

HealthPartners

Minnesota/Wisconsin Employer Health Benefits Survey

Summary of Key Findings

February 2010

While the debate on national health care reform is hung up in Washington, businesses across the country continue to struggle with health care costs. They are challenged in finding ways to improve employee health and at the same time stem growing costs, which are directly impacting their bottom line.

Locally, a new survey of employers in Minnesota and western Wisconsin tells a similar story.

Businesses here cite rising health care costs as a top barrier to expansion. Companies who were best able to manage costs – and saw increases under five percent, all used some type of initiative focused on changing health behaviors.

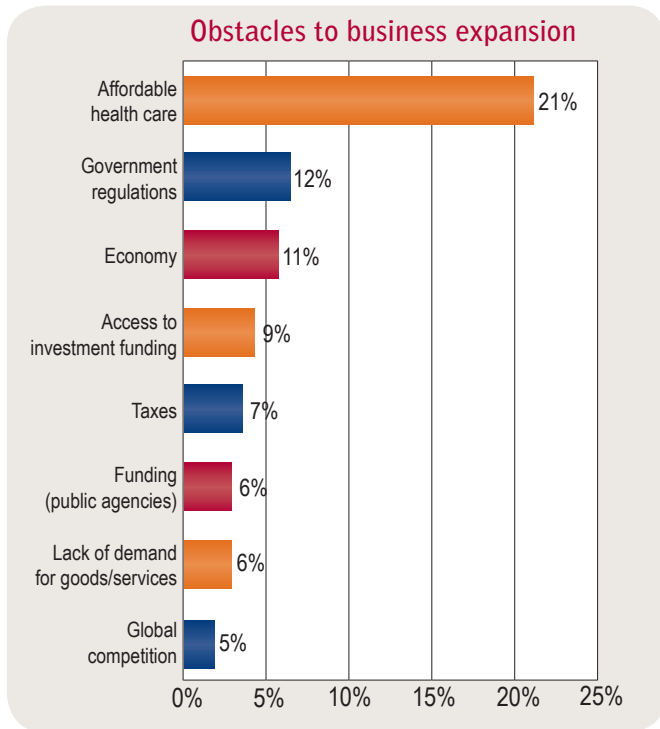
The survey provides insight into what actions employers might want to consider as they focus on reducing their health care costs. Changing employee health habits appears to be the major trend.

KEY FINDINGS

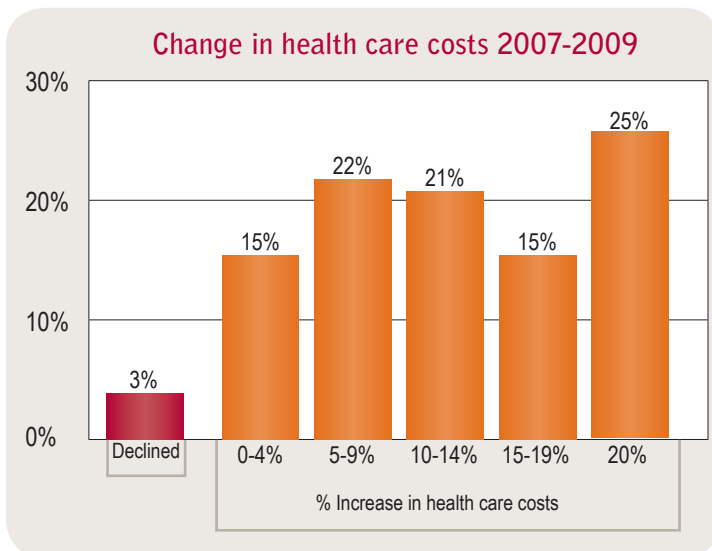
- 1.** Lack of affordable health care is impacting business growth.
- 2.** Poor employee health habits are a key cost driver.
- 3.** Common practices of high performing companies include programs to support health improvement, emotional health and health assessments.

Major challenges

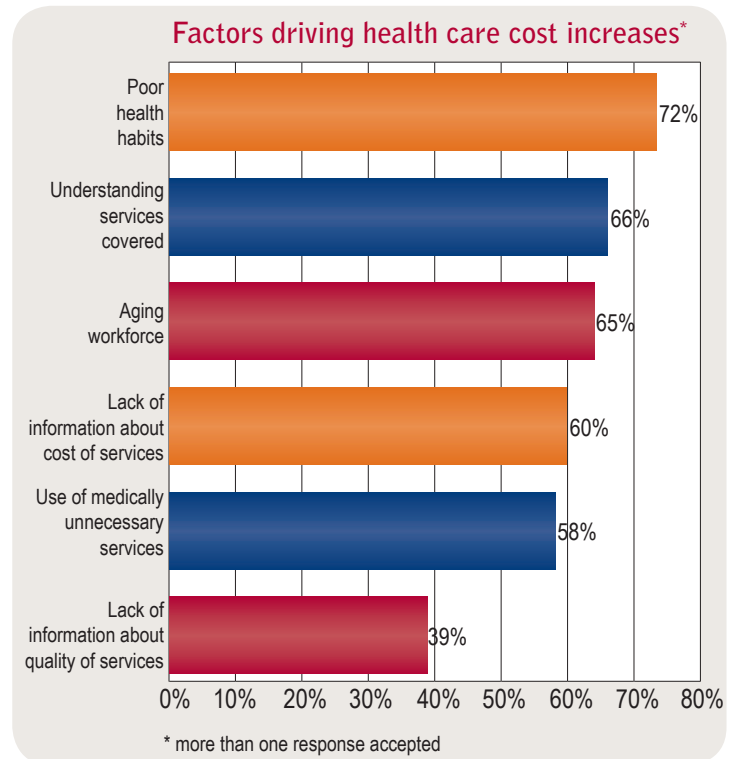
1. Providing affordable health care benefits is impacting employers' business expansion. Health care costs need to be addressed. This will help facilitate business growth.



2. Rising health care costs are a top concern of business owners. In the past two years, three out of five companies reported average health care cost increases of ten percent or more per year.

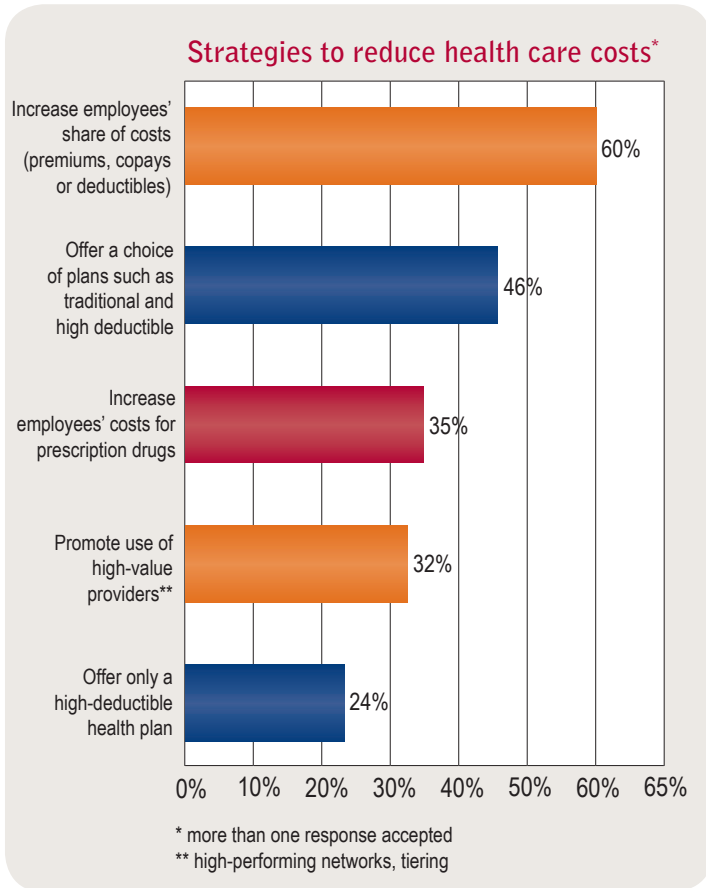


3. Businesses report that employees' health behaviors are significant cost driving factors. Nearly three out of four employers report that employees' poor health habits are the greatest contributors to rising health care costs.

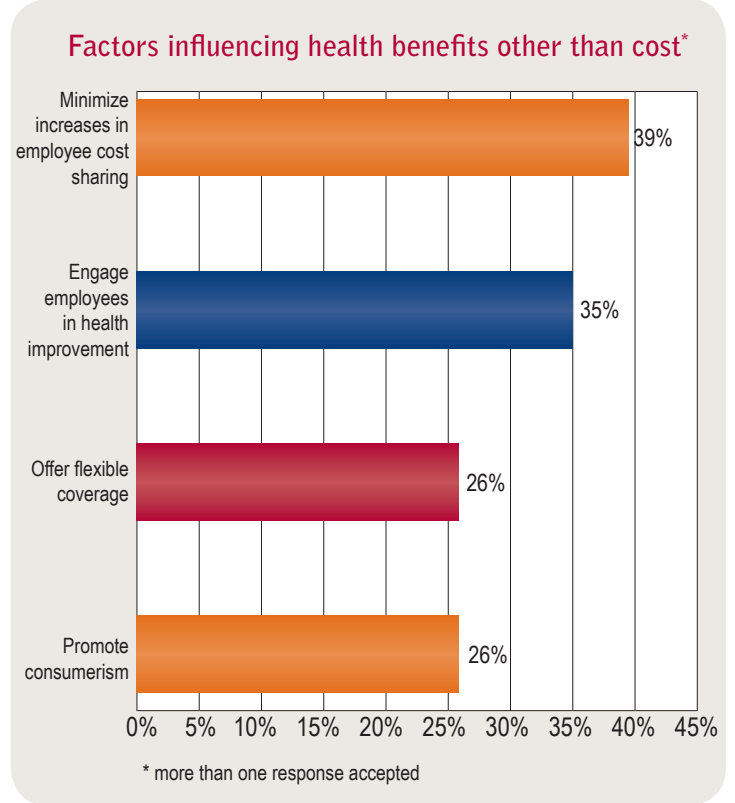


Health care strategies

4. Businesses are using multiple management strategies to get health care costs under control. When asked what they are doing or what they plan to do, businesses report the following:

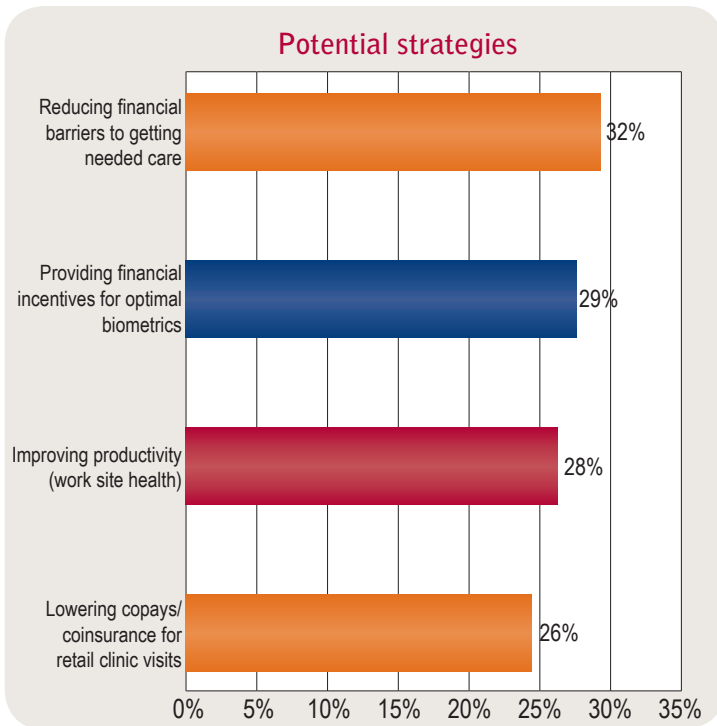


5. In addition to shifting more of the cost to employees, companies are looking at other options to find health care savings. Areas that are influencing employee benefit strategies include:



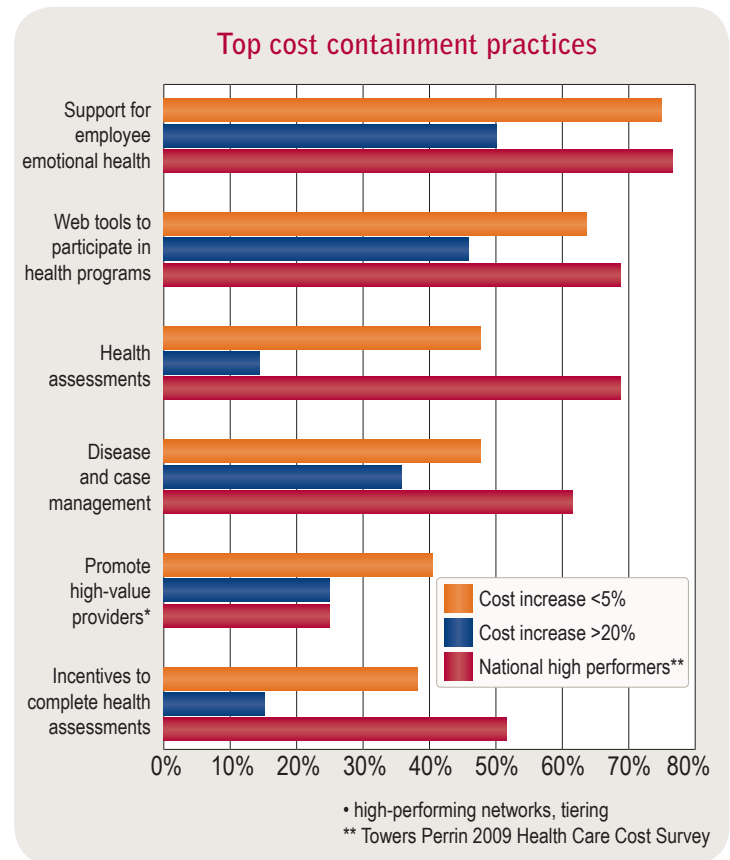
Emerging trends

6. There is a growing focus on influencing and improving employee health as a long-term strategy to lower health care spending. The most commonly cited strategies that companies are not currently using, but are interested in include:



Common practices of top-performing employers

7. Companies that have had the most success in reducing their health care cost trend, have used strategies focused on changing employee behavior around health improvement and selecting high-value health care providers. Eighteen percent of employers report their costs decreased or increased less than 5 percent between 2007 and 2009. The most common practices at the companies with lower cost trends included:



ABOUT THE SURVEY

The survey was conducted by CJ Olson Market Research, an independent research firm, on behalf of HealthPartners. Unlike most national health care surveys which include mostly large national companies, HealthPartners survey includes a range of companies from those with 50 or fewer employees to companies with 1,000 or more employees. The survey, conducted in November 2009, represents responses from 178 private and public employers in Minnesota and western Wisconsin, including:

- 18% large companies (500+ employees)
- 31% mid-sized companies (100 to 499 employees)
- 51% small companies (less than 100 employees)
- 146 private and 32 public organizations
- 145 Minnesota employers and 33 western Wisconsin employers