



## **Employees Are Satisfied with Their Health Plans, And Rank Them As Their Most Important Benefit**

While Americans' satisfaction with the U.S. health care system as a whole seems to be falling, individuals, by and large, remain satisfied with their own employer-sponsored health insurance coverage. Concerns about costs are driving the system-wide dissatisfaction, but rising costs do not seem to be affecting how employees feel about their own coverage.

The system-wide assessment comes from the Employee Benefit Research Institute's annual Health Confidence Survey. In the 2006 edition, 28% rated the U.S. health care system as fair and 31% rated it as poor, with the percentage rating it as poor doubling since the survey's inception six years ago. More than half—52%, up from 33% in the 2005 results—said they were “not too” or “not at all” satisfied with health insurance costs.

In contrast, 67% of employees responding to a survey from the National Business Group on Health considered their own employer-sponsored health plan to be excellent or very good. About 70% of the surveyed employees said their current health plan was excellent or very good at providing easy access to providers and in covering a wide range of services. About two-thirds said their plan gives them a sense of security that they will be able to afford good health care. A similar percentage—65%—said their health coverage has remained about the same over the past three years, despite the cost increase that 60% of those surveyed report.

Given the huge investment that employers make in health benefits, it is important to see that employees continue to appreciate these benefits, and feel strongly about them, despite the fact that they, too, have seen costs rise. For example, 75% ranked their health plan as their most important employee benefit, and 83% said they'd rather see their salary or retirement benefit—and not their health benefits—reduced if their employer needed to reduce total compensation. Costs do matter, however, with more than half saying they would accept fewer plan choices in order to keep their premiums low.

Clearly, employers need to continue cost containment efforts, both for their own and employees' pocketbook considerations. However, it is also important to remember that, despite rising costs and increasingly negative feelings about the U.S. health care system as a whole, on an individual basis health benefits remain a crucial piece of the total compensation package, essential to attracting and retaining the best employees.

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