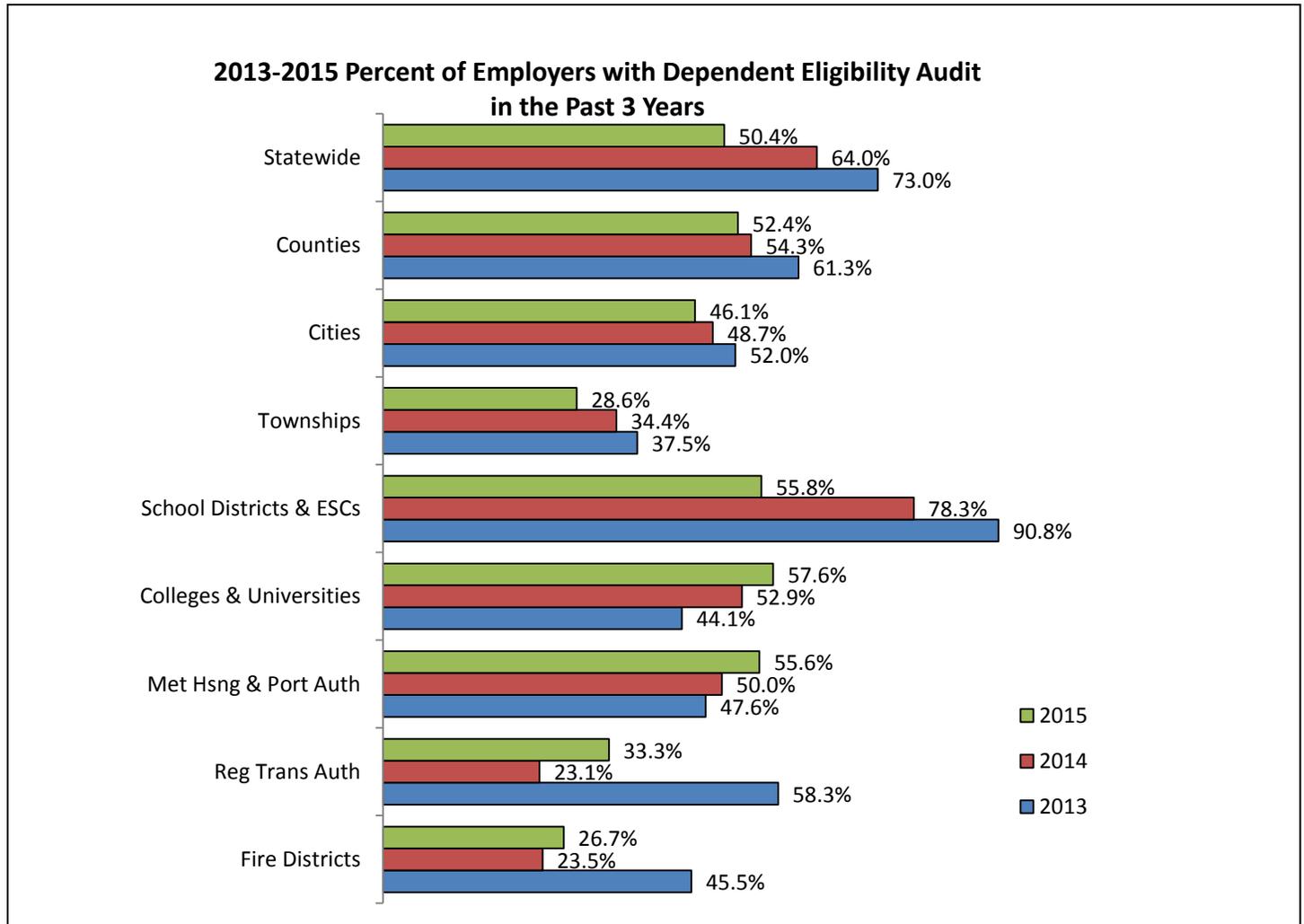


## Dependent Eligibility Audits

Dependent eligibility audits (DEAs) identify individuals who do not qualify to be on the employer’s medical plan. The purpose of a DEA is to identify persons enrolled on the employer’s medical plan who are no longer eligible for coverage. Examples include adult children, who are no longer in school, full-time students older than the maximum age allowed by the plan, ex-spouses, and other relatives not eligible for coverage.

Chart 16 illustrates the number of employers, by jurisdiction, indicating that either they or the medical provider conducted a dependent eligibility audit in the past three years. Comparative data from the last two years’ reports are also presented.

**Chart 16**

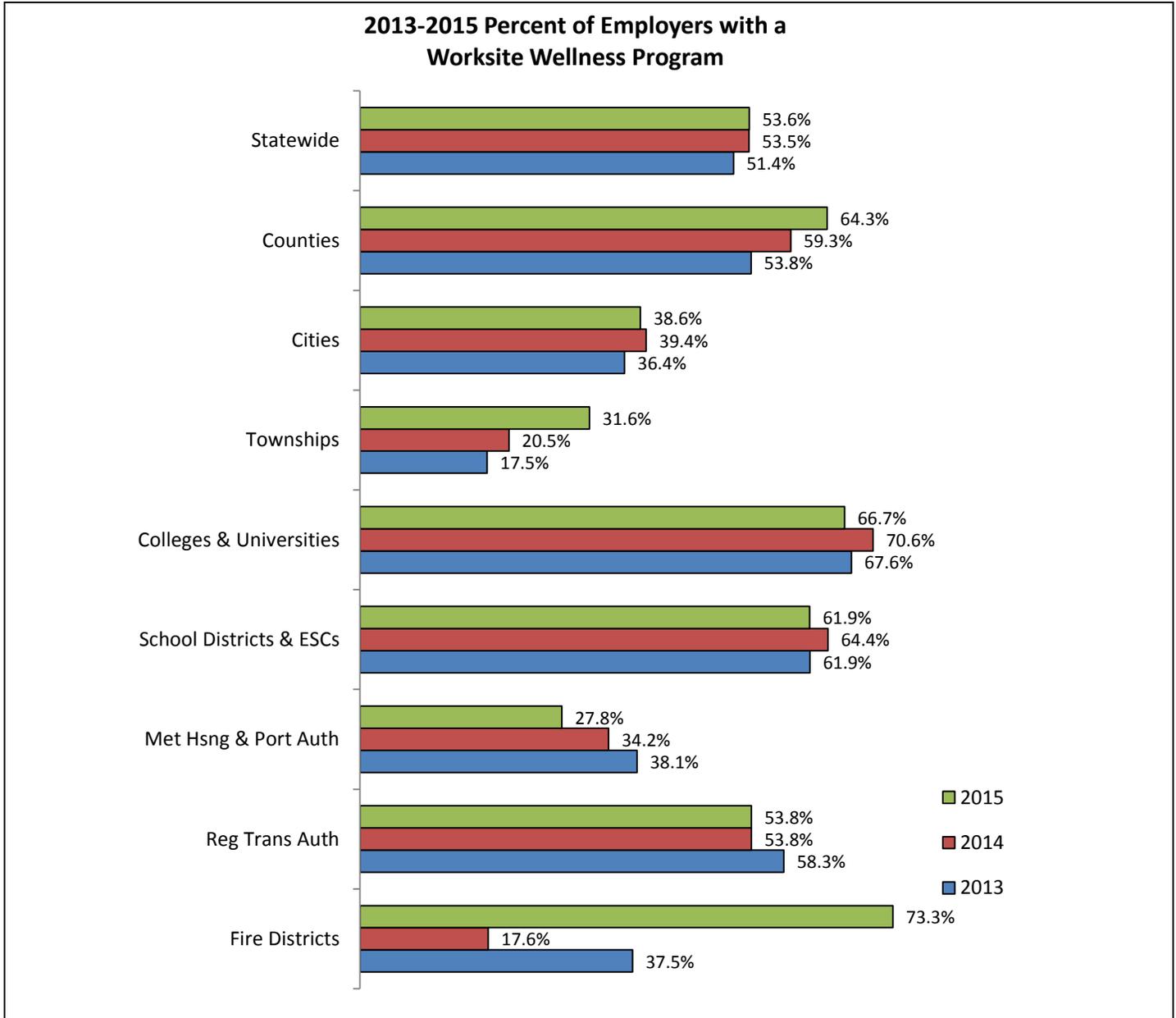


- ▶ Statewide, between 2014 and 2015, the percent of employers reporting that their organization conducted a dependent eligibility audit sometime over the past three years decreased over thirteen percent.
- ▶ School districts and ESCs are most likely to report having conducted a DEA; this is also part of the “Best Practices” adapted by the School Employees Health Care Board. This jurisdiction has reported the greatest decrease in the usage of Dependent Eligibility Audits over the three year period presented.
- ▶ Metro Housing Authorities and Colleges/Universities have shown continued increases in the usage of Dependent Eligibility Audits.

## Worksite Wellness

Worksite wellness programs are at the employer level (rather than included in the medical plan) and include various types of health maintenance programs, from screening programs, to staff dedicated to employee health programs. Further explanation of the components of worksite wellness programs are found in Table 15. Chart 17 illustrates the variability of these offerings by jurisdiction.

**Chart 17**



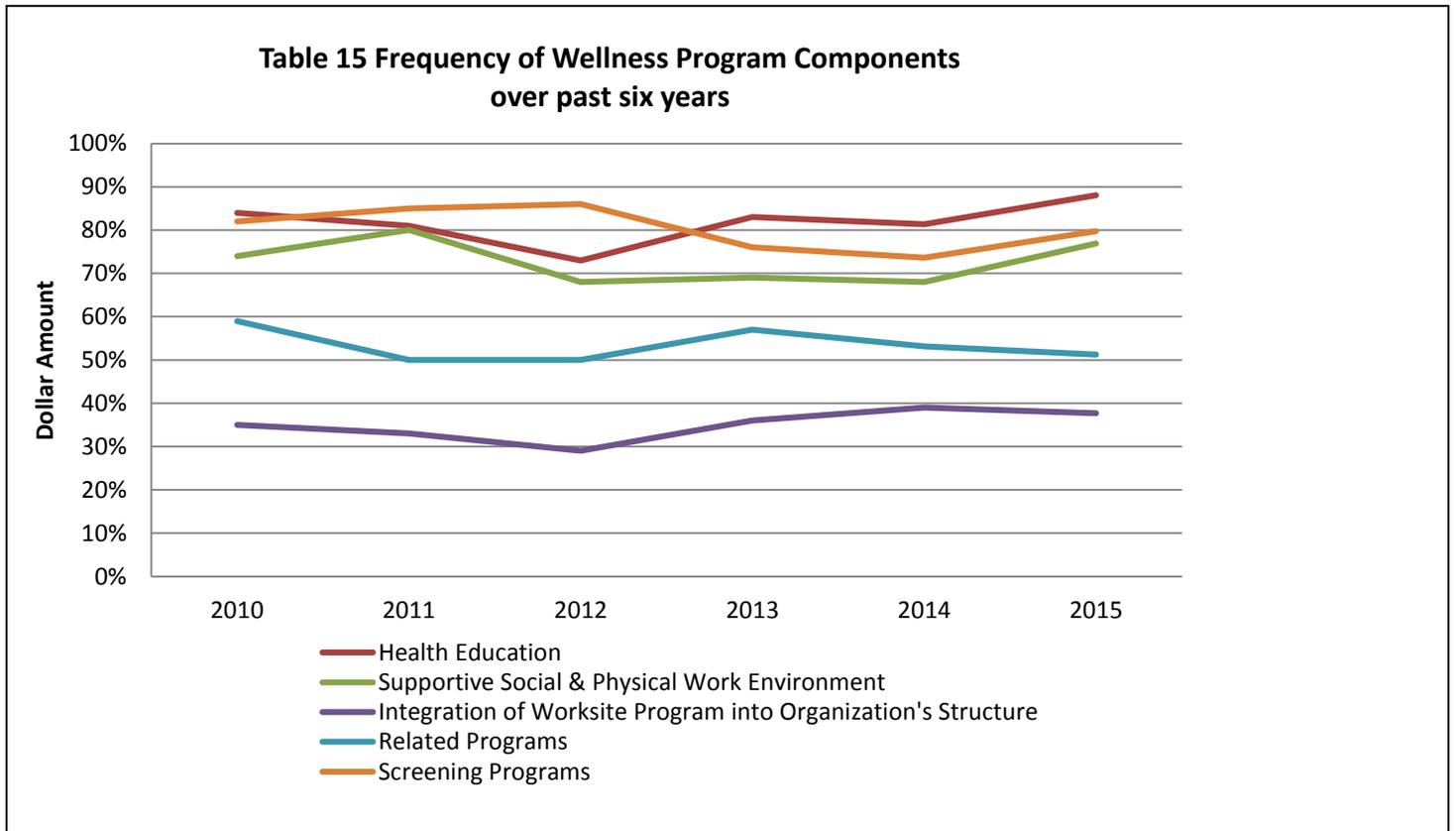
- ▶ More than half (53.6%) of employers responding to the survey report having some type of worksite wellness program, which is a 0.1 percentage point increase since the 2014 report.
- ▶ Colleges/Universities and Fire Districts have the highest frequency of worksite wellness programs.
- ▶ Townships remain as the jurisdiction with the lowest incidence of worksite wellness programs, probably due to their small size. This jurisdiction has reported an increase in wellness program availability over the last three years.

Table 15 breaks down the types of worksite wellness programs utilized when a jurisdiction reports having a worksite wellness program. Employers who answered “yes” to the question of whether they had a worksite wellness program were then presented with a set of questions asking about which components of a wellness plan they have.

**Table 15**

Frequency of Wellness Program Components				
Program Component	Examples	Percent		
		2013	2014	2015
Health Education	Education or counseling opportunities relative to physical activity, workplace injury prevention	83%	81%	88%
Supportive Social & Physical Work Environment	Policies against tobacco use, classes or counseling on nutrition or fitness	69%	68%	77%
Integration of Worksite Program into Organization's Structure	Dedicated staff, office, or budget	36%	39%	38%
Related Programs	Employee assistance, work/family, occupational safety and health programs, etc.	57%	53%	51%
Screening Programs	Blood pressure, blood cholesterol screening programs	76%	74%	80%

**Chart 18**



## APPENDIX

Table 16.1 contains the average employee contributions to single and family premiums, when such a contribution is required. Plans where employees pay \$0 toward the medical premium are excluded when calculating this average.

**Table 16.1**

<b>Average Monthly Employee Contributions to Medical Premiums When a Contribution is Required</b>							
<b>Comparison Group</b>	<b>Single</b>			<b>Family</b>			
	<b>Dollar Amount</b>	<b>% of Premium</b>	<b># of plans</b>	<b>Dollar Amount</b>	<b>% of Premium</b>	<b># of plans</b>	
STATEWIDE	\$76	13.4%	1,651	\$209	14.0%	1,681	
State of Ohio	\$77	15.1%	1	\$223	15.8%	1	
Counties	\$80	13.6%	140	\$232	14.5%	140	
Less than 50,000	\$86	14.5%	53	\$271	16.6%	54	
50,000 - 149,999	\$80	13.4%	55	\$216	13.5%	54	
150,000 or more	\$69	12.3%	32	\$196	12.5%	32	
Cities	\$71	12.9%	301	\$191	12.9%	307	
Less than 25,000	\$69	12.8%	215	\$193	13.3%	219	
25,000 - 99,999	\$79	13.6%	75	\$191	12.3%	77	
100,000 or more	\$55	9.6%	11	\$135	8.9%	11	
Townships	\$49	10.2%	73	\$144	9.8%	82	
Less than 10,000	\$49	10.3%	31	\$144	9.3%	38	
10,000 - 29,999	\$47	9.1%	33	\$132	8.8%	35	
30,000 or more	\$59	13.9%	9	\$196	15.2%	9	
School Districts†	\$77	13.4%	933	\$209	14.2%	945	
Less than 1,000	\$67	12.2%	231	\$183	13.1%	235	
1,000 - 2,499	\$81	13.8%	401	\$220	14.5%	404	
2,500 - 9,999	\$79	13.9%	271	\$211	14.7%	276	
10,000 or more	\$74	12.6%	30	\$240	15.2%	30	
Colleges & Universities	\$86	15.0%	64	\$248	16.2%	65	
Fire Districts	\$51	12.9%	7	\$157	12.0%	7	
Metro Housing & Port Auth. & Regional Transit Authorities	\$91	14.8%	55	\$259	15.5%	56	
REGION							
1 - Akron/Canton	\$61	11.8%	216	\$153	11.7%	217	
2 - Cincinnati	\$81	15.0%	195	\$236	16.1%	198	
3 - Cleveland	\$69	12.1%	269	\$175	12.0%	271	
4 - Columbus	\$87	14.2%	279	\$257	15.9%	279	
5 - Dayton	\$86	15.7%	222	\$233	15.8%	227	
6 - Southeast Ohio	\$79	12.7%	135	\$227	14.4%	143	
7 - Toledo	\$79	13.8%	227	\$224	14.7%	235	
8 - Warren/Youngstown	\$55	9.8%	108	\$134	9.4%	111	
EMPLOYEES COVERED							
1 - 49	\$71	12.5%	247	\$206	13.1%	260	
50 - 99	\$68	12.5%	274	\$189	13.1%	277	
100 - 149	\$77	13.4%	339	\$212	14.3%	343	
150 - 249	\$80	13.8%	304	\$214	14.6%	309	
250 - 499	\$79	13.6%	284	\$215	14.2%	288	
500 - 999	\$85	15.1%	105	\$217	14.9%	106	
1,000 or more	\$78	14.0%	98	\$228	14.7%	98	

† ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.

Note: Excludes plans where employee contribution is zero.

Table 16.2 contains the average employer contributions to single and family premiums. Plans where the employer pays 100% and the employee pays 0% are included in this average.

**Table 16.2**

<b>Average Employer Contributions to Medical/Prescription Premiums</b>						
<b>Comparison Group</b>	<b>Average Monthly Employer Contributions to Medical Premiums</b>				<b>Percent of Premium Paid By Employer</b>	
	<b>Single</b>	<b># of plans</b>	<b>Family</b>	<b># of plans</b>	<b>Single</b>	<b>Family</b>
STATEWIDE	\$502	1,691	\$1,306	1,694	88.0%	87.7%
State of Ohio	\$433	1	\$1,190	1	84.9%	84.2%
Counties	\$509	135	\$1,381	133	86.7%	86.0%
Less than 50,000	\$515	55	\$1,388	54	86.0%	84.7%
50,000 - 149,999	\$509	49	\$1,403	48	86.4%	86.2%
150,000 or more	\$497	31	\$1,336	31	88.5%	88.1%
Cities	\$504	332	\$1,353	332	88.8%	88.8%
Less than 25,000	\$501	245	\$1,347	245	89.2%	88.8%
25,000 - 99,999	\$506	78	\$1,352	78	87.1%	88.3%
100,000 or more	\$575	9	\$1,529	9	91.0%	91.5%
Townships	\$511	125	\$1,381	130	94.2%	94.0%
Less than 10,000	\$598	66	\$1,414	70	95.3%	95.1%
10,000 - 29,999	\$479	46	\$1,391	47	93.8%	93.7%
30,000 or more	\$416	13	\$1,163	13	90.4%	89.5%
School Districts†	\$495	888	\$1,263	887	87.3%	87.1%
Less than 1,000	\$476	233	\$1,234	233	88.9%	90.7%
1,000 - 2,499	\$511	371	\$1,295	370	86.8%	85.8%
2,500 - 9,999	\$486	258	\$1,231	258	86.7%	85.9%
10,000 or more	\$536	26	\$1,372	26	87.3%	84.1%
Colleges & Universities	\$516	66	\$1,320	66	86.2%	84.8%
Fire Districts	\$415	13	\$1,280	14	93.8%	94.0%
Metro Housing Authorities	\$567	43	\$1,446	43	89.0%	85.7%
Port Authorities	\$466	3	\$1,379	3	86.7%	86.7%
Regional Transit Authorities	\$576	18	\$1,467	18	90.0%	90.3%
† ESCs are not included in this category because they do not have a population size. They are included in the statewide total. Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan. Note: Includes plans where prescription is included in medical. Note: Excluded plans that have one rate.						

Tables 17 and 18 give the premium amount as well as employee and employer contributions for dental and vision coverage, respectively. Amounts for single and family coverage are given. Employee and employer contribution calculations only include plans where employees contribute to the premium. The total premium will not be the additive factor of the employee plus employer contributions.

**Table 17**

<b>Dental Premiums - Median Total Premium and Employee and Employer Share</b>										
<b>Comparison Group</b>	<b>Single</b>				<b>Family</b>				<b>Dental Composite Rate</b>	
	<b>Total Single Premium</b>	<b>Employee Share</b>	<b>Employer Share</b>	<b># of plans</b>	<b>Total Premium</b>	<b>Employee Share</b>	<b>Employer Share</b>	<b># of plans</b>	<b>Rate</b>	<b># of plans</b>
STATEWIDE	\$31.76	\$5.17	\$29.14	790	\$88.18	\$15.25	\$79.39	797	\$78.68	214
State of Ohio	\$34.23	-	\$34.23	1	\$99.19	-	\$99.19	1	-	-
Counties	\$27.62	\$13.57	\$22.43	51	\$83.81	\$49.75	\$61.65	51	-	-
Cities	\$28.05	\$4.39	\$26.27	126	\$86.02	\$15.18	\$75.09	128	\$67.00	25
Townships	\$27.30	\$3.49	\$26.48	82	\$92.98	\$12.39	\$88.54	84	\$84.24	5
School Districts & ESCs	\$34.75	\$5.18	\$31.36	461	\$88.96	\$14.00	\$79.96	464	\$78.88	181
Colleges & Universities	\$29.62	\$6.06	\$23.85	29	\$87.98	\$24.34	\$72.20	29	\$69.83	2
Special Districts	\$26.40	\$5.75	\$25.07	40	\$90.90	\$22.17	\$80.92	40	\$34.00	1
REGION										
1 - Akron/Canton	\$39.72	\$6.58	\$37.89	129	\$108.58	\$16.23	\$101.36	133	\$67.84	10
2 - Cincinnati	\$31.10	\$4.80	\$29.14	95	\$91.63	\$15.32	\$83.56	96	\$80.91	33
3 - Cleveland	\$31.29	\$4.66	\$28.46	122	\$86.96	\$13.02	\$80.25	124	\$72.35	21
4 - Columbus	\$33.16	\$6.88	\$30.53	129	\$94.97	\$19.94	\$76.41	128	\$78.58	51
5 - Dayton	\$29.19	\$5.26	\$25.69	123	\$81.71	\$15.67	\$71.06	121	\$83.40	11
6 - Southeast Ohio	\$26.91	\$3.50	\$24.67	56	\$73.68	\$12.97	\$65.63	55	\$55.83	23
7 - Toledo	\$32.16	\$6.40	\$28.42	73	\$97.00	\$18.64	\$83.91	75	\$80.00	55
8 - Warren/Youngstown	\$32.03	\$3.53	\$29.97	63	\$84.93	\$8.49	\$76.44	65	\$63.12	10
EMPLOYEES COVERED										
1 - 49	\$28.00	\$7.19	\$26.50	153	\$87.99	\$24.67	\$82.62	156	\$78.92	12
50 - 99	\$30.21	\$4.81	\$28.94	131	\$85.55	\$14.32	\$81.21	131	\$74.72	42
100 - 149	\$32.00	\$5.00	\$28.75	150	\$85.68	\$14.61	\$76.60	149	\$78.88	55
150 - 249	\$32.96	\$5.25	\$31.18	132	\$88.64	\$16.18	\$78.82	134	\$78.88	58
250 - 499	\$34.60	\$6.00	\$30.97	139	\$90.76	\$15.71	\$80.66	141	\$78.88	27
500 - 999	\$34.32	\$5.11	\$31.41	49	\$91.51	\$13.36	\$83.98	49	\$80.91	14
1,000 or more	\$32.90	\$4.97	\$30.04	36	\$94.75	\$16.40	\$79.51	37	\$76.14	6
Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.										
Note: Includes all plans where dental is included in medical.										
Note: Dental plans with composite rate are only shown in last column.										

**Table 18**

<b>Vision Premiums - Median Total Premium and Employee and Employer Share</b>										
<b>Comparison Group</b>	<b>Single</b>				<b>Family</b>				<b>Vision Composite Rate</b>	
	<b>Total Premium</b>	<b>Employee Share</b>	<b>Employer Share</b>	<b># of plans</b>	<b>Total Premium</b>	<b>Employee Share</b>	<b>Employer Share</b>	<b># of plans</b>	<b>Rate</b>	<b># of plans</b>
STATEWIDE	\$8.04	\$2.70	\$7.02	636	\$19.71	\$8.28	\$16.82	634	\$18.02	103
State of Ohio	\$10.04	-	\$10.04	1	\$27.61	-	\$27.61	1	-	-
Counties	\$6.96	\$5.76	\$6.50	36	\$18.38	\$14.47	\$14.14	36	-	-
Cities	\$7.22	\$5.98	\$5.69	84	\$18.51	\$16.40	\$15.83	84	\$16.25	23
Townships	\$8.10	\$1.18	\$7.99	54	\$22.85	\$3.70	\$19.73	55	\$23.00	19
School Districts & ESCs	\$8.50	\$2.09	\$7.25	410	\$20.21	\$5.66	\$16.64	407	\$15.41	54
Colleges & Universities	\$6.70	\$1.18	\$5.38	23	\$17.59	\$9.92	\$13.05	23	\$18.14	2
Special Districts	\$6.04	\$3.74	\$5.63	28	\$17.54	\$10.81	\$17.05	28	\$23.40	5
<b>REGION</b>										
1 - Akron/Canton	\$9.51	\$1.67	\$8.66	74	\$24.62	\$4.66	\$21.26	76	\$16.25	9
2 - Cincinnati	\$7.25	\$6.08	\$5.55	83	\$17.60	\$15.07	\$15.44	82	\$14.94	11
3 - Cleveland	\$7.00	\$1.04	\$6.31	95	\$16.30	\$3.15	\$14.02	95	\$14.64	12
4 - Columbus	\$8.75	\$5.57	\$7.85	123	\$21.77	\$14.78	\$18.02	121	\$20.34	37
5 - Dayton	\$7.25	\$5.50	\$6.52	77	\$19.11	\$13.52	\$16.90	76	\$23.77	9
6 - Southeast Ohio	\$8.44	\$1.10	\$7.62	57	\$19.33	\$5.00	\$14.97	55	\$18.02	13
7 - Toledo	\$8.86	\$1.44	\$7.49	82	\$20.80	\$4.34	\$16.98	83	\$17.29	5
8 - Warren/Youngstown	\$6.46	\$0.75	\$5.88	45	\$17.55	\$2.20	\$15.91	46	\$8.03	7
<b>EMPLOYEES COVERED</b>										
1 - 49	\$8.33	\$3.74	\$7.85	116	\$21.50	\$11.29	\$19.11	116	\$21.17	22
50 - 99	\$8.52	\$1.86	\$7.25	98	\$20.80	\$4.24	\$17.07	97	\$18.23	21
100 - 149	\$8.50	\$2.02	\$7.52	118	\$18.56	\$5.00	\$16.88	118	\$17.66	28
150 - 249	\$8.19	\$2.16	\$6.82	126	\$18.83	\$7.17	\$15.48	126	\$16.56	16
250 - 499	\$7.39	\$3.82	\$6.52	109	\$19.26	\$11.38	\$14.68	108	\$12.01	9
500 - 999	\$6.70	\$6.00	\$5.54	38	\$16.71	\$15.06	\$12.89	37	\$9.82	4
1,000 or more	\$7.40	\$2.06	\$5.38	31	\$19.90	\$8.05	\$13.67	32	\$8.07	3

Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.  
 Note: Includes all plans where vision is included in medical.  
 Note: Vision plans with composite rate are only shown in last column.

## DEFINITIONS AND CLARIFICATIONS

- Under Jurisdiction, reporting “Special Districts” include: housing authorities, port authorities, regional transit authorities, and regional fire districts. These jurisdictions are often merged due to the relatively low numbers in each.
- Each Region consists of several geographically proximate counties. The groupings, which were originally developed by SERB’s Bureau of Mediation for the purpose of developing fact-finding and conciliation panels, are as follows:
  - 1 - Akron/Canton: Ashland, Carroll, Coshocton, Harrison, Holmes, Medina, Portage, Stark, Summit, Tuscarawas & Wayne.
  - 2 – Cincinnati: Adams, Brown, Butler, Clermont, Clinton, Hamilton, Highland & Warren.
  - 3 – Cleveland: Ashtabula, Cuyahoga, Erie, Geauga, Huron, Lake, & Lorain.
  - 4 – Columbus: Crawford, Delaware, Fairfield, Fayette, Franklin, Knox, Licking, Madison, Marion, Morrow, Pickaway, Pike, Richland, Ross, Scioto, Union, & Wyandot.
  - 5 – Dayton: Auglaize, Champaign, Clark, Darke, Greene, Logan, Mercer, Miami, Montgomery, Preble, & Shelby.
  - 6 - Southeast Ohio: Athens, Belmont, Gallia, Guernsey, Hocking, Jackson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Vinton, & Washington.
  - 7 – Toledo: Allen, Defiance, Fulton, Hancock, Hardin, Henry, Lucas, Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, & Wood.
  - 8 – Warren-Youngstown: Columbiana, Jefferson, Mahoning, & Trumbull.
- **Employees Covered** refers to the total number of employees covered under each employer health plan. For instance, an employer who offers two health plans with one plan covering 600 employees and the other plan covering 1,200 will have the former placed in the population category “500 to 999” covered employees and the latter placed in the population category “1,000 or more” covered employees.
- **Base Medical & Major Medical Plan (BMM):** “A traditional fee for service plan which covers 100% of certain basic healthcare services such as hospital, surgical and physician services up to established limits. Thereafter, the major medical portion of the plan goes into effect for those items or for benefits not covered under the base plan. Deductibles, co-insurance and co-payments typically apply only to the major medical portion of the plan.” (The Ohio Public Sector Labor-Management Health Care Benefits Committee. <http://www.healthlmc.org/rc/glossary.html#h>. Retrieved on 10 June 2009)
- **Comprehensive Major Medical Plan (CMM):** “A type of traditional plan where all benefits are subject to deductibles and co-payments.” (The Ohio Public Sector Labor-Management Health Care Benefits Committee. <http://www.healthlmc.org/rc/glossary.html#h>. Retrieved on 10 June 2009)
- **Preferred Provider Organization (PPO):** “A Preferred Provider Organization (PPO) is a healthcare delivery system where providers contract with the PPO at various reimbursement levels in return for patient steerage into their practices and/or timely payment. PPOs differ from other healthcare delivery systems in the way they are financed, including providing more choice, benefit flexibility and enrollee access to providers and medical services both in and out-of-network.” (American Association of Preferred Provider Organizations. <http://aappo.org/>. Retrieved on 6 February 2008)

- **Exclusive Provider Organization (EPO):** “An Exclusive Provider Organization (EPO) Plan is a managed care plan where services are covered only if you go to doctors, specialists, or hospitals in the plan’s network (except in an emergency). (Health Insurance Marketplace <https://www.healthcare.gov/glossary/exclusive-provider-organization-EPO-plan> Retrieved on 23 June 2015)
- **Health Maintenance Organization (HMO):** “An HMO is a type of health plan that often has lower monthly premiums and out-of-pocket costs, like copayments and deductibles. HMOs only cover healthcare services given by doctors and hospitals in the plan’s provider network. Not all HMO plans are the same. Some HMOs may have a smaller network and lower monthly premiums than other HMOs.” (National Center for Health Statistics, Center for Disease Control. <http://www.cdc.gov/nchs/datawh/nchsdefs/hmo.htm>. Retrieved on 6 February 2008)
- **Point of Service (POS):** “A point-of-service plan (POS) is a type of managed care plan that is a hybrid of HMO and PPO plans. Like an HMO, participants designate an in-network physician to be their primary care provider. But like a PPO, patients may go outside of the provider network for healthcare services. When patients venture out of the network, they’ll have to pay most of the cost, unless the primary care provider has made a referral to the out-of-network provider. Then the medical plan will pick up the tab.” (California Healthcare Foundation. <http://www.healthcoverageguide.org/ReferenceGuide/Coverage-Types/Point-of-Service-Plan-POS.aspx>. Retrieved on 6 February 2008)
- **Consumer-Driven Health Plan (CDHP):** Also sometimes referred to as High Deductible Health Plans (HDHPs). These are health plans with high deductibles (\$1250 for single coverage and \$2500 for family coverage) that are coupled with a tax-deferred medical care savings account. Enrollees in a CDHP may use this account to pay for any qualified medical expenses before their deductible is reached and any other out-of-pocket expenses. (U.S. Office of Personnel Management. <http://www.opm.gov/insure/health/hsa/hsa.asp> Retrieved 13 May 2009; Kaiser Family Foundation. “National Survey of Enrollees in Consumer Directed Health Plans” <http://www.kff.org/kaiserpolls/upload/7594.pdf> Retrieved on 10 February 2008)
- **Health Savings Account (HSA):** “Health Savings Accounts are tax-advantaged personal savings accounts used in conjunction with a qualified high-deductible health plan (HDHPs) to help pay for unreimbursed medical expenses. Contributions to HSAs may be received from employers, individuals or any combination of both. Employer contributions are excludable from income and individual contributions are deductible, regardless of whether or not a taxpayer itemizes deductions. Annual contributions are limited to a statutory level and out-of-pocket maximums are limited, but individuals age 55 and over with accounts can make additional contributions. HSAs are portable and funds carry over to subsequent years.” (National Association of Health Underwriters. <http://www.nahu.org/legislative/MSAs/HSAs-HSSAs/index.cfm> Retrieved 13 May 2009)
- **Health Reimbursement Account (HRA):** Like an HSA, an HRA is a tax-advantaged personal savings account where monies can be used to pay for medical expenses prior to the deductible being met and for any other out-of-pocket medical expenses. Unlike HSAs, an employee does not have to be enrolled in a CDHP/HDHP to qualify for an HRA, though they typically are. HRAs can only be funded by the employer, and they are not portable should the employee change health plans and/or employers. (Internal Revenue Service. “Health Savings Accounts and Other Tax-Favored Health Plans.” <http://www.irs.ustreas.gov/pub/irs-pdf/p969.pdf> Retrieved 13 May 2009)

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## END NOTES

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<sup>i</sup> For the two employers that we could not locate email addresses for, letters with links to the survey website were sent via postal mail.

<sup>ii</sup> The sample size needed to estimate  $p$  with a bound on error  $B$  was estimated using equation 3: ( $N$ = total number of surveys sent).

$$n = \frac{Npq}{(N-1)D + pq} \quad N=1322, p=.5, B=.05$$

$$\text{where } q = 1 - p \text{ and } D = \frac{B^2}{4}$$

The bound ( $B$ ) utilized was .05, while  $p$  was replaced with the most conservative estimate, .5. Solving for  $n$  results in a necessary sample size of 307. Sample sizes necessary for individual entities (i.e. cities, school districts) are available upon request.

<sup>iii</sup> Information on single + one, single & spouse and single & child coverage is available upon request.

<sup>iv</sup> In 90.4% of medical plans reported, prescription drug coverage is included in the medical premium cost.

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