

THE VALUE OF EMPLOYER-PROVIDED COVERAGE IN KENTUCKY

THE TOP BENEFITS THAT MATTER THE MOST



PRESCRIPTION
DRUGS



EMERGENCY
CARE



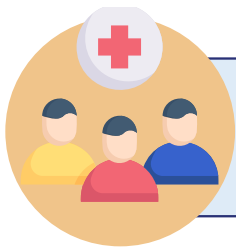
PREVENTIVE
CARE

PROVIDING COST SAVINGS: Employer-sponsored health coverage harnesses the collective market power of plan members to achieve cost savings – functioning as a competitive counter to consolidated provider networks and Big Pharma.

INCENTIVIZING WORK: Employer coverage ties work to the opportunity to enjoy high-value, high-quality health coverage.



75% of employees say that coverage played a role in their decision to accept their current job³



Through group purchasing, private insurers obtained hospital discounts of at least **40%**¹



BUILDING A HEALTHY WORKFORCE: Employer-provided coverage creates a more productive workforce. Wellness programs offered by employers range from group fitness classes to nutrition counseling, and cooking classes and smoking cessation programs, fitness competitions, health assessments, behavioral health awareness.

Driving Care Improvement & Innovation:

Health insurance providers are investing in new technologies and empowering members with telemedicine tools and wellness apps, creating the cybersecurity and privacy infrastructure for new platforms.



2/3 of companies reported that health benefits helped improve employee health, and almost **60%** believed that helped reduce absenteeism⁴



FOOTNOTES:

1. The Value of Employer-Sponsored Health Insurance https://www.nber.org/system/files/working_papers/w28590/w28590.pdf 2. Employers' Benefits from Workers' Health Insurance <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2690190/#:~:text=In%20surveys%20of%20employers%20both,benefits%20improves%20the%20firm's%20performance.&text=Two%2Dthirds%20reported%20that%20health,%2FCHCC%2FBCBSA%202000> 3. AHIP/Locust Street Group research: <https://www.ahip.org/new-survey-employer-provided-health-coverage-is-delivering-real-value-for-consumers-during-the-pandemic/> 4. Employers' Benefits from Workers' Health Insurance: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2690190/> 5. AHIP Employer-Provided Coverage Data

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DRIVING CARE IMPROVEMENT

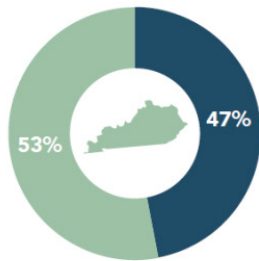
& INNOVATION: Health insurance providers are investing in new technologies and empowering members with telemedicine tools and wellness apps, creating the cybersecurity and privacy infrastructure for new platforms.



KENTUCKY EMPLOYER-PROVIDED COVERAGE BY THE NUMBERS

2,028,200

Covered by Employer Insurance¹



- Employer Insurance
- Other (Individual, Medicare, Medicaid, Uninsured, etc.)

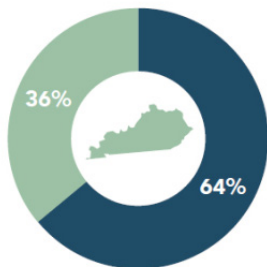
Share of Workers in Companies Offering Insurance⁷ **86%**

Average Employer Contribution for Single Coverage⁸ **4,910**

Share of Workers in Companies Offering a Choice Among Plans⁹ **76%**

Percent of Single Coverage Premiums Paid by Employers¹⁰ **74%**

Employer-Sponsored Insurance by Type¹¹



- Self-Insured (ERISA)
- Fully Insured

Health State Premium Tax Collected: **\$173,129,000⁶**

Health Plan Employees 13,736

Insurance-Related Employees 14,213

FOOTNOTES:

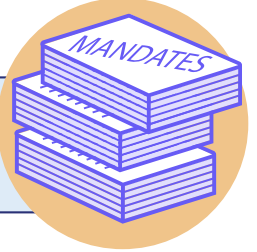
Citations for chart figures: Citation for 1: Kaiser Family Foundation (KFF) estimates based on the 2019 American Community Survey. Citation for 7: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Citation for 8: AHIP analysis of Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Citation for 9: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Citation for 10: AHIP analysis of Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Citation for 11: AHIP analysis of Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends

LEGISLATIVE MANDATES RAISE HEALTH CARE COSTS

Since 2018, a staggering **253** health benefit mandates have been introduced in the General Assembly. These mandates would raise the costs of premiums by almost **half a billion dollars per year**. That's close to **\$94 per member per month**.



More mandates than the National Average⁵



MANDATES:
Drive Up Costs



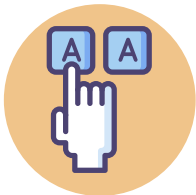
WHAT ARE MANDATES? Mandates are benefits insurers are required to cover. Mandates dictate what plan coverage insurers can sell and what coverage consumers can buy as they relate to specific treatments, benefits, and providers. While often well-intended, government mandates typically result in higher premiums and reduce access to care.



LIMITS INNOVATION



ERODES COMPETITION



LIMITS CONSUMER CHOICE



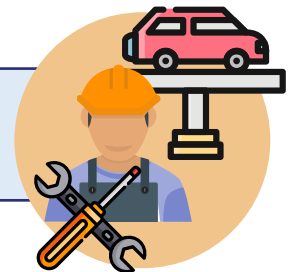
PUSHES MORE PEOPLE ONTO MEDICAID ROLLS

SMALL COMPANIES pay the price for government overreach because they do not have the resources to self-insure.

Cost pressures force smaller employers to trim insurance or other benefits, increase the share their employees pay for premiums, eliminate coverage altogether and reduce wages.



SMALL BUSINESS:
IS MOST IMPACTED



FOOTNOTES:

6. U.S. Census Bureau, 2019 Annual Survey of State Government Tax Collections. Available at: <https://www.census.gov/data/tables/2019/econ/stc/2019-annual.html> (accessed on December 8, 2020). Data compiled by America's Health Insurance Plans (AHIP), Center for Policy and Research, December 2020. **7.** U.S. Census Bureau 2018 County Business Patterns (NAICS) report. Direct jobs are defined using the insurance industry NAICS codes 524114 (direct health and medical insurance carriers) and 621491 (HMO medical centers). Note: Only states that included information on number of jobs and payroll were used in this calculation. NOTES: The U.S. Census Bureau could only provide direct jobs data for NAIC 621491 (HMO medical centers) for Arizona, California, Colorado, Florida, Washington, D.C., Georgia, Hawaii, Illinois, Maine, Maryland, Massachusetts, Minnesota, Nevada, New York, Oregon, Pennsylvania, Virginia, Washington, and Wisconsin. **8.** State of Connecticut Office of Legislative Research: Health Insurance Mandates in Connecticut and Other States