

## STATISTICAL BRIEF #89

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# Employer-Sponsored Health Insurance for Large Employers in the Private Sector, by Industry Classification, 2003

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### Introduction

Employer-sponsored health insurance for current workers is one of the primary sources of health insurance coverage in the United States. According to data from the Insurance Component of the 2003 Medical Expenditure Panel Survey (MEPS-IC), approximately 96.3 million of the 110.9 million employees from the private sector worked in firms where the employer offered health insurance. Of those who worked where health insurance was offered, approximately 60.7 million were enrolled. (Data not shown in figures.)

This Statistical Brief presents estimates, by industry classification, on the percentage of employees who worked for large private sector employers (firms with 50 or more employees) who offered health insurance and of employees working in such firms who enrolled in offered health insurance plans. The brief also provides estimates on the average employee contributions towards premiums for single coverage and for family coverage. Only those estimates that had a statistically significant difference from the national average at the 0.05 percent significance level are noted in the text.

Among the large private sector employers, 96.8 percent of all employees worked where health insurance was offered (estimate not shown). The offer rate did not exhibit significant variation across the different industry classifications. Alternatively, the enrollment rates and the employee costs for employer-sponsored health insurance varied significantly by industry classification across these large private sector employers.

### Findings

Among the 79.5 million employees who worked for large private sector employers in 2003, 96.8 percent worked where the employer offered health insurance (estimates not shown). Among the employees of large employers where health insurance was offered, 63.5 percent enrolled (figure 1). The enrollment rates among large employers ranged from 40.5 percent for employees in the Other Services industry

### Highlights

- In 2003, 63.5 percent of private sector employees enrolled in health insurance plans that were offered by their large employers. There was substantial variation in the enrollment rates by industry classification for workers at large employers.
- In 2003, 45.0 percent of private sector employees enrolled in single coverage health insurance plans that were offered by their large employers. There was substantial variation among large employers in the single coverage enrollment rates by industry classification.
- The average employee premium contribution per enrolled employee for single coverage across large private employers was \$627.
- The average employee premium contribution per enrolled employee for family coverage (family of four) across large private sector employers was \$2,242.

to 81.5 percent for the Mining and Manufacturing industry. Both these industries differed significantly from the national average. Among the other industries, Financial Services and Real Estate, Wholesale Trade, and Utilities and Transportation had higher than average enrollment rates for large employers of 76.8 percent, 78.7 percent, and 72.0 percent, respectively. Retail Trade had a lower than average enrollment rate of 49.3 percent among its large employers.

Among the employees in large private sector firms that offered health insurance, 45.0 percent selected single coverage (figure 2). The enrollment rates for large employers ranged from 37.3 percent for employees in Mining and Manufacturing, 38.8 percent for employees in Wholesale Trade, and 41.1 percent for employees in Utilities and Transportation industry to 51.8 percent for employees in Other Services and 52.5 percent for employees in Retail Trade. These single coverage enrollment rates differed significantly from the national average for large employers.

Average employee contributions towards premiums for large private sector employers in 2003 were \$627 (figure 3) for single coverage and \$2,242 (figure 4) for a family of four. Furthermore, there was significant variation in the average employee premium contributions by industry classification among large employers. Employees working for large employers in the Mining and Manufacturing sector required the lowest single and the lowest family premium contributions, at \$571 for single coverage (figure 3) and \$1,742 for family of four coverage (figure 4). Average premium contributions for employees in large firms in the Other Services sector required the highest contribution towards single premiums, \$723 (figure 3), and a higher than average family premium contribution of \$2,574 (figure 4). Average premium contributions for employees in large firms in the Retail Trade industry were also higher than the national average for large employers, at \$684 for single coverage (figure 3) and \$2,594 for family coverage (figure 4). Average contributions towards family coverage of \$2,454 for employees enrolled in the Professional Services industry were also higher than the national average.

## Data Source

This Statistical Brief summarizes data from the 2003 MEPS-IC. The data are available on the MEPS Web site ([www.meps.ahrq.gov](http://www.meps.ahrq.gov)) or have been produced using special computation runs on the confidential MEPS-IC data available at the U.S. Census Bureau.

## Definitions

In this brief, an employer is defined as a private sector firm. A firm is defined as a business entity that controls one or more business establishments or locations. Consequently, an employer can have multiple work locations. Only large employers with 50 or more employees across all their locations were included in this analysis.

The classification by industry is based upon the North American Industrial Classification System.

## About MEPS-IC

MEPS-IC is a survey of business establishments and governments that collects information on employer-sponsored health insurance, such as whether insurance is offered, enrollments, types of plans, and premiums. The survey is conducted annually by the U.S. Bureau of the Census under the sponsorship of the Agency for Healthcare Research and Quality. The yearly response rate has averaged 78 percent for in-scope sample units. Approximately 4 percent of the original sample has been out-of-scope in a typical year. A total sample of 42,000 establishments was selected for the 2003 survey, prior to accounting for losses due to nonresponse and out-of-scope cases.

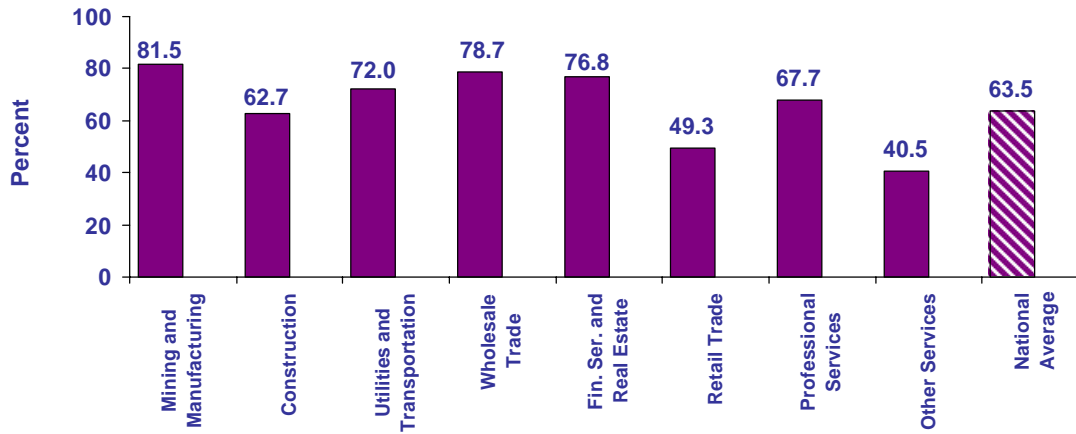
For more information on this survey, see MEPS Methodology Reports 6, 8, and 10 under MEPS publications at [http://www.meps.ahrq.gov/mepsweb/data\\_stats/publications.jsp](http://www.meps.ahrq.gov/mepsweb/data_stats/publications.jsp) and the MEPS-IC Technical Appendix at [http://www.meps.ahrq.gov/mepsweb/survey\\_comp/ic\\_technical\\_notes.jsp](http://www.meps.ahrq.gov/mepsweb/survey_comp/ic_technical_notes.jsp).

## Suggested Citation

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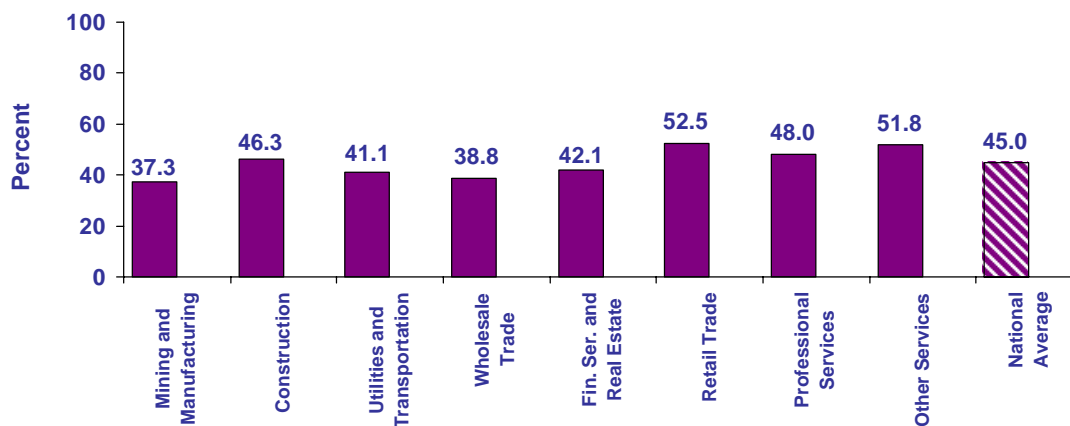
**Figure 1. Percentage of employees enrolled in health insurance in establishments that offered health insurance for firms with 50 or more employees, by industry, 2003**



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2003



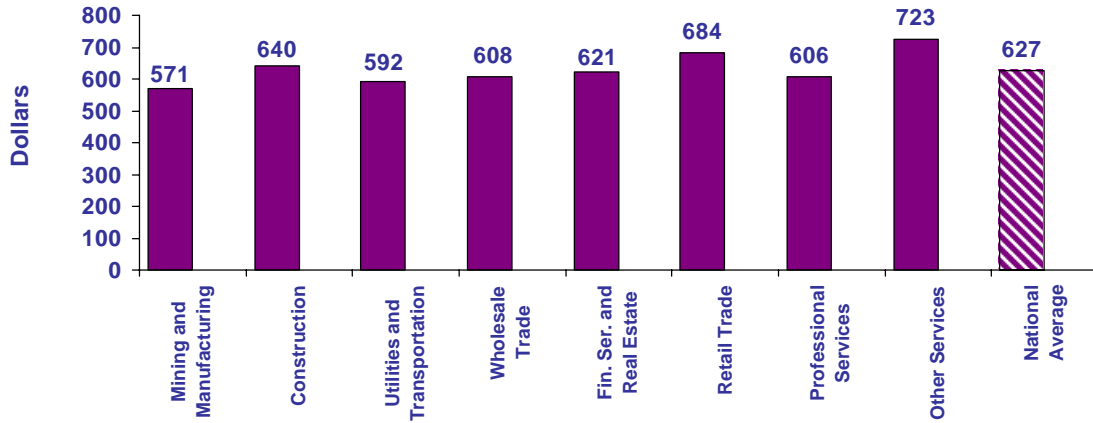
**Figure 2. Percentage of employees enrolled in a health insurance plan with single coverage in establishments that offered health insurance for firms with 50 or more employees, by industry, 2003**



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2003



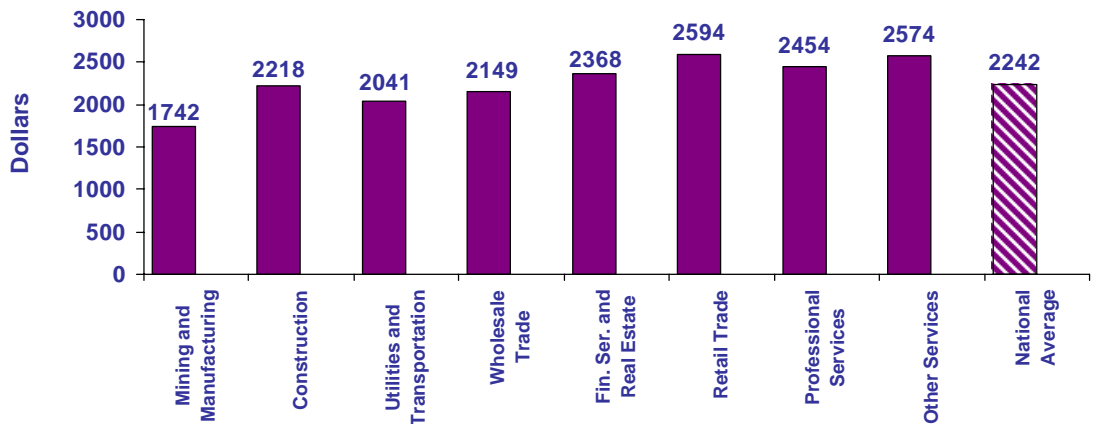
**Figure 3. Average employee contribution per enrolled employee for single coverage at establishments within firms with 50 or more employees, by industry, 2003**



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2003



**Figure 4. Average employee contribution per enrolled employee for coverage for a family of four at establishments within firms with 50 or more employees, by industry, 2003**



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2003