

Compensation Legislation in the 105th Congress

As wage-related topics take a back seat in Congress, "comp time," health care, and retirement plans have moved to the forefront of current legislative discussions in this area.

BY WILLIAM J. WIATROWSKI

Employee compensation was once the sole purview of employers, who controlled the type and amount of remuneration their employees received. With the prominence of unions in the late 19th century, for some, employee compensation became the subject of collective bargaining. Labor legislation and court rulings in the 1930s and 1940s solidified this relationship, as unions were recognized as the official bargaining agents for groups of workers, and were allowed, by law, to bargain for "wages, hours, and other terms and conditions of employment."¹ Federal laws governing compensation also became prominent in the first few decades of the 20th century. Among the first compensation-related laws enacted were Social Security (1935) and minimum wage requirements (1938). In recent years, local and Federal legislation related to employer compensation practices have become commonplace.

The 105th Congress, convened in January 1997, is considering a number of compensation-related

measures. This article takes a brief look at some of the major bills before Congress in the area of compensation. The bills fall into two broad categories: those related to hours of work and time off, and those related to employer-provided benefits. The considered legislation includes new initiatives, amendments to existing law, and measures considered, but not enacted, in previous years.

There is currently no major legislation proposed concerning wages. Wage-related topics periodically considered by Congress include the minimum wage and alternatives to that minimum, such as the training wage. In 1996, Congress increased the minimum wage from \$4.25 per hour to \$4.75 per hour, effective October 1, 1996; the minimum will rise to \$5.15 per hour on September 1, 1997.

Another wage-related topic receiving periodic attention is known as "prevailing wages." This would require employers doing business with the Federal Government to pay wages comparable to those received by employees in similar occupations

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in the same geographic area. Such prevailing wage rules are applicable to construction workers, service workers, and others. Data from the Bureau of Labor Statistics are used by regulators to establish prevailing wage rates for selected service jobs; other data sources are used by regulators to establish prevailing wage rates for other jobs. There is periodic discussion in Congress designed to change or eliminate prevailing wage rules.

Hours of work and time off

One prominent work hours-related proposal in the 105th Congress is known as "comp time." There are actually several versions of comp time legislation, some broader than others.

The basic premise of this legislation is to amend the Fair Labor Standards Act of 1938 (FLSA), permitting private sector employees to receive compensatory time in lieu of overtime. FLSA is one of the hallmarks of labor law, establishing the concept of a 40-hour work week and the requirement that employers pay time and one-half for overtime. (See box for a discussion of current provisions of the Fair Labor Standards Act.) As envisioned, the comp time bills would amend the FLSA to increase work time flexibility.

The House of Representatives bill, the "Working Families Flexibility Act," contains the following provisions:

- Employers have the option of providing employees the right to accrue comp time in lieu of overtime pay;
- If an employer provides such an option, employees may accrue comp time in lieu of overtime pay for overtime hours worked;
- Employers are prohibited from requiring employees to accrue comp time in lieu of overtime pay for overtime hours worked;

- Comp time hours accrue at a rate of one and one-half hours of comp time for each hour of overtime worked;
- Employees may accrue up to 160 hours of comp time (although various proposals include different numbers of maximum hours);
- Employees may withdraw from the comp time agreement at any time and receive payment (within a specified number of days) for accrued hours;
- Employers must pay employees for accrued comp time hours at the end of each year;
- Employers are required to grant employee requests for use of accrued comp time hours, unless such absence would disrupt operations of business.

The Senate bill, the "Family Friendly Workplace Act," includes provisions similar to those in the House bill, plus the following:

- Employers may establish biweekly work schedules in which overtime compensation is due for hours worked over 80 in a 14 day period;
- Employers are prohibited from requiring employees to participate in such work schedules;
- Employers may establish flexible credit hour programs in which hours worked in excess of an employee's "basic work requirement" may be used to reduce the employee's hours of work, on an hour-for-hour basis, in a subsequent day or week;
- Employers are prohibited from requiring employees to

participate in such flexible credit hour programs.

To date, debate concerning comp time legislation has centered on whether the bills provide employees with sufficient choice and protection. Proponents stress the need to provide workers with time to attend to family business, such as school conferences for children or eldercare arrangements for parents. Opponents argue that employers are given too much control in choosing who receives comp time and when it can be used. Included in the debate is discussion of currently-available alternative work schedule arrangements and the potential that employers and employees might be able to adjust existing schedules to meet family needs. (See table 1 for information on the current availability of alternative work schedule arrangements.)

Comp time proposals are often discussed in relationship to the Family and Medical Leave Act, a 1993 law requiring employers to make available unpaid time off to employees for personal or family medical needs.² One proposal is to expand the Family and Medical Leave Act to cover more workers (the Act is currently limited to employers with 50 workers or more) and to be available for more purposes, include attending school activities, accompanying family members to routine medical appointments, and assisting family members in obtaining other professional services.

Another proposal related to hours of work would allow individuals to volunteer their services to certain employers without violating the minimum wage and overtime provisions of the Fair Labor Standards Act. Presently, FLSA restrictions do not allow individuals to volunteer their services to private sector employers, even if such service would help them develop skills that would further benefit them in the workplace. The Job Skills

Development Act would amend the FLSA, allowing individuals to volunteer unpaid time in the private sector. Safeguards included in the bill are intended to ensure employers do not coerce individuals to work without pay, and volunteer work does not exceed certain hour thresholds.

Individual retirement accounts

Retirement income and health care are two employee benefit topics that are frequently the subject of legislative initiatives. Over the last 30 years, a succession of pension reform laws have expanded worker protections, improved the fiscal strength of pension plans, and required greater public disclosure about the operation and financial status of pensions. Conversely, attempts to enact legislation regulating employer-sponsored health care plans have been largely unsuccessful at the Federal level, although a number of States have passed laws in the health care area, typically in the form of insurance regulation. Legislation introduced in the 105th Congress is largely designed to make small changes to existing rules covering these benefits.

Several retirement-related bills currently in Congress are designed to improve access to individual retirement accounts and ease certain rules currently covering employer-provided retirement plans. Individual retirement accounts (IRAs) are frequently discussed in the context of employer-provided retirement benefits for two reasons: these plans offer similar tax advantages to employer-provided plans, and access to these plans is determined in part by an individual's employer retirement plan coverage.

IRAs have been in existence since the mid-1970s. Several changes in their tax status over the past 20 years have influenced the number of Americans who could, and did take advantage of these plans. These plans allow individuals to invest funds in a retirement account and

deduct the amount of their investment from their income for current tax purposes. Invested funds, and the earnings on those funds, are not taxed until they are withdrawn; this typically occurs at retirement age. Because these plans are intended to help workers accumulate retirement savings, there are severe tax penalties for withdrawals prior to retirement.

When first introduced, IRAs were only available to workers not covered by an employer retirement plan. They received little attention and attracted only a small number of investors. Eligibility for IRAs was expanded greatly in 1981, when they were made available to all working Americans, regardless of other retirement plan availability. Interest in these plans soared and the number of tax returns including IRA deductions grew substantially through the mid-1980s. (See table 2 for information on the extent of IRA deductions from Federal tax returns.)

This widespread use of IRAs was curtailed with the Tax Reform Act of 1986, which was designed to target IRAs to lower income workers and to those with no employer retirement coverage. The revised rules, which are currently in effect, generally limit the IRA tax deduction to workers with no employer retirement plan. The deduction was maintained for lower income workers with these plans, and is phased out as income increases. With about three-fifths of all American workers covered by an employer-provided retirement plan, it is not surprising the change in access rules led to a large decline in IRA deductions. (Table 3 provides information on the extent of retirement coverage.)

As part of the 1986 IRA changes, a new type of IRA was introduced, called "nondeductible IRA." This allows savers to defer income taxes on investment income, but not deduct the amount deposited. Such plans include many of the same rules as deductible IRAs regarding limits on amount of deposits and timing of

deposits and withdrawals. When withdrawn, only earnings are taxable; there is no tax consequence associated with withdrawal of the original deposit. These plans have not proven as popular as deductible IRAs, because investors may be able to find other vehicles allowing them to defer paying income taxes on current investment income, but not imposing such severe restriction on fund access.

In the 105th Congress, several initiatives are designed to change again the rules governing IRAs. Topics being considered include changes to the contribution limits and expansion of tax eligibility for tax deductible IRAs, and changes in tax provisions of IRAs. Some changes to IRA rules were enacted in August 1997 as part of a tax reform law. These changes are generally effective in 1998. Other changes are still being considered.

Maximum annual contributions to IRAs are set by law. When first enacted in 1974, the limit was \$1,500 per year. That limit, raised to \$2,000 per year in 1981, remains at that level today. Critics argue that such limits should be indexed to an inflation indicator, as is true with other tax limits. Current proposals before Congress, not included in the tax bill, would raise the limit in \$500 increments, according to some measure of inflation.³

The new tax law expands eligibility for tax deductible IRAs by increasing the income limits beyond which individuals with employer-provided retirement coverage cannot deduct IRA contributions. The law will raise the income limits gradually over several years. Another new expansion of IRA eligibility will allow an IRA deduction for a worker without employer-provided retirement coverage, regardless of the pension coverage of their spouse. Until 1998, both spouses are considered to have employer-provided coverage, and thus limited in their potential IRA deduction, if at least one spouse has such coverage.

A new IRA tax provision establishes the so-called "backdoor" IRA (also called IRA Plus and the "American Dream" IRA). Under these plans, initial IRA deposits will not be deductible, but earnings on such deposits will never be taxed, as long as funds are not withdrawn for at least 5 years. Rules limiting withdrawal for retirement or other specific purposes would also apply. In addition, individuals with IRAs from prior years will be given the opportunity to convert those plans to the new back door plans, by paying income taxes on their original deposits during a set time period.

Expanded participation in IRAs among lower income individuals is the goal of a proposed IRA tax credit, not included in the bill. Individuals with income below a certain level would be eligible for a dollar-for-dollar reduction in income taxes, equal to their IRA contributions. Such a provision provides greater tax savings than tax deductions, which reduce the amount of income being taxed. Yet another effort to expand IRA participation would require employers to offer their employees the opportunity to contribute to their IRA through payroll deductions providing greater opportunities for individuals to contribute to the account.

Employer-provided retirement plans

A perennial topic of Congressional examination is broadly termed "pension reform." Such efforts often fall into two areas — lessening employer requirements and broadening employee protections. Lessening employer requirements is intended to encourage expansion of pension benefits, especially among smaller employers. Broadening employee protections in the past has included lowering the number of years an employee must work under a pension plan before benefit rights are vested, and requiring plans to provide survivor benefits to married employees (unless both spouses waive such

coverage).⁴

Current topics in the pension reform area again take several forms. In the area of lessening employer requirements, considered legislation would lengthen the amount of time employers have to prepare certain reports for employees and the government. Employer reporting requirements are one of the cornerstones of the Employee Retirement Income Security Act of 1974 (ERISA), the landmark pension legislation designed to protect worker benefits. Employers are required to provide certain information to covered employees and to the government, and to update that information regularly and when plan changes occur. Changes in reporting requirements have occurred in the years since ERISA became effective; current legislation would lessen employer burden associated with those requirements.

Another employee protection that has been revised numerous times over the past 20 years, is the coordination of private pension benefits with Social Security.⁵ Because employers fund a portion of their employees' Social Security benefits (through the payroll tax), they are allowed to provide somewhat lower pension benefits on income subject to the Social Security payroll tax. Several complex coordination formulas are allowed, although major changes to these rules were made in 1986. Since then, the incidence of coordinated pension plans has dropped considerably. (See table 4.) Current proposals would ban the coordination of pension plans with Social Security, potentially increasing pension benefits (especially for higher paid individuals).

Health care

Following unsuccessful attempts in 1993-94 to completely overhaul the Nation's health care system, more recent legislative initiatives have focused on incremental changes to the system. In 1996, legislation

was enacted, requiring employers who offer health care benefits to include coverage for pre-existing conditions, which could previously be excluded from coverage. (See box on 1996 health reform law.)

Following this trend, initiatives in the 105th Congress are again focusing on small changes to the Nation's health care system. One topic of considerable interest is the number of uninsured individuals, especially children. In part, this is an employment-related issue because many of the uninsured are workers, or their dependents. As of 1991, approximately 18 percent of nonelderly Americans were uninsured—nearly 40 million individuals. Furthermore, this percentage has risen gradually over the past few years. (See table 5.)

Among the nonelderly uninsured, more than half are working adults. For these individuals, either their employer does not offer health care benefits (or doesn't offer benefits to certain classes of workers, such as part-timers), or they have chosen not to be covered by their employer, perhaps because of the cost of required premiums. Twenty-seven percent of the uninsured, 11.1 million, are children under the age of 18. Of these, many are in families where the head of household is employed.⁶

The 11 million uninsured children represent about 14 percent of all children — 1 in every 7. Several efforts in the 105th Congress are designed to provide greater access to health insurance for these children. One bill would require group health plans offered by employers to cover dependent children.⁷ Another proposal would provide block grants to States to expand Medicaid coverage to uninsured children. Alternatively, there is a proposal to provide individuals with a tax credit for the purchase of health insurance. Such a process provides a direct dollar for dollar offset of the cost of insurance against income taxes owed.⁸

The Fair Labor Standards Act

Considered a cornerstone of labor law, the Fair Labor Standards Act (FLSA) was enacted in 1938. The Act establishes minimum wage, overtime pay, recordkeeping, and child labor standards, affecting more than 110 million full- and part-time workers in the private sector and in Federal, State, and local government.

The current minimum wage is \$4.75 per hour, established by an amendment to the FLSA effective October 1, 1996; the wage will rise to \$5.15 per hour on September 1, 1997. There are no provisions in the Act for regular or automatic increases to the minimum wage. Rather, the pattern has been for Congress to increase the minimum wage periodically.

The FLSA allows employers to pay, for the first 90 days of employment, a "training wage" to individuals under the age of 20. This is designed to encourage employers to hire young untrained workers and provide them needed training. Employers are restricted from displacing other workers to hire workers under this training wage. At present, the allowed training wage is \$4.25 per hour.

Variations on the minimum wage are allowed by law. For example, tipped workers (such as waitresses and waiters) may be paid a rate lower than the minimum wage by their employer, under the presumption that tip income will increase these employee's earnings to at least the minimum wage level. Other variations in the minimum wage include allowances for student learners, workers in certain jobs and industries, and workers whose earning capacity is impaired by certain disabilities.

Overtime provisions of the FLSA require employers to pay at least one and one-half times an employee's regular rate of pay for work in excess of 40 hours in a work week.

Other FLSA provisions include certain required wage and hour recordkeeping by employers, limitations on child labor, and the prohibition against certain work performed within the home. Violators of the Act are subject to fines and other penalties. Furthermore, employers are prohibited from discriminating against employees who file a complaint for violation of the FLSA.

Another health care topic that is the subject of frequent debate is a requirement that group health insurance plans and health insurers cover mental illnesses and substance abuse treatment in the same way that other illnesses are covered. At present, coverage for mental health and substance abuse treatment is frequently limited to a specified number of days or visits per year and a strict dollar limit, often much lower than limits imposed on other illnesses. For example, among medical plan participants in 1993, 84 percent had some additional limits, beyond those for non-mental-health care, imposed on inpatient

mental health care; 96 percent had additional limits imposed on outpatient mental health care.⁹ The proposed changes to treat mental health and substance abuse treatment the same as other illnesses are similar to changes that occurred in 1979, following passage of the Pregnancy Discrimination Act. Prior to the Act's passage, medical plans frequently limited coverage for child birth and related care to less than that provided for other procedures.

Conclusion

Statistics on employee compensation—wages, salaries, and employer-

provided benefits—can only be produced with a detailed understanding of how compensation plans work, and what changes occur. An integral part of the compensation programs of the Bureau of Labor Statistics is a process to try to keep abreast of changes occurring in the compensation field; a periodic survey of activities in Congress is one part of that process. Many of the proposals currently being considered in the 105th Congress would change the way compensation statistics are collected and reported. It is important for BLS to continue to follow these proposals closely.

Health Care Legislation Enacted in 1996

The trend in health care legislation has moved away from broad attempts to mandate health insurance, and toward incremental changes designed to correct perceived inequities. Signed into law in August 1996, new health reform legislation targets three areas: "Portability" of health care benefits for employees who lose or leave their job, requirements that insurers make policies available equitably to individuals and employers in their servicing area, and establishment of medical savings accounts.

Health care portability is the subject of much debate. Insurers generally have the ability to limit coverage of pre-existing conditions among newly insured individuals. This usually means that if an individual has been treated for a condition prior to becoming covered by a new insurance plan, that plan may limit or deny coverage for the condition for some period of time. A typical provision would indicate that if an individual had been treated for a given condition within the last 6 months, the new plan will not pay for medical services associated with that condition for the first 6 months of coverage. Alternative provisions may include a dollar limit on the amount the new plan will pay for a pre-existing condition (for example, the plan will not pay more than \$1,000 for services associated with a pre-existing condition during the first year of coverage). In 1993, BLS data indicated that about half of all full-time workers covered by certain employer-provided health care benefits had restrictions placed on coverage of pre-existing conditions.¹⁰

The new law limits the length of pre-existing conditions to 12 months, reduced by the period of continuous coverage prior to enrollment in the new plan. In essence, if an individual has been enrolled continuously over the past year prior to new coverage, the new plan cannot impose a pre-existing condition provision. In addition, the new law exempts pregnancy from pre-existing conditions. These provisions are designed to eliminate the potential loss of employer health care coverage as a barrier to job change.

Under the new law, insurers are restricted from denying coverage to certain individuals and groups. One provision of the law prohibits insurers who generally offer individual insurance coverage from denying such coverage to those who were covered during the last 18 months, no longer have employer-provided coverage available, and have exhausted their continuation of coverage benefits (under the so-called COBRA law¹¹). The law also requires insurers who sell their products to large groups to make such coverage available to all employers in their market. The provision is designed to expand health insurance coverage among workers of small employers. Discussions on expansion of health insurance coverage to all Americans often focuses on employees in smaller companies, who are less likely than those in larger employers to be covered by an employer plan.¹² The provision requiring insurers to make their products available to all small employers is designed to expand health insurance coverage among workers of small employers.

A pilot program of medical savings accounts is also a part of the new law. Such accounts are designed to work like IRAs; funds deposited in these accounts are tax deductible and earnings on these funds are not taxed until withdrawn. Individuals would be allowed to set up such accounts by choosing a health care plan with a high deductible — generally \$1,500 per year or more. The intention is that medical savings account funds are used for incidental medical expenses, while a high-deductible insurance policy is available for catastrophic expenses. The cost of the insurance policy is generally lower than for other policies; savings in premiums can be used to fund the account. Arguments against medical savings plans include the fear that they will attract only healthy individuals who use little health care. Such "adverse selection" may drive up the cost of more traditional health insurance plans, whose enrollment might be limited to less healthy individuals. The pilot program is limited to 750,000 participants, generally the self-employed and those working for smaller employers.

—ENDNOTES—

¹ The scope of collective bargaining was established by the National Labor Relations Act of 1935 (the Wagner Act), as amended by the Taft-Hartley Act of 1947. For more information on these laws, see Alvin Bauman, "Measuring Employee Compensation in U.S. Industry," *Monthly Labor Review*, October 1970, pp. 17-24.

² *The Family and Medical Leave Act of 1993* provides up to 12 work weeks of unpaid leave during a 12-month period for personal illness or family illness. For more information, see "Parental Leave Benefits Provided by Employers," *Issues in Labor Statistics*, Summary 93-1, Bureau of Labor Statistics, 1993.

³ In 1996, Congress raised the limit of so-called spousal IRAs, which allow a married couple with only one working spouse to deposit IRA funds for both spouses annually. Prior to this year, such spousal deposits were limited to \$250 per year; as of 1997, that limit is \$2,000 per year.

⁴ Vesting is the right of a covered employee to future benefits from the pension plan. For more information, see Avy D. Graham, "How Has Vesting Changed Since Passage of Employee Retirement Income Security Act?," *Monthly Labor Review*, August 1988, pp. 20-25.

Defined benefit pension plans are also required to offer certain survivor benefit options. Details

of these provisions may be found in Donald Bell and Avy Graham, "Surviving Spouse's Benefits in Private Pension Plans," *Monthly Labor Review*, April 1984, pp. 21-31.

⁵ For a comprehensive analysis of pension benefit formulas integrated with Social Security, see Avy D. Graham, "Coordinating Private Pension Benefits with Social Security," *Monthly Labor Review*, March 1984, pp. 35-38.

⁶ For more information on access to health care benefits, see William J. Wiatrowski, "Who Really Has Access to Employer-Provided Health Benefits?," *Monthly Labor Review*, June 1995, pp. 36-44.

⁷ Data from the BLS Employee Benefits Survey indicates that nearly every employer-provided health care plan provides coverage for workers and dependents. Only in rare circumstances are benefits provided just to the employee.

⁸ A tax credit is a direct reduction in the amount of tax liability. A refundable tax credit allows taxpayers to receive a cash refund even if the credit reduces their tax liability below zero. For example, if a family had a tax liability of \$300 and a refundable tax credit of \$500, they would be entitled to a refund of \$200 (\$300 owed minus \$500 credit). In one proposal, families below certain income thresholds would receive a tax credit

of up to 90 percent of premiums paid for children's health insurance, as long as the child does not have access to Medicaid or an employer plan.

⁹ For more information on mental health and substance abuse treatment limits, see *Employee Benefits in Medium and Large Private Establishments, 1993*, Bulletin 2456, Bureau of Labor Statistics, 1994.

¹⁰ For more information on pre-existing condition provisions, see *Employee Benefits in Medium and Large Private Establishments, 1993*.

¹¹ COBRA stands for the Consolidated Omnibus Budget Reconciliation Act of 1985. One provision under this Act requires employers to offer formerly covered employees the opportunity to continue their previous health insurance coverage by paying the full premium (plus a small administrative fee). Coverage continuation is generally available for up to 18 months following loss of employer coverage.

¹² For example, according to the BLS Employee Benefits Survey, 82 percent of full-time workers in establishments with 100 or more employees participated in a health care plan in 1993, compared with 71 percent of full-time workers in smaller establishments (those with fewer than 100 workers), in 1992.

Table 1. Percent of full-time employees by type of work schedule, medium and large private establishments¹, 1993

Type of work schedule	All workers	Professional and technical workers	Clerical and sales workers	Blue-collar and service workers
Total	100	100	100	100
Fixed	94	91	94	95
Flexible ²	4	6	5	2
Rotating ³	1	1	(⁴)	1
Non-fixed ⁵	1	2	1	1
Data not available	1	1	1	1

¹ Medium and large establishments are those employing 100 workers or more.

² Employee can vary beginning and ending time of work.

³ Hours or days of work vary, typically in a cycle of 2 or 3 weeks.

⁴ Less than 0.5 percent.

⁵ Examples of workers on non-fixed schedules include

college professors and hospital interns.

NOTE: Because of rounding, sums of individual items may not equal totals.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, Employee Benefits Survey

Table 2. Extent of individual retirement account deductions on Federal income tax returns, 1975, 1980-92

Tax year	Number of reporting units claiming an IRA deduction (in millions)	Percent of returns	Amount claimed (in billions of dollars)
1975	1.2	1.5	\$1.4
1980	2.6	2.7	3.4
1981	3.4	3.6	4.8
1982	12.0	12.6	28.3
1983	13.6	14.1	32.1
1984	15.2	15.3	35.4
1985	16.2	15.9	38.2
1986	15.5	15.1	37.8
1987	7.3	6.8	14.1
1988	6.4	5.8	11.9
1989	5.8	5.2	10.8
1990	5.2	4.6	9.9
1991	4.7	4.1	9.0
1992	4.5	4.0	8.8

SOURCE: U.S. Department of Treasury, Internal Revenue Service

Table 3. Percent of employees by retirement coverage, 1992-93

Retirement plan	All workers	Private sector	State and local government	Full-time workers	Part-time workers
Covered by one or more retirement plan	58	53	89	66	24
Defined benefit pension plan	40	32	83	45	15
Defined contribution plan	31	35	8	35	13
Not covered	42	47	11	34	76

NOTE: Sums of individual items may be greater than total because workers may participate in more than one retirement plan.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, Employee Benefits Survey

Table 4. Percent of full-time employees with defined benefit pension coverage by extent and type of coordination with Social Security, medium and large private establishments, selected years 1980-93¹

Item	1980	1983	1986	1989	1993
Total with defined benefit pension	100	100	100	100	100
Formula integrated with Social Security	45	55	62	63	48
Offset by Social Security ²	30	35	43	41	17
Step-rate formula ³	16	19	23	24	31
Formula not integrated with Social Security	55	45	38	37	52

¹ Prior to 1989, medium and large establishments include those employing 50-250 workers or more, depending upon industry. Beginning in 1989, medium and large establishments are those employing 100 workers or more, regardless of industry.

² Under an offset plan, the computed pension benefit is reduced by some portion of the anticipated Social Security benefit to be received by the employee.

³ Under a step-rate excess plan, the benefit rate applied to an individual's earnings varies, with a lower rate applied

to earnings up to the Social Security tax limit (or some similar level established by the plan) and a higher rate applied to earnings above that limit.

NOTE: Sums of individual items may not equal totals due to rounding and also due to the possibility that some pension plans include formulas with more than one type of integration.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, Employee Benefits Survey

Table 5. Number and percent of nonelderly Americans without health insurance coverage, selected years 1980-91

Year	Number (in millions)	Percent
1980	29.65	14.9
1982	30.72	15.2
1984	34.95	17.0
1986	36.85	17.6
1988	34.46	16.2
1989	36.50	17.0
1990	37.69	17.4
1991	39.38	18.0

SOURCE: U.S. Department of Commerce, Bureau of the Census, Current Population Survey