

Statistical Brief #16

Employer-Sponsored Health Insurance for Large Employers in the Private Sector, by Industry Classification: 2000

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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 2000 Medical Expenditure Panel Survey Insurance Component (MEPS - IC), approximately 100 million of the 112 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 64 million were enrolled. (Data not shown in tables.)

Among the large private sector employers (firms with 50 or more employees), 98.1% of all employees worked where health insurance was offered. These rates exhibited little 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.

Briefly Stated

- In 2000, 64.6 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.
- In 2000, of those enrolled in a plan sponsored by a large private sector employer, 43.6 percent enrolled in single coverage. There was substantial variation in the single coverage enrollment rates by industry classification.
- The average premium contribution per enrolled employee for single coverage across large private employers was \$462.
- The average premium contribution per enrolled employee for family coverage (family of four) across large private sector employers was \$1,555.

Findings

Among the 79.7 million employees who worked for large private sector employers in 2000, 98.1 percent worked where the employer offered health insurance. Among the employees of large employers where health insurance was offered, 64.6 percent enrolled ([Figure 1](#)). The enrollment rates ranged from 46.0 percent for employees in the Other Services industry, to 83.5 percent for the Mining and Manufacturing industry.

Of those enrolled in a plan sponsored by a large private sector employer, 43.6 percent ([Figure 2](#)) enrolled in single coverage. These enrollment rates ranged from 36.0 percent for employees in the Mining and Manufacturing industries, to 54.4 for the employees in the Other Services sector. Both of these single coverage enrollment rates differed significantly from the national average ([Figure 2](#)).

Average employee contributions towards premiums for large private sector employers in 2000 were \$462 ([Figure 3](#)) for single coverage and \$1,555 ([Figure 4](#)) for a family of four. Furthermore, there was significant variation in the average employee premium contributions by industry classification. Employees working in the Utilities and Transportation sector required the lowest single coverage and the lowest family premium contributions, at \$300 for single coverage ([Figure 3](#)) and \$1,008 for family of four coverage ([Figure 4](#)). Average premium contributions for employees in the Mining and Manufacturing industries were also lower than the national average, at \$408 for single coverage ([Figure 3](#)) and \$1,203 for family coverage ([Figure 4](#)). Alternatively, average premium contributions for employees in the Other Services sector required the highest single coverage and the highest family premium contribution, at \$577 ([Figure 3](#)) and \$1,936 ([Figure 4](#)). Average premium contributions for employees in the Retail Trade industry were also higher than the national average, at \$540 for single coverage ([Figure 3](#)) and \$1,832 for family coverage ([Figure 4](#)).

Definitions

In this statistical brief, an employer is defined as a private sector firm. A firm is defined as a business entity which 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.

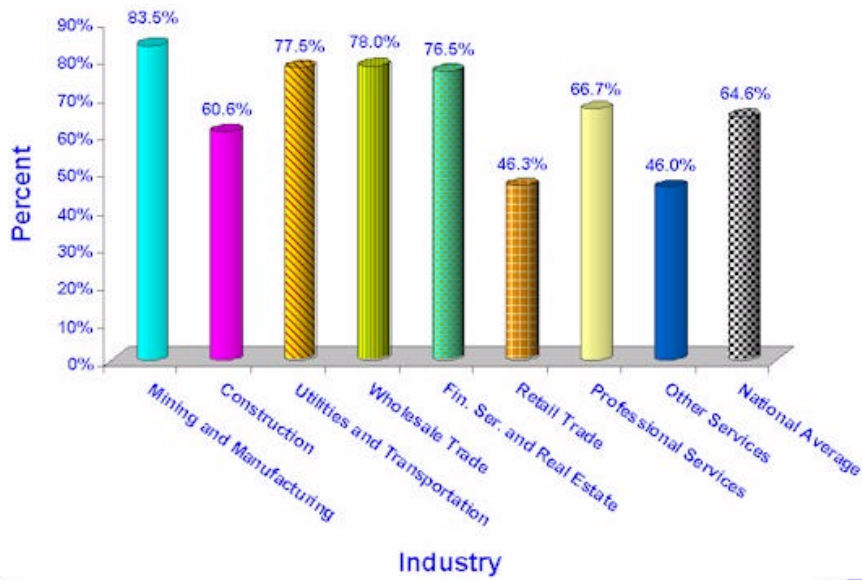
The classification by industry is based upon the North American Industrial Classification System.

Only those estimates which had a statistically significant difference from the National average at the 5% significance level were noted in the text.

About the MEPS-IC

The MEPS-IC is a survey of business establishments and governments which 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 United States Bureau of the Census under the sponsorship of the Agency for Healthcare Research and Quality (AHRQ). The yearly response rate has averaged 78% for in-scope sample units. Approximately 4% of the original sample has been out-of-scope in a typical year. A total sample of 42,000 establishments was selected for the 2000 survey, prior to accounting for losses due to non-response and out-of-scope cases. For more information on this survey see Methodology Reports [#06](#), [#08](#) and [#10](#) under [MEPS publications](#) and the [MEPS-IC Technical Appendix](#).

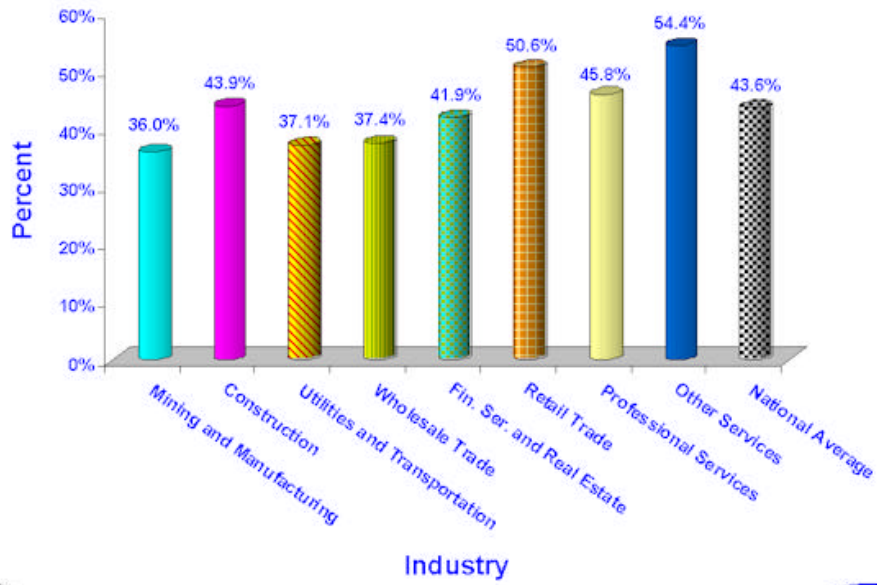
Figure 1: Percent of employees enrolled in health insurance in establishments which offer health insurance for firms with 50 or more employees, by industry



Source: Center for Cost and Financing Studies, AHRQ, Medical Expenditure Panel Survey—Insurance Component, Year 2000



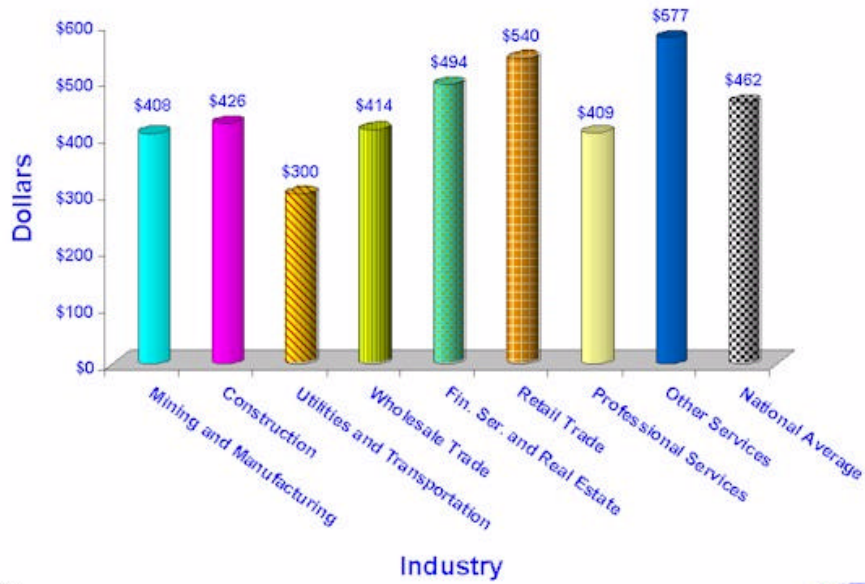
Figure 2: Percent of employees enrolled in a plan sponsored by firms with 50 or more employees who select single coverage, by industry



Source: Center for Cost and Financing Studies, AHRQ,
Medical Expenditure Panel Survey—Insurance Component, Year 2000



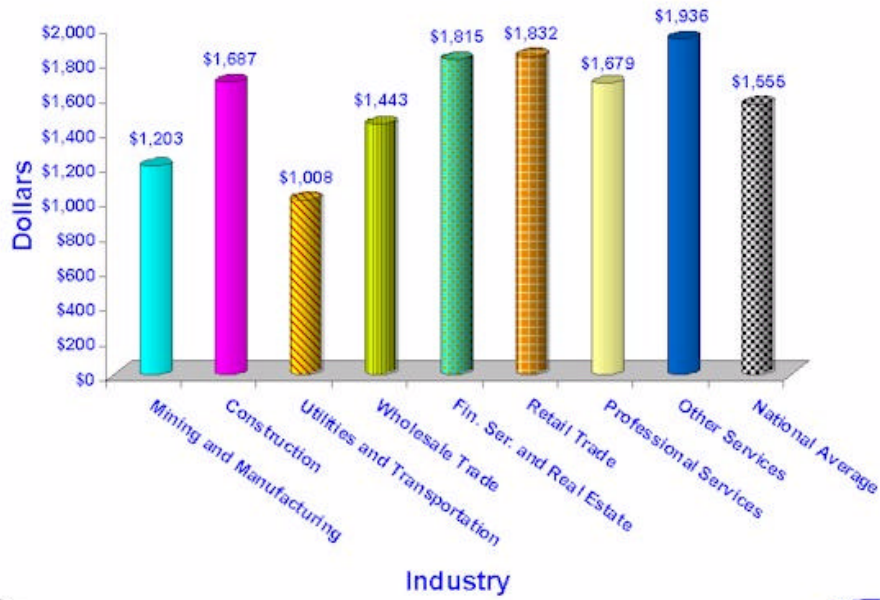
Figure 3: Average single contribution per enrolled employee for single coverage at establishments within firms with 50 or more employees, by industry



Source: Center for Cost and Financing Studies, AHRQ, Medical Expenditure Panel Survey—Insurance Component, Year 2000



Figure 4: Average family of 4 contribution per enrolled employee for family coverage at establishments within firms with 50 or more employees, by industry



Source: Center for Cost and Financing Studies, AHRQ, Medical Expenditure Panel Survey—Insurance Component, Year 2000

