

**TRANSAMERICA CENTER**  
FOR HEALTH STUDIES<sup>SM</sup>

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**Majority of Workers Don't Have What They Need to Make Informed Health Coverage Decisions**  
*New Benchmark Offers Insights into Attitudes and Actions of Employers, Workers Regarding Health Care Coverage*

**Los Angeles, CA, September 19, 2013** – With a landmark component of the Affordable Care Act (ACA) implementation just days away, many workers and employers do not yet have the information needed as they navigate the personal and financial implications of the law: only 13 percent of workers and 25 percent of employers feel *very informed* about ACA. This insight is one of many from the inaugural study conducted by the newly launched [Transamerica Center for Health Studies<sup>SM</sup>](#) (TCHS).

The [First Annual Transamerica Center for Health Studies Survey: Benchmark on Health Care Coverage Perceptions and Readiness](#) is one of the most comprehensive examinations to date of both employers and workers as they face a shifting health care coverage landscape.

In the survey, workers clearly identified the information they need to feel better informed about their health care coverage options, including: **description of the available benefits, a comparison of how the cost of health insurance may change, and a comparison of coverage among the available plans. When asked what they provided to workers, only 12 percent of employers reported providing all three pieces of information.** About half of employers provide a description of benefits, 30 percent provide either a comparison of coverage options, and 24 percent provide a comparison of cost.

“Health care is about individuals—the lives and livelihoods of people, families and businesses,” said Hector De La Torre, executive director of TCHS. “The notable differences in perceptions between employers and workers may lead to misinformed decision-making. These health care decisions can impact a worker’s individual health, loved ones’ health and even the household bottom line. We need to make sure workers and employers alike have access to reliable, unbiased information about health coverage.”

The study provides additional insights into worker and employer perceptions – which are often misaligned – and actions, including:

- **Employers and workers face directly conflicting interests regarding health insurance coverage: Employers prioritize lower costs over higher quality, while workers prioritize higher quality over lower cost.** 62 percent of workers said “I would prefer to pay more for a higher quality insurance option”; 57 percent of employers said “My company would prefer to reduce insurance costs even if it means a lower quality health insurance option.”
- **More workers express interest in receiving one-on-one counseling and detailed comparisons about health care benefit options than employers who currently offer these items.** Online tools and

Benefits Advisors are seen as the most helpful channels for seeking health coverage-related information by workers yet are less likely to be offered by Employers.

- **Small businesses (1-49 employees) are the least likely to offer health care benefits to employees, make changes to their benefits offerings, or engage employees with education or advice about health benefits.** Nearly 50 percent of small businesses do not offer health care benefits to any employees; 82 percent of small businesses have not made changes to their benefits offerings in the past year; and 43 percent have never proactively engaged their employees in education or advice about the health care benefits offered. Small businesses are also more likely than medium or large companies to *prefer reducing insurance costs* even if it means a lower quality health coverage option.
- **The majorities of workers and employers indicate they are prepared to make health coverage decisions related to the ACA, but many have not taken any action to prepare.** Sixty-seven percent of workers felt they were prepared to make decisions about their health coverage by January 2014, but 57 percent also said they had done nothing in the past 12 months to prepare for the ACA.
- **Employers and workers share common interests in wellness programs.** 83 percent of employers strongly or somewhat agree that implementing health/wellness and disease management programs lead to better control of health care costs. And 34 percent of workers identified discounts for wellness services as elements missing from their health care options. Older people value this option less than their younger counterparts.

Other findings in the survey provide unique insights into common assumptions relating to the ACA, sometimes referred to as *Obamacare*:

- **76 percent of employers are not considering reducing their workforce or moving employees to part-time status in response to the ACA.** 17 percent say they are considering replacing full-time workers with part-time or contract workers. 13 percent said they are researching reductions in employees or full-time employees.
- **Of the 43 percent of the general population who do not receive insurance through an employer, only 8 percent plan on paying the fine rather than purchasing insurance.** While nearly four in 10 people are not sure how they will obtain coverage, a very slim number plan to forgo insurance all together.

“With the health care coverage landscape on the verge of a wholesale shift, now is the time for workers and employers to begin to be fully align on what workers need to make informed decisions relating to their health care coverage,” Hector De La Torre said. “Hopefully this data – and the tools and resources we develop as a result of it – can help this happen so workers can be not only knowledgeable but ultimately adequately covered and more financially secure as a result of that coverage.”

TCHS engages the American public through national surveys, its website, research findings and consumer guidance. This survey release also signals the expansion of the thought-leading [Transamerica Center for Retirement Studies®](#) (TCRS), the established sister organization of TCHS. Both organizations exist under the Transamerica Institute.

The comprehensive study, conducted by Harris Interactive, surveyed a nationally representative sample of 2,505 of the U.S. general population including 1,704 workers who work full-time, part-time or self-employed, and 758 employers.

For more information and the full survey, please visit the [Transamerica Center for Health Studies website](#).

**ABOUT THE TRANSAMERICA CENTER FOR HEALTH STUDIES<sup>SM</sup>**

*The Transamerica Center for Health Studies<sup>SM</sup> is a division of the Transamerica Institute<sup>SM</sup>, a nonprofit, private foundation. TCHS is dedicated to identifying, researching and analyzing the most relevant health care issues facing the public today. TCHS helps to inform the national health care conversation by bringing clarity and confidence to complex health care and health coverage decisions. Through the development of comprehensive, unbiased tools and the publication of its research findings, TCHS offers Americans a personalized way to navigate the financial implications of health care decisions.*

**ABOUT THE TRANSAMERICA INSTITUTE<sup>SM</sup>**

*The Transamerica Institute<sup>SM</sup> is a nonprofit, private foundation dedicated to identifying, researching and educating the public about the most relevant issues related to health and retirement facing the American public today. It is comprised of two objective research centers, the Transamerica Center for Retirement Studies<sup>®</sup> (TCRS) and the Transamerica Center for Health Studies<sup>SM</sup> (TCHS). Its mission is to help people make informed decisions about their current and future health care and retirement needs in order to improve the quality of their lives.*