State Employment Relations Board
Research and Training Section

2010

18th Annual

Report on the

Cost of Health Insurance

in Ohio's Public Sector

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SERB
"Promoting Orderly and Constructive Labor Relations Since 1984"

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August 27, 2010

Dear Reader:

We are pleased to present the *2010 Annual Report on Health Insurance in Ohio's Public Sector*. Now in its 18th year, this annual report is part of our effort to fulfill SERB's statutory mission to "promote orderly and constructive relationships between all public employers and their employees." This year we continue to provide the Report in CD format. This will allow you, our customer, the ability to reprint material while reducing the costs of production for SERB.

This report is the product of our desire to improve the amount, type, and timeliness of the information provided to you. It is our desire to continue to provide useful information for everyone involved in public sector collective bargaining. Your input and suggestions are vital in that SERB staff utilizes them to improve on both the format and content of the report.

This effort continues our ongoing goal to provide as much information as possible to both you, the user of SERB's services, and the citizens of Ohio. SERB users are currently able to view and download the full texts of collective bargaining agreements, fact-finding reports, and conciliation awards via our website at www.serb.state.oh.us.

Another change that has been undertaken by SERB is the collection of data to populate the "SERB Clearinghouse." When bargaining commences, parties will receive a copy of the "Contract Data Summary Sheet." When bargaining concludes, the parties should send the completed sheet along with the finalized collective bargaining agreement. The data submitted by the parties will be entered into the clearinghouse. This change should allow SERB to increase the accuracy of the data and the timeliness with which it can be entered into the database.

We will continue our efforts to make as much information as possible readily available to you to facilitate your efforts as best we can within the budgetary restraints imposed upon us. As always, your comments and suggestions are invited and welcome.

Sincerely,

N. Eugene Brundige

N. Eugene Brundige
Chairperson

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I. PROJECT DESIGN AND RESPONSE RATES

The State Employment Relations Board (SERB) is pleased to present the 2010 Report on Health Insurance Costs in Ohio's Public Sector ("2010 Health Care Report"). In its 18th year, the purpose of this project is to provide data on various aspects of health care costs for government entities. Our goal is to provide constituents with statistics that can be used to negotiate health care packages and cost-sharing between public employers and employees, thus furthering our mission to promote orderly and constructive relationships between public employers and their employees.

This year's survey was again a joint venture between SERB and the School Employees' Health Care Board (SEHBC). The 2010 survey form was on-line, as many constituents commented that an on-line survey was preferred over the pencil-and-paper format used in years past. Survey question content alterations from last year were minimal, but a few new questions were again added to reflect the ever-changing arena of health care plan design and cost-reduction methods. The on-line survey was designed by SERB utilizing Zarca International survey software (www.zarca.com). Pre¬testing was conducted to ensure reliability of the survey instrument with regard to question and response wording and overall format.

On or around January 13, 2010, SERB sent the 2010 Healthcare Survey to 1,359 governmental jurisdictions via email or postal mail asking them to complete the survey by February 19, 2010. These entities included: city, county, and township governments; school districts, joint vocational schools/career centers, and educational service centers (ESCs); community colleges, state colleges, and state universities; and port authorities, transit authorities, metropolitan housing authorities, and regional fire districts. The latter five jurisdictions are referred to as "Special Districts" in some portions of the text. Reminder emails and letters were sent out February 4, 2010 and February 22, 2010; the latter reminder also extended the survey completion deadline to February 26, 2010.

Approximately 100 surveys were completed on a paper form made available to those unable to access the survey website; these surveys were subsequently entered into the on-line survey form by SERB and SEHBC researchers. Completed surveys were downloaded from the survey manager's website into an Excel database; data was then organized and transferred to an SPSS 17.0 database, where data was cleaned and analyzed using SPSS in-house.

More than three-quarters (1,080 or 79%) of public employers that received a survey submitted a completed response. Statistics in this report represent more than 370,000 public employees in the State of Ohio. The sample size required to make generalizations about the entire population surveyed (the aforementioned public entities) is 309. With a response rate of 1,080, statistics presented in this report are representative of various aspects of public employee medical care in the State of Ohio. Such a high response rate yields a +/-3% margin of error at a 95% confidence level for statewide percentages reported. Margin of error rates for sub-categories are not calculated for the sake of space; however, numbers of responses are given in tables where appropriate.

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 data helps SERB provide constituents with a more complete picture of the current medical care environment.

Data is presented in several tables that are found throughout the body of the report. All benefit information is presented for single and family coverage. Data was collected on other coverage types ("single + 1," "single & child," and "single & spouse"). Due to the relative newness of these coverage types, this category will not be presented this year in all tables. Please keep in mind that the survey was sent out in early January 2010; therefore, this report represents medical coverage statistics as of January 1, 2010.

II. SUMMARY OF KEY FINDINGS

- Statewide, the average monthly premium for medical plans with prescription coverage drug bundled in the premium is $458 for single coverage and $1186 for family coverage.[1] Employer contributions average $416 per month for single plans and $1062 for family plans. Employee contributions average $43 per month for single coverage and $128 for family.
- Average medical and prescription premiums increase to $464 for single and $1193 for family coverage when adding in medical plans with prescription coverage carve-out plans.
- For plans that have prescription coverage included as part of the medical premium, the average annual cost to employers per employee for medical and prescription coverage only is $10,104.[2]
- The one-year increase in medical premiums between January 1, 2009 and January 1, 2010 is 4.6% for single coverage and 3.1% for family coverage.
- The vast majority of medical plans entail employees to "premium-share" or contribute a portion of the medical premium cost: 84% for single coverage and 87% for family coverage (up from 81% and 85% in 2009, respectively).
- When employees pay a portion of the premium, the average monthly contribution is $51 for single and $144 for family coverage. This represents an increase in premium cost to employees of 4.1% for single coverage and 4.3% for employees with family coverage.
- The vast majority of medical premiums (88%) include prescription benefits. In 9% of plans, prescription benefits are offered in a separate, carve-out plan.
- In some cases, dental (13%) or vision (15%) benefits are included in the medical premium package.
- Nearly three-quarters of single and family plans (73%) require a deductible before cost-sharing of out-of-pocket medical expenses begins.
- Just under two-thirds of single plans (64%), and virtually all family plans (98%), require employees to pay a co-insurance or percentage of out-of-pocket medical expenses.
- Most jurisdictions (92%) offer an option for dental benefits; the majority of jurisdictions that offer dental coverage (85%) do so via a carve-out plan separate from the medical premium.
- Dental maximums range widely - from $250 to $5,000 per person covered. The majority (70%) of jurisdictions with dental coverage have dental maximums between $1,000 and $1,500 per person covered.
- A little over two-thirds (69%) of jurisdictions offer some level of vision coverage; of those offering vision coverage, most jurisdictions (79%) do so via a separate, carve-out plan.

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[1] Costs for other tiers of medical coverage are as follows. "Single + one": $874 total; $754 employer; $92 employee. "Single & child": $772 total; $686 employer; $81 employee. "Single & spouse": $914 total; $819 employer; $94 employee.

[2] 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 11 for more detail.

III. SUMMARY TABLES

Survey Population Response Rates

Table 1 shows the percent of entities that completed and returned surveys for 2010 by jurisdiction. The percent rate of the number of surveys sent out and completed and returned to SERB for 2008-09 are also included for comparison.

Table 1. Response Rates by Jurisdiction

	2008-09			2010		
	2008-09	Surveys Sent	Surveys Completed	2010	Surveys Sent	Surveys Completed
Counties	91%	88	80	77%	88	68
Cities	90%	248	222	74%	248	184
Townships	78%	147	115	65%	147	95
School Districts & Ed Svc Ctrs	82%	723	596	86%	719	619
Colleges & Universities	92%	38	35	71%	38	27
Health Districts	98%	44	43	93%	44	41
Fire Districts	65%	17	11	31%	16	5
Metropolitan Housing Authorities	79%	39	31	79%	39	31
Port Authorities	83%	6	5	80%	5	4
Regional Transit Authorities	64%	14	9	36%	14	5
State of Ohio	100%	1	1	100%	1	1
Overall Response Rate	84%	1365	1148	79%	1359	1080

Health Plans by Jurisdiction

Table 2: 2010 Percentage of Plan Types per Jurisdiction*

	BMM	CMM	PPO	POS	HMO	CDHP	Self-funded
Statewide	2%	4%	72%	3%	6%	12%	58%
State of Ohio	0%	0%	33%	0%	67%	0%	100%
Counties	1%	1%	75%	3%	7%	13%	73%
Cities	3%	1%	60%	4%	7%	25%	38%
Townships	1%	2%	64%	8%	2%	23%	13%
School Districts & ESCs	2%	6%	78%	2%	5%	7%	71%
Colleges & Universities	2%	7%	55%	5%	18%	13%	53%
Special Districts	3%	2%	72%	2%	10%	12%	30%

*Plan types - BMM: Base Medical & Major Medical; CMM: Comprehensive Major Medical; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; CDHP: Consumer Driven Health Plan

- Preferred Provider Organizations (PPOs) continue the status of most utilized plan type, now representing 72% of all medical plans statewide.
- In jurisdictions that offer only one plan to employees, more than three-quarters (79%) have PPOs.
- Although the rate of CDHP plans remained the same in 2010 (as compared to the 2008-09 report), cities and College & University employers have seen a slight increase in these plan types.
- The percent of self-funded plans has increased since last year. Townships remain the least likely of all jurisdictions to be self-funded; School Districts and Counties are the most likely to be self-funded.

Medical Premiums

Table 3.1 provides the following for all medical plans, including those where prescription drug is purchased as a separate plan:

1) The average monthly cost for medical and prescription coverage for single and family coverage (along with the number plans for which we received surveys in each category).

2) The average cost to the employer per employee per month for medical coverage.

Tables 3.2, 3.3, and 3.4 provide three facets of medical premiums for medical plans that included prescription coverage in the premium:

1) The average monthly medical premium for single and family coverage (along with the number plans for which we received surveys in each category).

2) The average monthly dollar amount cost to the employee for medical coverage.

3) The average percent of the premium paid for by the employee.

Please note the following when reading these tables:

1) These averages usually include the costs of prescription benefits, but do not typically include the costs of other fringe benefits, such as dental and vision coverage.[3]

2) Averages presented in these tables are not weighted, meaning each reporting jurisdiction counts as one, regardless of size.[4]

3) 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 11 for more detail.

[3] Of all plans statewide, 13% include dental benefits in the medical premium; 15% include vision.

[4] Weighted average medical premiums are available upon request from SERB.

Table 3.1 Average Monthly Medical and Prescription Premiums and Employer Cost Per Employee Per Month

Comparison Group	Average Medical & Prescription Premium *including carve-out prescription plans*				Total Employer Cost Per Month for Bundled Medical and Prescription*	
	Single	# of Plans	Family	# of Plans	Per month average cost	
STATEWIDE	$464	1489	$1,193	1497	$842	1450
JURISDICTION						
State of Ohio Employees	$369	3	$1,035	3	$634	3
Counties	$454	98	$1,172	98	$727	101
Less than 50,000	$456	39	$1,203	39	$649	42
50,000 - 149,999	$476	32	$1,158	32	$825	32
150,000 or more	$420	26	$1,123	26	$721	26
Cities	$456	236	$1,195	237	$867	238
Less than 25,000	$457	176	$1,202	178	$857	180
25,000 - 99,999	$453	53	$1,201	52	$916	51
100,000 or more	$448	7	$963	7	$765	7
Townships	$442	90	$1,274	97	$915	103
Less than 10,000	$452	45	$1,335	51	$960	56
10,000 - 29,999	$454	35	$1,252	36	$894	36
30,000 or more	$357	10	$1,049	10	$748	11
School Districts & ESCs	$468	890	$1,176	895	$855	856
Less than 1,000	$476	187	$1,173	187	$858	172
1,000 - 2,499	$474	354	$1,190	356	$886	340
2,500 - 9,999	$463	253	$1,172	255	$845	252
10,000 or more	$436	30	$1,157	30	$771	28
Colleges & Universities	$497	57	$1,220	57	$765	52
Special Districts	$457	115	$1,263	110	$761	105
REGION						
1 - Akron/Canton	$457	258	$1,139	261	$856	258
2 - Cincinnati	$420	166	$1,134	168	$767	161
3 - Cleveland	$464	225	$1,171	225	$885	223
4 - Columbus	$491	219	$1,262	222	$841	212
5 - Dayton	$449	203	$1,195	203	$825	195
6 - Southeast Ohio	$539	103	$1,364	103	$917	102
7 - Toledo	$447	198	$1,164	196	$782	197
8 - Warren/Youngstown	$473	117	$1,203	119	$899	110
EMPLOYEES COVERED						
1 - 49	$454	214	$1,237	217	$807	227
50 - 99	$456	204	$1,188	205	$846	193
100 - 149	$469	230	$1,193	231	$876	225
150 - 249	$483	256	$1,174	257	$857	249
250 - 499	$470	256	$1,210	256	$879	249
500 - 999	$461	141	$1,161	143	$841	141
1,000 or more	$443	79	$1,182	79	$767	75

* Includes Single and Family premium costs

Table 3.2 Average Monthly Medical and Prescription Premiums - Medical Coverage by Jurisdiction

Comparison Group	Average Medical & Prescription Premium *not 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	$458	1345	$1,186	1353	$43	$128	9.4%	10.6%
JURISDICTION								
State of Ohio Employees	$369	3	$1,035	3	$59	$181	15.9%	17.5%
Counties	$458	90	$1,185	90	$59	$179	12.9%	15.1%
Less than 50,000	$455	39	$1,203	39	$76	$231	16.7%	19.4%
50,000 - 149,999	$478	28	$1,156	28	$47	$122	9.6%	10.4%
150,000 or more	$433	22	$1,166	22	$46	$166	10.6%	13.9%
Cities	$452	226	$1,196	226	$36	$102	8.1%	8.3%
Less than 25,000	$454	172	$1,200	173	$37	$105	8.2%	8.4%
25,000 - 99,999	$449	50	$1,193	49	$34	$95	7.8%	8.0%
100,000 or more	$384	4	$1,020	4	$30	$70	7.8%	6.7%
Townships	$442	88	$1,273	96	$17	$51	3.9%	4.2%
Less than 10,000	$451	44	$1,135	51	$9	$40	2.2%	3.1%
10,000 - 29,999	$454	34	$1,249	35	$25	$57	5.0%	4.4%
30,000 or more	$357	10	$1,049	10	$22	$82	6.5%	7.9%
School Districts & ESCs	$459	783	$1,161	787	$44	$128	9.5%	10.7%
Less than 1,000	$458	165	$1,146	165	$42	$127	8.9%	10.7%
1,000 - 2,499	$470	310	$1,184	311	$46	$130	9.7%	10.8%
2,500 - 9,999	$453	220	$1,149	222	$42	$116	9.1%	9.8%
10,000 or more	$435	27	$1,159	27	$30	$110	6.9%	9.0%
Colleges & Universities	$495	46	$1,189	46	$64	$181	12.8%	15.1%
OTHER DISTRICTS								
Health & Fire Districts	$465	48	$1,264	45	$61	$192	12.6%	14.1%
Metro Housing & Port Authorities	$444	49	$1,224	48	$40	$182	8.6%	16.1%
Regional Transit Authorities	$483	12	$1,464	12	$42	$162	8.7%	10.2%

* Average employee contribution in this table includes all plans reporting; thus, it does include plans where employees contribute $0 to the medical premium. Table 4 in the appendix has the average employee contributions only when a contribution is required.

- Medical premiums for employees of the State of Ohio are 19.4% lower for single coverage and 12.7% lower for family coverage compared to the statewide average for all employees.

- Compared to the statewide averages, College & University employee pay 7.5% more for single medical coverage and Regional Transit Authorities pay 23.4% more for family medical coverage.

- Townships continue to average lower single medical premiums at 3.5% below the statewide average; the gap has decreased since last year's report, when average Township single premiums were 7.5% lower. School Districts & ESC family medical rates are 2.1% lower than the statewide average.

► State of Ohio, County, College & University and Health and Fire districts all have single employee contributions above 10% of the total premium. Counties and Metropolitan Housing and Port Authorities have employee family premium contributions of 15% or higher.

► For both single and family medical coverage, township employees pay less than half of what the average employee surveyed pays.

► Employees in the smallest counties (those with populations less than 50,000) contribute nearly double the statewide average towards the family medical premium.

Regions

SERB breaks down the state into eight major regions. Insurance premiums may vary by region based on health care availability, proximity to larger metropolitan areas, and economic and other factors.

Table 3.3 Average Monthly Medical and Prescription Premiums - Medical Coverage by Region

Comparison Group	Average Medical & Prescription Premium *not 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	$458	1345	$1,186	1353	$43	$128	9.4%	10.6%
REGION								
1 - Akron/Canton	$448	223	$1,134	226	$34	$90	7.7%	7.9%
2 - Cincinnati	$420	164	$1,134	166	$41	$127	9.8%	11.1%
3 - Cleveland	$462	189	$1,169	189	$38	$95	8.2%	8.0%
4 - Columbus	$487	208	$1,253	211	$55	$180	11.2%	14.5%
5 - Dayton	$433	181	$1,157	181	$48	$140	10.7%	12.1%
6 - Southeast Ohio	$532	93	$1,359	92	$47	$150	8.7%	11.0%
7 - Toledo	$448	190	$1,172	189	$51	$157	10.7%	12.6%
8 - Warren/Youngstown	$467	97	$1,193	99	$27	$67	6.0%	5.6%

* Average employee contribution in this table includes all plans reporting; thus, it does include plans where employees contribute $0 to the medical premium. Table 4 in the appendix has the average employee contributions only when a contribution is required.

► Compared to statewide averages, medical premiums in Southeast Ohio average 16.2% higher for single coverage and 14.6% higher for family coverage.

► Average single medical premiums in the Cincinnati region are 8.3% lower than the statewide average. Average family premiums are 4.4% lower than the statewide average in the Akron/Canton and Cincinnati regions.

► Employees in the Columbus region contribute 27.9% more than the statewide average for single medical premiums and 40.6% more than the statewide average for family premiums.

► Compared to statewide averages, employees in the Warren/Youngstown region pay 37.2% less for single medical coverage and 47.7% less for family medical coverage.

Number of Employees

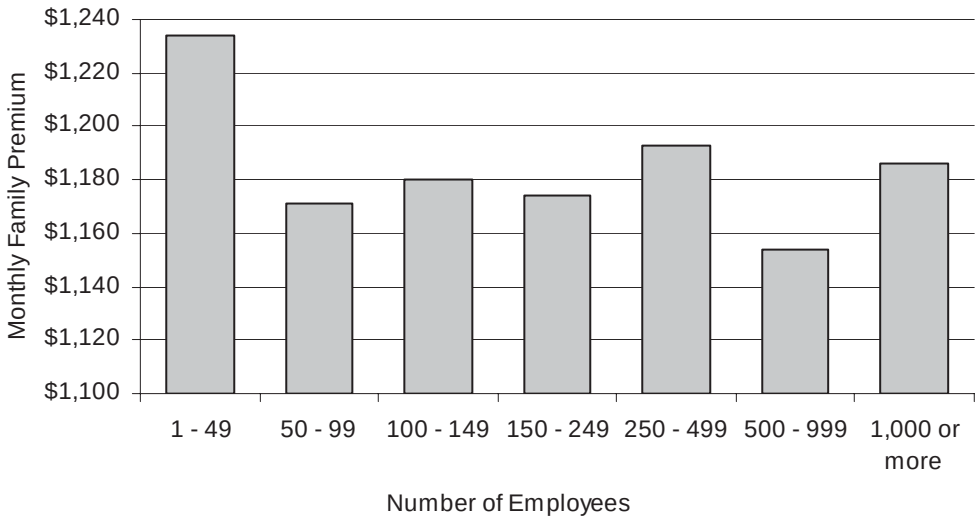
Table 3.4 Average Monthly Medical and Prescription Premiums - Number of Employees

Comparison Group	Average Medical & Prescription Premium *not 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	$458	1345	$1,186	1353	$43	$128	9.4%	10.6%
EMPLOYEES COVERED								
1 - 49	$451	204	$1,234	209	$41	$131	8.9%	10.5%
50 - 99	$443	189	$1,171	190	$41	$112	9.0%	9.4%
100 - 149	$462	204	$1,181	204	$41	$124	8.9%	10.4%
150 - 249	$483	226	$1,174	226	$48	$137	9.9%	11.4%
250 - 499	$461	229	$1,193	229	$42	$124	8.8%	10.0%
500 - 999	$459	122	$1,155	124	$43	$109	9.3%	9.3%
1,000 or more	$435	66	$1,186	66	$45	$137	10.2%	11.1%

* Average employee contribution in this table includes all plans reporting; thus, it does include plans where employees contribute $0 to the medical premium. Table 4 in the appendix has the average employee contributions only when a contribution is required.

Chart 1 graphs the cost of family medical premiums by the number of employees covered by the plan.

Chart 1: Family Medical Premiums by Number of Employees



► Having more employees can help lower medical insurance premiums by increasing risk pools. Premiums for employers with the fewest workers (1 – 49) do stand out as having the highest medical premiums for families.

► Overall, there is no general pattern that as the number of employees in a jurisdiction in crease, the average medical premium decreases. Increasing memberships in consortiums may play a role in pattern; some jurisdictions may be in a larger pool than is reflective of the number of employees they have. Consortia membership increased by five percentage points since last year's survey. A small jurisdiction may be able to obtain lower health insurance premium rates by joining up with other entities to purchase coverage together.

Plan & Funding Type

Table 5.1 shows how the average rates for single and family medical bundled with prescription drug coverage (medical and prescription when included in medical) vary by plan type.

Table 5.1 Average Premium Cost by Plan Type

	BMM	CMM	PPO	POS	HMO	All Plans *	CDHP	CDHP with employer contribution to deductible
Single	$579	$482	$468	$450	$468	$469	$382	$488
Family	$1,212	$1,186	$1,205	$1,289	$1,227	$1,209	$1031	$1,248
Average monthly cost to employer per employee	$813	$877	$838	$876	$890	$845	$733	$996
Annual cost per person	$11,755	$11,421	$11,247	$11,592	$11,652	$11,304	$9437	$11,835
Number of plans	15	58	966	38	85	1162	177	165

*Average is for all plans excluding CDHP; Plan types - BMM: Base Medical & Major Medical; CMM: Comprehensive Major Medical; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; CDHP: Consumer Driven (or High Deductible) Health Plan

► Base & Major Medical (BMM) plans continue to have the highest single medical premiums. Point of Service (POS) plans have the highest medical premiums. These coverage types are the least common for public employees surveyed. BMM plans were reported in a very small number of jurisdictions (31). Single plan premiums average 26.4% higher than the statewide average cost (Table 3.1) for single employee coverage; BMM family plans average 8.7% higher than the overall average (Table 3.1).

► Employees enrolled in Consumer Driven (or High Deductible) Health Plans have lower average premiums than any other plan type for both single and family coverage. For single coverage, high deductible plans are 18.5% lower than the average for all other plan types; family plans average 14.7% lower comparatively. Adding the employer contribution to the deductible, the annual cost per person of these plans is actually slightly higher than the average premium amount, 4.1% for single and 3.2% for family. This is in line with national trends in the total costs for HDHPs.[5]

Table 5.2 Average Premium Cost by Loss Control

	Fully-insured	Self-insured
Single	$447	$465
Family	$1,218	$1159
Number of plans	579	754

► The incidence of employers that self-fund has increased, increasing from 51% of all plans reported in the 2008-09 survey to 57% in the 2010 survey.

► Comparing premiums by loss control, fully-insured plans have lower premiums for single plan, yet higher for family. This may be due to the tendency of some self-insured plans to fund each coverage type the same.

[5] Kaiser Family Foundation. "Employer Health Benefits 2009 Annual Survey/" http://ehbs.kff.org/pdf/2009/7936.pdf. Retrieved on 30 May 2010.

Premium Change

Chart 2 graphs the percent change in single 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 13 years, all ranging between 2.2% and 3.8%. Health insurance premiums have risen at a much faster rate.

Chart 2: Comparison of Medical Premium Increases in the State of Ohio to SERB Annual Wage Settlements, 1997 - 2010

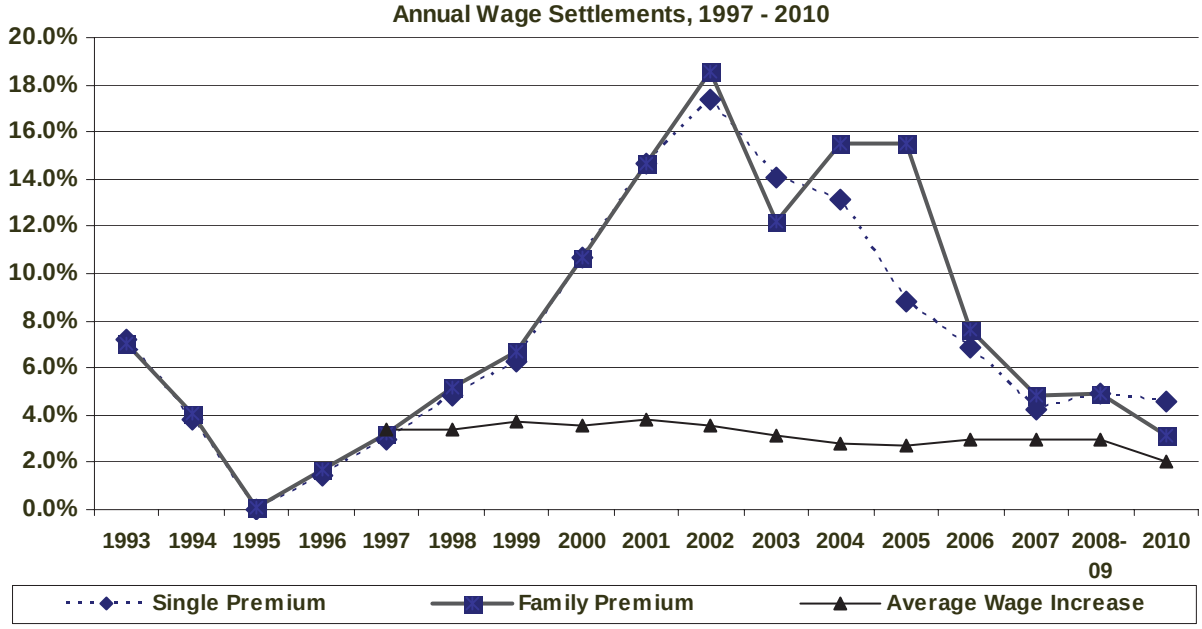


Chart 3 illustrates the diverging path of medical premium and worker salary increases since 1997. Over the thirteen-year period presented, medical premiums rose three times faster than the average worker salary.

Chart 3: Cumulative Percent Increases in Family Medical Premiums and Average Wage Increases, 1997-2010

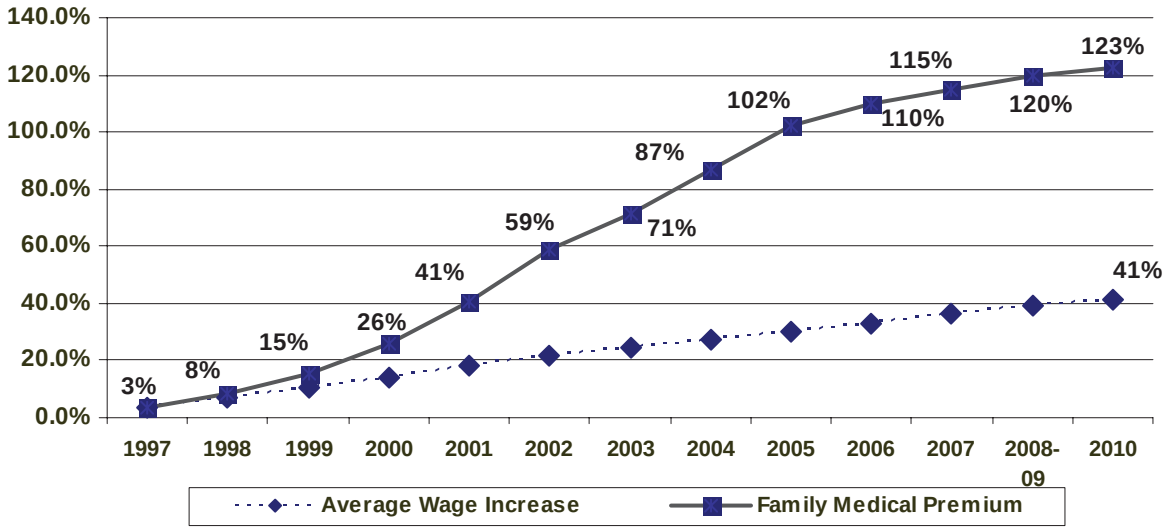


Table 6 compares percent change in insurance premiums over the past 16 years to the national overall inflation and medical care inflation rates.

Table 6: Annual Change in Health Care Costs and Inflation Rates

	Single Premium	# of Surveys	Family Premium	# of Surveys	Inflation Rate *	Medical Care *
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%	1387	10.1%	1381	2.5%	3.6%
2007	4.2%	1313	4.8%	1330	4.1%	5.2%
2008-09	4.9%	1258	4.9%	1263	0.1%	2.6%
2010	4.6%	1080	3.1%	1080	2.7%	3.4%

* Bureau of Labor Statistics, Consumer Price Index, December 2009 (http://www.bls.gov/cpi/cpid0912.pdf)

Cost of Medical and Fringe Benefits

Table 7.1 exhibits the annual total cost for benefits for medical, prescription, vision, and dental.[viii]

Table 7.1: Annual Cost Per Employee for Medical, Prescription; Dental, and Vision Carve-outs*

Comparison Group	Medical and Prescription Drug†	# of Plans	Prescription Drug Carve-outs	# of Plans	Dental Carve-outs	# of Plans	Vision Carve-outs	# of Plans
STATEWIDE	$11,056	1309	$2,688	110	$811	622	$205	418
JURISDICTION								
Counties	$10,144	90	$1,575	4	$652	33	$172	23
Cities	$11,412	22	$2,860	6	$773	70	$205	54
Townships	$11,625	97	-	-	$831	47	$237	33
School Districts & ESCs	$11,206	755	$2,764	88	$845	421	$210	269
Colleges & Universities	$9,808	43	$2,541	9	$655	19	$162	18
Special Districts	$9,993	99	$2,101	3	$668	32	$162	21
REGION								
1 - Akron/Canton	$10,928	222	$2,856	32	$908	66	$206	45
2 - Cincinnati	$10,153	158	-	-	$817	88	$190	43
3 - Cleveland	$11,432	186	$2,521	22	$835	81	$188	59
4 - Columbus	$11,424	199	$2,488	10	$775	115	$231	85
5 - Dayton	$10,686	178	$2,750	14	$821	94	$219	54
6 - Southeast Ohio	$12,358	91	$3,014	8	$700	47	$226	33
7 - Toledo	$10,743	186	$1,970	4	$775	89	$205	69
8 - Warren/Youngstown	$11,439	89	$2,749	19	$873	42	$134	30
EMPLOYEES COVERED								
1 - 49	$10,536	211	$2,308	4	$765	79	$217	57
50 - 99	$11,019	180	$2,726	11	$779	92	$219	66
100 - 149	$11,461	196	$2,790	21	$789	111	$223	70
150 - 249	$11,459	215	$2,599	28	$804	119	$199	85
250 - 499	$11,532	223	$2,763	22	$811	100	$201	66
500 - 999	$11,063	123	$2,556	13	$1,035	53	$185	29
1,000 or more	$9,999	64	$3,021	9	$814	22	$157	17

* 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 88% of plans, dental in 13% and vision in 15%

Deductibles for Medical Coverage – Managed Care Plans[6]

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, and CDHP). The highest category captures plans that are eligible for a Health Savings Account (HSA). Deductibles must be at least $1200 for single and $2400 for family to qualify for an HSA.

Table 8.1: 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	23%	316	18%	255	30%	420	13%	176	15%	214
Counties	8%	8	7%	7	39%	39	31%	31	15%	15
Cities	27%	63	11%	26	25%	57	10%	23	27%	61
Townships	37%	35	5%	5	16%	15	11%	10	31%	29
Colleges & Universities	33%	16	6%	3	35%	17	12%	6	14%	7
School Districts & ESCs	22%	174	26%	209	33%	263	10%	81	9%	75
Special Districts	20%	21	5%	5	25%	27	26%	25	26%	27

* Non-traditional plans only

Table 8.2: Deductible Categories for Family In-Network Medical Coverage*

Comparison Group	$0	# of plans	$1-200	# of plans	$250-800	# of plans	$900-2399	# of plans	$2,400 or more	# of plans
Statewide	23%	313	18%	255	29%	403	13%	182	16%	227
Counties	8%	8	6%	6	40%	40	30%	30	16%	16
Cities	27%	62	12%	27	24%	56	9%	20	28%	65
Townships	36%	34	6%	6	15%	14	7%	7	35%	33
Colleges & Universities	33%	16	6%	3	35%	17	12%	6	14%	7
School Districts & ESCs	22%	173	26%	208	31%	250	12%	97	9%	74
Special Districts	20%	21	5%	5	23%	23	23%	23	31%	32

* Non-traditional plans only

[6] Managed care plans (PPO, HMO, POS) cover the majority of public employees throughout the state. Data on traditional medical plans is not presented because there are very few of these plan types statewide; data is available upon request from SERB.

- Close to one-quarter of single and family medical plans statewide do not require a deductible. This percentage has gone down since last year, with more employers shifting to plans with cost-sharing.

- Townships still have a relatively higher portion of single and family plans with no deductible.

- Counties have a much lower percentage of plans with no deductible, compared to other jurisdictions.

- School Districts & ESCs make up almost two-thirds of plans statewide that have a deduct ible of less than $500 for single plans and less than $900 for family plans. Almost two-thirds of School Districts & ESCs fall into this deductible category.

- Though the portion of plans statewide with no deductible only decreased slightly since the 2007 survey, there has been a large shift from the middle two deductible categories to the highest deductible category for both single and family coverage. This change reflects the large shift to High-Deductible Health Plans, as is evident nationally.[7] About 16% of all plans fall into the high deductible category, thus making them eligible for an HSA.

[7] Kaiser Family Foundation. "Employer Health Benefits 2009 Annual Survey" http://ehbs.kff.org/pdf/2009/7936.pdf. Retrieved on 30 May 2010.

Co-Insurance for Medical Coverage – Managed Care Plans[8]

Tables 9.1 and 9.2 show the distribution of co-insurance splits between the plan and employees for family medical coverage.

Table 9.1: Co-Insurance Categories for In-Network Medical Coverage*

Comparison Group	Plan pays 100%	# of plans	Plan pays 90-99%	# of plans	85/15 Split	# of plans	80/20 Split	# of plans	Plan pays < 80%	# of plans
STATEWIDE	36%	476	32%	416	2%	25	29%	380	2%	21
Counties	18%	17	26%	25	2%	2	49%	47	5%	5
Cities	52%	113	21%	46	1%	2	26%	56	0%	1
Townships	63%	58	14%	13	0%	0	23%	21	0%	0
Colleges & Universities	46%	21	24%	11	4%	2	26%	12	0%	0
School Districts & ESCs	29%	223	30%	227	2%	18	28%	213	2%	12
Special Districts	44%	44	24%	24	1%	1	28%	28	3%	3

* Non-traditional plans only

Table 9.2: Co-Insurance Categories for Out-of-Network Medical Coverage*

Comparison Group	Plan pays 85-100%	# of plans	80/20 Split	# of plans	70/30 & 75/25 Split	# of plans	60/40 & 65/35 Split	# of plans	Plan pays < 60%	# of plans
STATEWIDE	2%	30	33%	396	33%	399	25%	300	6%	78
Counties	1%	1	14%	12	31%	27	40%	34	14%	12
Cities	3%	5	29%	55	41%	79	24%	46	3%	6
Townships	1%	1	38%	30	34%	27	23%	18	4%	3
Colleges & Universities	3%	1	16%	6	50%	19	26%	10	5%	2
School Districts & ESCs	3%	19	37%	268	31%	223	22%	162	7%	50
Special Districts	3%	3	29%	25	28%	24	34%	29	6%	5

* Non-traditional plans only

- ► Since the 2008-09 survey, there was a 10% reduction in the percent of plans with 100% co-insurance for in-network coverage, and a 15% increase in plans where the employees' cost-sharing is 20% or more.

- ► 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 still have plans with no co-insurance requirement, though the percent of township plans with no deductible as decreased since last year's survey.

- ► Since the 2008-09 survey, the percent of plans that have out-of-network coinsurance where the insured pays 20% or less have decreased, while plans where the co-insurance for the insured is 40% or more have increased.

[8] Managed care plans (PPO, HMO, POS) cover the vast majority of public employees throughout the state. Data on traditional medical plans is not presented as there are very few of these plan types statewide; data is available upon request from SERB.

Out-of-Pocket Maximums for Medical Coverage- Managed Care Plans[9]

Tables 10.1 and 10.2 give the median, mean, minimum, and maximum out-of-pocket maximums for in-network and out-of-network family medical coverage by jurisdiction.

Table 10.1: In-Network Out-of-Pocket Maximums for Medical Coverage

	Single			Family		
Comparison Group	Median	Minimum	Maximum	Median	Minimum	Maximum
STATEWIDE	$1,000	$0	$10,000	$2,000	$0	$20,000
Counties	$1,500	$0	$6,500	$3,000	$0	$13,000
Cities	$1,000	$0	$10,000	$2,000	$0	$20,000
Townships	$1,500	$0	$4,000	$3,000	$0	$9,000
Colleges & Universities	$1,375	$0	$4,000	$3,000	$0	$10,000
School Districts & ESCs	$750	$0	$5,500	$1,500	$0	$11,500
Special Districts	$1,500	$0	$5,000	$3,500	$0	$10,000

Table 10.2: Out-of-Network Out-of-Pocket Maximums for Medical Coverage

	Single			Family		
Comparison Group	Median	Minimum	Maximum	Median	Minimum	Maximum
STATEWIDE	$2,000	$0	$20,000	$4,000	$0	$55,000
Counties	$3,000	$800	$16,000	$6,200	$2,000	$32,000
Cities	$2,500	$250	$16,000	$5,000	$400	$36,000
Townships	$3,000	$300	$18,000	$6,000	$1,000	$54,000
Colleges & Universities	$3,000	$300	$8,000	$6,000	$600	$16,000
School Districts & ESCs	$1,500	$0	$20,000	$3,000	$0	$54,000
Special Districts	$4,000	$800	$19,000	$8,000	$1,800	$55,000

- ► Out-of-network, out-of-pocket maximums are at least double the in-network, out-of-pocket maximums.

- ► Since last year's survey, the maximum out-of-pocket maximum statewide increased by a third for both single and family plans. Maximum non-network out-of-pocket maximums stayed relatively the same since last year.

[9] Managed care plans (PPO, HMO, POS) cover the majority of public employees throughout the state. Data on traditional medical plans is not presented because there are very few of these plan types statewide; data is available upon request from SERB.

Fringe Benefits: Prescription, Dental & Vision

Prescription

Table 11 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 in a plan where costs are separate from the medical plan premium.

► Prescription coverage is provided by almost all jurisdictions; in 88% of jurisdictions reporting, the cost for prescription coverage is included as part of the medical premium.

Table 11: Fringe Benefit Provisions

	Included in Premium	Carved-out	Not Offered
Prescription	88%	9%	2%
Dental	13%	78%	8%
Vision	15%	55%	31%

► In the roughly 10% of jurisdictions (80% of which are School Districts & ESCs) able to separate out the cost of prescription from the overall medical premium, the average premums are $117 for single coverage and $268 for family coverage. Pharmaceutical premium increases over last year's survey are 12.5% for single coverage and 9% for family plans.

Tables 12.1 and 12.2 provide statewide data on retail and mail order prescription plan design and copayments. 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 12.1 Statewide Retail Prescription Copayments

Prescription Plan	# of plans	Dollars	# of plans	Percent
No Tiers	72	$6	114	20%
Three or Four Tiers				
Generic	739	$10	56	20%
Brand (formulary)	713	$20	80	25%
Brand (non-formulary)	631	$35	70	40%
Cosmetic/Biological	50	$45	-	-

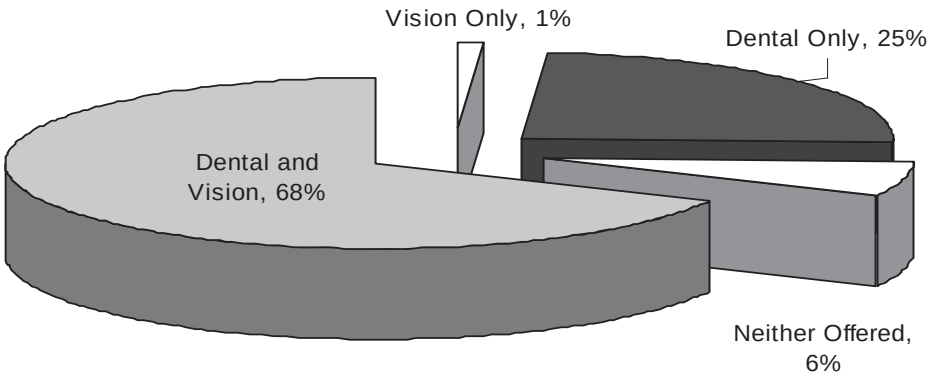
► Few jurisdictions report a flat rate payment for retail or mail-order prescriptions; the majority of plans have three or four-tier prescription plans.

Table 12.2 Statewide Mail Order Prescription Copayments

Prescription Plan	# of plans	Dollars	# of plans	Percent
No Tiers	75	$10	109	20%
Three or Four Tiers				
Generic	716	$17.50	41	20%
Brand (formulary)	683	$40	59	20%
Brand (non-formulary)	609	$60	52	40%

Chart 4 provides another view of dental and vision coverage.

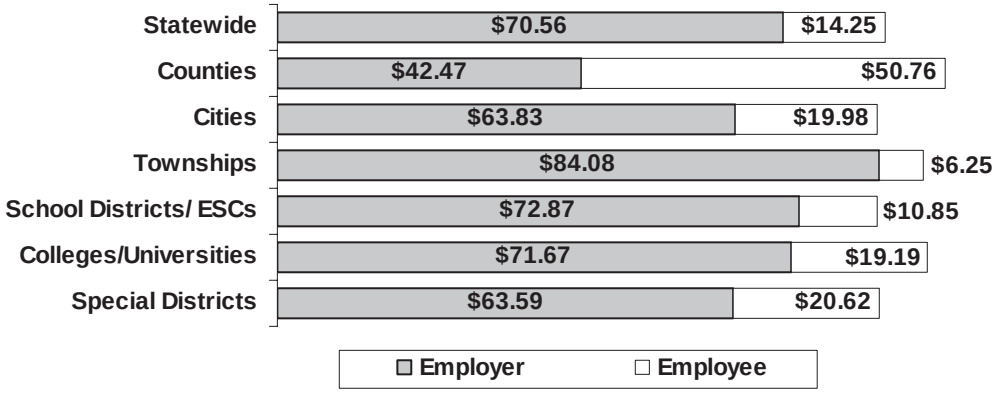
Chart 4: Percent of Jurisdictions Offering Dental and/or Vision Options



Please see Tables 13 and 14 in the Appendix for more detailed cost information on dental and vision benefits.

Dental[10]

Chart 5: Employee and Employer Contributions to Family Dental Premiums by Jurisdiction



- The average cost for dental coverage is $41.50 for single plans and $81.97 for family plans[11]. Compared to last year's report, single dental premiums increased by 7.6% and family dental premiums increased by 5.1%.

- County employees pay the highest portion of the dental premium, contributing over half the premium on average.

- Township employees contribute the least to family dental premiums, paying on average 7% of the total premium.

[10] For a detailed breakdown of dental costs, please see Table 13 in the Appendix. Dental numbers are for plans that are pur chased separately from the medical premium (carve-outs).

[11] Please note that the numbers in Chart 5 representing, employee and employer contributions, do not necessarily add up to the total premium cost as reported in Table 13. This is due to survey response error, as the survey asks them to give us the total premium, and employer and employee contribution.

Table 15 summarizes dental maximums by jurisdiction.

Table 15: Annual Dental Maximums by Jurisdiction

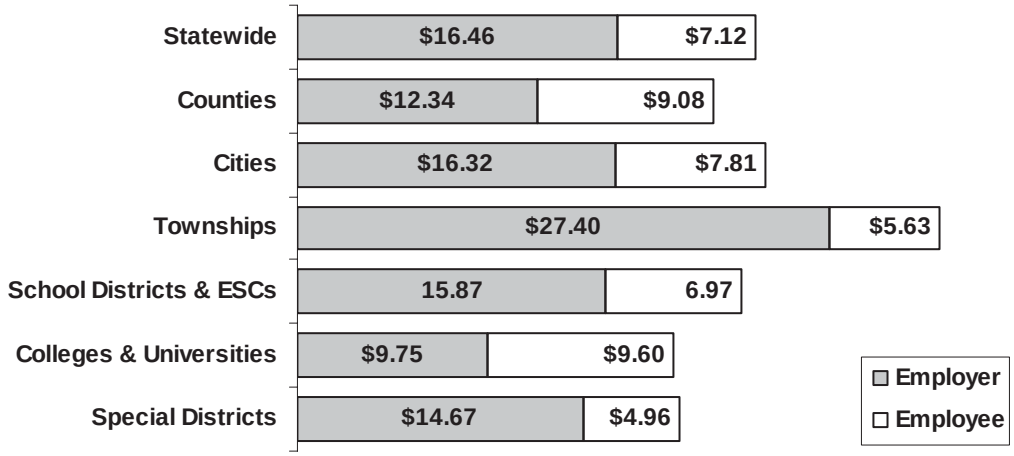
	Annual Dental Maximum per Covered Person				
	$500-750	**$1,000**	**$1,100-1,400**	**$1,500**	**$1,600-4,000**
STATEWIDE	4%	39%	5%	28%	24%
Counties	6%	45%	15%	25%	9%
Cities	1%	54%	6%	25%	14%
Townships	3%	61%	0%	25%	11%
School Districts & ESCs	5%	30%	4%	30%	33%
Colleges & Universities	4%	48%	24%	20%	4%
Special Districts	4%	53%	2%	33%	8%

► The majority of dental plans statewide have annual maximums of $1,000.

► School Districts & ESCs have a comparatively larger percentage of dental plans that have deductibles in the highest category ($1,600-$4,000).

Vision[12]

Chart 6: Employer and Employee Contributions to Family Vision Premiums by Jurisdiction



► The average cost for vision coverage is $10 for single coverage and $20.45 for family coverage. Compared to last year's report, single vision premiums increased by nearly 25% and family vision premiums increased by about 4%. The reason for the larger increase in single premiums could be that there are more one-rate vision plans in the data this year, where singles pay the same as families.

► College and University employees pay the largest portion of family dental premiums, contributing nearly half the premium on average.

► Township family vision premiums are 14% higher than the statewide average.

[12] For a detailed breakdown of vision costs, please see Table 14 in the Appendix. Vision numbers are for plans that are purchased separately from the medical premium (carve-outs).

Table 16 provides regional breakdowns of employee contributions to dental and vision premiums for single and family plans.

Table 16: Employee Contributions to Single and Family Dental and Vision Coverage by Region

	Dental		Vision	
	Single	*Family*	*Single*	*Family*
1 - Akron/Canton	10.4%	10.6%	26.9%	23.8%
2 - Cincinnati	11.4%	13.8%	41.4%	53.3%
3 - Cleveland	9.2%	10.7%	12.0%	16.6%
4 - Columbus	14.3%	21.8%	30.1%	41.3%
5 - Dayton	16.8%	25.7%	30.1%	38.6%
6 - Southeast Ohio	8.6%	18.8%	14.1%	32.6%
7 - Toledo	17.6%	24.3%	24.6%	34.3%
8 - Warren/Youngstown	6.4%	9.8%	19.1%	21.1%

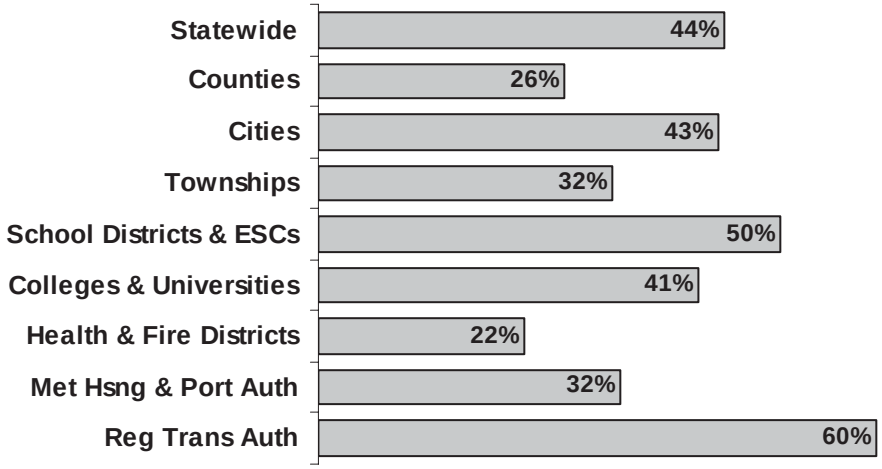
Methods to Lower Healthcare Costs

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 number of jurisdictions offering monetary incentives to employees that waive medical coverage increased slightly since last year's survey. Counties, Townships, School Districts & ESCs and Regional Transit Authorities all reported a higher frequency of opt-outs compared to last year.

Chart 7: Opt-out Incentive Offered by Jurisdiction



The amount of the incentive may vary depending on whether the person is eligible for single or family coverage. Table 17 illustrates the distribution of incentive categories by coverage type and whether the incentive is a flat rate. This year data was collected on opt-out incentives for five tiers of medical coverage.

Table 17: Incentive Offered to Employees for Opting Out of Medical Coverage

Opt-out type	Average Incentive	Median incentive	Maximum Incentive	Number of Employers
Single	$1,211	$1,000	$6,600	377
Single + 1	$1,284	$1,080	$4,800	95
Single & child	$1,420	$1,200	$4,842	123
Single & spouse	$1,532	$1,200	$4,842	118
Family	$1,694	$1,440	$6,600	418

Spousal Restrictions

About one-quarter (298) of employers who completed the survey report that they have some type of spousal stipulation for employees whose spouses have other means of medical coverage. Percentages were virtually unchanged since last year's report. Jurisdictional breakdown is illustrated below in Chart 8.

Chart 8: Spousal Restrictions by Jurisdiction

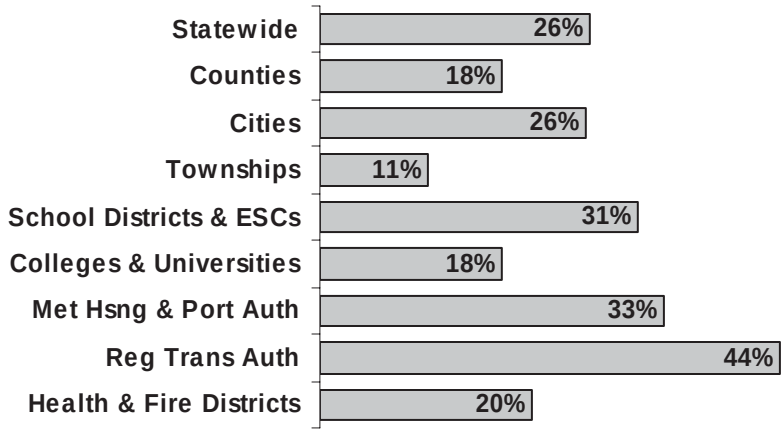
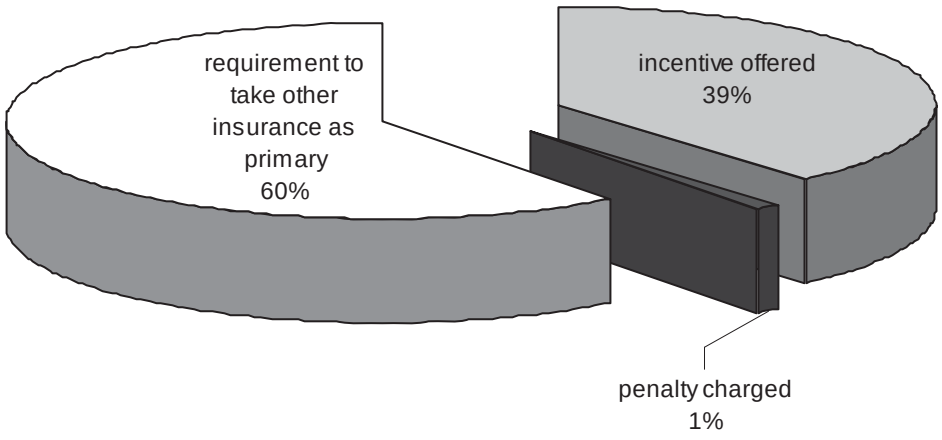


Chart 9 illustrates the frequency of the type of spousal restriction for those jurisdictions that have such a stipulation.

Chart 9: Frequency of Spousal Restrictions by Type

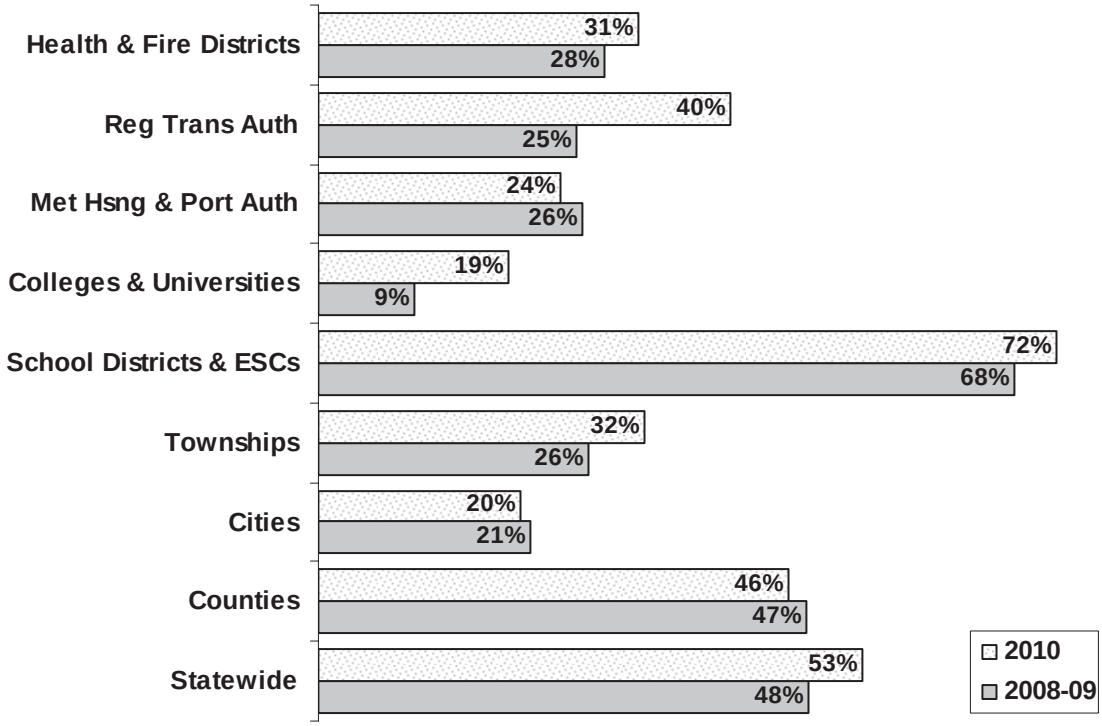


► The majority of jurisdictions that report having spousal restrictions offer an incentive for the employee if the spouse chooses to take other coverage. The frequency of this type of restriction has increased, while fewer employers report charging a penalty than in last year's report.

Consortiums

A consortium is when employers join together to purchase health insurance, usually to save money by increasing the risk pool. Chart 10 illustrates the wide jurisdictional variations in consortium membership, comparing by jurisdiction the percentage of employers who indicate that they have a joint purchasing arrangement.

Chart 10: Percent of Employers Belonging to Consortiums by Jurisdiction



- Statewide, consortium membership increased by more than 10%.

- Higher education institutions still have the lowest participation in consortiums, and School Districts by far have the highest. Joint purchasing is part of the School Employees' Health Care Board's "Best Practices," explaining the much higher frequency of consortium membership for School Districts and ESCs.

- Cities and counties report an increase in joint purchasing since last year's report, Townships and Colleges & Universities report notable increases.

Consumer-Driven/High Deductible Health Plans

As illustrated in Table 2 (page 5), Consumer-Driven/High Deductible Health Plans (CDHP) are growing in popularity as they feature lower premiums compared to other managed care and traditional indemnity plans.

Most CDHPs are coupled with Health Savings Accounts (HSAs) or Health Reimbursement Arrangements (HRAs) that the employer partially or fully funds. Charts 10 and 11 illustrate employer contributions to employee deductibles.

Chart 11: Employer Contributions to Employee Deductibles - Single Coverage

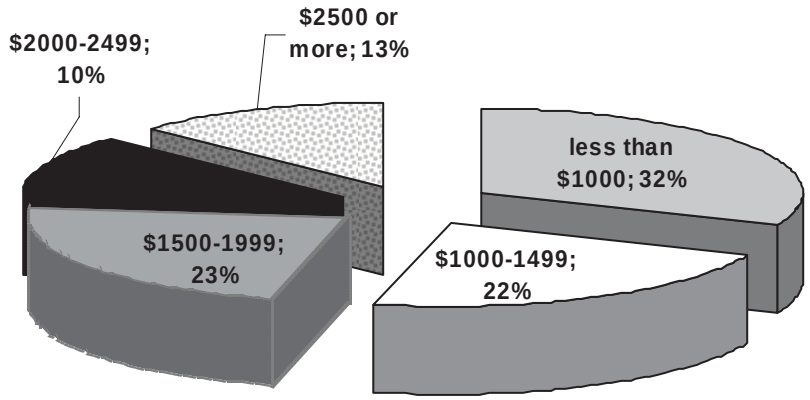
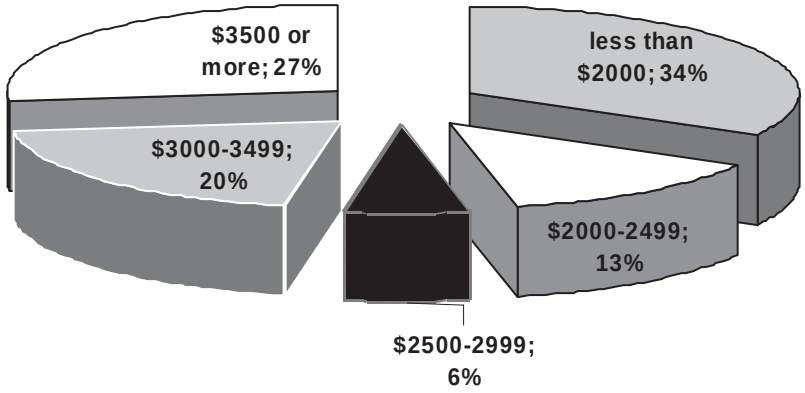


Chart 12: Employer Contributions to Employee Deductibles - Family Coverage

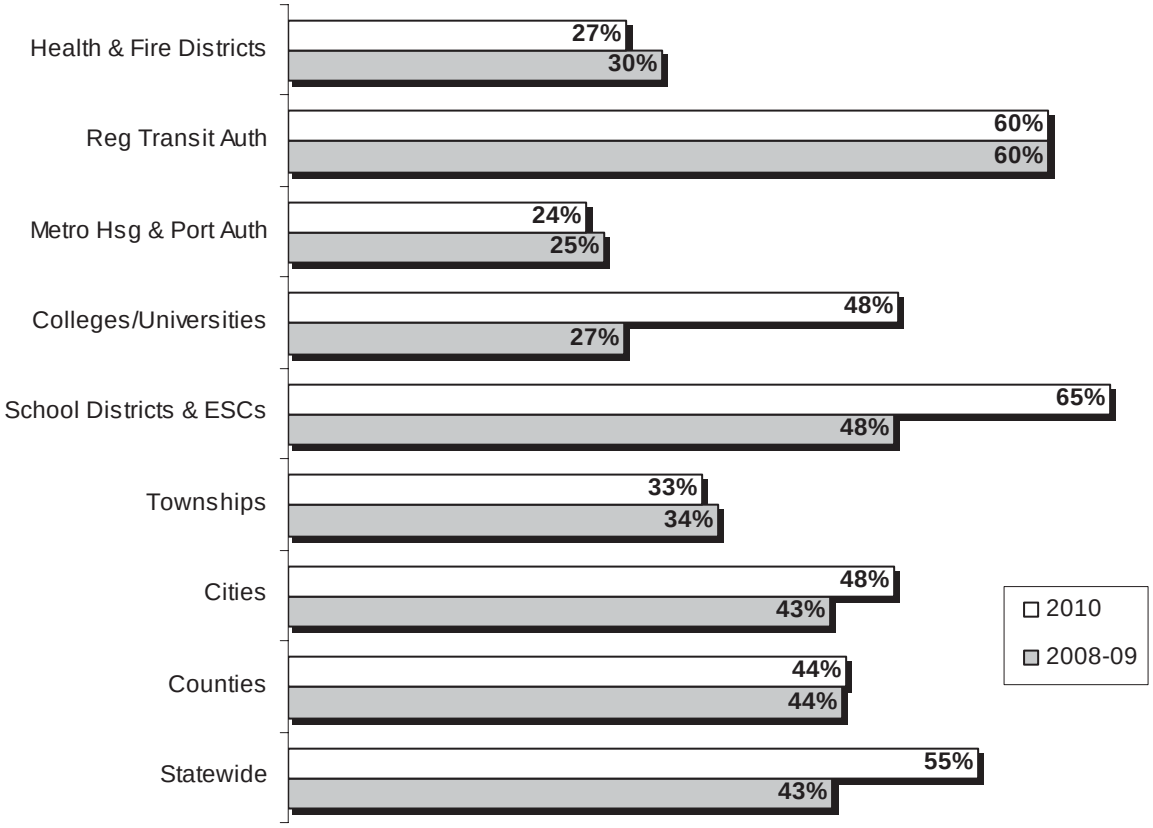


Dependent Eligibility Audits

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 13 illustrates the number of employers, by jurisdiction, indicating that either they or the medical providers conducted a dependent eligibility audit in the past three years. Comparative data from last year's report is also presented.

Chart 13: Percent of Employers with Dependent Eligibility Audits in the Past 3 Years



- Statewide, there is a 25% increase in the number of employers reporting having a DEA in the past three years.

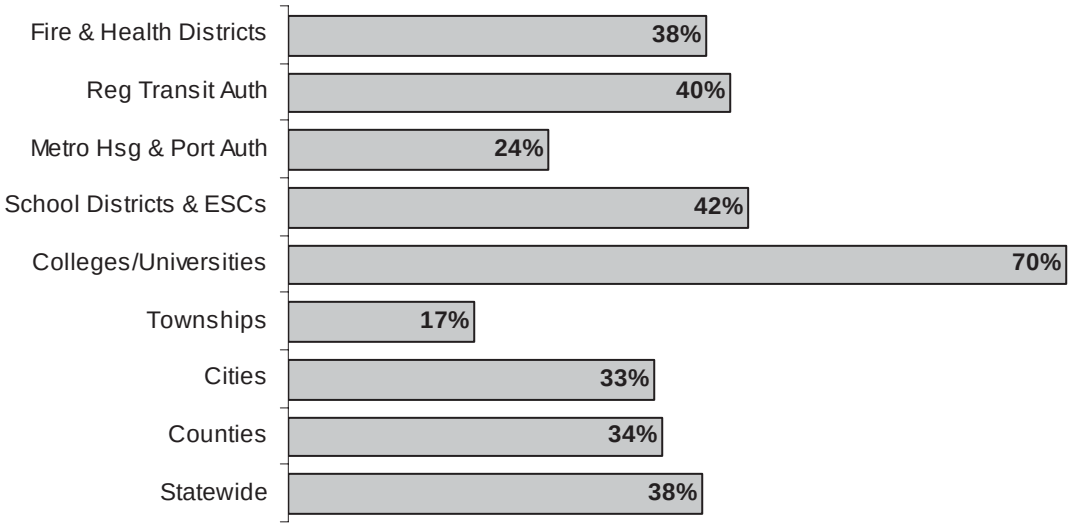
- School Districts and ESCs are most likely to report having conducted a DEA, which is also one of the "Best Practices" adopted by the School Employees' Health Care Board.

- Higher education institutions exhibit the largest increase in DEAs, with an increase of over 75% since the last report.

Worksite Wellness

Worksite wellness programs are at the employer level (rather than included in the medical plan). Further explanation of the components of worksite wellness programs, as defined by HealthyPeople 2010[13] are found in table 18. Chart 14 illustrates the variability of these offerings by jurisdiction.

Chart 14: Percent of Employers with a Worksite Wellness Program by Jurisdiction



► Nearly two-fifths of employers responding to the survey report having some type of work-site wellness program. This total is down slightly from the 40% of employers reporting they had worksite wellness programs last year, but it could be due to over-reporting having such a program last year due to question clarity.

Chart 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.

Chart 15: Frequency of Wellness Program Components		***Percent***	
Program Component	***Examples***	**2008-09**	**2010**
Health Education	Education or counseling opportunities relative to physical activity, workplace injury prevention	73%	84%
Supportive Social & Physical Work Environment	Policies against tobacco use, classes or counseling on nutrition or fitness	67%	74%
Integration of Worksite Program into Organization's Structure	Dedicated staff, office, or budget	26%	35%
Related Programs	Employee assistance, work/family, occupational safety and health programs, etc	58%	59%
Screening Programs	Blood pressure, blood cholesterol screening programs	74%	82%

► Though the frequency of worksite wellness programs was less for 2010 compared with last year, the incidence of employers having several components increased.

[13] Healthy People. "http://www.healthypeople.gov/ Retrieved on 23 June 2010.

APPENDIX

Table 4 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 4: Average Monthly Employee Contributions to Medical Premiums When a Contribution is Required

Comparison Group	Single			Family		
	Dollar Amount	% of Premium	Number of Plans	Dollar Amount	% of Premium	Number of Plans
STATEWIDE	$51.33	11.1%	1207	$144.22	12.0%	1270
JURISDICTION						
State of Ohio Employees	$58.79	15.9%	3	$180.99	17.5%	3
Counties	$61.67	13.5%	87	$177.51	15.0%	90
Less than 50,000	$80.16	17.7%	35	$230.64	19.4%	37
50,000 - 149,999	$48.96	10.2%	30	$123.06	10.7%	31
150,000 or more	$48.61	11.2%	21	$166.07	13.9%	21
Cities	$46.11	10.4%	175	$125.11	10.2%	182
Less than 25,000	$48.24	10.7%	127	$133.25	10.7%	133
25,000 - 99,999	$42.17	9.7%	42	$108.60	9.2%	43
100,000 or more	$28.55	7.7%	6	$63.16	6.4%	6
Townships	$41.25	9.3%	37	$108.31	8.8%	42
Less than 10,000	$36.73	8.6%	12	$108.81	8.6%	16
10,000 - 29,999	$45.78	9.2%	19	$104.62	8.1%	19
30,000 or more	$35.94	10.8%	6	$117.21	11.2%	7
School Districts & ESCs	$50.13	10.8%	761	$137.96	11.6%	803
Less than 1,000	$53.40	11.2%	149	$142.90	11.9%	165
1,000 - 2,499	$49.47	10.6%	308	$136.51	11.4%	323
2,500 - 9,999	$47.82	10.4%	220	$128.84	10.9%	229
10,000 or more	$34.39	7.9%	22	$120.12	9.8%	23
Colleges & Universities	$62.01	12.7%	54	$173.29	14.5%	54
OTHER DISTRICTS						
Health & Fire Districts	$65.57	13.7%	45	$191.38	14.2%	45
Metro Hous. & Port Authorities	$51.59	11.3%	36	$209.17	18.4%	41
Regional Transit Authorities	$56.34	11.6%	9	$194.25	12.2%	10
REGION						
1 - Akron/Canton	$38.53	8.7%	223	$98.90	8.9%	229
2 - Cincinnati	$48.62	11.5%	135	$147.80	12.9%	141
3 - Cleveland	$44.22	9.8%	179	$111.27	9.6%	180
4 - Columbus	$65.00	13.3%	184	$196.29	15.8%	198
5 - Dayton	$64.63	13.9%	158	$175.83	14.7%	169
6 - Southeast Ohio	$57.09	10.7%	81	$161.27	12.1%	89
7 - Toledo	$58.60	12.3%	162	$166.92	13.5%	176
8 - Warren/Youngstown	$32.99	7.6%	85	$83.02	7.2%	88
EMPLOYEES COVERED						
1 - 49	$60.15	12.9%	138	$172.91	13.9%	153
50 - 99	$52.35	11.3%	162	$137.38	11.5%	169
100 - 149	$48.72	10.5%	180	$139.80	11.6%	194
150 - 249	$52.49	11.2%	223	$142.26	12.1%	232
250 - 499	$49.76	10.5%	217	$136.81	11.0%	227
500 - 999	$44.38	9.9%	125	$119.00	10.3%	126
1,000 or more	$44.87	10.3%	70	$132.16	10.9%	71

Tables 13.1, 13.2, 14.1 and 14.2 in the Appendix give the premium amount as well as employee and employer contributions for dental and vision coverage. Amounts for single and family coverage are given.

Table 13.1: Dental Carve-out Single Premiums - Employee and Employer Contribution*

	Single				
Comparison Group	Total Premium	Average Employer Contribution	# of plans	Employee Contribution (when required)	# of plans
STATEWIDE	$41.50	$36.94	641	$9.58	360
JURISDICTION					
Counties	$26.07	$15.21	29	$16.90	29
Cities	$29.85	$28.25	70	$9.12	44
Townships	$31.34	$31.19	46	$11.76	13
School Districts & ESCs	$46.93	$41.56	440	$6.32	246
Colleges & Universities	$31.78	$28.89	21	$19.57	9
Special Districts	$27.07	$21.91	29	$8.50	19
REGION					
1 - Akron/Canton	$45.07	$41.54	94	$9.76	45
2 - Cincinnati	$41.70	$38.10	84	$10.55	38
3 - Cleveland	$36.36	$36.21	73	$5.43	45
4 - Columbus	$40.58	$36.60	115	$10.26	65
5 - Dayton	$38.54	$26.35	101	$9.12	71
6 - Southeast Ohio	$37.51	$37.01	44	$8.85	16
7 - Toledo	$49.34	$43.07	94	$12.93	63
8 - Warren/Youngstown	$39.44	$36.93	37	$5.47	17
EMPLOYEES COVERED					
1 - 49	$30.31	$28.03	79	$15.22	36
50 - 99	$40.71	$35.93	97	$9.74	69
100 - 149	$42.98	$39.54	102	$8.75	57
150 - 249	$42.65	$38.49	122	$8.73	67
250 - 499	$41.44	$37.63	112	$8.80	62
500 - 999	$54.44	$41.50	61	$8.08	30
1,000 or more	$43.06	$41.28	25	$8.63	12

* Please note that employee contributions plus employer contributions will not add up to the "Total Premium" for dental. This is because average employee contributions were calculated for only those plans in which the employee is required to contribute to the premium.

Table 13.2: Dental Carve-out Premiums -Employee and Employer Contribution Family Plans*

	Family				
Comparison Group	Total Premium	Average Employer Contribution	# of plans	Employee Contribution (when required)	# of plans
STATEWIDE	$81.97	$70.56	659	$23.01	408
JURISDICTION					
Counties	$80.96	$42.47	29	$55.83	30
Cities	$76.84	$63.83	74	$31.45	47
Townships	$84.56	$84.08	48	$23.08	13
School Districts & ESCs	$83.06	$72.87	453	$17.43	282
Colleges & Universities	$71.67	$54.23	21	$28.78	14
Special Districts	$81.31	$63.59	30	$28.11	22
REGION					
1 - Akron/Canton	$104.99	$95.19	96	$21.90	49
2 - Cincinnati	$79.34	$70.27	88	$22.43	43
3 - Cleveland	$83.24	$79.01	85	$14.37	46
4 - Columbus	$76.77	$63.09	118	$25.35	78
5 - Dayton	$77.93	$55.47	100	$25.08	80
6 - Southeast Ohio	$68.19	$60.38	47	$26.25	23
7 - Toledo	$73.83	$61.80	99	$24.66	72
8 - Warren/Youngstown	$90.10	$84.06	37	$19.30	17
EMPLOYEES COVERED					
1 - 49	$83.70	$71.78	81	$43.30	41
50 - 99	$78.54	$66.26	99	$23.95	73
100 - 149	$75.51	$67.98	104	$18.72	66
150 - 249	$77.70	$67.42	131	$19.93	78
250 - 499	$84.04	$71.46	116	$22.68	74
500 - 999	$103.32	$86.56	61	$15.43	33
1,000 or more	$84.83	$74.11	27	$23.20	14

* Please note that employee contributions plus employer contributions will not add up to the "Total Premium" for dental. This is because average employee contributions were calculated for only those plans in which the employee is required to contribute to the premium.

Table 14.1: Vision Carve-out Single Premiums - Employee and Employer Contribution*

	Total Premium	Average Employer Contribution	# of plans	Employee Contribution (when required)	# of plans
STATEWIDE	$10.10	$8.64	449	$4.55	241
JURISDICTION					
Counties	$7.87	$5.44	25	$4.18	20
Cities	$9.30	$8.49	55	$4.89	30
Townships	$13.31	$14.31	34	$12.04	8
School Districts & ESCs	$10.37	$8.43	292	$4.81	166
Colleges & Universities	$8.62	$7.17	18	$3.34	8
Special Districts	$7.68	$7.39	22	$4.22	8
REGION					
1 - Akron/Canton	$9.32	$8.49	57	$5.03	26
2 - Cincinnati	$9.28	$8.30	45	$6.20	26
3 - Cleveland	$9.01	$8.62	61	$2.34	24
4 - Columbus	$11.82	$9.10	90	$5.36	59
5 - Dayton	$10.45	$7.64	54	$4.08	44
6 - Southeast Ohio	$12.06	$12.15	35	$5.28	9
7 - Toledo	$10.69	$8.81	73	$4.51	38
8 - Warren/Youngstown	$6.02	$5.58	35	$2.23	15
EMPLOYEES COVERED					
1 - 49	$11.06	$11.31	61	$6.23	26
50 - 99	$10.85	$8.91	72	$3.65	45
100 - 149	$11.03	$9.40	74	$4.57	39
150 - 249	$9.59	$7.81	92	$4.06	53
250 - 499	$9.72	$7.72	73	$5.16	39
500 - 999	$9.86	$8.31	31	$4.00	13
1,000 or more	$6.77	$5.55	16	$4.03	11

* Please note that employee contributions plus employer contributions will not add up to the "Total Premium" for vision. This is because average employee contributions were calculated for only those plans in which the employee is required to contribute to the premium.

Table 14.2: Vision Carve-out Family Premiums -Employee and Employer Contribution*

	Total Premium	Average Employer Contribution	# of plans	Employee Contribution (when required)	# of plans
STATEWIDE	$20.64	$16.46	456	$11.17	269
JURISDICTION					
Counties	$19.81	$12.34	24	$11.24	21
Cities	$19.77	$16.32	56	$12.84	31
Townships	$23.56	$27.40	38	$20.63	9
School Districts & ESCs	$20.85	$15.87	296	$14.39	185
Colleges & Universities	$17.65	$9.75	18	$7.86	12
Special Districts	$18.54	$14.67	21	$10.40	11
REGION					
1 - Akron/Canton	$21.37	$19.04	59	$9.00	30
2 - Cincinnati	$19.22	$17.31	45	$16.30	27
3 - Cleveland	$18.32	$16.60	62	$5.77	28
4 - Columbus	$22.80	$15.60	93	$13.38	64
5 - Dayton	$22.50	$15.15	56	$10.72	47
6 - Southeast Ohio	$22.32	$18.74	35	$13.20	16
7 - Toledo	$20.70	$16.19	72	$11.10	42
8 - Warren/Youngstown	$14.40	$13.39	33	$3.04	15
EMPLOYEES COVERED					
1 - 49	$22.62	$22.65	64	$6.86	30
50 - 99	$21.56	$18.16	72	$6.03	45
100 - 149	$22.14	$17.27	76	$7.35	45
150 - 249	$19.48	$14.10	90	$7.44	61
250 - 499	$20.00	$14.24	75	$8.23	45
500 - 999	$18.95	$14.86	31	$5.76	14
1,000 or more	$17.27	$11.56	18	$7.16	12

* Please note that employee contributions plus employer contributions will not add up to the "Total Premium" for vision. This is because average employee contributions were calculated for only those plans in which the employee is required to contribute to the premium.

V. ENDNOTES

[i] For the 145 jurisdictions that we could not locate email addresses for, a letter with a link to the survey website was sent via postal mail.

[ii] Additional jurisdictions responded, but reported they did not offer health insurance coverage to employee, or they were health districts where medical insurance was administered under the county commissioners. Several other surveys were received but not included in the final count because they did not complete the vast majority of the survey, rendering the data unusable.

[iii] The sample size needed to estimate p with a bound on error B was estimated using equation 3:

$$n = Npq/((N-1)D+pq)$$

where $q=1-p$ and $D=B^2/4$

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 309. Sample sizes necessary for individual entities (i.e. cities, school districts) are available upon request.

[iv] A survey's margin of error is a statistic representing the amount of random error we can expect in survey results when taking a sample. Whenever it is not possible to take a census of the population, the margin of error is calculated to report the accuracy of the survey results. The margin of error considers the population size, sample size, and chosen confidence level (typically 95%). Calculation for the SERB 2010 Health Insurance Report is:

$$\text{Margin of error (95\% CI)} = (\sqrt{(p)(1-p)/n}) * 1.96$$

Where p =.5 and n = 1080 (total survey sample size or response rate)

The interpretation of the survey's margin of error (for statewide averages with no missing data) is that 95% of the time, the true population average will fall within 3% of the reported sample average.

[v] Information on single + one, single & spouse and single & child coverage is available upon request.

[vi] Additional statistics are available upon request from SERB.

[vii] In 88% of medical plans reported, prescription drug coverage is included in the medical premium cost.

[viii] Average yearly cost per employee for medical and for dental benefits are figured with the following formula:

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

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

VI. DEFINITIONS AND CLARIFICATIONS

- Under Jurisdiction, reporting "Special Districts" include: housing authorities, port authorities, regional transit authorities, combined/regional health/emergency districts and regional fire districts. These jurisdictions are often merged due to the relatively low numbers in each. More detailed information on health insurance for these districts can be obtained by contacting SERB.

- 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 health care 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)

- **Health Maintenance Organization (HMO)**: "An HMO is a health care system that assumes or shares both the financial risks and the delivery risks associated with providing comprehensive medical services to a voluntarily enrolled population in a particular geo graphic area, usually in return for a fixed, prepaid fee. Pure HMO enrollees use only the prepaid capitated health services of the HMO panel of medical care providers. Open-ended HMO enrollees use the prepaid HMO health services but, in addition may receive medical care from providers who are not part of the HMO panel. There is usually a substantial deductible, copayment, or coinsurance associated with use of non-panel providers." (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 health care 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 ($1100 for single cover age and $2200 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 statuary 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 de ductible 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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