

# Health and OPEB Funding Strategies

2012 National Survey of  
Local Governments





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*This 5th year study  
of local governments and  
special districts tracks  
budget and staffing  
expectations and  
strategies to address  
employee and retiree  
health costs*



# Executive Summary

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The year 2012 marks an inflection point for many local governments. The data show that for many, the revenue outlook is beginning to brighten and layoffs are down. But the cost of health insurance is beginning to rise after a brief reprieve in 2011. Local governments continue to work to make employee and retiree health care programs more sustainable.

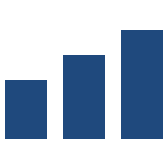
The data show that there are 7% fewer local units of government who provide health coverage to their active employees. Governments who do provide health coverage are paying a slightly smaller share of the premium. Fewer local governments are self-insuring. The percentage of governments whose employees receive insurance through their union jumped from 2% in 2011 to 13% in 2012.

The data also show a significant drop in the percentage of local governments who provide health insurance for retired employees, especially in the Midwest. The percentage who self insure this population also has dropped, and the percentage providing retiree health coverage through a coalition/pool increased from 12% to 26%. As in 2011, there was a slight decrease in the percentage of local governments who are fully or partially prefunding their retiree health liabilities.

The year 2012 marks a slight improvement in the confidence respondents express in their efforts to contain health costs. Such efforts include greater engagement with unions to reduce coverage, a modest move away from deductible increases and toward premium sharing, a strong wellness push and continued work to roll out HSA- and HRA-type programs (Health Savings Accounts and Health Reimbursement Arrangements). Many local governments are reopening health care plans to renegotiate lower costs with the carrier/administrator.

In 2012, more than 2,330 local units of government replied to this survey, marking the largest level of response since the data collection began 5 years ago. The benefit of the high response level is the ability to drill more deeply into the data and provide detailed results by Census region and division.

The 2012 respondents serve a wide range of populations. Many were from smaller governments, which comprise the majority of local governments in the United States. More than 480 responses were collected from the largest local governments across the country.



## Section 1

# Characteristics of the Respondents

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This chart compares the distribution of the 2012 respondents with 2011. The similarity in the distribution of responses from 2012 and 2011 is based on the consistency of the sampling. Such consistency allows confidence in making comparisons year over year.

The chart below also shows the distribution of U.S. local governments by type of government, as determined by the U.S. Census Bureau. It shows that the respondents represent a larger proportion of county and municipal governments than are found in the U.S., as well as a smaller portion of special districts. This is intentional and the result of the over/under-sampling process. Counties and municipalities tend to have a higher proportion of staff who receive health benefits.

Demographic Distribution		2012	2011	Census
Type	County	13%	14%	4%
	Township	25%	28%	22%
	Municipality	25%	30%	25%
	Special District/Authority	37%	28%	49%



## Section 1: Characteristics of the Respondents

The 2,336 governments that responded to the 2012 survey serve a wide range of populations. Many were from smaller governments, which comprise the majority of local governments in the United States. More than 480 responses were collected from the largest local governments across the country. Measured based on the number of full-time employees, 48% of the respondents represent governments with 10 or fewer employees, another 29% represent governments with 11-100 employees, 21% represent governments with more than 100 employees.

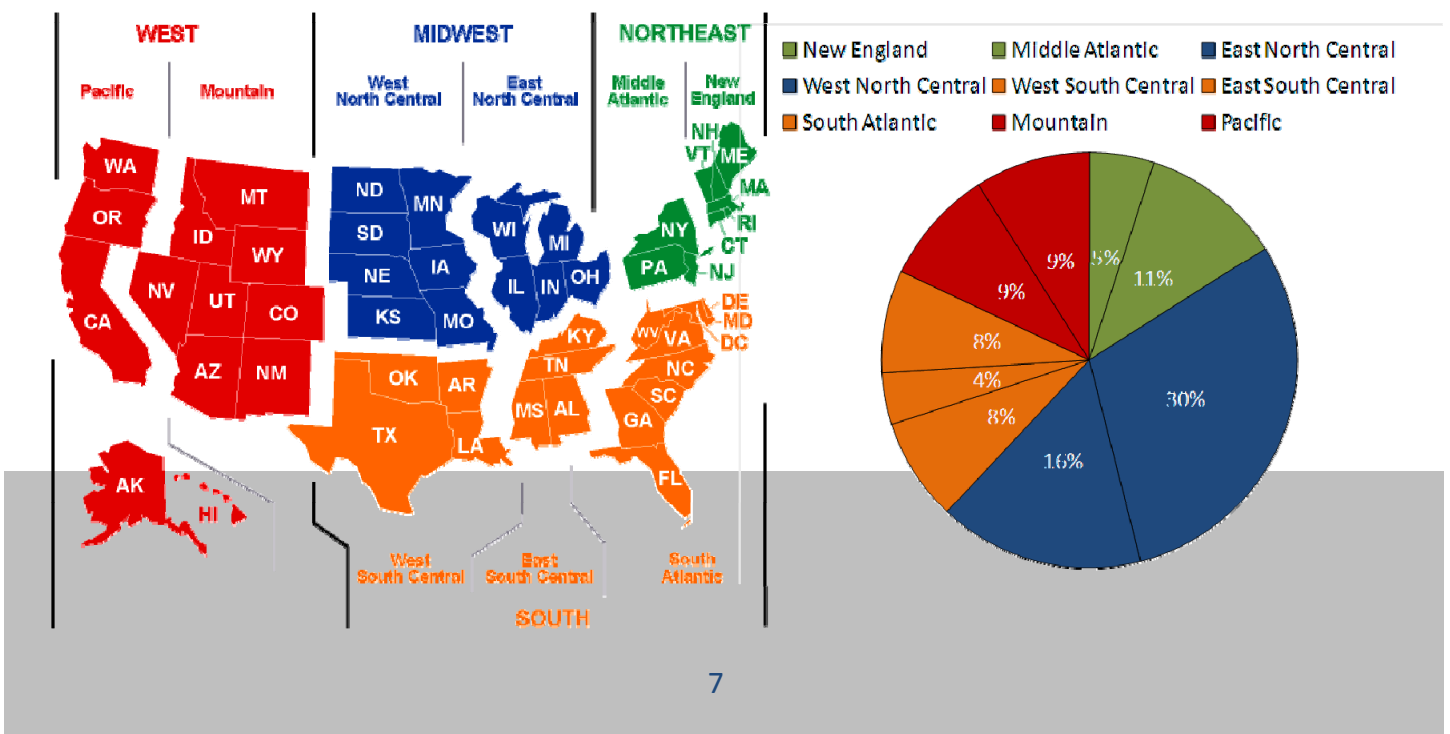
Demographic Distribution		2012	2011
Full-Time Employees	0-10	48%	42%
	11-50	20%	23%
	51-100	9%	9%
	101-250	10%	10%
	251+	11%	15%
Respondent Role	Chief Administrator/ Executive	24%	24%
	Consultant/Advisor	2%	1%
	Finance	43%	46%
	HR/Benefits	18%	21%
	Other	20%	16%



## Section 1: Characteristics of the Respondents

The chart below shows the distribution of the respondents by region. Many of the respondents represent smaller jurisdictions in the Midwest, which reflects the large number of township governments in that region. In addition, a relatively small number of respondents were from the Northeast, which correlates with the relatively small number of governments overall in that region.

Demographic Distribution		2012	2011
Census Region	Northeast	16%	16%
	Midwest	46%	44%
	South	20%	24%
	West	18%	16%
Census Division	New England	5%	4%
	Middle Atlantic	11%	11%
	East North Central	30%	30%
	West North Central	16%	14%
	West South Central	8%	9%
	East South Central	4%	6%
	South Atlantic	8%	9%
	Mountain	9%	7%
	Pacific	9%	9%



## Section 2

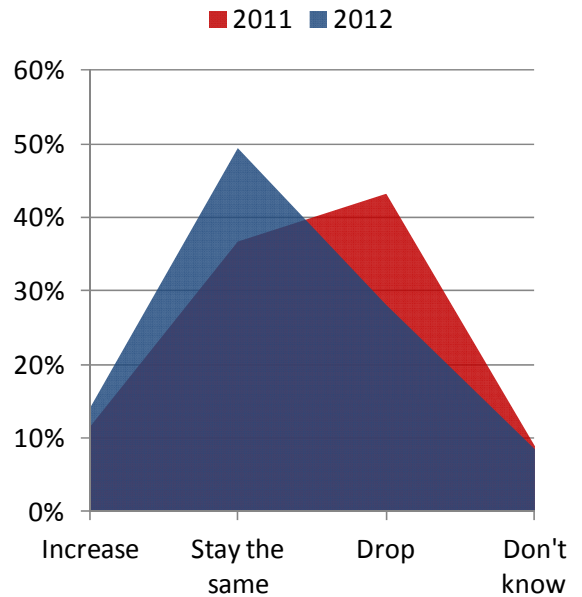


# Expected Revenue and Employment Changes

### Revenue Expectations:

This chart shows revenue expectations between 2012 and 2011. While economic recovery remains slow, the percentage expecting revenue levels to continue to drop has subsided to 28 percent, down from 43 percent in 2011.

The South Region has shown the most recovery, while the Midwest continues to lag other regions.



Q2 Revenue Changes	2012							2011							
	Increase	Stay the same	Drop 1-5%	Drop 6-10%	Drop 11-20%	Drop 20%+	Don't know	Increase	Stay the same	Drop 1-5%	Drop 6-10%	Drop 11-20%	Drop 20%+	Don't know	
<b>Overall</b>	<b>14%</b>	<b>49%</b>	<b>18%</b>	<b>6%</b>	<b>3%</b>	<b>2%</b>	<b>9%</b>	<b>11%</b>	<b>37%</b>	<b>25%</b>	<b>11%</b>	<b>5%</b>	<b>2%</b>	<b>9%</b>	
Full-Time Employees	0-10	10%	55%	14%	6%	3%	2%	10%	10%	41%	20%	10%	6%	3%	12%
	11-50	13%	45%	20%	10%	4%	2%	7%	10%	37%	30%	12%	5%	2%	4%
	51-100	14%	52%	19%	5%	2%	1%	5%	12%	34%	23%	14%	5%	3%	9%
	101-250	20%	45%	23%	4%	1%	0%	7%	16%	32%	30%	9%	4%	1%	10%
	251+	25%	37%	23%	5%	2%	0%	8%	15%	30%	34%	10%	4%	2%	6%
Census Region	Northeast	14%	57%	15%	5%	3%	1%	6%	16%	39%	28%	7%	1%	2%	7%
	Midwest	10%	48%	20%	7%	4%	2%	9%	7%	32%	25%	16%	8%	3%	9%
	South	18%	46%	15%	6%	2%	2%	12%	11%	39%	30%	6%	2%	1%	11%
	West	18%	51%	17%	5%	2%	1%	6%	18%	44%	18%	7%	4%	1%	8%
Census Division	New England	17%	48%	18%	6%	3%	1%	8%	13%	28%	38%	11%	-	3%	8%
	Middle Atlantic	13%	61%	13%	4%	2%	0%	6%	17%	43%	24%	6%	2%	1%	7%
	East North Central	10%	43%	24%	9%	5%	2%	8%	6%	26%	27%	19%	11%	4%	9%
	West North Central	12%	57%	13%	5%	1%	1%	11%	10%	44%	20%	10%	3%	3%	11%
	West South Central	18%	52%	9%	4%	1%	2%	15%	11%	50%	23%	3%	2%	1%	11%
	East South Central	16%	50%	10%	10%	5%	3%	7%	14%	36%	26%	7%	3%	1%	14%
	South Atlantic	18%	39%	23%	6%	1%	2%	12%	10%	31%	39%	9%	1%	1%	8%
	Mountain	18%	51%	17%	6%	2%	1%	6%	21%	43%	17%	6%	5%	3%	5%
Pacific	18%	52%	17%	5%	1%	2%	6%	16%	44%	19%	7%	4%	-	10%	





## Section 2: Expected Revenue and Employment Changes

### Insurance Rate Expectations:

These charts below show insurance cost history and expectations in 2012. In 2011, about 27% of respondents experienced the same rate or a rate reduction. Looking forward to 2013, that percentage falls to 23%. The South shows the lowest level of expected cost increase.

Q24 Change in Premium Rates in Past Year		2012				
		Rates dropped	About the same	1-4% increase	4-8% increase	More than 8% increase
Overall		10%	17%	21%	28%	25%
Full-Time Employees	0-10	8%	18%	23%	25%	26%
	11-50	13%	13%	23%	26%	26%
	51-100	8%	17%	19%	36%	21%
	101-250	10%	21%	18%	24%	28%
	251+	9%	22%	19%	31%	20%
Census Region	Northeast	11%	11%	22%	30%	26%
	Midwest	10%	16%	21%	28%	26%
	South	11%	26%	22%	21%	20%
	West	7%	17%	17%	33%	26%
Census Division	New England	12%	16%	22%	34%	16%
	Middle Atlantic	10%	8%	22%	29%	30%
	East North Central	8%	15%	21%	28%	28%
	West North Central	12%	17%	22%	27%	22%
	West South Central	14%	26%	24%	14%	22%
	East South Central	10%	25%	18%	28%	18%
	South Atlantic	8%	27%	21%	24%	20%
	Mountain	9%	17%	17%	31%	26%
	Pacific	6%	17%	16%	35%	26%

Q25 Change in Premium Rates in Next Year		2012				
		Rates will drop	About the same	1-4% increase	4-8% increase	More than 8% increase
Overall		3%	20%	23%	31%	23%
Full-Time Employees	0-10	3%	24%	27%	26%	22%
	11-50	2%	19%	22%	31%	26%
	51-100	2%	18%	24%	32%	25%
	101-250	3%	17%	20%	36%	25%
	251+	4%	23%	20%	35%	17%
Census Region	Northeast	4%	15%	22%	33%	27%
	Midwest	2%	18%	24%	31%	25%
	South	2%	31%	25%	26%	16%
	West	2%	17%	18%	37%	26%
Census Division	New England	10%	18%	25%	31%	17%
	Middle Atlantic	2%	13%	20%	33%	31%
	East North Central	3%	16%	26%	32%	24%
	West North Central	1%	21%	20%	31%	27%
	West South Central	2%	39%	27%	19%	13%
	East South Central	3%	28%	20%	35%	15%
	South Atlantic	3%	26%	25%	28%	18%
	Mountain	2%	22%	19%	35%	22%
	Pacific	2%	13%	16%	39%	30%

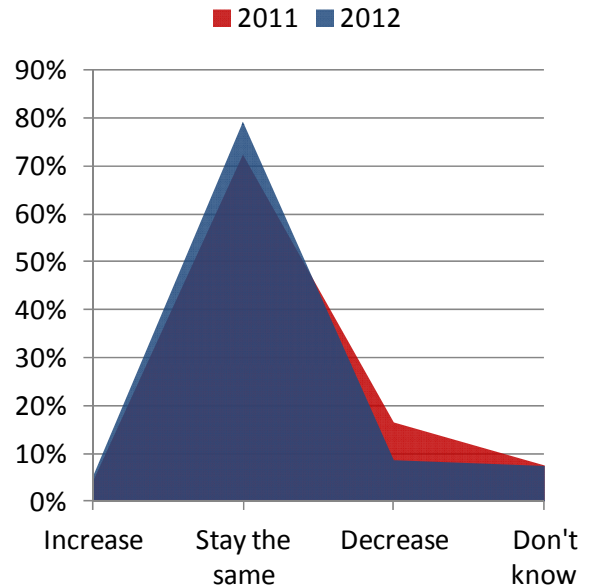


## Section 2: Expected Revenue and Employment Changes

### Employment Expectations:

This chart shows employment expectations between 2012 and 2011. Despite improved revenue expectations, local units of government continue to be cautious about hiring. The percentage expecting employment levels to rise has remained the same, while those expecting a decline in employment showed a modest drop from 17% to 9%. About 79% expect employment levels to remain the same.

The South Region shows the strongest employment level expectations, and the Northeast is the least optimistic.



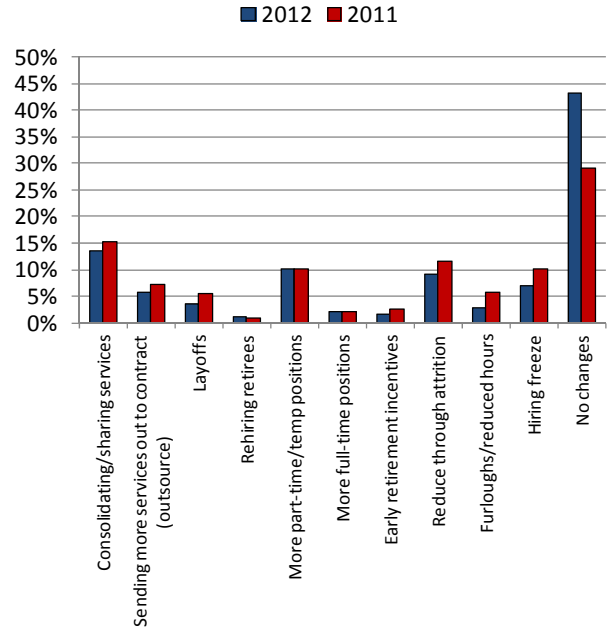
Q3 Employment Level Changes		2012				2011			
		Increase	Decrease	Stay the same	Don't know	Increase	Decrease	Stay the same	Don't know
Overall		5%	9%	79%	7%	4%	17%	72%	8%
Full-Time Employees	0-10	3%	4%	84%	10%	3%	6%	83%	8%
	11-50	5%	10%	82%	4%	4%	12%	77%	7%
	51-100	8%	8%	78%	6%	4%	22%	68%	6%
	101-250	6%	15%	74%	5%	5%	22%	61%	12%
	251+	10%	23%	62%	5%	3%	45%	47%	6%
Census Region	Northeast	2%	9%	83%	6%	3%	16%	77%	5%
	Midwest	4%	7%	81%	8%	2%	17%	73%	8%
	South	7%	9%	76%	8%	7%	13%	71%	9%
	West	7%	12%	74%	7%	5%	21%	68%	7%
Census Division	New England	4%	8%	86%	3%	3%	14%	74%	10%
	Middle Atlantic	2%	9%	83%	7%	3%	17%	78%	3%
	East North Central	4%	9%	81%	7%	1%	19%	72%	8%
	West North Central	4%	4%	82%	10%	3%	13%	75%	8%
	West South Central	7%	8%	76%	8%	6%	7%	79%	7%
	East South Central	7%	7%	79%	7%	8%	12%	67%	13%
	South Atlantic	7%	10%	74%	9%	7%	18%	66%	9%
	Mountain	7%	7%	79%	8%	6%	16%	74%	5%
Pacific	7%	18%	68%	7%	4%	26%	63%	8%	



## Section 2: Expected Revenue and Employment Changes

### Workforce Changes:

To the extent the workforce is expected to change, it will most likely involve the consolidation of public services, greater use of part-time and temporary positions and reductions through attrition.



Q4 Workforce Changes		2012											2011										
		Consolidating/sharing services	Sending more services out to contract (outsource)	Layoffs	Rehiring retirees	More part-time/temp positions	More full-time positions	Early retirement incentives	Reduce through attrition	Furloughs/reduced hours	Hiring freeze	No changes	Consolidating/sharing services	Sending more services out to contract (outsource)	Layoffs	Rehiring retirees	More part-time/temp positions	More full-time positions	Early retirement incentives	Reduce through attrition	Furloughs/reduced hours	Hiring freeze	No changes
<b>Overall</b>		14%	6%	4%	1%	10%	2%	2%	9%	3%	7%	43%	15%	7%	5%	1%	10%	2%	3%	12%	6%	10%	29%
<b>Full-Time Employees</b>	0-10	10%	3%	2%	1%	7%	1%	1%	2%	2%	3%	69%	11%	5%	3%	1%	9%	1%	1%	3%	4%	5%	58%
	11-50	15%	7%	3%	1%	14%	1%	1%	9%	4%	7%	39%	17%	7%	5%	0%	15%	2%	2%	10%	5%	9%	27%
	51-100	11%	6%	3%	2%	13%	4%	3%	13%	2%	10%	33%	16%	9%	5%	2%	10%	3%	3%	17%	5%	12%	19%
	101-250	18%	8%	5%	1%	13%	3%	3%	17%	2%	8%	23%	18%	8%	6%	0%	10%	2%	3%	15%	6%	12%	20%
	251+	19%	10%	7%	2%	10%	4%	3%	17%	5%	12%	12%	17%	9%	9%	1%	7%	3%	4%	21%	8%	16%	5%
<b>Census Region</b>	Northeast	16%	6%	3%	2%	11%	1%	2%	10%	2%	6%	42%	19%	7%	5%	1%	8%	1%	3%	13%	4%	9%	30%
	Midwest	15%	5%	3%	1%	10%	1%	1%	9%	2%	6%	46%	16%	8%	6%	1%	11%	1%	3%	11%	6%	9%	28%
	South	11%	5%	3%	1%	11%	4%	2%	9%	3%	10%	41%	13%	5%	4%	1%	10%	4%	2%	11%	5%	12%	35%
	West	11%	7%	6%	1%	8%	3%	3%	9%	5%	8%	40%	14%	7%	7%	1%	9%	3%	3%	13%	7%	11%	25%
<b>Census Division</b>	New England	19%	9%	3%	1%	9%	2%	2%	9%	4%	5%	38%	19%	11%	6%	1%	9%	1%	2%	11%	5%	7%	28%
	Middle Atlantic	14%	5%	3%	2%	11%	1%	1%	10%	1%	6%	44%	19%	5%	4%	1%	8%	1%	3%	14%	3%	10%	31%
	East North Central	16%	7%	3%	1%	11%	1%	1%	10%	3%	6%	40%	17%	9%	6%	1%	12%	0%	3%	12%	7%	10%	25%
	West North Central	12%	3%	3%	1%	7%	1%	1%	7%	1%	5%	58%	14%	7%	6%	1%	11%	2%	3%	10%	6%	8%	34%
	West South Central	9%	6%	3%	1%	11%	5%	0%	7%	0%	9%	49%	12%	5%	2%	1%	9%	5%	2%	8%	3%	10%	43%
	East South Central	11%	3%	2%	1%	12%	2%	1%	7%	2%	9%	50%	13%	4%	3%	-	15%	5%	1%	9%	5%	12%	34%
	South Atlantic	13%	5%	4%	1%	11%	4%	4%	12%	4%	11%	31%	13%	6%	5%	0%	9%	3%	3%	14%	6%	14%	27%
	Mountain	9%	5%	3%	0%	8%	4%	2%	6%	1%	7%	55%	13%	6%	3%	2%	10%	5%	3%	11%	5%	11%	34%
	Pacific	13%	8%	8%	1%	8%	3%	3%	11%	7%	9%	29%	14%	8%	9%	0%	9%	2%	4%	14%	9%	11%	20%

## Section 3



# Provision of Health Care to Active Employees

### Attitude About Employee Health Benefits:

Overall, the number of local units of government who do not provide health benefits has gone up from 22% to 29%. The percentage is especially high for smaller units, of which 57% do not provide health benefits. Respondents from the Northeast were more likely to say health benefits are “Too generous.”

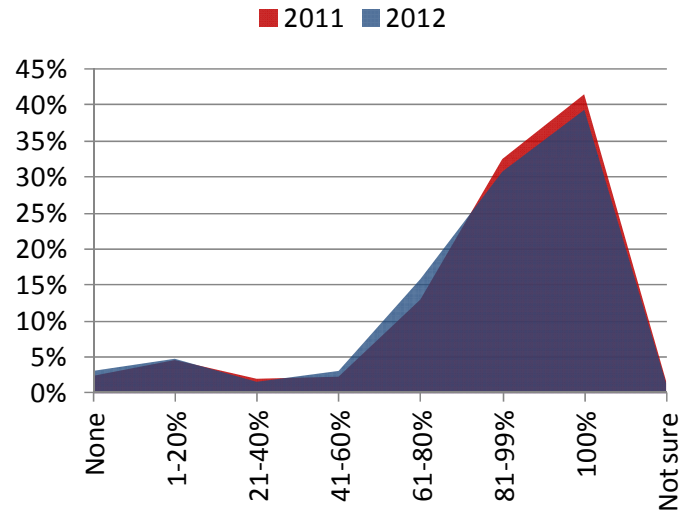
Q5 Active Employee Health Benefits		2012				2011			
		Not generous enough	About right	Too generous	Health benefits not provided	Not generous enough	About right	Too generous	Health benefits not provided
Overall		4%	54%	14%	29%	4%	57%	17%	22%
Full-Time Employees	0-10	3%	33%	7%	57%	5%	37%	8%	50%
	11-50	5%	70%	21%	5%	4%	74%	19%	3%
	51-100	5%	75%	20%	1%	3%	70%	26%	1%
	101-250	4%	77%	19%	0%	3%	77%	20%	1%
	251+	3%	73%	24%	0%	4%	66%	30%	0%
Census Region	Northeast	2%	58%	26%	15%	1%	61%	29%	8%
	Midwest	3%	44%	12%	41%	4%	49%	16%	31%
	South	4%	71%	10%	14%	7%	69%	12%	12%
	West	5%	52%	14%	28%	3%	59%	14%	24%
Census Division	New England	3%	66%	20%	11%	0%	72%	23%	5%
	Middle Atlantic	1%	55%	28%	16%	2%	57%	32%	10%
	East North Central	3%	44%	12%	41%	4%	47%	19%	31%
	West North Central	3%	45%	11%	41%	6%	53%	10%	31%
	West South Central	7%	65%	9%	19%	8%	67%	10%	16%
	East South Central	4%	68%	13%	14%	5%	70%	12%	13%
	South Atlantic	2%	79%	10%	9%	8%	71%	14%	7%
	Mountain	8%	47%	13%	32%	1%	60%	10%	29%
Pacific	3%	57%	16%	25%	4%	58%	18%	20%	



## Section 3: Provision of Health Care to Active Employees

### Employer Share of Employee Premiums:

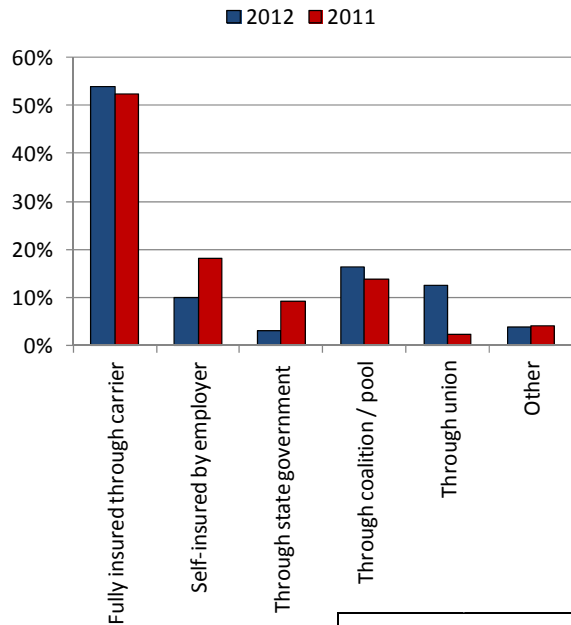
The percentage of premium paid by employers declined slightly from 2011 to 2012. In 2011, 75% paid 80% or more of the premium. In 2012, that percentage dropped to 70%.



Q7 Percentage of active premium paid by employer		2012								2011							
		None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure	None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure
Overall		3%	5%	2%	3%	16%	31%	39%	1%	2%	5%	2%	2%	13%	33%	42%	2%
Full-Time Employees	0-10	7%	4%	1%	4%	9%	16%	55%	3%	6%	3%	1%	3%	7%	20%	56%	3%
	11-50	2%	4%	1%	2%	17%	30%	44%	1%	1%	7%	1%	2%	11%	34%	44%	1%
	51-100	2%	6%	2%	3%	18%	33%	37%	1%	1%	4%	5%	3%	14%	31%	40%	2%
	101-250	0%	6%	2%	4%	21%	37%	28%	1%	2%	5%	0%	3%	14%	35%	41%	1%
	251+	2%	6%	2%	4%	20%	50%	16%	0%	1%	4%	4%	1%	21%	45%	23%	1%
Census Region	Northeast	3%	5%	2%	3%	14%	39%	34%	1%	2%	6%	3%	2%	9%	44%	33%	1%
	Midwest	3%	7%	1%	3%	19%	34%	32%	1%	3%	7%	1%	2%	13%	38%	34%	2%
	South	3%	3%	2%	2%	15%	20%	52%	3%	2%	1%	2%	2%	16%	19%	56%	1%
	West	4%	3%	2%	6%	13%	29%	44%	1%	2%	3%	3%	3%	13%	29%	44%	4%
Census Division	New England	2%	8%	1%	6%	24%	39%	20%	0%	3%	7%	6%	4%	21%	35%	24%	0%
	Middle Atlantic	3%	4%	2%	1%	10%	39%	39%	1%	1%	6%	2%	1%	5%	48%	37%	1%
	East North Central	3%	8%	1%	2%	19%	40%	27%	1%	3%	8%	1%	1%	13%	42%	29%	2%
	West North Central	4%	5%	2%	4%	19%	23%	43%	2%	2%	4%	1%	5%	12%	28%	45%	3%
	West South Central	2%	3%	1%	2%	5%	10%	76%	2%	2%	0%	3%	1%	16%	14%	64%	2%
	East South Central	3%	5%	1%	1%	18%	22%	48%	3%	1%	1%	3%	4%	16%	20%	55%	0%
	South Atlantic	4%	2%	2%	4%	22%	29%	34%	4%	4%	2%	2%	3%	16%	23%	50%	1%
	Mountain	5%	2%	2%	7%	17%	19%	46%	1%	0%	2%	4%	2%	17%	27%	45%	2%
Pacific	2%	4%	1%	5%	9%	37%	42%	1%	3%	3%	3%	3%	10%	31%	43%	4%	



## Section 3: Provision of Health Care to Active Employees



### How Active Employees are Insured:

In 2012, the percentage covered through fully insured plans, through a pool, or through the union increased, while the percentage self insured or insured through the state declined.

Q8 How active employee insured	2012						2011						
	Fully insured through carrier	Self-insured by employer	Through state government	Through coalition / pool	Through union	Other	Fully insured through carrier	Self-insured by employer	Through state government	Through coalition / pool	Through union	Other	
<b>Overall</b>	<b>54%</b>	<b>10%</b>	<b>3%</b>	<b>16%</b>	<b>13%</b>	<b>4%</b>	<b>52%</b>	<b>18%</b>	<b>9%</b>	<b>14%</b>	<b>2%</b>	<b>4%</b>	
<b>Full-Time Employees</b>	0-10	60%	11%	5%	5%	11%	8%	63%	3%	11%	12%	4%	7%
	11-50	66%	7%	4%	7%	14%	3%	59%	6%	10%	17%	4%	4%
	51-100	58%	10%	1%	10%	18%	4%	61%	9%	11%	15%	1%	2%
	101-250	48%	10%	2%	23%	16%	1%	48%	22%	10%	14%	1%	6%
	251+	28%	13%	2%	50%	6%	1%	28%	56%	5%	10%	0%	1%
<b>Census Region</b>	Northeast	58%	8%	7%	11%	15%	2%	53%	11%	11%	19%	6%	0%
	Midwest	60%	8%	2%	15%	11%	5%	54%	19%	6%	11%	2%	7%
	South	51%	14%	1%	22%	9%	3%	55%	23%	12%	8%	0%	2%
	West	42%	12%	5%	17%	19%	6%	44%	15%	10%	24%	3%	5%
<b>Census Division</b>	New England	52%	2%	0%	16%	29%	1%	42%	15%	9%	32%	0%	2%
	Middle Atlantic	60%	10%	9%	8%	9%	3%	57%	9%	11%	14%	9%	0%
	East North Central	60%	8%	2%	14%	12%	5%	55%	20%	8%	8%	1%	7%
	West North Central	58%	7%	2%	19%	9%	5%	51%	18%	3%	17%	4%	7%
	West South Central	60%	7%	1%	18%	11%	4%	59%	22%	6%	10%	0%	3%
	East South Central	53%	18%	1%	18%	7%	3%	49%	22%	22%	4%	0%	4%
	South Atlantic	44%	19%	0%	27%	9%	2%	54%	25%	12%	9%	0%	1%
	Mountain	39%	14%	4%	22%	15%	6%	53%	23%	6%	13%	3%	4%
	Pacific	44%	9%	6%	13%	22%	6%	37%	10%	13%	31%	3%	6%

## Section 4



# Provision of Health Care to Retired Employees

### Which Retirees Receive Coverage:

The number of local governments who do not provide health care to retirees increased from 46% to 59%, and the number providing coverage for pre-Medicare also dropped from 17% to 12%. The Midwest Region was the most likely to not provide retiree health care.

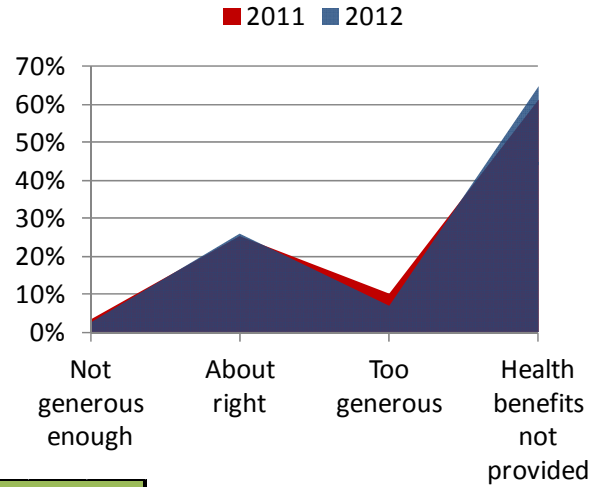
Q9 Which Retirees Receive Coverage		2012				2011			
		Early (pre-Medicare) retirees only	Medicare retirees only	Early and Medicare retirees	Neither early nor Medicare retirees	Early (pre-Medicare) retirees only	Medicare retirees only	Early and Medicare retirees	Neither early nor Medicare retirees
Overall		12%	3%	26%	59%	17%	2%	36%	46%
Full-Time Employees	0-10	2%	5%	6%	87%	2%	3%	8%	87%
	11-50	9%	4%	20%	67%	13%	2%	34%	51%
	51-100	13%	4%	28%	55%	16%	3%	43%	39%
	101-250	22%	2%	38%	38%	26%	2%	44%	28%
	251+	19%	1%	58%	23%	30%	0%	53%	17%
Census Region	Northeast	9%	5%	36%	50%	8%	3%	51%	38%
	Midwest	13%	3%	16%	68%	17%	2%	30%	50%
	South	14%	5%	33%	49%	23%	1%	37%	39%
	West	9%	2%	27%	62%	16%	1%	28%	56%
Census Division	New England	9%	7%	41%	42%	7%	4%	49%	40%
	Middle Atlantic	9%	4%	34%	53%	9%	3%	52%	37%
	East North Central	6%	3%	21%	70%	15%	3%	35%	47%
	West North Central	26%	2%	7%	65%	22%	0%	20%	58%
	West South Central	9%	6%	25%	60%	25%	2%	33%	40%
	East South Central	14%	5%	14%	67%	26%	2%	14%	59%
	South Atlantic	17%	4%	45%	34%	20%	0%	52%	28%
	Mountain	5%	1%	15%	80%	17%	0%	13%	70%
Pacific	13%	2%	36%	48%	15%	1%	37%	47%	



## Section 4: Provision of Health Care to Retired Employees

### Attitude About Retiree Health Benefits:

Overall, the attitude toward retiree health benefits is unchanged. Respondents from the Northeast and larger employers were more likely to say retiree health benefits are “Too generous.”



Q6 Retired Employee Health Benefits		2012				2011			
		Not generous enough	About right	Too generous	Health benefits not provided	Not generous enough	About right	Too generous	Health benefits not provided
Overall		2%	26%	7%	65%	3%	25%	10%	61%
Full-Time Employees	0-10	2%	11%	2%	85%	2%	11%	2%	85%
	11-50	3%	31%	6%	60%	3%	27%	7%	64%
	51-100	1%	37%	10%	51%	3%	38%	15%	44%
	101-250	3%	48%	12%	38%	4%	44%	15%	37%
	251+	4%	50%	23%	23%	6%	42%	29%	23%
Census Region	Northeast	1%	31%	13%	54%	1%	27%	15%	57%
	Midwest	2%	20%	4%	75%	3%	21%	8%	67%
	South	4%	39%	6%	50%	6%	36%	8%	49%
	West	3%	21%	10%	67%	2%	19%	12%	67%
Census Division	New England	2%	39%	14%	45%	1%	25%	11%	62%
	Middle Atlantic	1%	29%	13%	58%	1%	28%	17%	55%
	East North Central	3%	20%	4%	74%	3%	21%	11%	65%
	West North Central	1%	20%	3%	77%	4%	20%	4%	72%
	West South Central	5%	30%	5%	60%	5%	34%	6%	56%
	East South Central	5%	30%	5%	60%	9%	39%	2%	50%
	South Atlantic	3%	54%	8%	35%	6%	37%	15%	43%
	Mountain	3%	15%	5%	77%	2%	15%	5%	78%
Pacific	2%	26%	15%	56%	1%	23%	17%	59%	

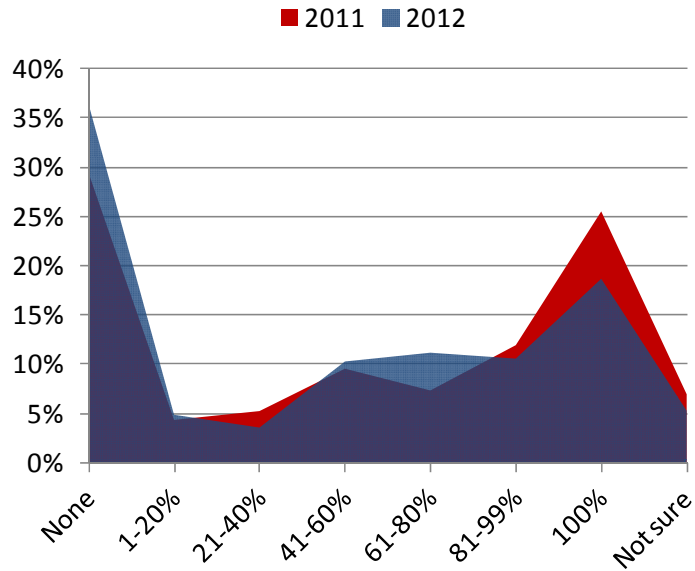




## Section 4: Provision of Health Care to Retired Employees

### Employer Share of Early Retiree (Pre-Medicare) Premiums:

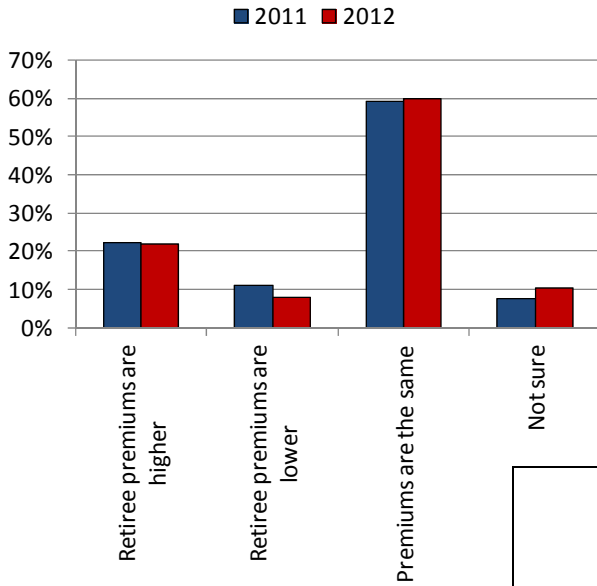
The percentage of premium paid by employers declined significantly from 2011 to 2012. In 2011, 37% paid 80% or more of the premium. In 2012, that percentage dropped to 29%.



Q10 Percentage of Early Retiree Premium Paid by Employer		2012								2011							
		None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure	None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure
Overall		36%	5%	4%	10%	11%	11%	19%	5%	29%	4%	5%	10%	7%	12%	26%	7%
Full-Time Employees	0-10	37%	4%	0%	11%	6%	6%	20%	17%	39%	0%	0%	8%	0%	0%	42%	12%
	11-50	38%	3%	4%	7%	9%	8%	27%	5%	31%	7%	2%	10%	4%	10%	30%	6%
	51-100	32%	0%	5%	10%	14%	12%	20%	7%	31%	3%	7%	4%	13%	7%	33%	3%
	101-250	52%	4%	3%	7%	9%	10%	13%	4%	29%	2%	4%	8%	7%	16%	28%	6%
	251+	27%	9%	4%	15%	14%	13%	16%	2%	27%	5%	8%	12%	8%	14%	16%	9%
Census Region	Northeast	15%	3%	3%	14%	20%	15%	25%	5%	15%	3%	3%	14%	7%	19%	34%	5%
	Midwest	54%	3%	3%	6%	6%	8%	15%	4%	40%	5%	4%	7%	5%	11%	22%	6%
	South	39%	7%	4%	12%	12%	8%	14%	6%	28%	2%	6%	12%	10%	9%	25%	8%
	West	31%	6%	5%	8%	6%	13%	24%	7%	28%	10%	10%	5%	7%	10%	23%	8%
Census Division	New England	20%	4%	2%	20%	29%	11%	11%	2%	20%	0%	4%	28%	20%	16%	8%	4%
	Middle Atlantic	12%	2%	4%	11%	15%	17%	33%	6%	13%	4%	3%	9%	3%	20%	44%	6%
	East North Central	45%	5%	1%	6%	7%	11%	19%	5%	33%	5%	5%	7%	6%	12%	26%	6%
	West North Central	74%	0%	6%	6%	4%	2%	6%	2%	59%	5%	0%	7%	2%	9%	11%	7%
	West South Central	50%	13%	3%	10%	15%	3%	8%	0%	44%	6%	8%	8%	6%	2%	21%	4%
	East South Central	21%	8%	4%	17%	8%	13%	8%	21%	13%	0%	4%	9%	26%	13%	22%	13%
	South Atlantic	38%	4%	4%	11%	11%	9%	18%	4%	23%	0%	5%	15%	8%	12%	28%	9%
	Mountain	62%	5%	0%	14%	5%	5%	5%	5%	50%	19%	19%	0%	0%	6%	6%	0%
	Pacific	22%	6%	6%	6%	6%	15%	31%	8%	20%	7%	7%	7%	9%	11%	29%	11%



## Section 4: Provision of Health Care to Retired Employees



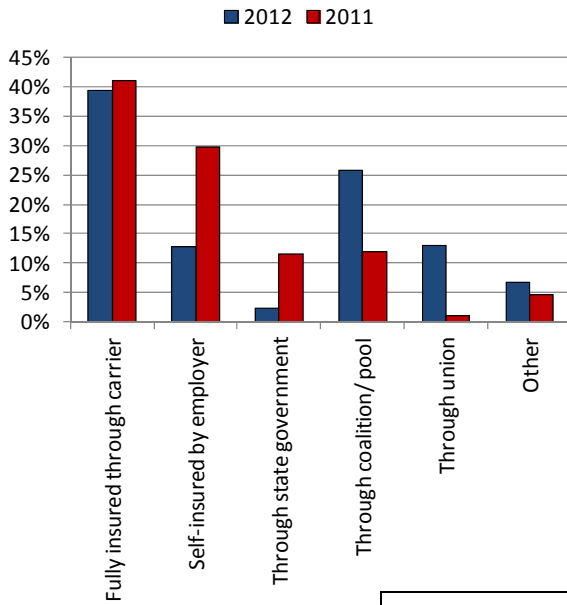
### Employer Share of Early Retiree Premiums:

Early retiree health care premiums are the same as active member premiums for over half of the respondents that offer retiree health care (60% in 2011). This suggests that many of the governments offering early retiree health care subsidize the premium rate by blending the costs of active and retired members.

Q11 Early retiree premiums compared with active		2012				2011			
		Retiree premiums are higher	Retiree premiums are lower	Premiums are the same	Not sure	Retiree premiums are higher	Retiree premiums are lower	Premiums are the same	Not sure
Overall		22%	8%	60%	10%	22%	11%	59%	8%
Full-Time Employees	0-10	8%	21%	35%	35%	17%	25%	29%	29%
	11-50	21%	12%	56%	11%	13%	17%	60%	10%
	51-100	19%	11%	55%	15%	18%	7%	70%	4%
	101-250	18%	2%	74%	6%	21%	11%	62%	6%
	251+	30%	5%	62%	4%	30%	8%	57%	5%
Census Region	Northeast	14%	13%	63%	10%	11%	21%	60%	8%
	Midwest	22%	6%	64%	8%	23%	11%	57%	8%
	South	30%	4%	53%	13%	27%	7%	57%	8%
	West	18%	12%	62%	8%	24%	5%	68%	3%
Census Division	New England	4%	7%	73%	16%	21%	13%	58%	8%
	Middle Atlantic	20%	17%	57%	7%	8%	23%	60%	8%
	East North Central	24%	8%	56%	12%	24%	14%	53%	9%
	West North Central	18%	2%	80%	0%	21%	5%	67%	7%
	West South Central	42%	0%	49%	10%	40%	8%	44%	8%
	East South Central	25%	4%	33%	38%	26%	4%	57%	13%
	South Atlantic	26%	5%	60%	8%	20%	8%	66%	6%
	Mountain	24%	0%	71%	5%	27%	7%	67%	0%
Pacific	17%	15%	59%	9%	23%	4%	69%	4%	



## Section 4: Provision of Health Care to Retired Employees



### How Early Retirees are Insured:

In 2012, the percentage covered through a pool or through the union increased, while the percentage self insured or insured through the state declined.

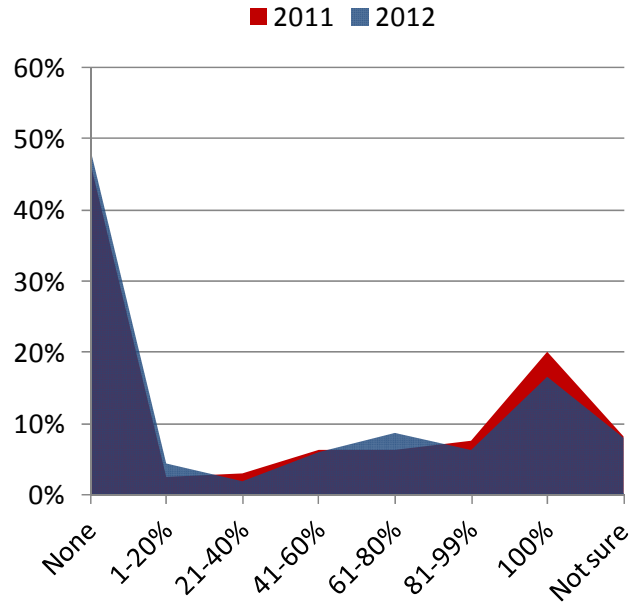
Q12 How Early Retiree Benefits Are Insured		2012						2011					
		Fully insured through carrier	Self-insured by employer	Through state government	Through coalition/ pool	Through union	Other	Fully insured through carrier	Self-insured by employer	Through state government	Through coalition/ pool	Through union	Other
<b>Overall</b>		<b>39%</b>	<b>13%</b>	<b>2%</b>	<b>26%</b>	<b>13%</b>	<b>7%</b>	<b>41%</b>	<b>30%</b>	<b>12%</b>	<b>12%</b>	<b>1%</b>	<b>5%</b>
<b>Full-Time Employees</b>	0-10	30%	14%	7%	9%	19%	21%	48%	0%	29%	0%	5%	19%
	11-50	61%	14%	1%	8%	11%	7%	52%	4%	16%	17%	3%	9%
	51-100	43%	12%	1%	11%	23%	10%	59%	11%	13%	13%	1%	3%
	101-250	38%	7%	3%	30%	16%	6%	41%	20%	13%	21%	0%	4%
	251+	29%	16%	2%	44%	6%	2%	28%	59%	6%	6%	0%	1%
<b>Census Region</b>	Northeast	42%	11%	2%	18%	19%	9%	49%	16%	17%	13%	3%	3%
	Midwest	46%	7%	1%	28%	11%	7%	40%	31%	6%	14%	1%	8%
	South	33%	18%	2%	35%	9%	4%	36%	37%	14%	12%	0%	2%
	West	39%	15%	6%	17%	17%	7%	43%	31%	13%	8%	2%	3%
<b>Census Division</b>	New England	36%	4%	0%	31%	24%	4%	42%	29%	13%	17%	0%	0%
	Middle Atlantic	45%	14%	4%	10%	15%	12%	51%	11%	18%	11%	4%	4%
	East North Central	47%	9%	1%	24%	10%	9%	43%	31%	7%	8%	1%	11%
	West North Central	45%	4%	0%	35%	12%	4%	33%	33%	2%	29%	0%	2%
	West South Central	40%	8%	5%	30%	10%	8%	40%	40%	2%	15%	0%	2%
	East South Central	33%	29%	4%	21%	0%	13%	35%	30%	26%	9%	0%	0%
	South Atlantic	29%	19%	0%	41%	10%	1%	34%	36%	17%	10%	0%	3%
	Mountain	19%	24%	5%	33%	14%	5%	44%	50%	0%	0%	6%	0%
Pacific	45%	13%	6%	11%	17%	8%	42%	24%	18%	11%	0%	4%	



## Section 4: Provision of Health Care to Retired Employees

### Employer Share of Medicare Retiree Premiums:

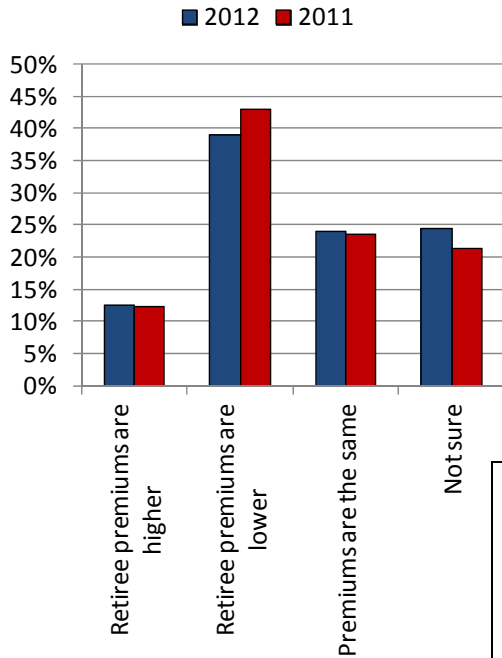
The percentage of premium paid by employers declined slightly from 2011 to 2012. In 2011, 28% paid 80% or more of the premium. In 2012, that percentage dropped to 23%.



Q13 Percentage of Medicare Retiree Premium Paid by Employer		2012								2011							
		None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure	None	1-20%	21-40%	41-60%	61-80%	81-99%	100%	Not sure
Overall		49%	4%	2%	6%	9%	6%	17%	8%	47%	2%	3%	6%	6%	8%	20%	8%
Full-Time Employees	0-10	26%	6%	0%	4%	6%	8%	20%	30%	38%	0%	0%	0%	4%	0%	42%	17%
	11-50	52%	5%	1%	3%	9%	4%	20%	6%	44%	3%	1%	8%	4%	7%	25%	7%
	51-100	39%	0%	3%	6%	7%	6%	28%	13%	49%	2%	3%	0%	7%	4%	24%	12%
	101-250	64%	4%	1%	5%	7%	7%	8%	5%	53%	3%	1%	3%	5%	9%	21%	5%
	251+	48%	6%	3%	10%	10%	7%	14%	3%	46%	2%	5%	9%	8%	9%	13%	8%
Census Region	Northeast	27%	4%	2%	12%	16%	9%	23%	8%	25%	0%	2%	7%	6%	10%	39%	10%
	Midwest	64%	3%	2%	1%	6%	6%	12%	6%	51%	3%	3%	4%	7%	10%	17%	5%
	South	56%	6%	2%	6%	6%	4%	12%	8%	59%	2%	1%	9%	7%	3%	11%	8%
	West	42%	5%	1%	4%	7%	8%	22%	11%	42%	7%	7%	3%	3%	7%	18%	13%
Census Division	New England	30%	2%	4%	15%	30%	9%	4%	4%	38%	0%	0%	13%	13%	8%	13%	17%
	Middle Atlantic	25%	5%	0%	10%	8%	9%	34%	10%	21%	0%	3%	6%	4%	11%	47%	8%
	East North Central	50%	4%	3%	2%	7%	8%	17%	8%	42%	4%	4%	4%	8%	11%	23%	5%
	West North Central	95%	0%	0%	0%	2%	0%	2%	0%	76%	0%	2%	2%	2%	10%	2%	5%
	West South Central	61%	12%	2%	7%	12%	0%	2%	2%	75%	4%	0%	6%	4%	0%	6%	4%
	East South Central	58%	0%	0%	4%	0%	0%	17%	21%	57%	4%	4%	0%	9%	0%	17%	9%
	South Atlantic	53%	4%	2%	6%	5%	6%	15%	7%	49%	0%	1%	14%	8%	6%	12%	10%
	Mountain	70%	0%	5%	10%	5%	0%	0%	10%	67%	7%	20%	7%	0%	0%	0%	0%
Pacific	34%	6%	0%	2%	8%	11%	29%	11%	33%	7%	2%	2%	4%	9%	24%	18%	



## Section 4: Provision of Health Care to Retired Employees



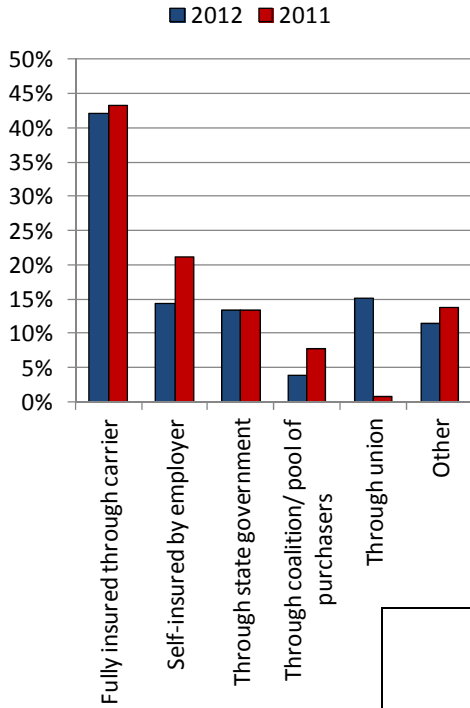
### Employer Share of Medicare Retiree Premiums:

Medicare retiree health care premiums are lower than active member premiums for 39% of the respondents that offer retiree health care. This suggests that many of the governments offering retiree health care subsidize the premium rate by blending the costs of active and retired members.

Q14 Medicare Retiree Premiums Compared With Active		2012				2011			
		Retiree premiums are higher	Retiree premiums are lower	Premiums are the same	Not sure	Retiree premiums are higher	Retiree premiums are lower	Premiums are the same	Not sure
Overall		13%	39%	24%	25%	12%	43%	24%	21%
Full-Time Employees	0-10	2%	38%	13%	47%	4%	48%	9%	39%
	11-50	6%	44%	22%	29%	10%	50%	21%	19%
	51-100	10%	47%	17%	27%	13%	39%	25%	23%
	101-250	18%	24%	36%	22%	13%	43%	28%	16%
	251+	18%	43%	23%	16%	14%	40%	24%	22%
Census Region	Northeast	5%	56%	22%	17%	7%	66%	14%	13%
	Midwest	18%	30%	22%	29%	15%	42%	24%	19%
	South	16%	31%	28%	26%	12%	29%	31%	28%
	West	8%	43%	23%	26%	14%	41%	20%	25%
Census Division	New England	5%	47%	28%	21%	10%	52%	24%	14%
	Middle Atlantic	6%	62%	18%	14%	6%	70%	12%	13%
	East North Central	20%	39%	20%	21%	16%	49%	17%	17%
	West North Central	13%	7%	29%	52%	11%	22%	43%	24%
	West South Central	20%	17%	23%	40%	15%	18%	26%	41%
	East South Central	0%	37%	16%	47%	11%	26%	16%	47%
	South Atlantic	18%	35%	33%	15%	11%	36%	38%	15%
	Mountain	6%	35%	35%	24%	13%	25%	38%	25%
Pacific	9%	45%	20%	27%	15%	44%	17%	24%	



## Section 4: Provision of Health Care to Retired Employees



### How Medicare Retirees are Insured:

In 2012, the percentage covered through the union increased, while all other areas declined, except for insured through the state government, which remained the same.

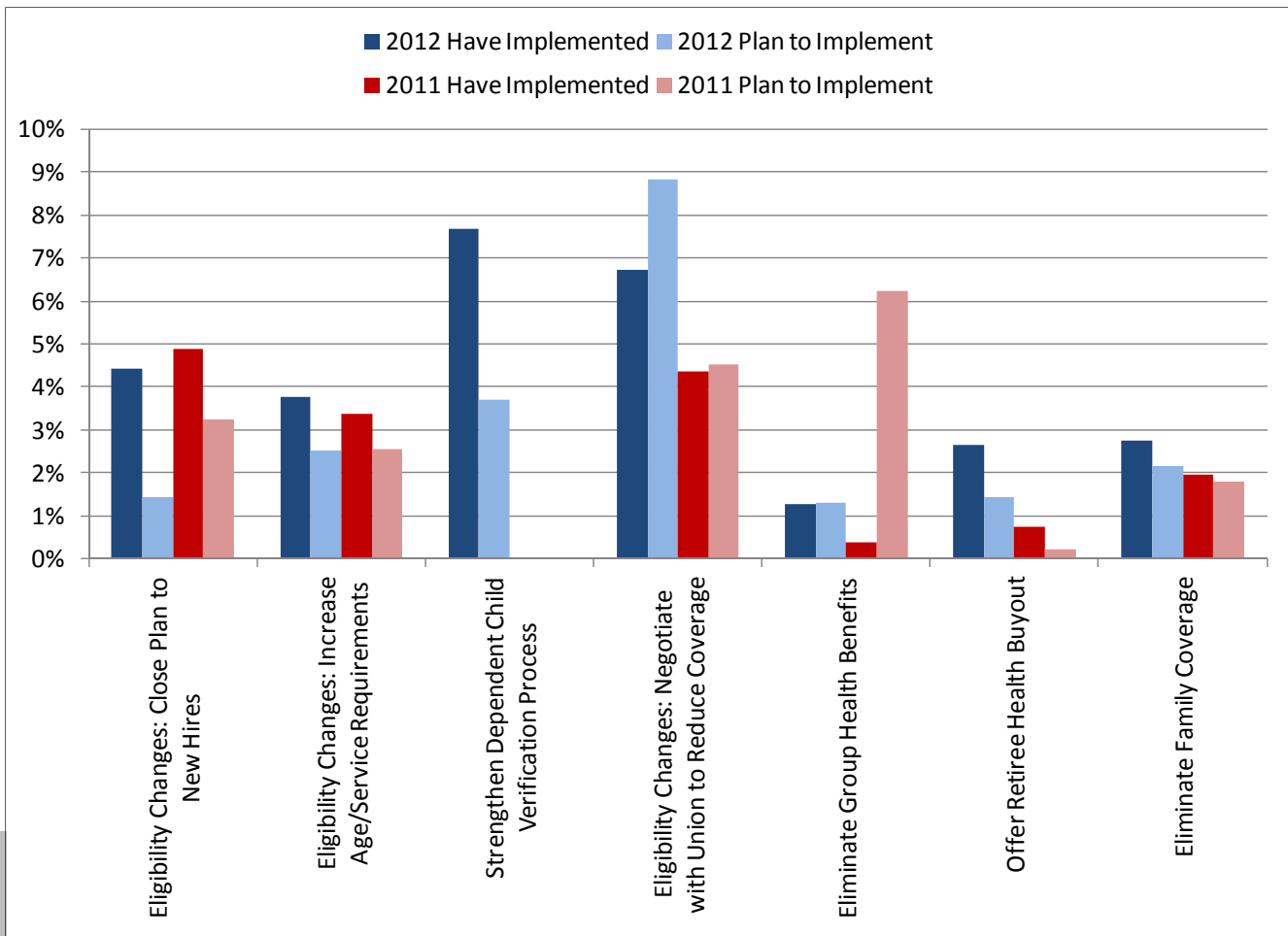
Q15 How health benefits insured for Medicare retirees		2012						2011					
		Fully insured through carrier	Self-insured by employer	Through state government	Through coalition/ pool of purchasers	Through union	Other	Fully insured through carrier	Self-insured by employer	Through state government	Through coalition/ pool of purchasers	Through union	Other
<b>Overall</b>		<b>42%</b>	<b>14%</b>	<b>13%</b>	<b>4%</b>	<b>15%</b>	<b>12%</b>	<b>43%</b>	<b>21%</b>	<b>13%</b>	<b>8%</b>	<b>1%</b>	<b>14%</b>
<b>Full-Time Employees</b>	0-10	33%	12%	17%	7%	7%	24%	39%	0%	44%	0%	0%	17%
	11-50	61%	14%	9%	3%	3%	10%	52%	3%	16%	12%	2%	15%
	51-100	45%	21%	21%	2%	5%	7%	56%	13%	13%	8%	2%	10%
	101-250	38%	8%	18%	5%	17%	15%	44%	14%	12%	14%	0%	16%
	251+	34%	17%	8%	4%	28%	9%	33%	42%	9%	3%	0%	13%
<b>Census Region</b>	Northeast	45%	15%	15%	5%	10%	10%	50%	18%	17%	7%	2%	6%
	Midwest	49%	8%	12%	4%	19%	9%	47%	21%	8%	9%	0%	15%
	South	39%	19%	10%	1%	19%	13%	40%	22%	14%	6%	0%	18%
	West	33%	15%	19%	7%	11%	14%	29%	25%	20%	10%	2%	14%
<b>Census Division</b>	New England	39%	11%	23%	5%	16%	7%	48%	33%	10%	10%	0%	0%
	Middle Atlantic	49%	17%	10%	6%	7%	13%	51%	13%	19%	6%	3%	8%
	East North Central	52%	11%	12%	3%	17%	5%	50%	22%	9%	5%	0%	13%
	West North Central	39%	0%	12%	8%	23%	19%	36%	18%	3%	21%	0%	21%
	West South Central	44%	9%	13%	0%	16%	19%	38%	24%	5%	11%	0%	22%
	East South Central	38%	38%	0%	6%	0%	19%	22%	22%	17%	6%	0%	33%
	South Atlantic	38%	18%	11%	0%	23%	10%	47%	20%	19%	3%	0%	11%
	Mountain	22%	28%	17%	6%	22%	6%	0%	67%	0%	0%	11%	22%
Pacific	37%	11%	20%	7%	7%	17%	35%	15%	25%	13%	0%	13%	



## Section 5 Health Care Strategies

### Changes in Eligibility:

In 2011, about 6% of respondents planned to eliminate group health benefits. In 2012, we see that few did so; however, just over 4% closed plans to new hires. Most activity in 2012 focused on negotiating with unions to reduce coverage and also strengthening the dependent child verification process.





## Section 5: Health Care Strategies

Q22a Eligibility Changes: Close Plan to New Hires		2012					2011				
		Percentage of Respondents Taking Action		Populations Affected			Percentage of Respondents Taking Action		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		4%	1%	72%	22%	27%	5%	3%	36%	57%	43%
Full-Time Employees	0-10	2%	2%	67%	0%	11%	3%	2%	18%	18%	59%
	11-50	6%	1%	90%	20%	23%	4%	2%	36%	68%	82%
	51-100	4%	2%	69%	23%	23%	4%	4%	83%	75%	33%
	101-250	4%	1%	75%	8%	8%	6%	5%	17%	56%	22%
	251+	9%	1%	56%	48%	52%	8%	5%	41%	71%	21%
Census Region	Northeast	5%	2%	86%	18%	18%	5%	2%	41%	100%	53%
	Midwest	5%	1%	85%	26%	21%	5%	3%	35%	83%	57%
	South	4%	1%	57%	19%	33%	6%	5%	34%	13%	24%
	West	3%	2%	47%	27%	47%	2%	1%	43%	29%	43%
Census Division	New England	5%	1%	67%	17%	0%	4%	1%	75%	125%	75%
	Middle Atlantic	5%	3%	94%	19%	25%	5%	2%	31%	92%	46%
	East North Central	7%	1%	69%	23%	17%	7%	4%	38%	88%	53%
	West North Central	1%	0%	225%	50%	50%	2%	2%	17%	50%	83%
	West South Central	3%	1%	67%	0%	17%	5%	4%	33%	8%	33%
	East South Central	1%	0%	0%	0%	0%	9%	2%	33%	11%	22%
	South Atlantic	7%	2%	36%	29%	43%	5%	7%	35%	18%	18%
	Mountain	1%	1%	67%	67%	100%	0%	0%	0%	0%	0%
Pacific	5%	3%	42%	17%	33%	3%	2%	29%	29%	29%	

Q22b Eligibility Changes: Increase Age/Service Requirements		2012					2011				
		Percentage of Respondents Taking Action		Populations Affected			Percentage of Respondents Taking Action		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		4%	3%	67%	30%	14%	3%	3%	151%	77%	75%
Full-Time Employees	0-10	2%	2%	62%	10%	10%	2%	3%	100%	128%	78%
	11-50	2%	2%	100%	20%	5%	3%	2%	205%	71%	67%
	51-100	4%	3%	75%	38%	6%	2%	1%	320%	160%	120%
	101-250	3%	3%	85%	8%	8%	4%	3%	120%	60%	60%
	251+	10%	4%	40%	51%	29%	6%	3%	120%	36%	76%
Census Region	Northeast	4%	4%	81%	23%	4%	4%	2%	293%	107%	93%
	Midwest	3%	2%	93%	29%	14%	3%	2%	152%	74%	81%
	South	5%	2%	32%	42%	26%	4%	3%	42%	63%	71%
	West	4%	3%	65%	20%	10%	2%	3%	182%	64%	27%
Census Division	New England	3%	3%	50%	17%	0%	0%	1%	0%	0%	0%
	Middle Atlantic	4%	5%	90%	25%	5%	5%	3%	236%	71%	79%
	East North Central	4%	2%	73%	31%	15%	4%	3%	136%	79%	82%
	West North Central	0%	0%	350%	0%	0%	1%	1%	300%	33%	67%
	West South Central	3%	1%	0%	80%	20%	4%	2%	29%	71%	43%
	East South Central	2%	2%	125%	25%	25%	0%	2%	0%	0%	0%
	South Atlantic	10%	4%	23%	36%	27%	7%	3%	40%	33%	60%
	Mountain	1%	1%	75%	25%	0%	2%	1%	67%	100%	33%
Pacific	6%	4%	63%	19%	13%	2%	5%	225%	50%	25%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.





## Section 5: Health Care Strategies

Q22c Eligibility Changes: Strengthen Dependent Child Verification Process		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		8%	4%	83%	28%	17%
Full-Time Employees	0-10	2%	2%	77%	9%	5%
	11-50	5%	2%	100%	13%	9%
	51-100	5%	5%	82%	18%	14%
	101-250	10%	3%	68%	14%	7%
	251+	25%	9%	84%	45%	28%
Census Region	Northeast	7%	3%	85%	42%	27%
	Midwest	7%	3%	94%	12%	9%
	South	9%	4%	74%	45%	25%
	West	8%	4%	78%	19%	14%
Census Division	New England	10%	3%	77%	62%	46%
	Middle Atlantic	6%	3%	90%	30%	15%
	East North Central	9%	5%	93%	11%	9%
	West North Central	3%	2%	100%	18%	9%
	West South Central	5%	5%	60%	53%	27%
	East South Central	4%	1%	140%	20%	20%
	South Atlantic	15%	5%	70%	45%	24%
	Mountain	4%	4%	83%	8%	8%
Pacific	11%	4%	76%	24%	16%	

Q22d Eligibility Changes: Eligibility Changes: Negotiate with Union to Reduce Coverage		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		7%	9%	75%	17%	8%	4%	5%	45%	19%	24%
Full-Time Employees	0-10	2%	3%	68%	4%	4%	1%	1%	43%	0%	14%
	11-50	7%	8%	82%	11%	2%	5%	3%	43%	17%	27%
	51-100	7%	11%	74%	18%	8%	5%	5%	38%	25%	38%
	101-250	10%	14%	71%	16%	5%	5%	6%	33%	17%	22%
	251+	14%	15%	76%	28%	16%	8%	10%	53%	21%	19%
Census Region	Northeast	15%	18%	71%	21%	9%	6%	5%	61%	29%	43%
	Midwest	7%	8%	78%	17%	8%	6%	3%	40%	19%	25%
	South	1%	2%	100%	31%	8%	1%	3%	53%	29%	12%
	West	5%	9%	72%	7%	7%	3%	8%	32%	0%	8%
Census Division	New England	20%	21%	62%	31%	15%	8%	3%	63%	50%	75%
	Middle Atlantic	12%	17%	77%	15%	5%	5%	6%	60%	20%	30%
	East North Central	9%	10%	74%	10%	6%	8%	4%	36%	19%	24%
	West North Central	3%	6%	90%	43%	14%	2%	2%	67%	17%	33%
	West South Central	2%	1%	100%	60%	20%	2%	2%	67%	17%	17%
	East South Central	0%	2%	0%	0%	0%	0%	5%	0%	0%	0%
	South Atlantic	1%	2%	67%	17%	0%	1%	3%	57%	43%	14%
	Mountain	1%	3%	80%	20%	20%	1%	2%	0%	0%	0%
Pacific	9%	15%	71%	5%	5%	5%	13%	36%	0%	9%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22e Eligibility Changes: Eliminate Group Health Benefits		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		1%	1%	74%	26%	26%	0%	6%	19%	22%	15%
Full-Time Employees	0-10	0%	1%	100%	0%	13%	0%	5%	0%	0%	0%
	11-50	1%	1%	100%	11%	22%	1%	6%	25%	33%	17%
	51-100	1%	1%	67%	33%	17%	0%	10%	0%	0%	0%
	101-250	3%	1%	44%	22%	11%	1%	6%	17%	17%	8%
	251+	2%	2%	64%	55%	55%	0%	7%	6%	11%	22%
Census Region	Northeast	2%	2%	69%	38%	23%	0%	3%	0%	0%	0%
	Midwest	1%	1%	83%	25%	25%	1%	6%	29%	24%	24%
	South	1%	1%	56%	22%	33%	0%	10%	0%	0%	0%
	West	2%	1%	100%	13%	25%	0%	5%	8%	17%	0%
Census Division	New England	4%	1%	60%	80%	40%	0%	0%	0%	0%	0%
	Middle Atlantic	1%	2%	75%	13%	13%	0%	4%	0%	0%	0%
	East North Central	1%	2%	50%	30%	30%	1%	4%	47%	47%	41%
	West North Central	0%	0%	250%	0%	0%	0%	10%	0%	0%	0%
	West South Central	0%	1%	0%	0%	0%	0%	9%	0%	0%	0%
	East South Central	1%	0%	0%	0%	0%	0%	15%	0%	0%	0%
	South Atlantic	2%	2%	14%	29%	43%	0%	8%	0%	0%	0%
	Mountain	1%	1%	100%	25%	25%	0%	7%	0%	0%	0%
Pacific	2%	1%	100%	0%	25%	1%	4%	17%	33%	0%	

Q22f Eligibility Changes: Offer Retiree Health Buyout		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		3%	1%	72%	7%	7%	1%	0%	192%	23%	15%
Full-Time Employees	0-10	1%	2%	59%	0%	0%	0%	0%	0%	0%	0%
	11-50	3%	1%	85%	10%	5%	1%	0%	0%	0%	0%
	51-100	4%	2%	77%	15%	8%	2%	1%	100%	0%	25%
	101-250	3%	1%	75%	0%	0%	0%	0%	0%	0%	0%
	251+	3%	1%	60%	10%	30%	2%	0%	220%	60%	20%
Census Region	Northeast	9%	2%	74%	6%	3%	1%	0%	0%	0%	0%
	Midwest	2%	1%	90%	10%	10%	1%	0%	220%	20%	0%
	South	1%	1%	38%	13%	25%	1%	0%	175%	25%	0%
	West	0%	1%	0%	0%	0%	0%	0%	100%	0%	50%
Census Division	New England	10%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Middle Atlantic	8%	3%	76%	8%	4%	1%	0%	0%	0%	0%
	East North Central	2%	2%	67%	11%	11%	1%	0%	160%	20%	0%
	West North Central	0%	0%	300%	0%	0%	0%	0%	0%	0%	0%
	West South Central	1%	0%	0%	0%	0%	1%	0%	0%	0%	0%
	East South Central	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%
	South Atlantic	1%	3%	0%	14%	29%	1%	0%	0%	0%	0%
	Mountain	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Pacific	0%	1%	0%	0%	0%	1%	1%	100%	0%	50%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



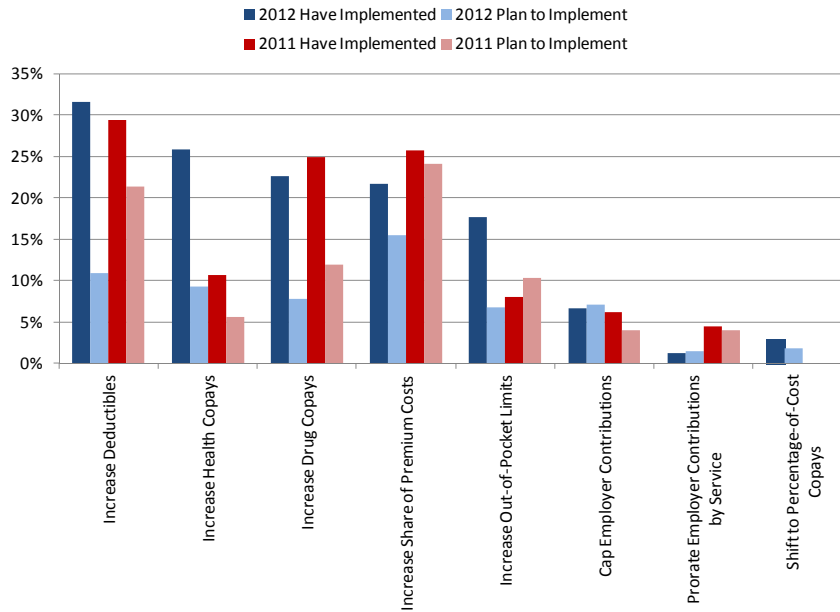
## Section 5: Health Care Strategies

Q22g Eligibility Changes: Eliminate Family Coverage		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		3%	2%	63%	9%	10%	2%	2%	12%	56%	8%
Full-Time Employees	0-10	4%	3%	53%	3%	5%	3%	3%	4%	4%	0%
	11-50	3%	2%	88%	13%	13%	2%	2%	14%	43%	7%
	51-100	2%	1%	67%	17%	17%	3%	4%	0%	40%	0%
	101-250	2%	2%	56%	22%	11%	0%	0%	0%	0%	0%
	251+	0%	1%	33%	0%	33%	1%	0%	0%	0%	0%
Census Region	Northeast	3%	3%	37%	21%	11%	2%	4%	0%	40%	0%
	Midwest	2%	2%	62%	8%	8%	3%	2%	21%	42%	8%
	South	4%	1%	82%	5%	5%	1%	1%	13%	125%	25%
	West	2%	2%	71%	0%	21%	1%	0%	0%	67%	0%
Census Division	New England	4%	0%	0%	0%	0%	0%	4%	0%	0%	0%
	Middle Atlantic	2%	5%	40%	7%	7%	2%	5%	0%	42%	0%
	East North Central	1%	3%	59%	12%	12%	3%	2%	26%	26%	11%
	West North Central	3%	1%	67%	0%	0%	2%	1%	0%	100%	0%
	West South Central	3%	1%	71%	14%	14%	1%	0%	0%	0%	0%
	East South Central	7%	0%	0%	0%	0%	4%	4%	0%	50%	0%
	South Atlantic	4%	1%	56%	0%	0%	1%	0%	0%	0%	0%
	Mountain	3%	2%	75%	0%	0%	1%	0%	0%	0%	0%
Pacific	1%	3%	67%	0%	50%	1%	1%	0%	100%	0%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies



### Changes in Contribution Structure:

In 2012, respondents report a greater focus on copays than in 2011. As in past years, increases in deductibles and larger shares of premium costs also are strong themes.

Q22i Contribution Changes: Increase Deductibles		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
<b>Overall</b>		<b>32%</b>	<b>11%</b>	<b>71%</b>	<b>23%</b>	<b>12%</b>	<b>29%</b>	<b>21%</b>	<b>50%</b>	<b>33%</b>	<b>29%</b>
Full-Time Employees	0-10	19%	6%	63%	3%	4%	15%	12%	41%	19%	27%
	11-50	33%	11%	73%	12%	7%	30%	21%	43%	34%	33%
	51-100	37%	14%	76%	20%	11%	32%	19%	51%	29%	21%
	101-250	40%	17%	65%	26%	11%	37%	31%	56%	31%	21%
	251+	44%	14%	78%	52%	26%	43%	32%	58%	41%	33%
Census Region	Northeast	30%	15%	62%	21%	9%	19%	19%	55%	46%	26%
	Midwest	38%	10%	74%	21%	11%	35%	21%	50%	31%	30%
	South	26%	9%	74%	35%	18%	33%	27%	45%	28%	28%
	West	25%	11%	71%	15%	8%	21%	15%	54%	34%	29%
Census Division	New England	31%	21%	62%	34%	14%	22%	19%	50%	47%	30%
	Middle Atlantic	30%	12%	63%	13%	7%	17%	19%	57%	46%	24%
	East North Central	42%	12%	75%	20%	13%	35%	22%	51%	30%	27%
	West North Central	30%	8%	70%	24%	7%	36%	20%	49%	33%	36%
	West South Central	26%	8%	74%	34%	22%	30%	25%	46%	21%	28%
	East South Central	24%	8%	79%	18%	4%	40%	33%	35%	25%	18%
	South Atlantic	28%	10%	73%	43%	21%	31%	25%	53%	36%	35%
	Mountain	27%	13%	69%	12%	7%	33%	20%	55%	32%	40%
	Pacific	22%	10%	73%	20%	10%	12%	11%	52%	38%	10%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22j Contribution Changes: Increase Health Copays		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		26%	9%	72%	24%	15%	11%	6%	118%	89%	68%
Full-Time Employees	0-10	14%	5%	67%	2%	4%	4%	1%	237%	200%	137%
	11-50	23%	10%	72%	10%	6%	9%	5%	132%	98%	70%
	51-100	30%	10%	74%	17%	10%	13%	8%	85%	67%	58%
	101-250	35%	14%	66%	29%	16%	9%	6%	148%	109%	83%
	251+	42%	12%	81%	54%	33%	23%	12%	90%	65%	52%
Census Region	Northeast	29%	14%	65%	22%	13%	3%	6%	248%	239%	183%
	Midwest	28%	8%	75%	19%	13%	12%	6%	115%	80%	57%
	South	24%	8%	73%	38%	23%	12%	5%	90%	71%	60%
	West	19%	8%	74%	17%	10%	14%	6%	90%	50%	40%
Census Division	New England	34%	21%	62%	34%	23%	4%	6%	243%	243%	157%
	Middle Atlantic	27%	11%	67%	14%	7%	3%	6%	250%	238%	194%
	East North Central	33%	10%	74%	19%	15%	11%	6%	122%	89%	63%
	West North Central	19%	4%	76%	20%	4%	13%	4%	100%	62%	41%
	West South Central	21%	7%	74%	36%	31%	12%	5%	87%	65%	57%
	East South Central	17%	7%	76%	19%	5%	9%	5%	73%	55%	64%
	South Atlantic	29%	8%	71%	46%	24%	15%	5%	100%	82%	61%
	Mountain	20%	8%	79%	12%	7%	13%	7%	94%	47%	47%
Pacific	18%	7%	70%	23%	13%	14%	6%	88%	52%	36%	

Q22k Contribution Changes: Increase Drug Copays		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		23%	8%	72%	26%	16%	25%	12%	41%	17%	69%
Full-Time Employees	0-10	11%	4%	67%	4%	5%	15%	6%	36%	12%	75%
	11-50	22%	7%	74%	12%	7%	27%	13%	33%	11%	64%
	51-100	23%	9%	74%	14%	12%	26%	13%	56%	11%	62%
	101-250	29%	12%	62%	26%	13%	23%	12%	44%	20%	84%
	251+	41%	11%	80%	57%	37%	37%	17%	45%	27%	68%
Census Region	Northeast	25%	12%	63%	23%	14%	28%	13%	38%	17%	67%
	Midwest	25%	7%	75%	21%	12%	30%	13%	35%	16%	67%
	South	20%	5%	72%	39%	27%	16%	11%	49%	23%	92%
	West	18%	6%	77%	23%	15%	24%	10%	51%	12%	47%
Census Division	New England	32%	18%	67%	35%	23%	19%	14%	46%	29%	104%
	Middle Atlantic	21%	10%	61%	14%	7%	31%	13%	35%	13%	56%
	East North Central	30%	10%	76%	20%	15%	32%	12%	37%	16%	63%
	West North Central	16%	4%	72%	26%	2%	24%	14%	32%	16%	75%
	West South Central	18%	6%	77%	40%	31%	17%	12%	53%	24%	79%
	East South Central	17%	4%	63%	21%	11%	11%	9%	50%	13%	169%
	South Atlantic	24%	5%	71%	45%	31%	18%	11%	45%	26%	74%
	Mountain	18%	7%	83%	19%	14%	24%	10%	37%	7%	73%
Pacific	18%	6%	71%	26%	16%	25%	10%	60%	16%	28%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22I Contribution Changes: Increase Share of Premium Costs		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		22%	16%	71%	17%	11%	26%	24%	61%	35%	20%
Full-Time Employees	0-10	8%	11%	64%	3%	6%	15%	14%	59%	30%	26%
	11-50	20%	16%	80%	8%	4%	22%	20%	66%	39%	20%
	51-100	25%	19%	61%	12%	8%	28%	26%	64%	29%	24%
	101-250	35%	21%	66%	21%	10%	29%	31%	55%	29%	13%
	251+	37%	16%	77%	39%	25%	44%	38%	59%	40%	19%
Census Region	Northeast	27%	21%	68%	12%	8%	27%	26%	64%	26%	18%
	Midwest	24%	15%	71%	14%	8%	27%	25%	66%	36%	16%
	South	13%	11%	73%	40%	22%	26%	23%	47%	42%	22%
	West	20%	15%	72%	12%	10%	21%	21%	66%	32%	33%
Census Division	New England	27%	20%	56%	20%	13%	26%	26%	58%	29%	24%
	Middle Atlantic	26%	21%	73%	9%	6%	27%	26%	66%	24%	16%
	East North Central	30%	16%	70%	11%	9%	29%	24%	70%	30%	17%
	West North Central	14%	14%	73%	21%	8%	22%	26%	56%	49%	13%
	West South Central	9%	12%	84%	48%	32%	26%	23%	47%	44%	22%
	East South Central	7%	8%	69%	8%	0%	27%	26%	42%	33%	16%
	South Atlantic	21%	13%	68%	43%	21%	24%	20%	52%	45%	25%
	Mountain	18%	11%	76%	17%	12%	27%	26%	53%	40%	15%
	Pacific	23%	19%	70%	9%	9%	17%	18%	80%	23%	52%

Q22m Contribution Changes: Increase Out-of-Pocket Limits		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		18%	7%	72%	21%	12%	8%	10%	70%	50%	37%
Full-Time Employees	0-10	9%	3%	63%	1%	6%	4%	2%	36%	18%	5%
	11-50	16%	6%	79%	8%	3%	5%	7%	53%	28%	32%
	51-100	20%	7%	70%	13%	7%	10%	12%	68%	38%	32%
	101-250	23%	12%	64%	22%	11%	11%	15%	76%	50%	36%
	251+	31%	10%	78%	49%	28%	15%	23%	84%	73%	48%
Census Region	Northeast	12%	8%	58%	18%	10%	7%	9%	62%	51%	54%
	Midwest	21%	8%	72%	18%	11%	9%	10%	74%	50%	35%
	South	17%	4%	73%	33%	19%	8%	13%	72%	57%	34%
	West	15%	6%	79%	14%	6%	8%	7%	63%	34%	28%
Census Division	New England	17%	8%	54%	25%	17%	11%	11%	56%	56%	50%
	Middle Atlantic	10%	7%	61%	13%	5%	5%	8%	65%	48%	57%
	East North Central	25%	9%	70%	17%	12%	9%	11%	83%	50%	33%
	West North Central	14%	6%	80%	22%	8%	10%	8%	53%	50%	40%
	West South Central	15%	5%	76%	31%	28%	9%	13%	75%	61%	29%
	East South Central	15%	2%	80%	7%	0%	4%	11%	67%	58%	25%
	South Atlantic	20%	4%	68%	45%	20%	9%	15%	71%	53%	41%
	Mountain	18%	7%	89%	14%	5%	9%	6%	77%	38%	31%
	Pacific	11%	5%	65%	15%	8%	7%	8%	53%	32%	26%

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## Section 5: Health Care Strategies

Q22n Contribution Changes: Cap Employer Contributions		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		7%	7%	68%	19%	12%	6%	4%	36%	47%	47%
Full-Time Employees	0-10	3%	7%	50%	2%	6%	1%	1%	40%	20%	40%
	11-50	9%	6%	89%	14%	8%	5%	3%	30%	37%	40%
	51-100	5%	9%	60%	23%	13%	6%	6%	53%	53%	47%
	101-250	11%	8%	56%	24%	13%	8%	4%	47%	58%	53%
Census Region	251+	8%	7%	76%	41%	27%	15%	7%	30%	51%	49%
	Northeast	3%	5%	70%	11%	7%	4%	3%	35%	65%	76%
	Midwest	7%	8%	68%	16%	7%	6%	4%	40%	45%	47%
	South	4%	5%	63%	18%	13%	8%	3%	31%	59%	51%
Census Division	West	11%	8%	70%	28%	23%	7%	6%	38%	19%	19%
	New England	3%	4%	43%	14%	0%	4%	3%	20%	100%	80%
	Middle Atlantic	3%	6%	80%	10%	10%	4%	3%	42%	50%	75%
	East North Central	9%	8%	67%	15%	8%	6%	4%	50%	53%	61%
	West North Central	4%	9%	70%	17%	3%	5%	4%	13%	27%	13%
	West South Central	3%	5%	85%	31%	23%	10%	5%	26%	63%	53%
	East South Central	3%	4%	86%	0%	0%	1%	1%	150%	0%	50%
	South Atlantic	5%	5%	39%	17%	11%	9%	3%	22%	61%	50%
Mountain	3%	5%	92%	38%	23%	5%	2%	33%	17%	33%	
Pacific	19%	11%	64%	26%	23%	8%	8%	40%	20%	15%	

Q22o Contribution Changes: Prorate Employer Contributions by Service		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		1%	1%	73%	27%	22%	4%	4%	37%	22%	17%
Full-Time Employees	0-10	1%	2%	60%	7%	13%	1%	1%	33%	11%	11%
	11-50	1%	1%	156%	33%	22%	2%	4%	43%	19%	5%
	51-100	1%	2%	71%	14%	14%	4%	4%	25%	33%	33%
	101-250	0%	1%	50%	25%	25%	6%	4%	38%	13%	13%
Census Region	251+	3%	1%	30%	60%	40%	13%	8%	37%	26%	20%
	Northeast	1%	2%	78%	22%	22%	6%	5%	37%	19%	15%
	Midwest	1%	1%	125%	33%	25%	4%	3%	33%	20%	13%
	South	1%	1%	50%	33%	8%	6%	4%	40%	23%	20%
Census Division	West	2%	2%	42%	25%	33%	1%	3%	40%	40%	30%
	New England	0%	1%	0%	0%	0%	8%	4%	33%	11%	11%
	Middle Atlantic	2%	2%	75%	25%	25%	5%	6%	39%	22%	17%
	East North Central	1%	1%	89%	44%	33%	5%	4%	30%	18%	12%
	West North Central	0%	1%	0%	0%	0%	2%	2%	43%	29%	14%
	West South Central	1%	2%	60%	60%	0%	6%	3%	50%	25%	8%
	East South Central	0%	0%	0%	0%	0%	1%	2%	0%	0%	33%
	South Atlantic	2%	2%	14%	14%	14%	8%	6%	40%	25%	25%
Mountain	1%	1%	75%	0%	0%	2%	1%	33%	0%	33%	
Pacific	3%	2%	25%	38%	50%	1%	5%	43%	57%	29%	

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## Section 5: Health Care Strategies

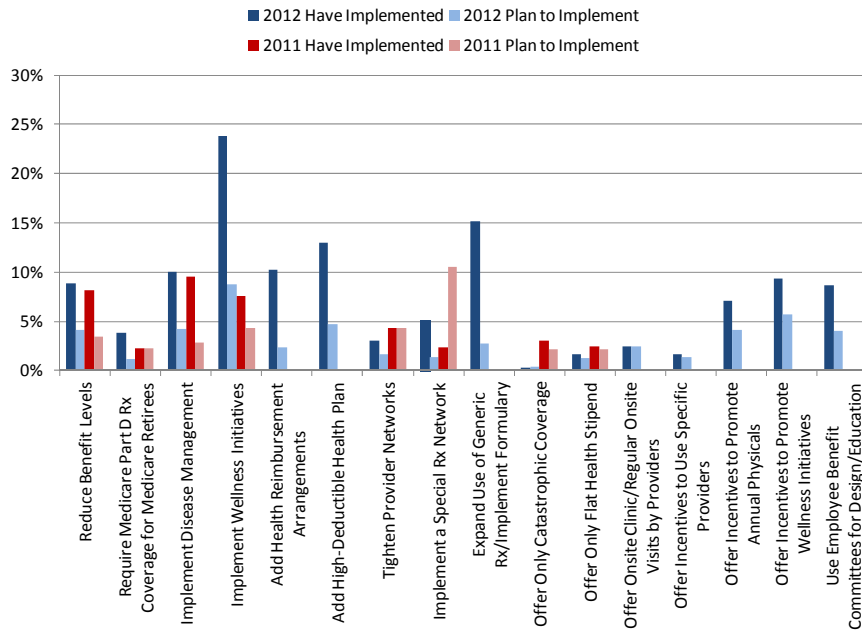
Q22p Contribution Changes: Shift to Percentage-of-Cost Copays		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		3%	2%	82%	18%	13%
Full-Time Employees	0-10	1%	2%	50%	0%	6%
	11-50	3%	1%	125%	6%	6%
	51-100	3%	1%	75%	13%	25%
	101-250	3%	2%	73%	9%	9%
	251+	6%	4%	81%	41%	19%
Census Region	Northeast	4%	3%	65%	9%	4%
	Midwest	3%	2%	100%	17%	14%
	South	1%	1%	73%	36%	9%
	West	3%	1%	86%	21%	29%
Census Division	New England	7%	3%	60%	10%	0%
	Middle Atlantic	3%	3%	69%	8%	8%
	East North Central	5%	2%	86%	18%	14%
	West North Central	0%	0%	0%	0%	0%
	West South Central	0%	1%	0%	0%	0%
	East South Central	1%	0%	0%	0%	0%
	South Atlantic	3%	2%	38%	25%	0%
	Mountain	3%	2%	71%	43%	43%
Pacific	4%	1%	100%	0%	14%	

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## Section 5: Health Care Strategies



### Changes in Design:

In 2012, respondents report a greater focus on wellness, high-deductible health plans, tighter Rx formularies, health reimbursement arrangements, and disease management.

Q22r Design Changes: Reduce Benefit Levels	2012					2011					
	Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected			
	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	
Overall	9%	4%	75%	21%	10%	8%	3%	49%	30%	49%	
Full-Time Employees	0-10	4%	3%	64%	0%	6%	3%	1%	38%	6%	13%
	11-50	9%	2%	82%	8%	0%	6%	2%	34%	21%	31%
	51-100	11%	3%	93%	20%	7%	6%	4%	50%	25%	13%
	101-250	13%	8%	57%	15%	6%	14%	4%	54%	29%	54%
	251+	13%	7%	79%	54%	27%	17%	8%	55%	42%	74%
Census Region	Northeast	6%	7%	63%	10%	5%	5%	2%	74%	47%	58%
	Midwest	10%	4%	75%	18%	8%	8%	4%	51%	30%	54%
	South	9%	2%	71%	36%	17%	10%	3%	41%	26%	46%
	West	9%	4%	85%	21%	10%	8%	4%	38%	23%	42%
Census Division	New England	9%	8%	53%	12%	6%	6%	3%	33%	67%	83%
	Middle Atlantic	5%	6%	71%	8%	4%	5%	2%	92%	38%	46%
	East North Central	12%	5%	76%	19%	9%	10%	5%	57%	29%	41%
	West North Central	5%	2%	72%	17%	0%	5%	2%	25%	33%	108%
	West South Central	9%	2%	56%	19%	6%	13%	5%	35%	22%	39%
	East South Central	3%	0%	0%	0%	0%	7%	1%	29%	29%	43%
	South Atlantic	11%	2%	65%	43%	26%	8%	3%	56%	31%	56%
	Mountain	8%	5%	90%	25%	15%	13%	3%	29%	21%	50%
	Pacific	9%	3%	79%	16%	5%	6%	4%	50%	25%	33%

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## Section 5: Health Care Strategies

Q22s Design Changes: Require Medicare Part D Rx Coverage for Medicare Retirees		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		4%	1%	39%	8%	52%	2%	2%	45%	107%	213%
Full-Time Employees	0-10	2%	0%	46%	0%	31%	1%	2%	56%	78%	189%
	11-50	2%	2%	67%	11%	33%	2%	2%	64%	79%	221%
	51-100	5%	1%	67%	25%	58%	1%	3%	67%	117%	283%
	101-250	3%	1%	18%	9%	55%	3%	4%	18%	91%	136%
	251+	9%	2%	14%	3%	69%	6%	2%	35%	145%	240%
Census Region	Northeast	7%	2%	32%	14%	61%	3%	2%	50%	64%	179%
	Midwest	3%	1%	57%	13%	39%	2%	2%	48%	120%	240%
	South	4%	1%	27%	0%	55%	3%	3%	33%	111%	161%
	West	3%	1%	45%	9%	55%	0%	2%	0%	0%	0%
Census Division	New England	10%	2%	17%	25%	67%	4%	1%	25%	50%	200%
	Middle Atlantic	5%	2%	44%	6%	56%	3%	3%	60%	70%	170%
	East North Central	3%	1%	47%	18%	41%	2%	3%	53%	124%	241%
	West North Central	2%	0%	83%	0%	33%	3%	2%	38%	113%	238%
	West South Central	4%	1%	13%	0%	63%	2%	1%	33%	233%	267%
	East South Central	0%	1%	0%	0%	0%	2%	4%	40%	100%	160%
	South Atlantic	7%	1%	23%	0%	54%	3%	3%	30%	80%	130%
	Mountain	2%	1%	50%	0%	75%	0%	2%	0%	0%	0%
Pacific	3%	1%	43%	14%	43%	0%	2%	0%	0%	0%	

Q22t Design Changes: Implement Disease Management		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		10%	4%	71%	31%	18%	10%	3%	40%	41%	21%
Full-Time Employees	0-10	2%	2%	47%	5%	0%	5%	1%	8%	46%	21%
	11-50	3%	2%	95%	14%	9%	7%	3%	16%	32%	16%
	51-100	9%	5%	59%	14%	10%	7%	2%	21%	29%	29%
	101-250	21%	6%	69%	33%	21%	10%	4%	57%	35%	13%
	251+	31%	11%	75%	44%	23%	21%	5%	63%	49%	24%
Census Region	Northeast	6%	3%	68%	32%	19%	9%	1%	24%	36%	16%
	Midwest	9%	5%	75%	26%	16%	11%	3%	37%	44%	24%
	South	14%	4%	71%	36%	17%	9%	3%	58%	47%	21%
	West	12%	4%	68%	34%	21%	9%	5%	34%	31%	17%
Census Division	New England	10%	5%	60%	40%	20%	17%	0%	0%	0%	0%
	Middle Atlantic	5%	3%	75%	25%	19%	6%	1%	38%	46%	23%
	East North Central	9%	6%	74%	20%	15%	10%	3%	31%	43%	24%
	West North Central	7%	2%	76%	48%	19%	11%	2%	50%	45%	23%
	West South Central	11%	3%	71%	38%	14%	12%	2%	61%	50%	22%
	East South Central	3%	3%	117%	17%	0%	6%	4%	38%	50%	13%
	South Atlantic	23%	5%	65%	38%	21%	8%	4%	65%	41%	24%
	Mountain	13%	4%	60%	24%	20%	6%	7%	36%	45%	18%
Pacific	11%	3%	77%	45%	23%	11%	3%	33%	22%	17%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



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Q22u Design Changes: Implement Wellness Initiatives		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		24%	9%	69%	15%	9%	8%	4%	84%	88%	20%
Full-Time Employees	0-10	5%	4%	58%	4%	4%	3%	1%	62%	162%	46%
	11-50	15%	6%	73%	4%	5%	2%	5%	74%	100%	22%
	51-100	30%	16%	65%	8%	7%	5%	8%	80%	55%	10%
	101-250	42%	14%	65%	17%	9%	9%	4%	105%	77%	14%
	251+	57%	12%	73%	25%	13%	23%	7%	87%	83%	20%
Census Region	Northeast	19%	7%	62%	16%	12%	5%	2%	117%	133%	50%
	Midwest	21%	9%	69%	10%	5%	8%	4%	73%	85%	16%
	South	31%	8%	69%	21%	12%	8%	6%	88%	86%	20%
	West	25%	8%	69%	16%	10%	8%	6%	83%	66%	10%
Census Division	New England	34%	11%	57%	23%	16%	6%	1%	60%	220%	60%
	Middle Atlantic	12%	5%	68%	8%	8%	5%	3%	138%	100%	46%
	East North Central	21%	11%	70%	7%	5%	9%	4%	76%	87%	13%
	West North Central	21%	7%	67%	17%	5%	7%	4%	65%	82%	24%
	West South Central	25%	6%	70%	15%	9%	11%	6%	73%	91%	9%
	East South Central	18%	9%	67%	17%	13%	4%	6%	113%	63%	38%
	South Atlantic	44%	10%	70%	24%	13%	8%	6%	95%	90%	25%
	Mountain	29%	4%	59%	16%	12%	10%	6%	107%	71%	14%
	Pacific	21%	12%	79%	15%	8%	6%	6%	60%	60%	7%

Q22v Design Changes: Add Health Savings Accounts		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		15%	6%	68%	14%	4%
Full-Time Employees	0-10	8%	3%	63%	3%	0%
	11-50	14%	7%	70%	8%	3%
	51-100	17%	4%	71%	13%	9%
	101-250	21%	9%	63%	13%	4%
	251+	23%	7%	74%	32%	6%
Census Region	Northeast	16%	6%	71%	13%	1%
	Midwest	17%	7%	66%	11%	4%
	South	9%	3%	71%	27%	2%
	West	15%	5%	70%	13%	8%
Census Division	New England	16%	11%	65%	15%	4%
	Middle Atlantic	15%	4%	74%	12%	0%
	East North Central	19%	8%	68%	10%	4%
	West North Central	14%	5%	64%	16%	7%
	West South Central	8%	5%	58%	26%	5%
	East South Central	6%	2%	100%	0%	0%
	South Atlantic	11%	2%	74%	35%	0%
	Mountain	17%	7%	69%	11%	9%
	Pacific	14%	4%	71%	14%	7%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22w Design Changes: Add Health Reimbursement Arrangements		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		10%	2%	72%	15%	6%
Full-Time Employees	0-10	5%	2%	64%	0%	9%
	11-50	11%	3%	75%	6%	0%
	51-100	14%	1%	76%	15%	9%
	101-250	11%	2%	60%	10%	0%
	251+	16%	4%	78%	40%	14%
Census Region	Northeast	11%	4%	73%	14%	8%
	Midwest	13%	2%	67%	11%	4%
	South	7%	0%	84%	34%	6%
	West	7%	3%	75%	13%	9%
Census Division	New England	7%	6%	77%	31%	23%
	Middle Atlantic	13%	3%	72%	8%	3%
	East North Central	15%	2%	70%	11%	5%
	West North Central	8%	0%	55%	10%	0%
	West South Central	3%	1%	83%	50%	0%
	East South Central	8%	0%	0%	0%	0%
	South Atlantic	11%	1%	74%	32%	11%
	Mountain	9%	3%	76%	18%	12%
	Pacific	6%	4%	73%	7%	7%

Q22x Design Changes: Add High-Deductible Health Plan		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		13%	5%	72%	27%	10%
Full-Time Employees	0-10	7%	2%	57%	2%	2%
	11-50	13%	5%	76%	19%	9%
	51-100	17%	5%	72%	26%	15%
	101-250	16%	6%	62%	24%	6%
	251+	19%	8%	84%	57%	16%
Census Region	Northeast	13%	6%	67%	25%	8%
	Midwest	16%	6%	71%	21%	8%
	South	8%	3%	81%	48%	7%
	West	12%	3%	74%	30%	19%
Census Division	New England	10%	10%	55%	25%	15%
	Middle Atlantic	14%	4%	73%	25%	5%
	East North Central	18%	6%	72%	18%	7%
	West North Central	14%	5%	68%	27%	11%
	West South Central	8%	4%	67%	28%	6%
	East South Central	6%	2%	100%	43%	0%
	South Atlantic	8%	2%	88%	71%	12%
	Mountain	13%	4%	80%	28%	16%
	Pacific	12%	2%	68%	32%	23%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22y Design Changes: Tighten Provider Networks		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		3%	2%	75%	30%	13%	4%	4%	147%	92%	18%
Full-Time Employees	0-10	1%	1%	55%	0%	9%	2%	3%	132%	58%	32%
	11-50	2%	0%	120%	10%	10%	3%	4%	121%	111%	25%
	51-100	2%	1%	83%	17%	17%	4%	3%	218%	91%	18%
	101-250	4%	3%	56%	31%	6%	4%	5%	160%	93%	0%
	251+	9%	4%	76%	47%	18%	8%	8%	149%	95%	12%
Census Region	Northeast	2%	3%	71%	36%	14%	3%	2%	162%	100%	46%
	Midwest	3%	2%	81%	29%	13%	5%	5%	144%	100%	13%
	South	3%	1%	67%	40%	7%	2%	5%	177%	92%	27%
	West	4%	2%	82%	24%	18%	6%	3%	126%	74%	0%
Census Division	New England	4%	3%	57%	43%	14%	3%	1%	233%	67%	33%
	Middle Atlantic	1%	2%	86%	29%	14%	3%	2%	140%	110%	50%
	East North Central	3%	1%	90%	30%	20%	6%	6%	125%	82%	9%
	West North Central	3%	2%	64%	27%	0%	3%	3%	230%	180%	30%
	West South Central	3%	1%	71%	57%	14%	4%	7%	164%	93%	21%
	East South Central	1%	1%	150%	50%	0%	1%	5%	220%	60%	40%
	South Atlantic	4%	0%	0%	0%	0%	1%	3%	171%	114%	29%
	Mountain	7%	1%	67%	8%	8%	11%	2%	108%	67%	0%
Pacific	1%	2%	120%	60%	40%	2%	4%	157%	86%	0%	

Q22z Design Changes: Implement a Special Rx Network		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		5%	1%	77%	36%	19%	2%	11%	35%	10%	6%
Full-Time Employees	0-10	1%	1%	78%	0%	11%	2%	6%	10%	3%	3%
	11-50	3%	1%	106%	39%	22%	2%	9%	5%	0%	2%
	51-100	3%	0%	75%	13%	13%	0%	8%	0%	0%	0%
	101-250	9%	1%	64%	32%	18%	1%	13%	55%	14%	9%
	251+	17%	3%	73%	47%	22%	6%	19%	57%	20%	11%
Census Region	Northeast	6%	2%	72%	48%	28%	2%	11%	15%	9%	9%
	Midwest	4%	1%	79%	24%	12%	2%	11%	32%	6%	6%
	South	6%	1%	77%	50%	15%	3%	8%	69%	23%	8%
	West	6%	1%	82%	27%	27%	2%	11%	14%	4%	4%
Census Division	New England	10%	4%	57%	36%	29%	1%	11%	11%	0%	0%
	Middle Atlantic	4%	1%	91%	64%	27%	2%	11%	17%	13%	13%
	East North Central	5%	1%	78%	22%	15%	3%	13%	32%	4%	4%
	West North Central	2%	1%	86%	29%	0%	1%	8%	33%	13%	13%
	West South Central	7%	0%	0%	0%	0%	3%	8%	71%	21%	0%
	East South Central	1%	1%	200%	50%	0%	2%	11%	18%	9%	0%
	South Atlantic	7%	1%	77%	62%	23%	3%	7%	107%	36%	21%
	Mountain	9%	1%	73%	27%	27%	1%	13%	17%	0%	0%
Pacific	3%	1%	100%	29%	29%	2%	10%	13%	6%	6%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22aa Design Changes: Expand Use of Generic Rx/Implement Formulary		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		15%	3%	72%	34%	18%
Full-Time Employees	0-10	3%	1%	64%	8%	12%
	11-50	10%	1%	81%	23%	13%
	51-100	17%	4%	72%	22%	20%
	101-250	22%	5%	65%	32%	14%
	251+	40%	5%	73%	52%	23%
Census Region	Northeast	13%	3%	65%	38%	23%
	Midwest	14%	2%	72%	28%	15%
	South	17%	3%	71%	41%	18%
	West	16%	3%	81%	35%	19%
Census Division	New England	14%	5%	56%	33%	17%
	Middle Atlantic	13%	2%	71%	41%	26%
	East North Central	17%	3%	75%	28%	19%
	West North Central	9%	2%	63%	30%	4%
	West South Central	14%	3%	72%	40%	16%
	East South Central	12%	2%	100%	23%	8%
	South Atlantic	22%	4%	62%	48%	21%
	Mountain	22%	2%	77%	26%	20%
	Pacific	11%	3%	86%	50%	18%

Q22ab Design Changes: Offer Only Catastrophic Coverage		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		0%	0%	145%	27%	27%	3%	2%	22%	45%	32%
Full-Time Employees	0-10	0%	0%	100%	0%	67%	1%	1%	29%	29%	43%
	11-50	0%	0%	233%	33%	0%	2%	0%	0%	57%	43%
	51-100	1%	0%	133%	33%	33%	3%	3%	13%	63%	63%
	101-250	0%	0%	0%	0%	0%	4%	3%	36%	55%	9%
	251+	0%	0%	0%	0%	0%	8%	5%	22%	39%	28%
Census Region	Northeast	0%	0%	0%	0%	0%	2%	1%	38%	75%	50%
	Midwest	0%	0%	160%	20%	20%	3%	2%	27%	58%	46%
	South	0%	0%	0%	0%	0%	4%	3%	15%	33%	19%
	West	0%	1%	67%	33%	33%	1%	2%	13%	13%	13%
Census Division	New England	0%	0%	0%	0%	0%	4%	1%	25%	0%	0%
	Middle Atlantic	0%	0%	0%	0%	0%	1%	1%	50%	150%	100%
	East North Central	0%	0%	0%	0%	0%	3%	2%	39%	78%	50%
	West North Central	1%	0%	133%	0%	0%	4%	1%	0%	13%	38%
	West South Central	0%	0%	0%	0%	0%	5%	4%	8%	17%	8%
	East South Central	0%	0%	0%	0%	0%	2%	1%	0%	33%	67%
	South Atlantic	1%	0%	0%	0%	0%	4%	4%	25%	50%	17%
	Mountain	1%	1%	50%	0%	0%	0%	2%	0%	0%	0%
	Pacific	0%	1%	0%	0%	0%	2%	2%	0%	17%	17%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22ac Design Changes: Offer Only Flat Health Stipend		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		2%	1%	67%	10%	10%	2%	2%	31%	13%	26%
Full-Time Employees	0-10	2%	1%	57%	0%	14%	1%	1%	60%	20%	40%
	11-50	2%	2%	81%	6%	6%	1%	1%	67%	0%	33%
	51-100	0%	1%	100%	33%	33%	1%	2%	75%	50%	0%
	101-250	2%	1%	43%	29%	0%	3%	3%	50%	0%	25%
	251+	3%	1%	67%	11%	11%	9%	6%	13%	13%	26%
Census Region	Northeast	3%	1%	69%	15%	0%	2%	1%	57%	0%	14%
	Midwest	1%	2%	72%	11%	17%	2%	2%	43%	17%	30%
	South	2%	0%	0%	0%	0%	4%	3%	12%	12%	27%
	West	1%	2%	70%	0%	10%	2%	1%	33%	17%	17%
Census Division	New England	2%	0%	0%	0%	0%	4%	1%	25%	0%	0%
	Middle Atlantic	3%	2%	73%	9%	0%	1%	1%	100%	0%	33%
	East North Central	1%	1%	75%	17%	25%	3%	3%	42%	21%	32%
	West North Central	1%	2%	67%	0%	0%	1%	1%	50%	0%	25%
	West South Central	2%	0%	0%	0%	0%	5%	2%	33%	22%	67%
	East South Central	1%	0%	0%	0%	0%	2%	4%	0%	20%	20%
	South Atlantic	2%	0%	0%	0%	0%	4%	4%	0%	0%	0%
	Mountain	1%	3%	67%	0%	0%	2%	1%	33%	33%	33%
Pacific	1%	1%	75%	0%	25%	2%	1%	33%	0%	0%	

Q22ad Design Changes: Offer Onsite Clinic/Regular Onsite Visits by Providers		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		2%	2%	87%	33%	13%
Full-Time Employees	0-10	1%	1%	56%	11%	0%
	11-50	1%	0%	200%	20%	0%
	51-100	1%	2%	86%	14%	14%
	101-250	3%	2%	75%	25%	17%
	251+	9%	10%	84%	43%	16%
Census Region	Northeast	1%	1%	100%	33%	17%
	Midwest	2%	2%	83%	21%	8%
	South	4%	3%	94%	44%	16%
	West	3%	3%	80%	35%	15%
Census Division	New England	2%	2%	75%	25%	25%
	Middle Atlantic	0%	1%	0%	0%	0%
	East North Central	2%	3%	74%	16%	11%
	West North Central	1%	1%	120%	40%	0%
	West South Central	4%	1%	86%	86%	14%
	East South Central	1%	2%	167%	33%	0%
	South Atlantic	7%	7%	86%	32%	18%
	Mountain	5%	5%	73%	20%	13%
Pacific	1%	2%	100%	80%	20%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22ae Design Changes: Offer Incentives to Use Specific Providers		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		2%	1%	84%	22%	8%
Full-Time Employees	0-10	1%	1%	55%	0%	9%
	11-50	0%	1%	200%	25%	0%
	51-100	1%	1%	120%	20%	20%
	101-250	2%	2%	44%	0%	11%
	251+	5%	3%	86%	43%	5%
Census Region	Northeast	0%	2%	71%	14%	0%
	Midwest	2%	1%	79%	21%	5%
	South	2%	1%	93%	36%	14%
	West	2%	1%	100%	11%	11%
Census Division	New England	0%	4%	0%	0%	0%
	Middle Atlantic	0%	1%	133%	33%	0%
	East North Central	1%	2%	77%	15%	8%
	West North Central	2%	0%	83%	33%	0%
	West South Central	3%	1%	67%	50%	17%
	East South Central	0%	1%	0%	0%	0%
	South Atlantic	3%	1%	86%	29%	14%
	Mountain	3%	1%	86%	0%	0%
Pacific	0%	1%	0%	0%	0%	

Q22af Design Changes: Offer Incentives to Promote Annual Physicals		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		7%	4%	74%	18%	8%
Full-Time Employees	0-10	1%	2%	77%	0%	0%
	11-50	3%	1%	100%	15%	5%
	51-100	11%	5%	67%	12%	12%
	101-250	13%	7%	57%	13%	7%
	251+	19%	11%	80%	28%	9%
Census Region	Northeast	3%	3%	80%	20%	10%
	Midwest	6%	4%	77%	11%	5%
	South	12%	6%	68%	24%	7%
	West	7%	3%	77%	19%	16%
Census Division	New England	5%	3%	63%	25%	13%
	Middle Atlantic	2%	3%	92%	17%	8%
	East North Central	6%	5%	80%	9%	4%
	West North Central	5%	2%	69%	19%	6%
	West South Central	11%	7%	63%	19%	7%
	East South Central	4%	3%	86%	14%	0%
	South Atlantic	17%	7%	68%	30%	8%
	Mountain	12%	5%	75%	17%	17%
Pacific	3%	1%	86%	29%	14%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.





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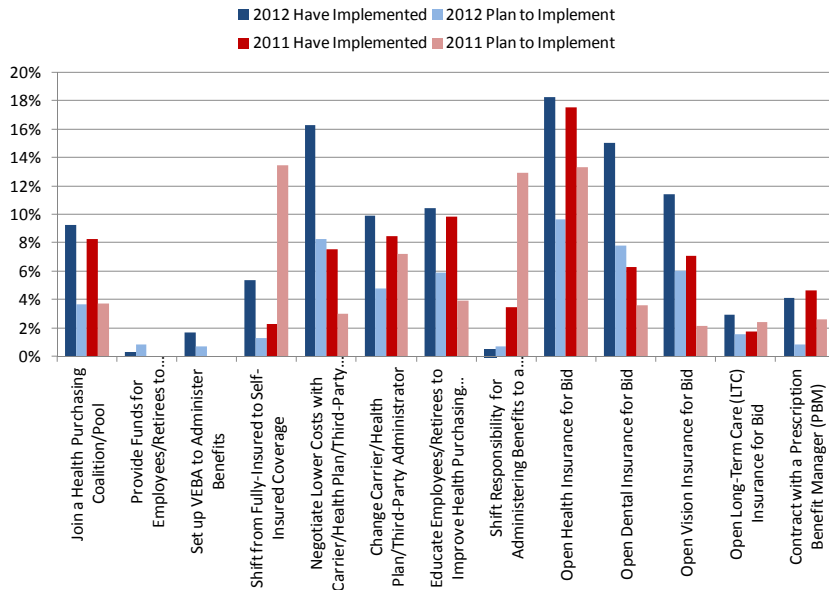
Q22ag Design Changes: Offer Incentives to Promote Wellness Initiatives		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		9%	6%	73%	16%	8%
Full-Time Employees	0-10	1%	2%	53%	7%	13%
	11-50	4%	3%	93%	4%	0%
	51-100	12%	6%	66%	8%	8%
	101-250	17%	9%	63%	17%	10%
	251+	27%	16%	79%	22%	7%
Census Region	Northeast	7%	4%	69%	11%	8%
	Midwest	9%	5%	78%	11%	3%
	South	13%	7%	72%	28%	15%
	West	9%	5%	70%	7%	2%
Census Division	New England	15%	4%	61%	17%	17%
	Middle Atlantic	4%	4%	78%	6%	0%
	East North Central	9%	7%	77%	10%	3%
	West North Central	7%	2%	82%	14%	5%
	West South Central	7%	7%	62%	14%	0%
	East South Central	6%	8%	92%	25%	8%
	South Atlantic	21%	8%	71%	35%	23%
	Mountain	13%	5%	63%	4%	4%
	Pacific	5%	5%	81%	13%	0%

Q22ah Design Changes: Use Employee Benefit Committees for Design/Education		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		9%	4%	71%	23%	12%
Full-Time Employees	0-10	1%	2%	50%	0%	0%
	11-50	4%	3%	87%	10%	3%
	51-100	7%	5%	67%	11%	7%
	101-250	16%	7%	64%	21%	13%
	251+	29%	6%	73%	36%	18%
Census Region	Northeast	4%	3%	65%	22%	22%
	Midwest	10%	3%	78%	21%	7%
	South	9%	4%	67%	30%	15%
	West	10%	6%	65%	21%	15%
Census Division	New England	10%	4%	57%	36%	36%
	Middle Atlantic	2%	2%	78%	0%	0%
	East North Central	10%	4%	80%	15%	7%
	West North Central	8%	3%	72%	36%	8%
	West South Central	6%	5%	56%	25%	13%
	East South Central	3%	2%	100%	20%	20%
	South Atlantic	15%	5%	67%	33%	15%
	Mountain	10%	5%	68%	18%	14%
	Pacific	9%	7%	62%	23%	15%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies



### Changes in Purchasing:

In 2012, respondents report more activity around opening health, dental and vision insurance for bid, negotiating lower costs with their insurance company, and changing health insurance providers. Joining a health purchasing coalition/pool and educating employees/retirees to improve health purchasing decisions also are strong themes. While still emerging practices, providing funds so employees can join a private exchange and setting up a VEBA (voluntary employees beneficiary association) are trends to watch.

Q22aj Purchasing Changes: Join a Health Purchasing Coalition/Pool		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
<b>Overall</b>		<b>9%</b>	<b>4%</b>	<b>65%</b>	<b>22%</b>	<b>14%</b>	<b>8%</b>	<b>4%</b>	<b>104%</b>	<b>61%</b>	<b>74%</b>
Full-Time Employees	0-10	6%	3%	49%	4%	0%	6%	1%	82%	68%	36%
	11-50	10%	4%	74%	15%	11%	10%	3%	94%	40%	44%
	51-100	13%	5%	62%	18%	10%	9%	3%	106%	50%	83%
	101-250	10%	3%	62%	38%	14%	7%	6%	145%	120%	125%
	251+	12%	3%	76%	50%	39%	8%	8%	112%	57%	110%
Census Region	Northeast	13%	6%	59%	28%	17%	11%	4%	70%	46%	30%
	Midwest	9%	3%	72%	14%	8%	8%	5%	113%	60%	74%
	South	5%	1%	72%	32%	16%	5%	3%	132%	82%	132%
	West	12%	6%	62%	26%	19%	9%	3%	96%	62%	73%
Census Division	New England	19%	5%	57%	48%	35%	10%	7%	42%	50%	50%
	Middle Atlantic	10%	6%	60%	14%	6%	12%	2%	84%	44%	20%
	East North Central	10%	4%	70%	14%	9%	8%	5%	126%	74%	87%
	West North Central	8%	2%	78%	13%	4%	9%	5%	87%	30%	48%
	West South Central	5%	4%	62%	23%	8%	9%	2%	129%	50%	93%
	East South Central	0%	0%	0%	0%	0%	4%	4%	117%	117%	133%
	South Atlantic	7%	0%	0%	0%	0%	3%	3%	150%	113%	200%
	Mountain	11%	7%	70%	33%	22%	8%	5%	100%	91%	100%
	Pacific	13%	4%	54%	19%	15%	10%	2%	93%	40%	53%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22ak Purchasing Changes: Provide Funds for Employees/Retirees to Purchase Coverage Through a Health Care		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		0%	1%	74%	21%	26%
Full-Time Employees	0-10	0%	1%	25%	25%	25%
	11-50	0%	1%	175%	0%	0%
	51-100	0%	1%	75%	50%	25%
	101-250	0%	0%	0%	0%	0%
	251+	1%	2%	33%	17%	50%
Census Region	Northeast	0%	1%	0%	0%	0%
	Midwest	0%	0%	140%	40%	60%
	South	0%	0%	133%	33%	33%
	West	0%	2%	50%	17%	17%
Census Division	New England	0%	0%	0%	0%	0%
	Middle Atlantic	0%	2%	0%	0%	0%
	East North Central	0%	1%	100%	50%	50%
	West North Central	0%	0%	0%	0%	0%
	West South Central	0%	0%	0%	0%	0%
	East South Central	0%	0%	0%	0%	0%
	South Atlantic	1%	1%	67%	33%	33%
	Mountain	0%	2%	0%	0%	0%
	Pacific	1%	1%	0%	0%	33%

Q22al Purchasing Changes: Set up VEBA to Administer Benefits		2012				
		Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		2%	1%	80%	15%	8%
Full-Time Employees	0-10	1%	0%	75%	25%	0%
	11-50	1%	1%	138%	13%	0%
	51-100	1%	1%	50%	17%	17%
	101-250	4%	1%	67%	17%	8%
	251+	3%	1%	70%	10%	10%
Census Region	Northeast	0%	1%	50%	0%	0%
	Midwest	2%	0%	100%	38%	13%
	South	0%	0%	0%	0%	0%
	West	4%	2%	61%	0%	6%
Census Division	New England	1%	1%	50%	0%	0%
	Middle Atlantic	0%	1%	0%	0%	0%
	East North Central	1%	0%	113%	50%	25%
	West North Central	3%	0%	88%	25%	0%
	West South Central	0%	0%	0%	0%	0%
	East South Central	0%	0%	0%	0%	0%
	South Atlantic	1%	0%	0%	0%	0%
	Mountain	2%	1%	75%	0%	25%
	Pacific	6%	3%	57%	0%	0%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22am Purchasing Changes: Shift from Fully-Insured to Self-Insured Coverage		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		5%	1%	76%	40%	24%	2%	13%	69%	50%	12%
Full-Time Employees	0-10	0%	1%	60%	20%	0%	1%	8%	54%	40%	6%
	11-50	2%	1%	100%	15%	8%	1%	12%	53%	37%	4%
	51-100	5%	3%	65%	18%	12%	1%	20%	73%	61%	15%
	101-250	10%	1%	73%	42%	27%	3%	21%	76%	57%	8%
	251+	18%	2%	76%	55%	33%	7%	15%	85%	58%	24%
Census Region	Northeast	4%	3%	71%	46%	33%	2%	8%	50%	38%	25%
	Midwest	4%	1%	79%	30%	18%	2%	17%	68%	42%	3%
	South	6%	0%	82%	50%	32%	3%	14%	77%	63%	23%
	West	7%	2%	73%	38%	15%	1%	11%	73%	65%	12%
Census Division	New England	4%	3%	57%	57%	29%	1%	13%	50%	40%	30%
	Middle Atlantic	5%	3%	76%	41%	35%	2%	6%	50%	36%	21%
	East North Central	5%	1%	82%	32%	27%	3%	16%	76%	52%	3%
	West North Central	4%	1%	73%	27%	0%	2%	19%	53%	25%	3%
	West South Central	5%	1%	63%	38%	25%	2%	16%	77%	59%	23%
	East South Central	4%	0%	0%	0%	0%	2%	16%	67%	53%	20%
	South Atlantic	9%	1%	75%	63%	44%	3%	10%	85%	75%	25%
	Mountain	10%	2%	65%	35%	24%	1%	20%	74%	68%	16%
	Pacific	4%	1%	89%	44%	0%	2%	4%	71%	57%	0%

Q22an Purchasing Changes: Negotiate Lower Costs with Carrier/Health Plan/Third-Party Administrator		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		16%	8%	65%	24%	14%	8%	3%	81%	36%	95%
Full-Time Employees	0-10	6%	4%	60%	8%	6%	1%	1%	225%	25%	400%
	11-50	14%	7%	77%	16%	10%	3%	3%	100%	27%	135%
	51-100	16%	8%	69%	15%	10%	6%	6%	89%	26%	47%
	101-250	23%	14%	57%	24%	13%	9%	3%	74%	32%	89%
	251+	36%	14%	62%	40%	25%	22%	4%	56%	46%	59%
Census Region	Northeast	18%	11%	64%	32%	23%	3%	2%	164%	82%	264%
	Midwest	16%	7%	70%	17%	10%	8%	4%	81%	29%	89%
	South	18%	8%	67%	35%	18%	10%	3%	64%	44%	87%
	West	10%	8%	49%	12%	5%	7%	2%	76%	19%	48%
Census Division	New England	19%	14%	58%	39%	29%	3%	0%	0%	0%	0%
	Middle Atlantic	17%	10%	67%	28%	20%	3%	2%	167%	56%	278%
	East North Central	19%	9%	68%	16%	13%	9%	5%	90%	31%	84%
	West North Central	11%	5%	76%	21%	3%	7%	1%	46%	23%	108%
	West South Central	11%	9%	63%	30%	17%	11%	2%	69%	50%	81%
	East South Central	9%	4%	75%	33%	8%	9%	6%	42%	17%	42%
	South Atlantic	28%	9%	67%	38%	21%	9%	3%	76%	59%	124%
	Mountain	10%	7%	52%	4%	4%	13%	2%	92%	15%	38%
	Pacific	11%	9%	47%	19%	6%	4%	2%	50%	25%	63%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22ao Purchasing Changes: Change Carrier/Health Plan/Third-Party Administrator		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		10%	5%	71%	27%	17%	8%	7%	27%	65%	46%
Full-Time Employees	0-10	3%	3%	67%	15%	9%	6%	2%	15%	61%	48%
	11-50	11%	4%	73%	12%	9%	8%	7%	11%	69%	46%
	51-100	11%	7%	61%	13%	11%	8%	10%	33%	67%	37%
	101-250	14%	7%	68%	21%	11%	8%	6%	48%	83%	65%
	251+	17%	6%	82%	62%	38%	13%	14%	37%	59%	42%
Census Region	Northeast	10%	8%	64%	31%	21%	11%	6%	13%	58%	35%
	Midwest	10%	5%	72%	23%	15%	7%	8%	32%	70%	52%
	South	10%	3%	77%	30%	19%	10%	8%	31%	68%	48%
	West	7%	5%	72%	25%	14%	6%	6%	28%	56%	44%
Census Division	New England	8%	8%	56%	44%	25%	6%	7%	33%	100%	78%
	Middle Atlantic	11%	8%	67%	26%	19%	13%	5%	6%	45%	23%
	East North Central	11%	7%	72%	23%	16%	8%	9%	34%	66%	48%
	West North Central	8%	0%	71%	24%	10%	5%	7%	26%	84%	63%
	West South Central	10%	2%	83%	28%	17%	12%	7%	29%	63%	38%
	East South Central	3%	1%	100%	0%	0%	5%	6%	33%	89%	67%
	South Atlantic	14%	4%	71%	35%	23%	11%	9%	31%	66%	52%
	Mountain	7%	5%	79%	26%	16%	6%	10%	29%	21%	14%
Pacific	7%	4%	65%	24%	12%	6%	2%	27%	100%	82%	

Q22ap Purchasing Changes: Educate Employees/Retirees to Improve Health Purchasing Decisions		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		10%	6%	66%	28%	16%	10%	4%	45%	16%	54%
Full-Time Employees	0-10	1%	2%	60%	7%	0%	4%	1%	24%	0%	176%
	11-50	7%	5%	59%	11%	7%	7%	3%	27%	11%	97%
	51-100	12%	6%	74%	21%	13%	10%	6%	36%	12%	44%
	101-250	19%	11%	63%	22%	12%	11%	6%	61%	18%	21%
	251+	25%	13%	70%	46%	27%	22%	8%	55%	24%	21%
Census Region	Northeast	7%	6%	65%	38%	28%	7%	2%	35%	13%	100%
	Midwest	12%	5%	65%	19%	12%	9%	4%	46%	19%	66%
	South	12%	6%	69%	36%	16%	13%	5%	48%	20%	25%
	West	9%	7%	66%	28%	17%	10%	5%	44%	9%	53%
Census Division	New England	15%	10%	58%	46%	29%	10%	3%	33%	22%	67%
	Middle Atlantic	3%	4%	75%	25%	25%	6%	2%	36%	7%	121%
	East North Central	13%	7%	68%	19%	12%	11%	4%	47%	15%	53%
	West North Central	10%	2%	57%	21%	11%	4%	4%	38%	38%	123%
	West South Central	11%	7%	70%	41%	15%	16%	5%	54%	23%	27%
	East South Central	9%	6%	85%	31%	8%	11%	5%	23%	15%	31%
	South Atlantic	14%	6%	62%	35%	21%	11%	4%	55%	18%	18%
	Mountain	9%	7%	74%	35%	17%	14%	2%	57%	21%	57%
Pacific	9%	6%	58%	21%	17%	7%	7%	33%	0%	50%	

Note: Some cells under "population affected" exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22aq Purchasing Changes: Shift Responsibility for Administering Benefits to a Union Group		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		1%	1%	90%	29%	14%	3%	13%	54%	58%	5%
Full-Time Employees	0-10	0%	1%	0%	0%	0%	2%	10%	69%	36%	11%
	11-50	0%	0%	225%	0%	0%	2%	13%	60%	57%	6%
	51-100	1%	0%	67%	33%	33%	3%	13%	48%	60%	4%
	101-250	1%	1%	100%	25%	25%	5%	15%	56%	59%	0%
	251+	1%	1%	50%	50%	17%	8%	17%	40%	73%	3%
Census Region	Northeast	0%	1%	20%	0%	0%	5%	14%	64%	34%	9%
	Midwest	0%	0%	160%	40%	20%	3%	13%	49%	59%	5%
	South	0%	0%	0%	0%	0%	3%	12%	54%	74%	4%
	West	1%	1%	88%	50%	25%	2%	12%	57%	63%	3%
Census Division	New England	0%	1%	0%	0%	0%	6%	6%	100%	88%	13%
	Middle Atlantic	0%	1%	0%	0%	0%	5%	17%	56%	23%	8%
	East North Central	0%	1%	100%	40%	20%	4%	14%	58%	61%	3%
	West North Central	0%	0%	0%	0%	0%	3%	12%	28%	52%	8%
	West South Central	0%	0%	0%	0%	0%	2%	14%	55%	80%	5%
	East South Central	0%	0%	0%	0%	0%	6%	13%	56%	38%	6%
	South Atlantic	1%	0%	0%	0%	0%	2%	10%	50%	100%	0%
	Mountain	2%	3%	86%	57%	29%	2%	13%	69%	92%	0%
Pacific	1%	0%	0%	0%	0%	2%	11%	47%	41%	6%	

Q22ar Purchasing Changes: Open Health Insurance for Bid		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		18%	10%	62%	22%	14%	18%	13%	43%	14%	14%
Full-Time Employees	0-10	8%	4%	64%	3%	3%	8%	7%	37%	10%	10%
	11-50	19%	12%	61%	10%	5%	13%	11%	43%	11%	16%
	51-100	21%	12%	65%	14%	6%	26%	17%	46%	12%	6%
	101-250	25%	13%	50%	25%	11%	23%	17%	41%	11%	9%
	251+	29%	12%	72%	51%	38%	29%	21%	45%	19%	22%
Census Region	Northeast	14%	9%	58%	29%	18%	12%	9%	35%	12%	13%
	Midwest	21%	10%	62%	17%	10%	20%	15%	40%	11%	13%
	South	20%	10%	69%	31%	19%	19%	13%	48%	22%	19%
	West	13%	8%	55%	14%	9%	14%	14%	47%	7%	8%
Census Division	New England	15%	13%	50%	23%	15%	14%	13%	26%	5%	5%
	Middle Atlantic	13%	8%	63%	33%	20%	11%	8%	39%	15%	18%
	East North Central	21%	12%	67%	16%	13%	21%	16%	42%	11%	14%
	West North Central	20%	7%	52%	18%	5%	19%	13%	35%	13%	13%
	West South Central	20%	7%	77%	28%	21%	22%	14%	49%	28%	23%
	East South Central	24%	9%	66%	17%	3%	21%	18%	44%	13%	13%
	South Atlantic	19%	13%	64%	42%	26%	15%	10%	51%	23%	20%
	Mountain	14%	9%	64%	12%	9%	25%	19%	51%	5%	8%
Pacific	13%	7%	45%	16%	10%	7%	10%	38%	10%	10%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22as Purchasing Changes: Open Dental Insurance for Bid		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		15%	8%	60%	20%	13%	6%	4%	64%	72%	48%
Full-Time Employees	0-10	6%	3%	51%	2%	0%	2%	1%	11%	22%	22%
	11-50	15%	9%	58%	8%	5%	3%	5%	41%	72%	59%
	51-100	20%	10%	61%	14%	9%	10%	4%	52%	35%	13%
	101-250	21%	10%	46%	20%	10%	9%	3%	90%	85%	55%
	251+	26%	11%	77%	48%	35%	14%	6%	80%	92%	59%
Census Region	Northeast	10%	8%	61%	27%	18%	2%	2%	60%	120%	110%
	Midwest	17%	9%	58%	16%	12%	7%	5%	67%	65%	41%
	South	17%	7%	68%	29%	16%	8%	3%	59%	85%	54%
	West	13%	6%	51%	15%	8%	6%	4%	65%	45%	25%
Census Division	New England	14%	14%	58%	31%	19%	1%	0%	0%	0%	0%
	Middle Atlantic	9%	5%	63%	23%	17%	3%	2%	56%	122%	89%
	East North Central	18%	10%	64%	16%	13%	8%	5%	67%	54%	46%
	West North Central	14%	5%	43%	17%	9%	7%	4%	65%	94%	29%
	West South Central	16%	5%	70%	23%	13%	7%	4%	50%	93%	57%
	East South Central	16%	4%	78%	11%	0%	10%	4%	45%	18%	0%
	South Atlantic	19%	11%	64%	38%	24%	7%	3%	79%	129%	93%
	Mountain	10%	7%	56%	12%	8%	10%	3%	67%	8%	17%
	Pacific	16%	6%	47%	18%	9%	2%	4%	63%	100%	38%

Q22at Purchasing Changes: Open Vision Insurance for Bid		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		11%	6%	61%	20%	13%	7%	2%	87%	57%	41%
Full-Time Employees	0-10	4%	2%	56%	3%	0%	1%	1%	75%	25%	25%
	11-50	10%	7%	64%	9%	5%	3%	2%	76%	43%	33%
	51-100	16%	8%	60%	13%	9%	9%	3%	78%	56%	39%
	101-250	14%	9%	42%	19%	11%	11%	3%	105%	64%	50%
	251+	22%	9%	73%	44%	31%	19%	4%	88%	62%	43%
Census Region	Northeast	6%	5%	62%	24%	18%	3%	0%	111%	67%	56%
	Midwest	12%	6%	61%	15%	13%	8%	3%	90%	57%	33%
	South	14%	6%	68%	31%	16%	10%	2%	72%	58%	51%
	West	12%	6%	47%	15%	7%	4%	2%	100%	43%	36%
Census Division	New England	4%	6%	70%	30%	10%	6%	0%	0%	0%	0%
	Middle Atlantic	7%	4%	58%	21%	21%	2%	1%	140%	60%	40%
	East North Central	14%	8%	66%	14%	13%	9%	3%	91%	55%	32%
	West North Central	8%	3%	46%	18%	11%	6%	2%	86%	64%	36%
	West South Central	10%	4%	67%	24%	14%	12%	2%	82%	65%	53%
	East South Central	13%	6%	88%	18%	0%	5%	2%	67%	17%	0%
	South Atlantic	17%	8%	60%	40%	23%	12%	2%	65%	65%	65%
	Mountain	9%	7%	52%	13%	9%	7%	0%	0%	0%	0%
	Pacific	15%	6%	44%	16%	6%	2%	4%	100%	50%	38%

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.



## Section 5: Health Care Strategies

Q22au Purchasing Changes: Open Long-Term Care (LTC) Insurance for Bid		2012					2011				
		Percentage of Respondents		Populations Affected			Percentage of Respondents		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		3%	2%	59%	12%	7%	2%	2%	24%	27%	35%
Full-Time Employees	0-10	2%	0%	50%	10%	0%	0%	1%	0%	0%	0%
	11-50	2%	2%	100%	6%	6%	1%	1%	0%	71%	29%
	51-100	4%	2%	54%	8%	8%	3%	1%	33%	17%	50%
	101-250	4%	3%	53%	13%	13%	3%	1%	60%	40%	80%
	251+	7%	2%	38%	19%	5%	5%	8%	21%	15%	29%
Census Region	Northeast	1%	1%	57%	14%	14%	1%	0%	33%	100%	167%
	Midwest	2%	1%	74%	17%	9%	2%	3%	26%	30%	35%
	South	5%	2%	50%	14%	7%	2%	3%	17%	22%	22%
	West	4%	2%	56%	0%	0%	2%	3%	27%	9%	18%
Census Division	New England	0%	1%	0%	0%	0%	1%	0%	0%	0%	0%
	Middle Atlantic	1%	1%	50%	17%	17%	1%	1%	50%	150%	200%
	East North Central	2%	1%	85%	15%	8%	1%	3%	23%	38%	38%
	West North Central	3%	1%	60%	20%	10%	3%	3%	30%	20%	30%
	West South Central	3%	4%	40%	20%	10%	3%	3%	25%	38%	0%
	East South Central	4%	1%	100%	0%	0%	2%	2%	0%	0%	0%
	South Atlantic	7%	1%	38%	15%	8%	1%	3%	17%	17%	67%
	Mountain	3%	2%	75%	0%	0%	3%	1%	25%	25%	25%
Pacific	4%	1%	38%	0%	0%	2%	4%	29%	0%	14%	

Q22av Purchasing Changes: Contract with a Prescription Benefit Manager (PBM)		2012					2011				
		Percentage of Respondents Taking Action		Populations Affected			Percentage of Respondents Taking Action		Populations Affected		
		Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree	Have Implemented	Plan to Implement	Active	Early Retiree	Medicare Retiree
Overall		4%	1%	77%	45%	25%	5%	3%	52%	16%	46%
Full-Time Employees	0-10	1%	0%	75%	25%	0%	1%	1%	57%	0%	29%
	11-50	2%	1%	107%	36%	21%	2%	2%	27%	0%	33%
	51-100	1%	0%	75%	25%	25%	3%	3%	56%	0%	67%
	101-250	4%	1%	75%	33%	25%	6%	5%	33%	11%	50%
	251+	18%	2%	69%	53%	29%	14%	5%	65%	29%	48%
Census Region	Northeast	4%	2%	76%	53%	35%	4%	3%	38%	6%	38%
	Midwest	3%	0%	88%	42%	33%	5%	3%	51%	13%	56%
	South	6%	1%	77%	46%	12%	7%	2%	69%	28%	38%
	West	4%	1%	67%	40%	27%	1%	3%	20%	10%	50%
Census Division	New England	3%	3%	83%	50%	17%	1%	3%	100%	0%	67%
	Middle Atlantic	4%	1%	73%	55%	45%	5%	3%	23%	8%	31%
	East North Central	4%	1%	80%	40%	35%	5%	3%	45%	10%	55%
	West North Central	2%	0%	0%	0%	0%	4%	1%	75%	25%	63%
	West South Central	7%	1%	45%	27%	0%	9%	2%	71%	29%	36%
	East South Central	1%	1%	200%	50%	0%	1%	1%	50%	50%	50%
	South Atlantic	7%	1%	85%	62%	23%	8%	3%	69%	25%	38%
	Mountain	5%	1%	56%	33%	33%	1%	2%	33%	0%	67%
Pacific	3%	1%	83%	50%	17%	2%	4%	14%	14%	43%	

Note: Some cells under “population affected” exceed 100% of those planning to take a specific action. This is because the respondent did not note if they have already implemented the action, or if they only plan to implement it.





## Section 5: Health Care Strategies

### Effectiveness of Cost Control:

Respondents rated the effectiveness of their cost controls on a scale of 1-10, with 10= highly effective. In 2012, that rating increased slightly from 5.1 to 5.3. Strongest gains were with large employers (251 or more full-time employees) and in New England.

Q27 Effectiveness of Cost Control		2012	2011
Overall		<b>5.3</b>	<b>5.1</b>
Full-Time Employees	0-10	5.2	4.9
	11-50	5.3	5.3
	51-100	5.1	4.9
	101-250	5.3	5.1
	251+	5.8	5.4
Census Region	Northeast	5.4	5.1
	Midwest	5.4	5.3
	South	5.4	5.1
	West	5.0	4.8
Census Division	New England	5.6	5.2
	Middle Atlantic	5.3	5.0
	East North Central	5.5	5.5
	West North Central	5.2	4.9
	West South Central	5.4	5.2
	East South Central	4.9	4.9
	South Atlantic	5.6	5.3
	Mountain	5.3	5.4
	Pacific	4.7	4.4



## Section 5: Health Care Strategies

### Barriers to Design Changes:

Respondents identified the most significant barriers to change. As in 2011, union contracts were cited as the primary barrier, with “no change is needed” in second place. This pattern was evident again in 2012.

Q23 What are Your Significant Barriers to Health Plan Design Changes		2012							2011								
		Advantages don't outweigh the effort	Not enough staff/time	Not enough information to make a decision	Awaiting state/federal action	Union contracts	Statutory mandates	No change is needed	Other	Advantages don't outweigh the effort	Not enough staff/time	Not enough information to make a decision	Awaiting state/federal action	Union contracts	Statutory mandates	No change is needed	Other
Overall		7%	12%	9%	10%	25%	7%	22%	9%	7%	11%	12%	14%	25%	6%	18%	8%
Full-Time Employees	0-10	8%	12%	13%	8%	11%	2%	38%	9%	8%	14%	17%	10%	8%	4%	29%	10%
	11-50	9%	13%	10%	10%	21%	5%	26%	7%	6%	13%	12%	13%	25%	3%	22%	7%
	51-100	6%	16%	9%	9%	30%	7%	14%	9%	4%	10%	9%	16%	33%	7%	15%	6%
	101-250	7%	14%	4%	11%	35%	7%	13%	9%	8%	10%	14%	15%	28%	6%	10%	8%
	251+	7%	7%	4%	11%	36%	13%	12%	10%	7%	9%	6%	15%	33%	12%	10%	8%
Census Region	Northeast	6%	7%	5%	6%	45%	8%	17%	6%	4%	10%	8%	11%	44%	4%	15%	5%
	Midwest	9%	13%	8%	10%	25%	7%	20%	9%	7%	11%	12%	15%	27%	7%	15%	7%
	South	8%	16%	11%	11%	6%	5%	32%	13%	8%	14%	16%	15%	6%	5%	25%	11%
	West	5%	12%	11%	11%	27%	7%	21%	7%	7%	10%	9%	12%	25%	9%	19%	9%
Census Division	New England	9%	10%	6%	4%	42%	12%	14%	4%	5%	9%	6%	14%	41%	5%	15%	6%
	Middle Atlantic	5%	6%	5%	7%	46%	6%	18%	7%	4%	11%	9%	10%	45%	3%	14%	5%
	East North Central	8%	12%	8%	9%	29%	6%	17%	10%	8%	10%	10%	16%	31%	6%	12%	7%
	West North Central	11%	13%	8%	12%	17%	7%	26%	6%	6%	12%	15%	13%	19%	8%	22%	7%
	West South Central	4%	18%	12%	16%	5%	5%	35%	4%	6%	11%	13%	15%	7%	6%	32%	10%
	East South Central	8%	13%	12%	7%	2%	2%	32%	25%	8%	17%	24%	15%	2%	1%	24%	8%
	South Atlantic	10%	15%	8%	7%	8%	7%	30%	16%	9%	16%	13%	14%	8%	7%	21%	13%
	Mountain	3%	14%	13%	17%	12%	4%	27%	10%	8%	11%	12%	17%	6%	7%	32%	8%
	Pacific	6%	10%	9%	8%	37%	8%	17%	5%	6%	10%	8%	9%	35%	9%	12%	10%



## Section 6

# Addressing Retiree Health Liability (GASB)

### How Governments Plan to Fund their OPEB Liability:

In 2012, the average liability for the 1,459 governments reporting one was \$45,194,636, and the average annually required contribution (ARC) was \$4,230,601. To address these costs, 54% indicated they would not pre-fund, but rather continue the pay-as-you-go approach (up from 51% in 2011). About 28% planned to partially or fully fund their ARC, up from 22% in 2011.

Q18 How Do You Plan to Fund Liability		2012						2011					
		Continue to pay as you go	Partially fund the Annual Required Contribution (ARC)	Fully fund the ARC	Set aside funds through asset sale or transfer	Issue debt/OPEB bonds	Not determined	Continue to pay as you go	Partially fund the Annual Required Contribution (ARC)	Fully fund the ARC	Set aside funds through asset sale or transfer	Issue debt/OPEB bonds	Not determined
Overall		54%	16%	11%	2%	0%	18%	51%	12%	9%	1%	0%	27%
Full-Time Employees	0-10	51%	3%	20%	0%	0%	26%	26%	0%	11%	0%	0%	63%
	11-50	55%	10%	6%	3%	0%	25%	44%	6%	5%	1%	0%	43%
	51-100	52%	12%	7%	4%	0%	25%	47%	16%	7%	3%	0%	29%
	101-250	56%	15%	10%	2%	0%	18%	57%	6%	10%	2%	0%	26%
	251+	53%	23%	13%	1%	0%	11%	56%	17%	12%	0%	1%	15%
Census Region	Northeast	57%	16%	4%	4%	0%	20%	47%	10%	5%	1%	1%	36%
	Midwest	49%	18%	12%	2%	0%	19%	49%	12%	9%	2%	1%	28%
	South	58%	12%	9%	1%	0%	20%	56%	11%	11%	1%	0%	23%
	West	48%	18%	19%	2%	0%	12%	51%	15%	13%	0%	0%	21%
Census Division	New England	39%	32%	5%	7%	0%	18%	42%	13%	8%	0%	0%	38%
	Middle Atlantic	70%	5%	3%	2%	0%	21%	49%	9%	4%	1%	1%	35%
	East North Central	44%	21%	14%	2%	0%	19%	47%	15%	10%	2%	0%	26%
	West North Central	63%	9%	9%	0%	0%	20%	55%	5%	5%	2%	2%	32%
	West South Central	74%	9%	0%	0%	0%	18%	63%	7%	2%	2%	0%	26%
	East South Central	43%	7%	0%	0%	0%	50%	46%	9%	9%	0%	0%	36%
	South Atlantic	54%	14%	14%	1%	0%	16%	54%	13%	15%	0%	0%	18%
	Pacific	46%	19%	21%	3%	0%	11%	47%	16%	15%	0%	0%	22%



## Section 6: Addressing Retiree Health Liability (GASB)

### Type of Account for OPEB Reserves:

While general fund accounts are the most common type used for OPEB reserves, this type has declined 3% since 2011. 115 trusts showed a gain of 3% over 2011.

Q19 What Kind of Account for OPEB Reserve		2012					2011				
		401(h) account in the pension reserve	115 Governmental Integral Part Trust	Voluntary Employee Beneficiaries Assoc. (VEBA)	General fund account	Other trust or agency fund	401(h) account in the pension reserve	115 Governmental Integral Part Trust	Voluntary Employee Beneficiaries Assoc. (VEBA)	General fund account	Other trust or agency fund
Overall		3%	12%	2%	47%	36%	2%	9%	2%	50%	38%
Full-Time Employees	0-10	6%	6%	14%	49%	26%	0%	0%	0%	55%	46%
	11-50	5%	12%	2%	49%	32%	0%	7%	0%	62%	31%
	51-100	0%	7%	0%	60%	33%	0%	16%	0%	53%	31%
	101-250	1%	9%	0%	51%	39%	3%	3%	5%	59%	29%
	251+	4%	17%	1%	37%	42%	3%	11%	3%	38%	46%
Census Region	Northeast	1%	6%	1%	51%	40%	4%	4%	0%	50%	42%
	Midwest	8%	11%	2%	44%	35%	2%	10%	5%	45%	38%
	South	2%	12%	3%	54%	29%	0%	7%	0%	61%	32%
	West	0%	20%	2%	31%	48%	2%	17%	2%	34%	44%
Census Division	New England	4%	11%	0%	29%	57%	0%	8%	0%	39%	54%
	Middle Atlantic	0%	2%	2%	67%	29%	5%	3%	0%	54%	39%
	East North Central	8%	14%	3%	36%	39%	3%	12%	4%	45%	36%
	West North Central	9%	4%	0%	65%	22%	0%	4%	9%	44%	44%
	West South Central	0%	7%	7%	74%	11%	0%	3%	0%	74%	23%
	East South Central	0%	0%	0%	67%	33%	0%	0%	0%	67%	33%
	South Atlantic	3%	15%	2%	45%	36%	0%	11%	0%	51%	38%
	Mountain	0%	0%	0%	50%	50%	0%	0%	0%	50%	50%
Pacific	0%	28%	2%	23%	47%	3%	23%	3%	29%	42%	



## Section 6: Addressing Retiree Health Liability (GASB)

### Level of Funding:

The percentage of local governments who do not partially fund some percentage of their liability has increased from 52% to 55% in 2012. The level of awareness also has increased. The percentage of respondents who didn't know the percentage of the liability set aside dropped from 21% to 13%.

Q20 How Much Funding Set Aside		2012						2011							
		None	1 to 10%	11 to 20%	21 to 30%	31 to 50%	51%+	Don't know	None	1 to 10%	11 to 20%	21 to 30%	31 to 50%	51%+	Don't know
Overall		55%	12%	8%	5%	5%	4%	13%	52%	13%	7%	2%	2%	4%	21%
Full-Time Employees	0-10	57%	6%	6%	3%	0%	3%	26%	41%	6%	12%	0%	0%	6%	35%
	11-50	57%	6%	8%	6%	1%	4%	18%	58%	9%	3%	2%	1%	3%	23%
	51-100	63%	6%	3%	3%	8%	3%	14%	53%	16%	2%	0%	0%	5%	24%
	101-250	48%	15%	10%	0%	5%	5%	16%	57%	10%	6%	0%	3%	5%	20%
	251+	54%	16%	9%	7%	7%	3%	4%	47%	16%	11%	3%	3%	3%	17%
Census Region	Northeast	69%	11%	4%	4%	2%	2%	9%	58%	16%	2%	0%	0%	2%	22%
	Midwest	51%	9%	12%	5%	10%	2%	12%	50%	13%	7%	3%	2%	4%	21%
	South	58%	10%	6%	4%	2%	5%	16%	55%	9%	10%	1%	1%	4%	19%
	West	38%	19%	9%	6%	8%	6%	14%	37%	18%	9%	4%	5%	7%	21%
Census Division	New England	56%	21%	3%	5%	0%	5%	10%	41%	36%	0%	0%	0%	0%	23%
	Middle Atlantic	77%	5%	5%	3%	3%	0%	8%	64%	9%	3%	0%	0%	3%	21%
	East North Central	44%	13%	13%	4%	9%	1%	15%	46%	15%	7%	4%	2%	5%	22%
	West North Central	65%	0%	9%	6%	12%	3%	6%	65%	9%	6%	0%	3%	0%	18%
	West South Central	70%	6%	3%	0%	3%	0%	18%	62%	4%	11%	2%	0%	2%	18%
	East South Central	59%	6%	0%	0%	0%	0%	35%	35%	15%	5%	0%	5%	10%	30%
	South Atlantic	52%	13%	8%	6%	2%	7%	11%	57%	11%	11%	0%	1%	3%	18%
	Mountain	53%	6%	6%	6%	6%	6%	18%	50%	21%	0%	0%	0%	0%	29%
Pacific	34%	23%	10%	7%	8%	7%	13%	33%	16%	12%	5%	7%	9%	19%	



## Section 6: Addressing Retiree Health Liability (GASB)

### Investment of Funding:

The percentage of local governments using investment companies, coalitions, or a local board to invest the funding increased slightly in 2012. The percentage using state government or managing on their own declined slightly.

Q21 Who Manages the Reserve		2012						2011							
		Not applicable	Self-managed	Local board	Bank or bank trust	State government	Coalition/ association	Investment company	Not applicable	Self-managed	Local board	Bank or bank trust	State government	Coalition/ association	Investment company
Overall		58%	16%	6%	3%	5%	4%	8%	60%	18%	4%	3%	6%	3%	6%
Full-Time Employees	0-10	65%	7%	16%	0%	10%	3%	0%	61%	0%	17%	0%	17%	0%	6%
	11-50	60%	11%	7%	3%	10%	3%	8%	67%	12%	2%	5%	7%	1%	6%
	51-100	68%	13%	2%	2%	0%	3%	12%	59%	19%	5%	3%	3%	7%	3%
	101-250	57%	19%	3%	1%	6%	3%	10%	63%	19%	3%	3%	3%	5%	6%
	251+	54%	18%	6%	6%	5%	5%	7%	54%	23%	5%	3%	7%	2%	7%
Census Region	Northeast	74%	7%	5%	1%	1%	2%	10%	69%	13%	9%	3%	1%	0%	5%
	Midwest	51%	23%	6%	4%	1%	5%	11%	58%	17%	3%	3%	6%	4%	9%
	South	58%	16%	7%	2%	6%	4%	8%	59%	19%	4%	4%	6%	4%	5%
	West	50%	15%	4%	8%	16%	5%	3%	49%	27%	0%	4%	13%	4%	4%
Census Division	New England	67%	6%	6%	3%	0%	3%	17%	52%	9%	22%	4%	4%	0%	9%
	Middle Atlantic	78%	9%	5%	0%	2%	2%	5%	75%	14%	5%	3%	0%	0%	3%
	East North Central	41%	26%	7%	4%	1%	6%	15%	56%	16%	4%	4%	6%	4%	10%
	West North Central	71%	18%	3%	3%	0%	3%	3%	66%	19%	0%	0%	6%	3%	6%
	West South Central	66%	20%	9%	0%	0%	3%	3%	70%	16%	2%	2%	7%	2%	0%
	East South Central	63%	13%	0%	0%	25%	0%	0%	53%	26%	5%	5%	11%	0%	0%
	South Atlantic	54%	16%	7%	2%	5%	5%	11%	54%	19%	4%	4%	4%	6%	8%
	Mountain	65%	18%	0%	12%	6%	0%	0%	54%	31%	0%	0%	8%	8%	0%
Pacific	46%	14%	5%	7%	19%	7%	3%	48%	26%	0%	5%	14%	2%	5%	



# Section 7 Ideas from Respondents

## Innovations That Work:

Respondents shared innovations and best practice success stories that worked for them, and that they felt could be helpful for other local units of government. In 2011, the top three themes were wellness/disease management, employee engagement, and pooling. For 2012, the top three were pooling, employee engagement, and negotiation.

Q29 Type of Innovation		2012						2011					
		Pooling	Wellness/ disease mgt.	Consumer-driven health care	Employee engagement	Innovative plan design	Negotiation	Pooling	Wellness/ disease mgt.	Consumer-driven health care	Employee engagement	Innovative plan design	Negotiation
Overall		22%	10%	13%	19%	17%	19%	20%	24%	9%	21%	10%	15%
Full-Time Employees	0-10	20%	10%	13%	12%	19%	27%	32%	16%	12%	15%	9%	17%
	11-50	31%	6%	17%	13%	16%	17%	26%	20%	12%	22%	7%	13%
	51-100	32%	9%	5%	19%	17%	19%	15%	23%	6%	21%	10%	25%
	101-250	13%	16%	11%	24%	18%	18%	18%	18%	7%	20%	15%	22%
	251+	13%	13%	13%	32%	16%	15%	8%	40%	7%	23%	14%	8%
Census Region	Northeast	31%	7%	9%	12%	17%	25%	23%	20%	6%	16%	10%	26%
	Midwest	20%	10%	14%	17%	17%	21%	18%	17%	12%	27%	13%	13%
	South	15%	11%	13%	33%	14%	14%	13%	37%	10%	16%	8%	16%
	West	26%	13%	14%	15%	20%	13%	37%	28%	5%	17%	8%	6%
Census Division	New England	34%	7%	10%	17%	15%	17%	26%	22%	4%	17%	4%	26%
	Middle Atlantic	29%	8%	9%	9%	18%	29%	21%	19%	6%	15%	13%	26%
	East North Central	18%	11%	15%	13%	21%	22%	15%	16%	14%	29%	14%	12%
	West North Central	25%	9%	13%	27%	8%	19%	27%	18%	8%	20%	10%	16%
	West South Central	23%	7%	19%	33%	5%	14%	8%	39%	5%	21%	8%	21%
	East South Central	4%	8%	13%	38%	17%	21%	10%	43%	7%	10%	10%	20%
	South Atlantic	14%	16%	9%	32%	19%	11%	19%	31%	17%	17%	7%	10%
	Mountain	26%	15%	17%	15%	22%	4%	34%	28%	6%	19%	6%	6%
Pacific	27%	10%	10%	14%	18%	20%	39%	27%	3%	15%	9%	6%	



## Section 7: Ideas from Respondents

### Pooling:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed on the next page:







## Section 7: Ideas from Respondents

### VERBATIM COMMENTS

IMPLEMENTED WELLNESS PROGRAM.

WE JOINED A HEALTHCARE COG.

WE JOINED A POOL TO BECOME SELF INSURED WHICH LOWERED OUR PREMIUMS GREATLY.

WE JOINED THE STATE OF KANSAS NON-STATE EMPLOYEES HEALTH PLAN. SINCE JOINING THE GROUP OUR PREMIUMS HAVE BECOME MORE STABLE & PREMIUM INCREASES ARE ESTIMATED 6 MONTHS AHEAD RATHER THAN 1 MONTH BEFORE RENEWAL.

HOHP & FUND PART OF HSA -- ENCOURAGES EDUCATION. HIGHER CO-PAYS AND HRA SAVES MONEY. JOIN CONSORTIUM--WE HAVE STRENGTH IN NUMBERS.

OFFERED LOWER PLAN AT 100% AND HIGHER PLANS THE EMPLOYEE'S MUST PAY PRICE DIFFERENCE.

WE PUT ALL INS UNDER 1 PROVIDER & BY BEING IN UNDER THE "UMBRELLA" WE GET DISCOUNT RATES ON ALL INS. STATE OF OKLAHOMA CREATED THE O-EPIC PROGRAM TO HELP SMALL BUSINESSES AFFORD HEALTH COVERAGE FOR EMPLOYEES AND SPOUSES.

STRATEGIC PARTNERSHIPS W/LOCAL HOSPITAL TO CREATE ON SIDE CLINIC. FURTHER POSSIBILITY OF POOLING W/STATE PLAN. INCREASE EMPLOYEE ENGAGEMENT W/HEALTHY LIFESTYLE CHOICES. THIRD PARTY DISEASE MANAGEMENT INITIATION.

JULY 1, 2006 GARRETT COUNTY GOVERNMENT, GARRETT COUNTY BOARD OF EDUCATION AND GARRETT COLLEGE FORMED A HEALTH INSURANCE COALITION WHEREBY ALL PREMIUMS AND GUIDELINES WOULD BE THE SAME FOR ALL EMPLOYEES OF ALL THREE ENTITIES. BY POOLING TOGETHER WE WERE ABLE TO ATTAIN MORE AFFORDABLE PREMIUMS WHICH REDUCED HEALTH CARE COSTS TO BOTH THE EMPLOYER AND EMPLOYEES.

IN 1992 THE COUNTY JOINED THE LOCAL GOVERNMENT PORTION OF THE STATE'S HEALTH INSURANCE POOL. THIS HAS KEPT PREMIUMS SOMEWHAT IN CHECK AND THE BENEFITS ATTRACTIVE.

TOWN OF HERNDON IS A RELATIVELY SMALL JURISDICTION. THE TOWN JOINED THE STATE OF VIRGINIA'S POOLEY. THE LOCAL CHOICE (TLC) PLANS.

ALL COUNTY TRUSTEES TO PLACE ALL EMPLOYEES UNDER ONE ORGANIZATION.

MEDICAL TRUST, H.S.A.

SELF INSURANCE TO \$35,000.00/CO AIM, \$35,000-\$125,000 COVERED BY POOL & \$125,000 BY UMBRELLA.

WE ARE A NUMBER OF COOPERATIVE/COLLECTIVE PROGRAMS, BENECON, WE RECEIVE FUNDS BACK WHEN THE GROUP WE ARE IN DOESN'T USE ALL THE SERVICES.

HIGH DEDUCTIBLE PLAN.

MUNICIPALITIES CAN JOIN AND/OR FORM POOLS. BETTER COVERAGE, LESS PRICE.

LOTS OF LITTLE CHANGES ADD UP TO BIG SAVINGS.

IN PROCESS TO SELF INSURE OR JOIN STAT HEALTHCARE PLAN TO LOWER HEALTH COSTS.

I THINK CORGA POOL OF REGIONAL LOCAL GOVERNMENT ENTITIES WOULD HELP GET BETTER PLAN PRICING.

TRY TO SET UP A LARGER POOL OF PARTICIPANTS.

UNDER THE SELF INSURED PLAN, UTILIZING STOP LOSS COVERAGE HAS PROTECTED AGAINST EXCESSIVELY LARGE CLAIMS. ALSO, ADDING ANOTHER ENTITY TO THE COUNTY'S PLAN HAS ALLOWED THAT ENTITY TO ACCESS COVERAGE AT A BETTER COST SAVINGS.

SWITCHING FROM SELF-FUNDED BACK TO FULLY-INSURED, BUT THROUGH A UNION TRUST.

LOCAL GROUP POOLING TO ACHIEVE HIGHER PARTICIPATION LEVELS.

THE HOUSING AUTHORITY POOLS WITH THE TOWN.

WE WERE WITH AN INDEPENDENT ? (UHC). WE MOVED TO A POOL OF GOVERNMENT ENTITIES & SAVED \$180,000.

WE ARE A SMALL GROUP LESS THAN 50. WE WERE RECEIVING 22-23% INCREASES EACH YEAR WITH UHC.

WE SENT OUT QUOTES WITH OUR CURRENT BROKER AND AFFILIATIONS TO GET THE BEST PRICE & PRODUCT FOR OUR EMPLOYEES. WE DO THIS EVERY YEAR.

PARTICIPATION IN A HEALTH INSURANCE CONSORTIUM WITH OTHER LOCAL GOVERNMENTS AND AGENCIES.

POOLING WITH ANOTHER AGENCY.

ANOTHER ENTITY INCREASED THEIR DEDUCTIBLE TO SAVE MONEY. THEY THEN DEPOSIT THE DEDUCTIBLE AMOUNT INTO AN EMPLOYEE HEALTH CARE SAVINGS PLAN AND STILL SAVE MONEY. IT'S A WIN-WIN SITUATION FOR EMPLOYER AND EMPLOYEE.

POOLING OUR HEALTH INSURANCE HAS ALLOWED THE DISTRICT TO SECURE BETTER INSURANCE RATES & COVERAGE.

THE COLORADO EMPLOYER BENEFIT TRUST (CEBT) IS A MULTIPLE EMPLOYER TRUST FOR PUBLIC INSTITUTIONS PROVIDING EMPLOYEE BENEFITS. THE PURPOSE OF THE TRUST IS TO SPREAD THE RISK OF ADVERSE CLAIMS OVER A LARGER BASE OF MEMBERS



## Section 7: Ideas from Respondents

### Wellness and Disease Management:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed below the cloud:





## Section 7: Ideas from Respondents

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### VERBATIM COMMENTS

CONSIDER INTERNATIONAL MEDICINE.

FLAT DOLLAR AMOUNT. THREE PLAN CHOICES-EMPLOYEE SELECTS.

CONSTANT VIGILANCE

WELLNESS PROGRAMS WORK.

IMPLEMENTED HDHP WITH CITY CONTRIBUTING FULL AMOUNT OF DEDUCTIBLE TO HSA. EMPLOYEES MANAGED HEALTH CARE COSTS AND PREMIUMS IN 3 YEARS SINCE IMPLEMENTATION HAS INCREASED JUST UNDER 3%

WE HAVE IMPLEMENTED AND ARE INCREASING HST'S AND VEBA'S TO PLACE MORE RESPONSIBILITY WITH THE EMPLOYEES, HOPEFULLY THIS WILL REDUCE HEALTH CARE COSTS IN NEAR FUTURE.

SWITCHING FROM TNTHM LOCAL CHOICE (STATE-ADMINISTERED) TO ANOTHER PLAN FROM OTHER CARRIER (OPTIMA) WITH HSA.

IMPLEMENTED A HIGH DEDUCTIBLE HEALTH PLAN WITH AN HSA.

WELLNESS PROGRAM - 15% PREMIUM COST FOR NOT PARTICIPATING. SMOKING - 15% PREMIUM COST FOR SMOKING

INTRODUCE FUNCTIONAL MOVEMENT SCREENING TO REDUCE MUSCULOSKELETAL INJURIES AND ILLNESS

SWITCHING FBM TO VRX DRUG PROGRAM.

SPOUSAL PARITY-WE REQUIRE SPOUSES WHO ARE EMPLOYEES TO CARRY COVERAGE FOR THEMSELVES AS PRIMARY. WE WILL ? AS SECONDARY ONLY.

THE DECLINING TREND IS ATTRIBUTABLE TO A COMBINATION OF APPROACHES: WELLNESS INCENTIVES & DISEASE MANAGEMENT, CONSUMER DRIVEN HEALTH PLANS (CURRENTLY OFFER HSA & HRA FUNDING METHODS) AND RX CARVE-OUT FROM MEDICAL PLAN. EMPLOYEE COMMUNICATIONS AND ENGAGEMENT IS KEY TO ALL.

ADDING A CDHP & HSA PLAN.

IMPLEMENTED INCENTIVES FOR OUR BIOMETRICS WELLNESS PROGRAM-2-3% LOWER PREMIUM SHARE.

LEAVING POOLED TIERED GROUP TO SMALL BUSINESS AGE BASED PLANS...HSA'S.

COMMUNITY BASED HEALTH CARE THAT PROVIDES SERVICE AT REASONABLE RATES. THAT WILL COME ABOUT WITH CAPS PLACED ON LAWSUIT AWARDS.

APPROACH LOCAL HOSPITALS ON PACKAGE DEALS & HOW TO CONTROL COSTS.

HSA PLANS WORK WELL.

WE ARE VERY HOPEFUL AN ON-SITE HEALTH CLINIC WILL IMPROVE EMPLOYEE HEALTH.

WELLNESS INCENTIVES FOR EMPLOYEES WHO TAKE AN ACTIVE INTEREST IN THEIR OWN HEALTH/WELLNESS PRACTICES.

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## Section 7: Ideas from Respondents

### Consumer-Driven Health Care:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed below the cloud:





## Section 7: Ideas from Respondents

### VERBATIM COMMENTS

WE CONTINUED TO PAY 100% OF HEALTH PREMIUM-CHANGED TO A LOW DEDUCTIBLE/CO PAY HMO THEN MADE ALL OTHER BENEFITS-EMPLOYEE PAID (DENTAL 50/50%)LTD,STD,VISION,LIFE WAS PAID BY CITY NOW EMPLOYEES MAY ELECT TO PURCHASE AT 100% OF PREMIUM.

MIXED COMMERCIAL COVERAGE? PARTIAL SELF-INSURANCE

WE CHANGED TO A HIGH DEDUCTIBLE PLAN WITH A SECOND PLAN THROUGH HEALTH COST SOLUTIONS AND ANTICIPATE SAVING \$20,000-40,000 THIS YEAR. WE ALSO HAVE A VOLUNTARY WELLNESS PROGRAM FOR EMPLOYEES.

PAY FOR HIGHER DEDUCTIBLE PLAN-REIMBURSE EMPLOYEES A PERCENTAGE OF OUT OF POCKET EXPENSES.

HSA IMPLEMENTED & WORKED WELL OUR 20% INCREASES DROPPED TO 7% FOR 2012. ALL BUT 1 EMPLOYEE MOVED TO THE NEW PLAN. TAKE A BIG PICTURE APPROACH - LOOK AT WAGES, PENSION - THE ENTIRE BENEFIT PACKAGE WHEN COMPARING HEALTH COSTS TO OTHER UNITS. MAKE SURE YOU UNDERSTAND YOUR EMPLOYEES' USE OF THE PLAN - LIGHT? HEAVY? WORK WITH YOUR AGENT TO MAKE SURE YOU ARE SELECTING A PLAN THAT WORKS FOR YOUR CIRCUMSTANCE.

CAPPING WHAT US AS THE EMPLOYER PAYS HAS REALLY HELPED THE CITY FINANCIALLY. WE ARE NOW THINKING OF ONLY INSURING THE EMPLOYEE.

SUGGEST THAT THE RESPONSIBILITY OF GOOD HEALTH LIES WITH THE EMPLOYEE AND THE CHOICES THEY MAKE!

CHOOSE HIGH DEDUCTIBLE TO KEEP PREMIUM MANAGEABLE AND SUBSIDIZE EMPLOYEE FOR COST PAID FOR DEDUCTIBLE.

WEIGHT MANAGEMENT PROGRAMS.

SELF INSURANCE

TRANSITIONING TO DUAL OPTION PPO WITH QHDHO, ELIMINATING HMO. NON PARTICIPATION FEE IF DO NOT MEET WELLNESS REQUIREMENTS.

WE OPENED AN ON-SITE CLINIC IN CONCERT WITH AN HRA BASED ON WELLNESS GOALS AND ADDED DIETRY COUNSELING SERVICES IN THE CLINIC. IN 2011 ALONE 59 EES LOST A COMBINED 1000 POUNDS

WENT TO A SELF-FUNDED APPROACH A YEAR AGO WHICH MAINTAINED COSTS INSTEAD OF INCREASING. SO FAR SO GOOD.

CAP REFIRE HEALTHCARE PREMIUM EMPLOYER WILL PAY. ELIMINATE CONTRIBUTIONS WHEN EMPLOYEE REACHES MEDICARE AGE. INCREASE COPAYS AND ADD HRA IF APPROPRIATE.

CHANGING TO A FLAT RATE CONTRIBUTION TO EMPLOYEE TO PURCHASE OWN INSURANCE WITH HRA.

WE HAVE OUR AGENT CHECK WITH ALL CARRIERS FOR THE BEST RATE. WE HAVE CHANGED OUR PLAN AND ARE PAYING LESS THAN WE DID YEARS AGO.

WE HAVE 2 EMPLOYEES ON CITY SPONSORED HEALTH INS. PLAN AND 8 EMPLOYEES ON UNION PLAN.

ESTABLISH A MEDICAL EXPENSE REIMBURSEMENT PLAN AND INCREASE COPAYS & DEDUCTIBLES.

WE HAVE DIRECT FINANCIAL INCENTIVES TO EES TO LIMIT? CLAIMS COSTS AND HIGHER COSTS TO THOSE WHO HAVE HIGHER CLAIMS (CARROT AND STICK)

WE WENT WITH A HIGHER DEDUCTIBLE POLICY AND HAD ENOUGH SAVINGS TO INCLUDE A GAP PLAN SO THAT EMPLOYEES ACTUALLY HAD LESS OUT OF POCKET EXPENSES.

INSTITUTED HIGH DEDUCTIBLE PLAN 5+ YEARS AGO. HAS BEEN A HUGE COST SAVING MOVE.

1 SELF INSURE IF YOU CAN. 2 CONTROL WHAT CAN BE COVERED BY YOUR PLAN.

WE HAVE AN ON-SITE CLINIC FOR HEALTH PLAN PARTICIPANTS WHICH HAS SAVED US MONEY.

GOING FROM LONGSTANDING % OF PAY EMPLOYEE CONTRIBUTION TO % OF PREMIUM. SUBSTANTIAL PLAN REDESIGN.

MOVED TO A HIGH DEDUCTIBLE HSA PLAN AND REBID HEALTH INSURANCE CARRIER

BECAUSE WE SAVED SO MUCH MONEY WHEN WE SWITCHED CARRIERS, WE OPTED TO PROVIDE OUR EMPLOYEES A MEDICAL EXPENSE REIMBURSEMENT PLAN, \$1200 PER EMPLOYEE BECAUSE THE DEDUCTIBLES AND OUT-OF-POCKET EXPENSE INCREASED.

WE SWITCHED TO A HDHP, STARTED REIMBURSING DEDUCTIBLE THROUGH A HRA.

WE USE A COMBO OF PPO & HSA COUPLED WITH AN HRA TO REDUCE COSTS OF HEALTH INSURANCE, EVEN THOUGH WE PAY 99% OF HEALTH INSURANCE PREMIUMS OF FULL TIME EMPLOYEES--THIS REDUCES COSTS.

ADDED A \$20 COPAY COMPARED TO HARD CAPS. ADDED A LOWER COST HIGHER DEDUCTIBLE PLAN THAT 25% OF ELIGIBLES GRAVITATED TO. INCREASED OPT-OUT INCENTIVE & SAVED ABOUT 30% OF ADDITIONAL PREMIUM.

GET GOVERNMENT OUT OF HEALTH CARE ENTIRELY, THEY WILL JUST SCREW IT UP LIKE THEY DID WITH THE HOUSING MARKET AND THE ECONOMY GENERALLY

HSA & A HIGH DEDUCTIBLE PLAN.

LOWER THE COST ON SPOUSE COVERAGE AND THE PERCENTAGE OF WHAT YOU GO TO THE DOCTOR APPOINTMENTS, THEN APPLY.



## Section 7: Ideas from Respondents

### Employee Engagement:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed below the cloud:





## Section 7: Ideas from Respondents

### VERBATIM COMMENTS

#### ASHEVILLE PROJECT.

TOWN PAYS THROUGH STATE HEALTH PLAN FOR ALL EMPLOYEES TO HAVE A PHYSICAL WITH COMPLETE BLOOD WORK-UP.

HEALTH WELLNESS INITIATIVES SUCH AS GIFT CARDS FOR EMPLOYEES.

REEVALUATE YOUR CONNECT AGENT, AND IF THEY ARE FAIRLY CHANGING.

GOING TO IMPLEMENT HEALTH MILES Pedometer PROGRAM WITH INCENTIVE PAYOUTS UP TO \$250

WE'VE BEGUN WELLNESS INITIATIVES WHICH WILL BE EXPANDED IN 2013 TO REWARD EMPLOYEES FOR PARTICIPATION IN WELLNESS ACTIVITIES I.E. BIOMETRIC SCREENINGS, HRAS AND ACTIVITIES.

WE ARE CURRENTLY PARTICIPATING WITH BLUESHIELD IN A PROGRAM TO HELP EDUCATE OUR EMPLOYEES ABOUT USING URGENT CARE CENTERS VS. EMERGENCY ROOMS TO KEEP COSTS DOWN. WE PARTNER WITH ALL INSURANCES TO PROVIDE EMPLOYERS WITH CREATED HEALTH CARE COMMITTEE COMPRISED OF PEOPLE FROM COUNTY WHO ARE AWARE OF BENEFITS & CONCERNS.

STARTED A QUIT SMOKING & WELLNESS.

SIGNIFICANT EDUCATION PRIOR TO IMPLEMENTING A HIGH DEDUCTIBLE HEALTH PLAN AND HEALTH SAVINGS ACCOUNT MADE EMPLOYEES WISE HEALTH CARE CONSUMERS.

HSA IMPLEMENTATION, HARD CAP ON EMPLOYER CONTRIBUTION TO HEALTH CARE WITH ANNUAL INFLATIONARY INCREASES ONLY, EMPLOYEE COMMITTEE FORMED TO SUGGEST ANNUAL PLAN DESIGN CHANGES

DURING A ROUTINE WELLNESS? A SERIOUS LIFE THREATENING CONDITION WAS DISCOVERED.

#### WELLNESS PROGRAMS

PROVIDED AMEX GIFT CERTIFICATES AS AN INCENTIVE FOR EMPLOYERS TO GET ANNUAL PHYSICALS.

THE CITY IMPLEMENTED A STRONG WELLNESS PROGRAM IN PARTNERSHIP WITH THE RISK POOL WE BELONG TO FOR MEDICAL INSURANCE THAT RESULTED IN A 2% SAVINGS IN OUR PREMIUMS FOR 2011.

WELLNESS PROGRAM HAS BEEN SUCCESSFUL. HAVE KEPT PREMIUMS LOWER THAN THEY WOULD HAVE BEEN OTHERWISE.

#### WELLNESS BENEFITS.

OUR ON-SITE (CENTRALLY LOCATED) CLINIC (WHICH IS FREE TO EMPLOYEES) IS WONDERFUL AND SHARED WITH COUNTY GOVERNMENT. HEALTH RISK ASSESSMENTS ARE MANDATORY.

NEED GOVERNMENT TO LIMIT LAWSUIT LIABILITY.

INSURANCE BUYOUTS FOR EMPLOYEES WHOSE SPOUSES HAVE COVERAGE AT THEIR PLACE OF EMPLOYMENT.

REQUIRE THOSE ON CONTINUED MEDS TO USE MAIL ORDER. PRUDENTIAL DENTAL CARE DECREASED DENTAL 2012 PREMIUMS.

BIDDING FOR HEALTH CARE SERVICES SAVED THE PLAN A SUBSTANTIAL AMOUNT IN ANNUAL COSTS.

STARTED A WELLNESS PROGRAM WITH INCENTIVES.

IMPLEMENTATION OF A WELLNES PROGRAM WITH A WELLNESS COMMITTEE MADE UP OF VARIOUS DEPARTMENT REPRESENTATIVES TO PROVIDE INPUT ON WELLNESS STRATEGIES AND ACTIVITIES.

WE BELIEVE THAT OPENING ONSITE CLINICS IN 2007 WAS ONE OF THE SMARTEST MOVES WE EVER MADE.

WE BEGAN A UNION/ MANAGEMENT BENEFIT COMMITTEE WITH REPRESENTATIVES FROM ALL UNIONS, NON UNION, AND COMMISSIONERS TO DISCUSS THE IMPLEMENTATION OF PA 152 OF 2011. THE COMMITTEE JUST MADE THEIR RECOMENDATION TO THE BOARD TO STAY WITH THE HARD CAPS. IN THE FUTURE THE COMMITTEE WILL BE INVOLVED IN SENDING RFPS IN THE NEXT YEAR FOR HEALTH, DENTAL, AND VISION INSURANCE.

WELLNESS INTIATIVES ARE EXTREMELY HELPFUL FOR THE EMPLOYEE AS WELL AS THE EMPLOYER.

#### COUNTY RUN WELLNESS CENTER

WE CREATED A FITNESS ENTER FOR EMPLOYEE AND FAMILY ONLY USE.

WELLNESS RATES-PREFERRED RATE IF YOU PERFORM A SELECTION OF ITEMS I.E. ANNUAL VISIT.

WELNES PROGRAM WITH ENGAGEMENT HEALTH IS VERY SUCESSFUL. 70% OF EMPLOYESS WE ENROLLED. THEY GET 40% FOR PASTRICIPATING & PREMIUMS INCREASED NY 33%.

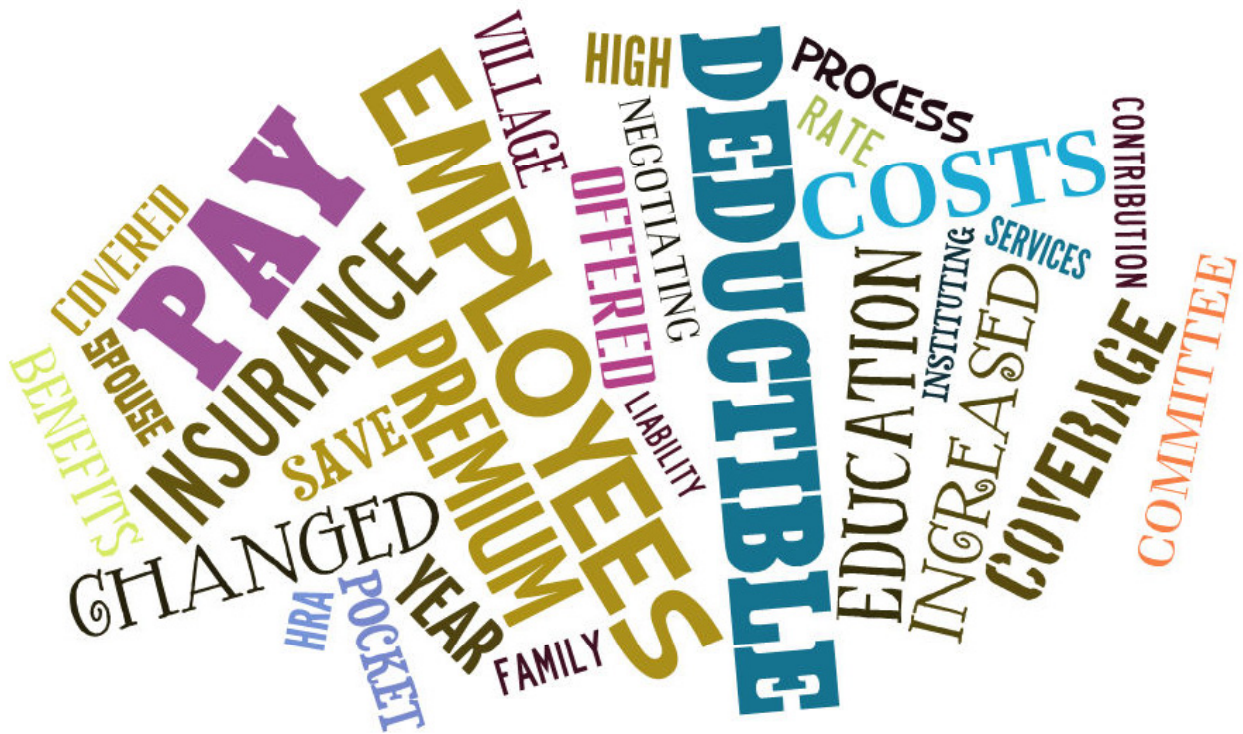
UNION CONTRACTS HAVE BEEN AN ENORMOUS BARRIER TO CHANGE



## Section 7: Ideas from Respondents

### Innovative Plan Design:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed below the cloud:







## Section 7: Ideas from Respondents

### VERBATIM COMMENTS

OFFERED CHOICE TO EMPLOYEES; HIGHER OUT-OF-POCKET COSTS BUT LOWER PREMIUMS. EMPLOYEES PAY 0% FOR THEMSELVES BUT 25% OF DEPENDENT COVERAGE. THEY ASKED FOR LOWER PREMIUMS.

HIGH DEDUCTIBLE WITH HRA IS BEST BONUS FOR THE BUCK.

WOULD PREFER EMPLOYEES SHARE PREMIUM COSTS. CURRENTLY EMPLOYER PAYS ENTIRE PREMIUM.

WE USE A HRA TO COVER LARGE DEDUCTIBLES. EMPLOYEES WHO USE HRA ARE LESS THAN THE COST FOR SMALLER DEDUCTIBLE.

COMPETITIVE BIDDING PROCESS. COMMITTEE THAT HRS UNION REPRESENTATION.

HEALTH SCREENING 1 TIME A YEAR.

WE ACTIVELY EDUCATE OUR EMPLOYEES THROUGH AN INSURANCE ADVISORY COMMITTEE. ABOUT EIGHT YEARS AGO, CAN TRUST FEED

BLANACE WENT NEGATIVE AND WE INCREASED RATES 36% IN ONE YEAR. NOW, EMPLOYEES AND RETIREES ARE THE IMPORT

HIGH DEDUCTIBLE PREMIUM PLAN HAD A POSITIVE IMPACT ON OUR OPEB ACTUARIAL LIABILITY AND ARC AMOUNT

SWITCHING TO AN HSA EDUCATED EMPLOYEES ABOUT HEALTHCARE COSTS.

ADDED A HIGH DEDUCTIBLE PLAN

GIVE EMPLOYEES A VOICE IN THEIR INSURANCE DECISIONS.

WE ENGAGED THE EMPLOYEES IN THE PROCESS OF SELECTING CO-PAYS RATHER THAN INCREASED COST SHAVING. PAST PRACTICE WAS NO INVOLVEMENT FROM THE EMPLOYEES AND THAT WAS A DISASTER.

INCREASED COPAYMENTS-ENCOURAGE EMPLOYEES TO CONSIDER COSTS.

EDUCATION OF EMPLOYEES.

EMPLOYEE MEETINGS.

EDUCATION SESSIONS ON HEALTH INSURANCE BENEFITS AND HOW BEST TO USE SERVICES TO SAVE MONEY BUT GET SERVICES NEEDED

PAY COLA TO UNION EMPLOYEES THAT COVERS CONTRIBUTION RATE SHIFT.

CHANGED FROM BCBS TO UNITED HEALTHCARE AND SAVED 33% OF OUR PREMIUM, OR OVER \$700,000 ANNUALLY WITH VERY SIMILAR COVERAGE.

FOR FAMILIES THAT ARE DOUBLE COVERED (SPOUSE) WE WILL CONTRIBUTE THE AMOUNT EQUAL TO 1/2 SINGLE COVERAGE TO THEIR 401K IF THEY DROP OUR INSURANCE IN FAVOR OF THEIR SPOUSES.

USE HEALTH CARE BENEFIT? ACROSS UNIONS FOR YEARS-GREAT. ADDED BROKER (BEFORE DID OWN PURCHASING) AND HIS DATA/PRICING/INPUT.

LONG TERM LABOR MANAGEMENT COMMITTEE ON ?

EDUCATE EMPLOYEES ON VALUE OF BENEFITS.

EMPLOYEE EDUCATION ABOUT THEIR INSURANCE IS THE KEY.

CHANGED THE PLAN OFFERED TO THE POLIE GROUP TO A LESS COSTLY ALTERNATIVE.

ONSITE EMPLOYEE HEALTH CLINIC.

INSTITUTING AN OPT OUT PROMOTING A WELLNESS PROGRAM. NEGOTIATING PREMIUM INCREASES.

WE ARE NEGOTIATING A CHANGE TO A HIGH DEDUCT PLAN WHICH WILL REDUCE PREMIUMS BY 73%.

OUR AGENCY HEALTH COVERAGE PAYS FOR THE EMPLOYEE'S ONLY-FAMILY HEALTH INSURANCE IS PAID BY THE EMPLOYEE-WE INCREASE OUR DEDUCATABLE-AND OUT OF POCKET-TO PREVENT LAY-OFF'S.

WE PAY FAMILY INSURANCE IN FALL. EVERYONE HAPPY.

IF SPOUSE HAS AN OPTION TO GET HEALTH INS OFFER TO PAY A PERCENTAGE OF WHAT THEY WOULD PAY OUT OF POCKET. BOTH EMPLOYEES SHARE COST & EMPLOYEE BENEFITS BY PAYING LESS.

WE ARE IN THE PROCESS OF CHANGING TO BLUE CROSS BLUE SHIELD OF IL HEALTH SAVINGS ACCOUNT WITH \$2500.00 DEDUCTIBLE.

NEGOTIATING IF THE VILLAGE WILL PAY THE 6 EMPLOYEES THE \$2500.00. IF VILLAGE PAYS THE \$2500.00 TO ALL EMPLOYEES AND VILLAGE STILL PAYS PREMIUMS IT WILL SAVE THE VILLAGE \$48,900.00 PER YEAR. THIS WOULD CUT THE BUDGET BY ALMOST 36% (DECREASE).

OFFERED CASH INSTEAD OF HEALTH INSURANCE-ONLY ONE EMPLOYEE (OUT OF FIVE) PICKED THAT.

OUR PARTIALLY SELF FUNDED CHANGE HAS REALLY HELPED STABILIZE RATE CHANGES.

WE PURCHASE A \$10,000.00 DEDUCTABLE PLAN AND SELF FUND THE FIRST \$9,900.00. EMPLOYEES STILL HAVE A \$100.00 DEDUCTABLE.



## Section 7: Ideas from Respondents

### Negotiation:

The word cloud below shows which words were noted most often by respondents: the larger the word, the more often it was mentioned. The actual verbatim comments are listed below the cloud:





## Section 7: Ideas from Respondents

### VERBATIM COMMENTS

GOING TO OPEN HEALTH INSURANCE FOR BID BY DIFFERENT CARRIERS.

USE A HIGH DEDUCTIBLE AND REIMBURSE EMPLOYEE FOR CHARGES INCURED UP TO THAT LEVEL.

USE YOUR AGENTS AS NEGOTIATORS-THEY ARE GREAT ASSETS AND CAN NOT ONLY FIND THE BEST RATES BUT ALSO BE GREAT GO-BETWEEN.

EVERY YEAR THE INSURANCE COMMITTEE MEMBERS MEET WITH TOWN'S INSURANCE BROKER AND TREASURER

UNION & NON-UNION INSURED WITH SAME PLAN.

1. COMBINED EXPERIENCE WITH SCHOOL SYSTEM. 2. IMPLEMENTED HSA & HDAP 3. CARVED OUT DENTAL & PERScription-SELF INSURED. 4. RFP-THEN NEGOTIATED WITH PROSPECTIVE CARRIERS.

EMPLOYEES CONTRIBUTE % OF PAY @ DATE OF HIRE TO GO TOWARD THE OPEB TRUST FUND.

INCREASE RX CO PAY FOR CERTAIN UNION CLASS

EMPLOYERS COST CAPPED AND EMPLOYEES REQUIRED TO CONTRIBUTE TO RETIREE HEALTHCARE.

GOOD NEGOTIATIONS WITH UNIONS.

WE PAID A ONE-TIME \$1500.00 INCENTIVE FOR MEDICARE ELIGIBLE RETIREES TO SWITCH TO MEDICARE ADVANTAGE PLANS

WE DO NOT HAVE HEALTH COVERAGHE FOR ELECTED OFFICIALS, ONLY FOR EMPLOYEES.

CLCBP NEGOTIATED SEVERAL ADJUSTMENTS TO THE USE OF PLANS BY PARTICIPANTS THAT IS RESULTING IN EITHER A COST SHIFT (IE. WORKING SPACE EXCEPTION) OR A COST REDUCTION (DIEBETES PROGRAM) OR GREATER HEALTH AWARENESS (WELLN

IN 2007 WE STARTED ON HRA WHICH CUT PREMIUMS BY 20%. IT HAS TAKEN 5 YEARS TO GET US BACK TO THE PREMIUM RATE IN 2007.

WE TIERED THE PREMIUMS WHERE NEW HIRES PAY A HIGHER CONTRIBUTION. THOUGHT ATTRITION WE ARE SEEING A SAVINGS.

I THINK A HARD CAP IS A BENEFICIAL CONCEPT FOR AN EMPLOYER. ESPECIALLY FOR PLANNING/BUDGETING PURPOSES.

GO OUT FOR BID REGULARLY

CHANGE OF CARRIER AND DROPPED RATES; TWEAK PLANS TO KEEP INCREASES LOW. CHANGE BROKER TO PROVIDE BENEFIT EDUCATION AND GAP INSURANCE PRODUCTS. LIMITED TO COMMUNITY-RATED PLANS BECAUSE OF SIZE.

WORKING WITH UNION IN INCRASING EMPLOYEE PORTION OF PAYING PREMIUMS.

IMPLEMENT ETWIP FOR POST 65 RETIREES CONSTANT PLAN DESIGN CHANGES

CONTINUED ANNUAL EFFORTS TO MAKE CHANGES HAVE YIELDED POSITIVE RESULTS. UNIONS LEARNING TO EXPECT CONTINUED CHANGES AND KNOW IT IS REAL.

CONTRACT INCLUDES PERFORMANCE GUARANTEES AND A GAIN SHARING APPROACH TO ENCOURAGE EFFECTIVE CLAIM PROJECTIONS AND RATES

WE PROVIDE A CAFETERIA PLAN WITH A FIXED CONTRIBUTION FROM THE DISTRICT. EMPLOYEES CHOOSE FROM SEVERAL HEALTH PLAN OPTIONS AND BETWEEN EMPLOYEE AND EMPLOYEE AND FAMILY COVERAGE. WHILE THE DISTRICT ACTIVELY WORKS TO KEEP COSTS DOWN, TO SOME EXTENT INCREASES ARE BORNE BY EMPLOYEES. AT LEAST UNLESS THE CAFETERIA AMOUNT IS INCREASED THROUGH NEGOTIATIONS.

BELONG TO SPECIAL DISTRICTS ASSOCIATION.

ELIMINATE FAMILY POLICY. DEPENDENTS & SPOUSES CAN BE ON THE POLICY; EMPLOYEE PAYS FULL AMOUNT OF THEIR PREMIUM COST. MAY HAVE TO LET EMPLOYEE SHARE COST OF PREM.

WE SWITCHED EMPLOYEES TO AN HMO PLAN.

MANY OF THE CHANGES LISTED IN #2 HAVE BEEN IMPLEMENTED MORE THAN 2 YEARS AGO. IN 1996 THE CITY CHANGED RETIREE COVERAGE TO NOT 100% FUND PREMIUMS FOR EMPLOYEES HIRED AFTER 6/30/1996.

SHOP AROUND. WE WERE WITH THIS COMPANY FOR YEARS. RATES WENT UP AT LEAST 9% A YEAR. THEY GUILT A NEW FACILITY & WE SHOPPED. WE GOT A BID OF 3% INCREASE WHILE CITY INCREASE WAS 9% FOR EXACT SAME INSURANCE. WE STAYED LO

WILL NOT ALLOW SPOUSES ON OUR PLAN, IF THEIR EMPLOYER PROVIDES HEALTH CARE.

THE AUTHORITY HAS COVERAGE HEALTH CARE FOR EMPLOYEES ONLY. NO FAMILY COVERAGE. IF FAMILY IS INCLUDED, THE EMPLOYEE PAYS A % FOR THEIR BENEFITS. LOWERS THE AUTHORITY COST.



## Section 8

# Methodology

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Cobalt conducted a stratified random sample of local governments by mail based on the U.S. Census Bureau 2007 Governments Integrated Directory (GID).

Approximately 7,500 surveys were distributed by mail between February and May 2012. Based on the 2,336 valid responses collected for this survey, the response rate is approximately 31 percent. The results represent a margin of error of +/-2.0 percent at a 95 percent confidence interval. This provides a significant dataset for analysis. It is important to note that all surveys are subject to inaccuracies based on sampling, response error, etc.

It should be noted that the 2012 sample was created with the same sampling methodology used in 2011 and 2010, in that it oversamples larger governments and does not include governments with populations of 1,500 or fewer. This was done to obtain a greater representation in the survey by the governments that are more likely to provide health care benefits to active and retired employees.

# WHAT ARE YOUR BENEFIT AND ORGANIZATIONAL DEVELOPMENT PRIORITIES?

Make benefit and improvement choices clearer with credible, affordable data from your employees' perspective



**Cobalt**  
Community  
Research

“  
Great value during difficult  
financial times”

**Why participate now?** Here are a few reasons: reduce expenses, improve organizational outcomes, retain key employees, guide benefit decisions, allocate limited resources effectively, focus staff efforts, manage performance, report results, build trust.

## EMPLOYEE ENGAGEMENT AND PRIORITY ASSESSMENT

Employee involvement in their employer's planning is a clear driver of an organization's success and credibility in the community.

Cobalt's data-driven, nonprofit coalition collects and analyzes employee perceptions and priorities to help organizational leaders balance budgets and be more efficient in the face of a challenging economy. Organizational leaders are making difficult decisions about how to allocate scarce resources to balance benefits, compensation, process effectiveness and community-critical services. Clear, high-quality participation by employees builds stronger decisions, stronger staff support and a stronger future. Such participation also may highlight new efficiencies and options that organizational leaders hadn't considered.

Cobalt collaborated with world-class research experts, organizational leaders and the associations that support them to build a high-quality data model that is actionable, affordable and time-effective. The result: a world-class, easy-to-use survey program that organizations can repeat annually to engage employees, guide decisions and demonstrate value to the community.

*It is a revolutionary leap forward in employee benefit and workplace satisfaction. Here's why:*

**Better Science.** Cobalt ([www.CobaltCommunityResearch.org](http://www.CobaltCommunityResearch.org)) uses the science of the American Customer Satisfaction Index ([www.theACSI.org](http://www.theACSI.org)), which is widely respected by scholars and leading business people. The methodology is considered the gold standard in customer and citizen satisfaction measurement in more than 40 industries. The credibility of the data is unmatched.

**Better Decisions.** The sophisticated quantitative analysis of the ACSI identifies where performance is weak and strong and the actual drivers of employee satisfaction and behaviors such as remaining at the employer and recommending it to others. In addition, results are available 24 hours per day/7 days per week on a dynamic portal that enables staff to easily create hands-on analysis of the data based on evolving questions from senior leadership. Participants are not limited to a one-time analysis captured in a thick, static report.

**Better Price.** Because of Cobalt's nonprofit mission and use of technology in data analysis, collection and reporting, program fees are significantly lower than similar services provided by private companies. In addition, with the combination of time-tested questions and custom organization-specific questions, staff time is significantly lower as well.

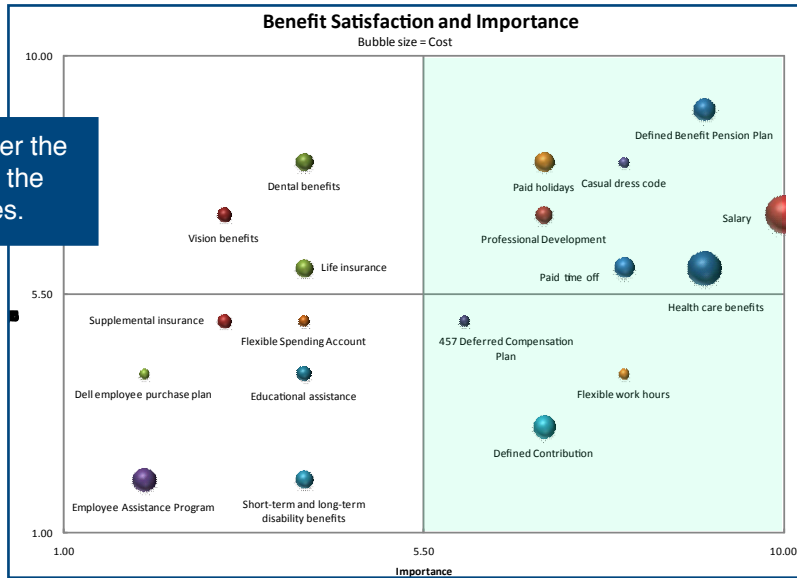
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**ACSI**  
American Customer  
Satisfaction Index



Identify which benefits deliver the highest satisfaction and are the most important to employees.



Filter results by employee demographics to understand perceptions and priorities of different employee populations.

*Cobalt Community Research is a 501c3 nonprofit coalition created to help schools, local governments and nonprofit organizations measure, benchmark, and manage their efforts through high-quality affordable research.*



**National Conference on Public Employee Retirement Systems**  
*The Voice for Public Pensions*

## About the National Conference on Public Employee Retirement Systems

The National Conference on Public Employee Retirement Systems (NCPERS) is the largest trade association for public sector pension funds, representing more than 550 funds throughout the United States.

NCPERS is a unique network of public trustees, administrators, public officials and investment professionals who collectively manage over \$3 trillion in pension assets.

NCPERS core missions are federal advocacy, conducting research vital to the public pension community, and educating pension trustees and officials.

### **For more information**

Phone: 877.202.5706 | Web site: [www.ncpers.org](http://www.ncpers.org)

# The Flexible, Affordable Answer to Pension Administration Software

## Tegrit ARRIVOS

Tegrit Arrivos® was specifically designed for Plan Administrators by software engineers experienced in the pension industry. The Tegrit team and end-users worked collaboratively to create robust software, easily customized to meet your unique needs.

### Pension Administration

The Pension Administration module provides participant and employer maintenance, payroll, benefit calculators, workflows, robust reporting features and much more.

The Tegrit Arrivos system can be implemented onsite or securely hosted by Tegrit.

### Employer Reporting

The Employer Reporting module allows individual employers of multi-employer plans to securely report wage, service and contribution information electronically to the retirement system, eliminating paper submissions and minimizing errors.

### Member Self-Service

The Member Self-Service module provides retirement systems with the ability to offer members safe, on-line access to their data. This module is highly customizable and can include features such as account balance inquiry, address changes, electronic statements, and on-line calculators.

### Imaging

The Imaging module is a cost-effective, secure, disaster recovery solution for handling paper documents. Incoming documents are scanned, indexed, and integrated with the pension administration system.





## About the Government Finance Officers Association

The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training and leadership.

### Objectives

- *Expert Knowledge.* Continue to be recognized as a leading source of expert knowledge in public financial management by exercising leadership in research, recommended practice and policy development, and information dissemination.
- *Education and Training.* Enhance the expertise and professionalism of financial managers and policymakers and provide recognition for their achievements.
- *Financial Leadership.* Engage in efforts to assist finance officers to develop the skills and capabilities necessary to enable them to become organizational leaders as well as technical experts.
- *Raising Public Awareness of Sound Financial Policy and Practice.* Take leadership in promoting public awareness of policies and practices that enhance sound financial management of public resources.
- *Enhanced Cooperation.* Cooperate with and complement the services provided by other organizations (U.S., Canadian, and international) to increase the effectiveness of the GFOA.
- *Strategic Use of Technology.* Provide information and analytical tools to help governments identify and apply appropriate, economical technologies to support efficient resource allocation, quality services, and effective decision making and to promote citizen involvement.
- *Association Operations.* Maintain a high quality, fiscally stable association capable of achieving the GFOA's mission and maximizing member participation.

### For more information

Phone: 312.977.9700 | Web site: [www.gfoa.org](http://www.gfoa.org)



Cavanaugh Macdonald  
CONSULTING, LLC

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

Providing actuarial and benefits consulting exclusively to public sector pension and health care plans.

Alisa Bennett • 678-388-1703  
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Eric Gary • 303-228-1667  
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**Public Consulting Group, Inc.** offers State and Private Retirement Services Agencies unique and time-tested methods to expedite the process of applying for disability benefits administered by the Social Security Administration (SSA).

We are leaders in Social Security Advocacy Management Services – our SSAMS™ team is a third party, non-attorney representation business unit, has been offering disability benefits services since 1989, with several thousand SSI/SSDI applications filed annually. We proactively identify and enroll members (retirees, spouses and dependents) who are disabled and eligible, but not yet enrolled in Social Security Disability Insurance (SSDI)/Medicare. PCG can significantly improve SSDI/Medicare enrollments in the shortest possible time, with the least disruption to your organization. **We will gain the greatest number of SSDI/Medicare enrollments in the shortest amount of time resulting in significant annual savings to your organization and increased monthly income for your members.**

Visit us on the web: [www.publicconsultinggroup.com](http://www.publicconsultinggroup.com)

# ICE MILLER IS A PROUD SPONSOR OF COBALT COMMUNITY RESEARCH.

Ice Miller recognizes the importance and complexity of structuring and funding retiree health benefits for local government employers and pension funds. Our attorneys have assisted numerous governmental clients with issues relating to Internal Revenue Code Section 115 trusts, 401(h) accounts, health reimbursement arrangements, health savings accounts, and voluntary employee beneficiary associations. We have worked extensively with clients in understanding and applying the requirements of the extensive health care reform laws passed by Congress. In addition, we frequently analyze the impact of other federal laws - such as the ADEA, ADA, FMLA, Title VII and HIPAA - on client benefit programs.

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**ICEMILLER**<sup>LLP</sup>  
LEGAL COUNSEL  
It's a complex world. Be advised.<sup>SM</sup>

**Where the world turns for the facts on U.S. employee benefits.**

Retirement and health benefits are at the heart of workers', employers', and our nation's economic security. Founded in 1978, EBRI is the most authoritative and objective source of information on these critical, complex issues.

**EBRI focuses solely on employee benefits research — no lobbying or advocacy.**

EBRI stands alone in employee benefits research as an independent, nonprofit, and nonpartisan organization. It analyzes and reports research data without spin or underlying agenda. All findings, whether on financial data, options, or trends, are revealing and reliable — the reason EBRI information is the gold standard for private analysts and decision makers, government policymakers, the media, and the public.

**EBRI explores the breadth of employee benefits and related issues.**

EBRI studies the world of health and retirement benefits — issues such as 401(k)s, IRAs, retirement income adequacy, consumer-driven benefits, Social Security, tax treatment of both retirement and health benefits, cost management, worker and employer attitudes, policy reform proposals, and pension assets and funding. There is widespread recognition that if employee benefits data exist, EBRI knows it.

**EBRI delivers a steady stream of invaluable research and analysis.**

- EBRI publications include in-depth coverage of key issues and trends; summaries of research findings and policy developments; timely factsheets on hot topics; regular updates on legislative and regulatory developments; comprehensive reference resources on benefit programs and workforce issues; and major surveys of public attitudes.
- EBRI meetings present and explore issues with thought leaders from all sectors.
- EBRI regularly provides congressional testimony, and briefs policymakers, member organizations, and the media on employer benefits.
- EBRI issues press releases on newsworthy developments, and is among the most widely quoted sources on employee benefits by all media.
- EBRI directs members and other constituencies to the information they need and undertakes new research on an ongoing basis.
- EBRI maintains and analyzes the most comprehensive database of 401(k)-type programs in the world. Its computer simulation analyses on Social Security reform and retirement income adequacy are unique.

**EBRI makes information freely available to all.**

EBRI assumes a public service responsibility to make its findings completely accessible at [www.ebri.org](http://www.ebri.org) — so that all decisions that relate to employee benefits, whether made in Congress or board rooms or families' homes, are based on the highest quality, most dependable information. EBRI's Web site posts all research findings, publications, and news alerts. EBRI also extends its education and public service role to improving Americans' financial knowledge through its award-winning public service campaign *ChoosetoSave*® and the companion site [www.choosetosave.org](http://www.choosetosave.org)

**EBRI is supported by organizations from all industries and sectors that appreciate the value of unbiased, reliable information on employee benefits.** Visit [www.ebri.org/about/join/](http://www.ebri.org/about/join/) for more.

# WHAT ARE YOUR BUDGET PRIORITIES?

Make budget choices clearer with credible, affordable feedback from your residents

“Great value during difficult financial times”

**Cobalt**  
Community  
Research

“The information we received was excellent in better understanding our organization. I would highly recommend Cobalt and the survey methods when making planning and budgeting decisions.”

**Why participate now?** Here are a few reasons: reduce expenses, preserve tax base, guide millage decisions, improve quality of life, build economic vitality, allocate limited resources, focus staff, measure and track performance, report results, build trust.

## CITIZEN ENGAGEMENT AND PRIORITY ASSESSMENT<sup>SM</sup>

Cobalt collaborated with local governments and associations to develop this nonprofit program. The goal: a high-quality tool that is actionable, affordable and time-effective. The result: a world-class, easy-to-use program that communities can repeat annually to engage residents, guide decisions and demonstrate value to current and future citizens and businesses.

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**Better Benchmarks.** Cobalt builds the most up-to-date baseline indices each year using a scientifically representative sample of citizens across the United States and across the region. This keeps your comparison scores valid as changes in economics and events can significantly change how residents look at local governments. In addition, Cobalt benchmarks allow local leaders to compare performance to similarly-sized governments across the country and region. They also can be compared to the 40 industries measured by the ACSI, from the federal government to financial institutions. Because of these statistically-sound comparisons, the program is a valuable tool for economic development and community branding.

**Better Decisions.** The sophisticated quantitative analysis of the ACSI identifies not only where performance is weak and strong, but what the actual drivers are of citizen satisfaction and behaviors such as remaining in the community, recommending it to others, volunteering, encouraging businesses to start up in the community, and supporting the current administration. In addition, results are available 24 hours per day/7 days per week on a dynamic portal that enables staff to easily create hands-on analysis of the data based on evolving questions from the board or council. Participants are not limited to a one-time analysis captured in a thick, static report.

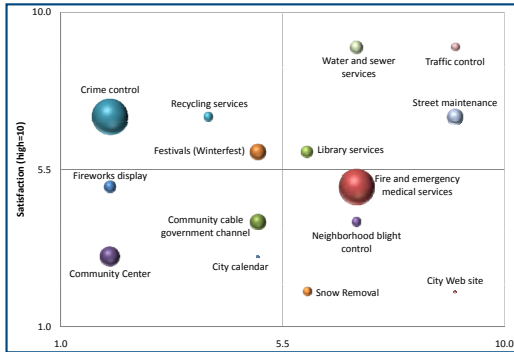
**Better Price.** Because of Cobalt's nonprofit mission and use of technology in data analysis, collection, and reporting, program fees are significantly lower than similar services provided by any other private company. In addition, with the combination of time-tested questions and custom community-specific questions, the staff time requirement is significantly lower as well.

“Cobalt has introduced a professional research instrument which provides comparative state and national benchmark data at a competitive rate.”

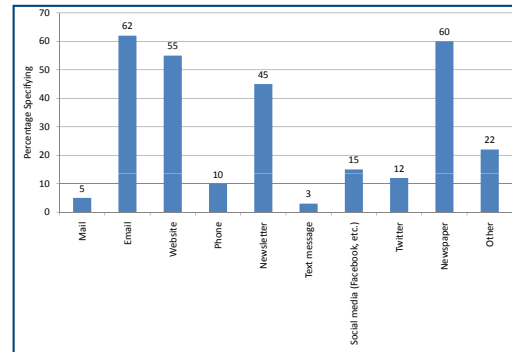
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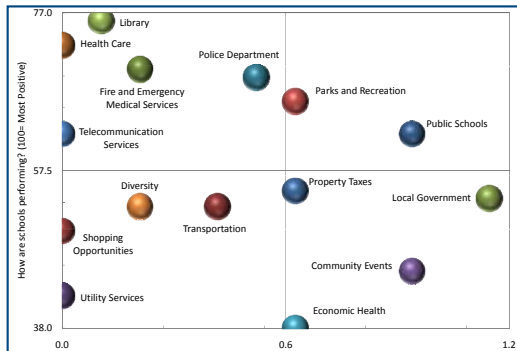
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Satisfaction Index<sup>SM</sup>



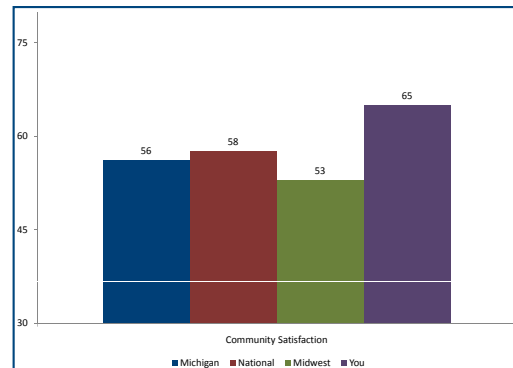
Map service importance and citizen satisfaction to guide budget decisions (bubble size based on what you spend on the service)



Strengthen the effectiveness and efficiency of communication efforts by focusing on how demographic groups in your community prefer to hear news about your local government



Identify drivers of citizen engagement and behaviors such as remaining in the community, recommending it, volunteering, encouraging business startups and supporting the current administration.



Compare current year scores against similar local governments and even the broader public and private sectors

*Cobalt Community Research is a 501c3 nonprofit coalition created to help local governments, schools and nonprofit organizations thrive as changes emerge in the economic, demographic and social landscape.*

## 2012 National Study of Local Government Health Funding Strategies

Please complete the following questions and return using the postage-paid envelope. If you are unable to answer a question, please skip that question and continue the survey. Your answers will remain confidential.

### General Questions

**1. How many full-time employees work for your local government?**

- 0-10     11-50     51-100     101-250     251+

**2. How do you expect your local government's revenue levels to change next year compared to this year?**

- Increase     Stay the same     Drop 1-5%     Drop 6-10%     Drop 11-20%     Drop 20%+     Don't know

**3. How do you expect your local government's employment levels to change next year compared to this year?**

- Increase     Decrease     Stay the same     Don't know

**4. What changes do you expect in your local government workforce in the next two years? (Mark all that apply.)**

- Consolidating/sharing services     Layoffs     More full-time positions     Furloughs/reduced hours  
 Sending more services out to contract (outsource)     Rehiring retirees     Early retirement incentives     Hiring freeze  
 More part-time/temp positions     Reduce through attrition     No changes

**5. What is the general attitude of your organization's leadership toward the current level of health benefits provided to active employees?**

- Not generous enough     About right     Too generous     Health benefits not provided

**6. What is the general attitude of your organization's leadership toward the current level of health benefits provided to retired employees?**

- Not generous enough     About right     Too generous     Health benefits not provided

If you **DO NOT** provide health coverage to your **EMPLOYEES** or your **RETIREES**, then continue to question 30 to complete the survey.

Questions on Health Care for Active Employees. If you **DO NOT** provide health coverage to your **ACTIVE** employees, then skip to question 9.

**7. What percentage of the premium for active employees is paid by the local government?**

- None     1-20%     21-40%     41-60%     61-80%     81-99%     100%     Not sure

**8. How are health care benefits for your active employees insured?**

- Fully insured through carrier     Through state government     Through union  
 Self-insured by employer     Through coalition / pool     Other

**9. Which retirees receive health care benefits from your local government?**

- Early (pre-Medicare) retirees only     Medicare retirees only     Early and Medicare retirees     Neither early nor Medicare retirees (skip to question 22)

**10. What percentage of the premium for early retirees (pre-Medicare) is paid by the local government?**

- None     1-20%     21-40%     41-60%     61-80%     81-99%     100%     Not sure

**11. How do early retiree premiums compare to active employee premiums?**

- Retiree premiums are higher     Retiree premiums are lower     Premiums are the same     Not sure

**12. How are health care benefits insured for your early retirees?**

- Fully insured through carrier     Through state government     Through union  
 Self-insured by employer     Through coalition/ pool     Other

**13. What percentage of the premium for Medicare retirees is paid by the local government?**

- None     1-20%     21-40%     41-60%     61-80%     81-99%     100%     Not sure

**14. How do Medicare retiree premiums compare to active employee premiums?**

- Retiree premiums are higher     Retiree premiums are lower     Premiums are the same     Not sure

**15. How are health care benefits insured for your Medicare retirees?**

- Fully insured through carrier     Through state government     Through coalition/ pool of purchasers     Through union  
 Self-insured by employer     Other

**16. In whole dollars, approximately what is your OPEB Net Actuarial Accrued Liability (NAAL)?**

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**17. In whole dollars, what is your OPEB Annual Required Contribution (ARC)?**

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**18. How do you plan to fund your OPEB liability? (Mark all that apply.)**

- Continue to pay-as-you-go     Fully fund the ARC     Issue debt/OPEB bonds  
 Partially fund the Annual Required Contribution (ARC)     Set aside funds through asset sale or transfer     Not determined

**19. What kind of account do you use for your OPEB reserve? (Mark all that apply.)**

- 401(h) account in the pension reserve     115 Governmental Integral Part Trust     Voluntary Employee Beneficiaries Assoc. (VEBA)     General fund account  
 Other trust or agency fund

**20. How much funding have you set aside to offset the OPEB liability?**

- None     1 to 10%     11 to 20%     21 to 30%     31 to 50%     51%+     Don't know

**21. Who manages the investment of your OPEB reserve?**

- Not applicable     Self-managed     Local board     Bank or bank trust     State government     Coalition/ association     Investment company



**22. Initiatives to Manage Health Care Costs. If you do not provide health coverage, then skip to question 30.**

Which initiatives below have you implemented in the last two years or plan to implement in the next two years to **reduce health costs and liabilities** for active or retired employees? Please specify all groups affected by marking "Active," "Early Retiree," and/or "Medicare Retiree."

	<i>Have Implemented</i>	<i>Plan to Implement</i>	<i>Active</i>	<i>Early Retiree</i>	<i>Medicare Retiree</i>
<b>Eligibility Changes:</b>					
Close plan to new hires	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase age/service requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strengthen dependent child verification process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Negotiate with union to reduce coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Eliminate group health plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer buyout to those who waive future retiree health care coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Eliminate family coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<i>Have Implemented</i>	<i>Plan to Implement</i>	<i>Active</i>	<i>Early Retiree</i>	<i>Medicare Retiree</i>
<b>Contribution Changes:</b>					
Increase deductibles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase health copays	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase drug copays	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase share of premium costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase out-of-pocket limits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cap employer contributions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prorate employer contributions based on years of service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shift from flat-dollar copays to percentage-of-cost copays	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<i>Have Implemented</i>	<i>Plan to Implement</i>	<i>Active</i>	<i>Early Retiree</i>	<i>Medicare Retiree</i>
<b>Design Changes:</b>					
Reduce benefit levels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Require Medicare Part D prescription coverage for Medicare retirees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Implement disease management initiatives (diabetes, asthma, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Implement wellness initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Add health savings accounts (HSA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Add health reimbursement arrangements (HRA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Add a high-deductible health plan (HDHP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tighten provider networks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Implement a special drug network (Rx carve out)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Expand use of generic drugs/implement a drug formulary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer only catastrophic coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer only a flat health stipend instead of health plan coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer an onsite clinic/regular onsite visits by physician's assistant, nurse, doctor, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer special incentives to use a specific community physician practice, dentist, chiropractor, drug store, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer special incentives to promote annual physicals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer special incentives to promote smoking cessation, weight management and other wellness programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Use employee benefit committees for design changes and education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Have Implemented**      **Plan to Implement**      **Active**      **Early Retiree**      **Medicare Retiree**

**Purchasing Changes:**

Join a health purchasing coalition/pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provide funds for employees/retirees to purchase coverage through a health care exchange	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Set up a Voluntary Employee Beneficiaries Association (VEBA) to administer benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shift from fully-insured to self-insured coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Negotiate lower costs with carrier/health plan/third-party administrator	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change carrier/health plan/third party administrator	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Educate employees/retirees to improve health purchasing decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shift responsibility for administering benefits to a union group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open health insurance for bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open dental insurance for bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open vision insurance for bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open long-term care (LTC) for bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contract with a Prescription Benefit Manager (PBM)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**23. What are your significant barriers to health plan design changes? (Mark all that apply.)**

- Advantages don't outweigh the effort*      *Not enough information to make a decision*      *Union contracts*      *No change is needed*  
 *Not enough staff/time*      *Awaiting state/federal action*      *Statutory mandates*      *Other*

**24. Overall, how much did the premium rates paid by your jurisdiction change in the past year?**

- Rates dropped*      *About the same*      *1-4% increase*      *4-8% increase*      *More than 8% increase*

**25. Overall, how much do you expect the premium rates paid by your jurisdiction to change in the coming year?**

- Rates will drop*      *About the same*      *1-4% increase*      *4-8% increase*      *More than 8% increase*

**26. Do you have grandfathered status under the Patient Protection and Affordable Care Act of 2010?**

- Yes*      *No*      *Not sure*

**27. How effective are your efforts to control health costs? Rate where 1= "Not Effective" and 10= "Very Effective."**

- Not Effective= 1     2     3     4     5     6     7     8     9     Very Effective= 10

**Health Care Innovations**

**28. As you think about addressing health costs, please share an innovation or best practice success story that other governments may like to learn about.**

**29. Which strategic category best describes your innovation or best practice story above?**

- Pooling*      *Consumer-driven health care*      *Innovative plan design*  
 *Wellness/ disease mgt.*      *Employee engagement*      *Negotiation*

**About You**

**30. Which areas describe your role? (Mark all that apply)**

- Chief Administrator/ Executive*      *Finance*      *Other*  
 *Consultant/Advisor*      *HR/Benefits*

**31. Would you like the report from this study once it is completed?**

- Yes*      *No*

**32. May we contact you if we have additional questions?**

- Yes*      *No*

**33. If you answered "yes" to either of the last two questions, please enter your email address below:**



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