

Mercer survey finds \$1,000 health plan deductible was the norm in 2008

So what happens in next year's tough business environment?

United States

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Employers held health benefit cost increases to about 6 percent in 2008 for a fourth straight year – but that has meant shifting more cost to employees

Consumer-directed health plans are offered by 20 percent of large employers, up sharply from 14 percent last year

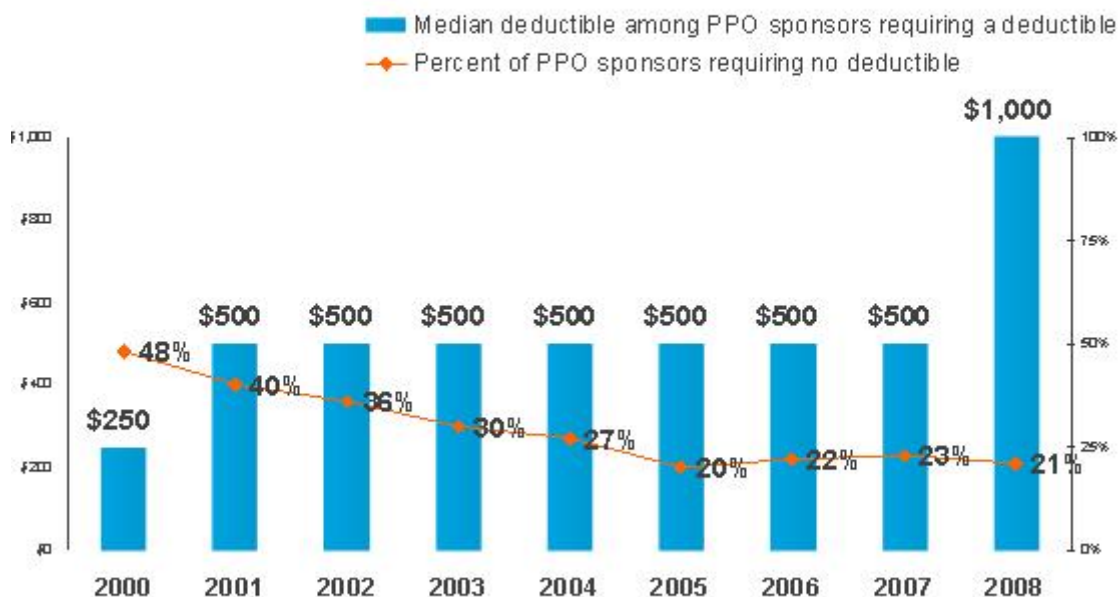
More large employers add incentives to encourage health-conscious behavior

Employers shed retiree medical plans in 2008, but with health reform looming there was no further erosion of active employee plans

The median deductible required by employers for individual coverage in PPO health plans jumped to \$1,000 in 2008, up from \$500 last year, according to the *National Survey of Employer-Sponsored Health Plans*, conducted annually by Mercer and released today. In 2000, only about half of employers imposed a deductible for PPO coverage (compared to about four-fifths today), and when they did the median amount was just \$250 (**Fig. 1**). PPOs are the most popular type of health plan, enrolling 69 percent of all covered employees.

FIGURE 1

Half of PPO sponsors now require a deductible of \$1,000 or more for individual coverage



Source: Mercer's National Survey of Employer-Sponsored Health Plans