



## News

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### **Despite Uncertainty, Employers Remain Committed to Offering Employee Healthcare Benefits** *New research explores how U.S. employers are changing employee healthcare benefits*

**LOS ANGELES – Nov. 13, 2018** – According to a new survey report released today, [U.S. Businesses Remain Committed to Employee Healthcare Benefits](#), by nonprofit Transamerica Center for Health Studies® (TCHS), 28 percent of employers made changes to employee healthcare benefits and the most common include adding health insurance (36 percent) or adding other healthcare benefits (32 percent). In fact, only one percent of employers who currently provide health insurance say they will no longer provide employee health coverage in two to three years.

As part of its [Sixth Annual Employer Healthcare Survey](#), TCHS surveyed 1,350 U.S. business decision makers (ages 18+) to understand the current state of healthcare in the United States. The survey was conducted online by The Harris Poll in August and September 2018. The annual study also provides context by comparing findings to illustrate how the landscape has changed over the years.

“With ongoing uncertainty about health policy in Washington and state capitols, employers are consistent in their commitment to employee health coverage,” said Hector De La Torre, executive director of TCHS. “Employers also acknowledge the cost burden, but are finding ways to maintain health insurance for their workers as a key employee benefit.”

#### ***Health Policy Uncertainty Felt Among Employers and their Employees***

Most employers (72 percent) report that their employees express fear for changes in healthcare policy, most commonly referring to losing their healthcare due to pre-existing conditions (27 percent) followed by a reduction in Medicare for seniors (19 percent).

If the employer mandate was to be removed by Congress and the President, some of the ways employers would like their company to react are:

- Not make any change (25 percent)
- Evaluate coverage options (24 percent)
- Increase coverage (16 percent)
- Reduce coverage as much as possible (5 percent)

#### ***Rising Costs Hit Employers of All Sizes***

The vast majority (80 percent) of employers are taking action to manage overall healthcare costs. Employers report offering a variety of PPO plans (29 percent), HMO plans (28 percent), and encouraging the use of generic medications (28 percent).

However, one-quarter of employers (25 percent) say they are extremely or very likely to reduce their contribution to health insurance in the next 12 months. Of those employers that changed healthcare benefits in the past year, 11 percent said they reduced or eliminated their company contribution to cover costs of health benefits (other than health insurance) and nine percent said they reduced or eliminated their company contribution to cover cost of health insurance.

The majority of employers who are concerned about affordability of healthcare (89 percent) are taking some action to combat cost. The most common actions taken are comparison shopping for the best health insurance options (36 percent) and finding ways to reduce premiums (36 percent). That said, there are still those who do not or cannot offer health insurance. The top reasons for not offering – and being unlikely to offer – health insurance include:

- Company not being big enough (50 percent)
- Concerns about cost (28 percent)
- Mandate not applying to them (28 percent)

“Workplace wellness also remains a significant component of employee health benefits, with employers believing their wellness programs improve their workers’ lives and in turn, the company bottom line,” said De La Torre.

Employers indicate wellness programs have had a positive impact on workers’ health (79 percent), productivity (77 percent), and company healthcare costs (71 percent). At the same time, consistent since 2015, 84 percent of employers say leadership is committed to improving the health of their employees, but only around four in 10 employees (40 percent) feel the same way.

Please visit TCHS at [www.transamericacenterforhealthstudies.org](http://www.transamericacenterforhealthstudies.org) for more information, resources, news and perspectives. Follow TCHS on [Facebook](#) and Twitter [@TCHS](#).

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### **About The Transamerica Center for Health Studies**

[Transamerica Center for Health Studies](http://www.transamericacenterforhealthstudies.org)® (TCHS) – a division of [Transamerica Institute](http://www.transamerica.com)® (TI) – is focused on empowering consumers and employers to achieve the best value and protection from their health coverage, as well as the best outcomes in their personal health and wellness. TCHS engages with the American public through national surveys, its website, research findings and consumer guidance. TCHS also collaborates with healthcare experts and organizations that are equally focused on health coverage and personal health and wellness. TI is a nonprofit, private foundation funded by contributions from Transamerica Life Insurance Company and its affiliates, as well as unaffiliated third parties. None of the contributors are major medical insurers.

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### **About the Sixth Annual Nationwide Employer Healthcare Survey**

The results of the study – conducted by The Harris Poll via a 20 minute online survey among 1,350 U.S. business decision makers (ages 18+), including 1,047 who currently provide health benefits to their employees, from August 23<sup>rd</sup> to September 6<sup>th</sup>, 2018 – represent the sixth annual survey from Transamerica Center for Health Studies. Sub-samples of businesses with 1-49 full-time employees, businesses with 50-499 full-time employees, and businesses with 500 or more full-time employees were created and weighted based on employer size to be representative of U.S. businesses. A full methodology is available in the report.

### **About the Sixth Annual Nationwide Consumer Healthcare Survey**

The results of the study – conducted by The Harris Poll via a self-administered online survey among 3,604 US adults (ages 18-64) from August 8<sup>th</sup> to 17<sup>th</sup>, 2018 – represent the sixth annual survey from Transamerica Center for Health Studies. Figures for education, age by gender, region and household income were weighted where necessary to align them with the population of US residents ages 18 to 64, then separately by race, and combined into a total General Population sample. A separate weight was created for US residents ages 18 to 64 who are currently uninsured, as well as for age and ethnicity. A separate weight was created for Millennials and Generation Z to ensure representativeness. A complete description of methodology is available in the report.