

# Cowden Associates, Inc.



## Consultants & Actuaries

Sixth Annual  
2006/2007 Tri-State Area  
Medical Benefit Survey Report



Four Gateway Center  
444 Liberty Avenue, Suite 1900  
Pittsburgh, PA 15222-1222  
(412) 394-9330 • (888) 889-9432  
[www.cowdenassociates.com](http://www.cowdenassociates.com)

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## About the Survey

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Cowden Associates, Inc. is pleased to present our *Sixth Annual* Medical Benefit Survey of employers in the Tri-State Region that includes Pennsylvania, Ohio and West Virginia. The intent of the survey is to develop a summary of key findings on a regional basis related to healthcare costs and plan designs.

The 2006/2007 survey was conducted during November 2006 and December 2006. This year's survey includes responses from over 300 participants with participation continuing to grow each year.

Survey results are grouped into the following categories when appropriate:

- ❖ By State
  - Pennsylvania
  - Ohio
  - West Virginia
- ❖ By Entity
  - For-Profit
  - Not-for-Profit
  - Governmental
- ❖ By Benefit Program
  - Health Maintenance Organization (HMO)
  - Point-of-Service (POS)
  - Preferred Providers Organization (PPO)
  - Consumer Driven Health Plan (CDHP)
  - Traditional Program
- ❖ By Employer Size
  - Under 500
  - 500 to 999
  - Over 1,000

Questions in the survey were related to:

- ❖ Renewal Percent Change
- ❖ Healthcare Costs
- ❖ Employee Cost Share
- ❖ Strategies Taken to Manage Healthcare Costs
- ❖ Benefit Plan Design

Included in the analysis are comparisons to other survey reports. The information regarding these other surveys reflects the judgment and review of Cowden Associates, Inc.

We welcome the opportunity to customize and conduct a medical benefit survey specific to your organization.

For questions about the report, please contact Vincent G. Wolf at (412) 394-9360 or toll free at (888) 889-9432.

*The Sixth Annual Medical Benefit Survey Report is available to Participants and Non-Participants:*

Participant cost = \$0  
Non-Participant cost = \$250

# Overview

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## RENEWAL PERCENT CHANGE

Healthcare cost increases have moderated for the Tri-State region after reaching double digit increases in 2001 through 2005. 2006/2007 marks the second consecutive year that Tri-State employers experienced single digit increases in their healthcare renewals at 6.3%. This is a slower rate than the 9.0% increase in 2005/2006 and 17% increase in 2004/2005 (Exhibit A-1). Fully insured funding continues to be the chosen funding method in the Tri-State Area (Exhibit A-2).

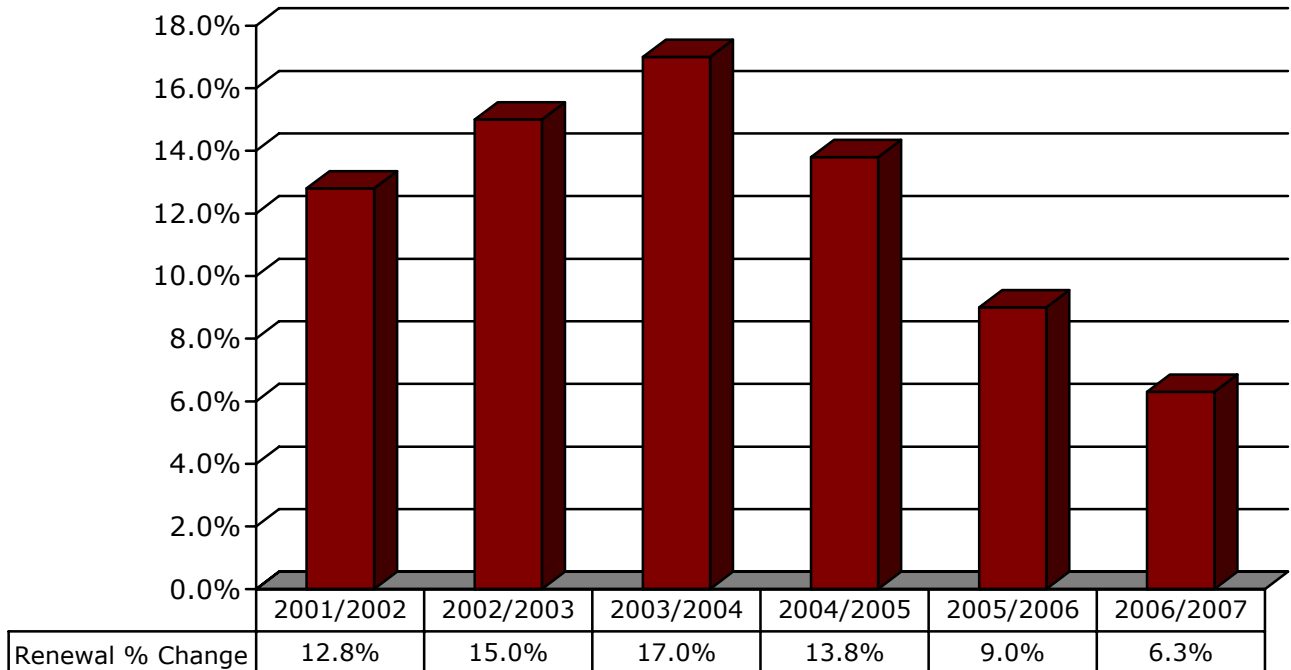
As in previous surveys, the Tri-State's increase was heavily influenced by Pennsylvania's renewal increase of 5.9% resulting in an average increase of 6.3%. Pennsylvania represents 77% of the survey participants. The Ohio participant increase was 8.1% and the West Virginia participant increase was 6.9%.

Participating employers are budgeting an additional 7.3% for 2007/2008 for healthcare costs.

2006/2007 also marks the second consecutive year of the Tri-State employer's average increase falling below the National Survey average increase of 7.4% (Exhibit A-3).

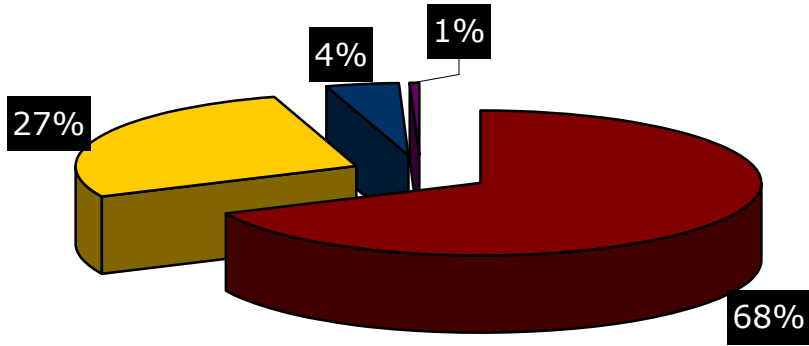
## EXHIBIT A-1

Tri-State Area Renewal Percent Change



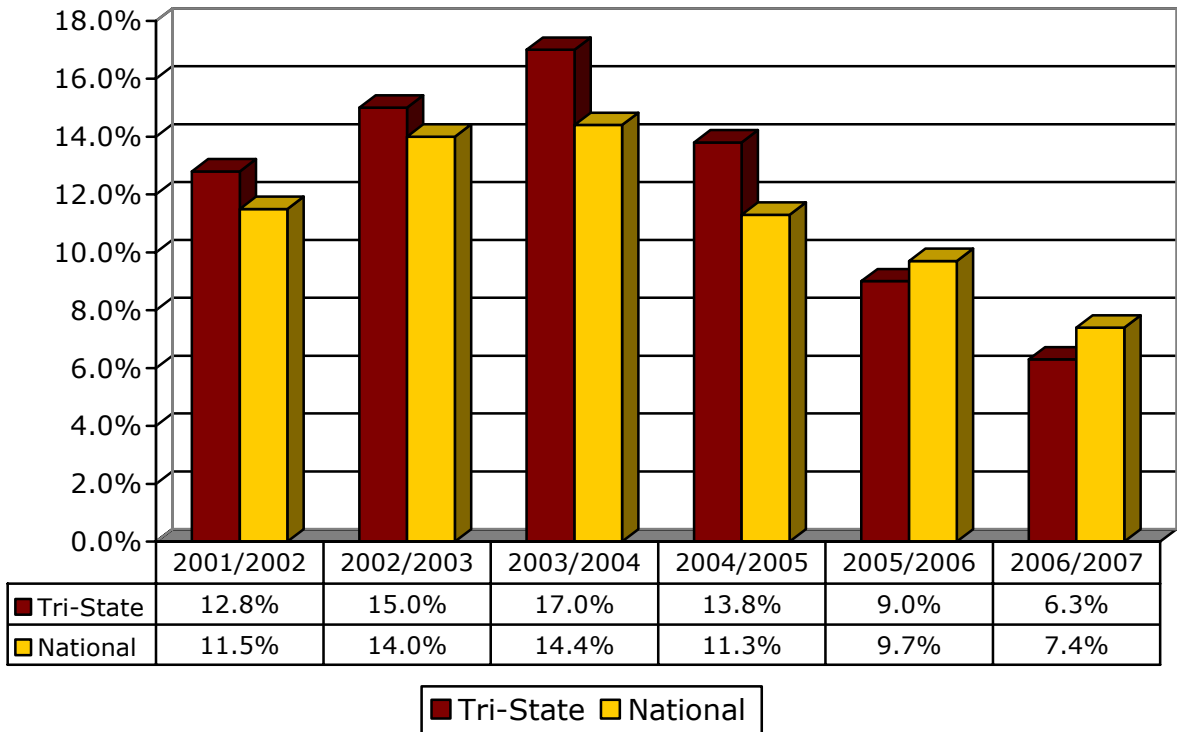
# Overview

**EXHIBIT A-2**  
Funding Arrangement



■ Fully Funded 
 ■ Self-Funded with Stop Loss 
 ■ Self-Funded without Stop Loss 
 ■ Other

**EXHIBIT A-3**  
Tri-State Area Renewal Percent Change compared to National Survey



# Overview

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## MONTHLY PREMIUM RATES

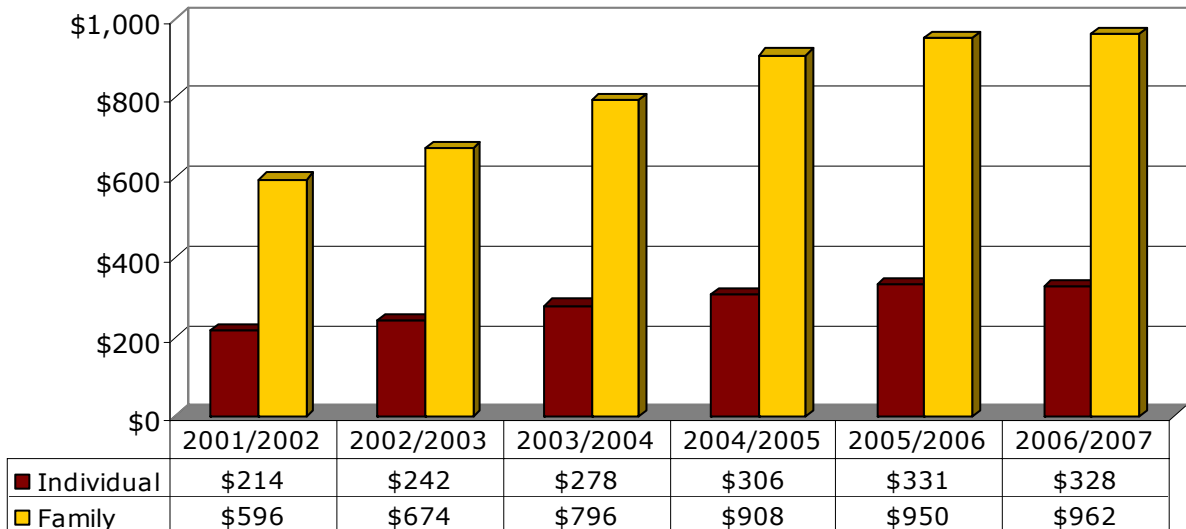
The average monthly cost of premiums for individual coverage in 2006/2007 is \$328 per month or \$3,936 per year. The average cost of premiums for family coverage is \$962 per month or \$11,544 per year. Premiums have increased significantly since 2001/2002, rising more than 50%, the survey found.

Overall, monthly premium rates remain relatively unchanged from 2005/2006 (\$331 to \$328 for individuals and \$950 to \$962 for families) (Exhibit B-1).

There are, however, some variances in monthly premium rates by category (state, employer size, entity and program) in particular by entity. For-Profit employer monthly premium rates for individuals (\$309) and families (\$898) fell below the rates for Not-for-Profit and Governmental employers which range from \$341 to \$377 for individual coverage and \$1,022 to \$1,112 for family coverage.

National Survey data suggests that monthly premium rates for both individual and family coverage continue to be higher than the Tri-State area. This is consistent with last year. The National survey average monthly premium rate is \$363 per individual and \$984 per family. National survey's monthly premium rate per individual is 10.7% higher than Tri-State participants and 2.3% higher per family (Exhibit B-2).

**EXHIBIT B-1**  
Monthly Premium Rates

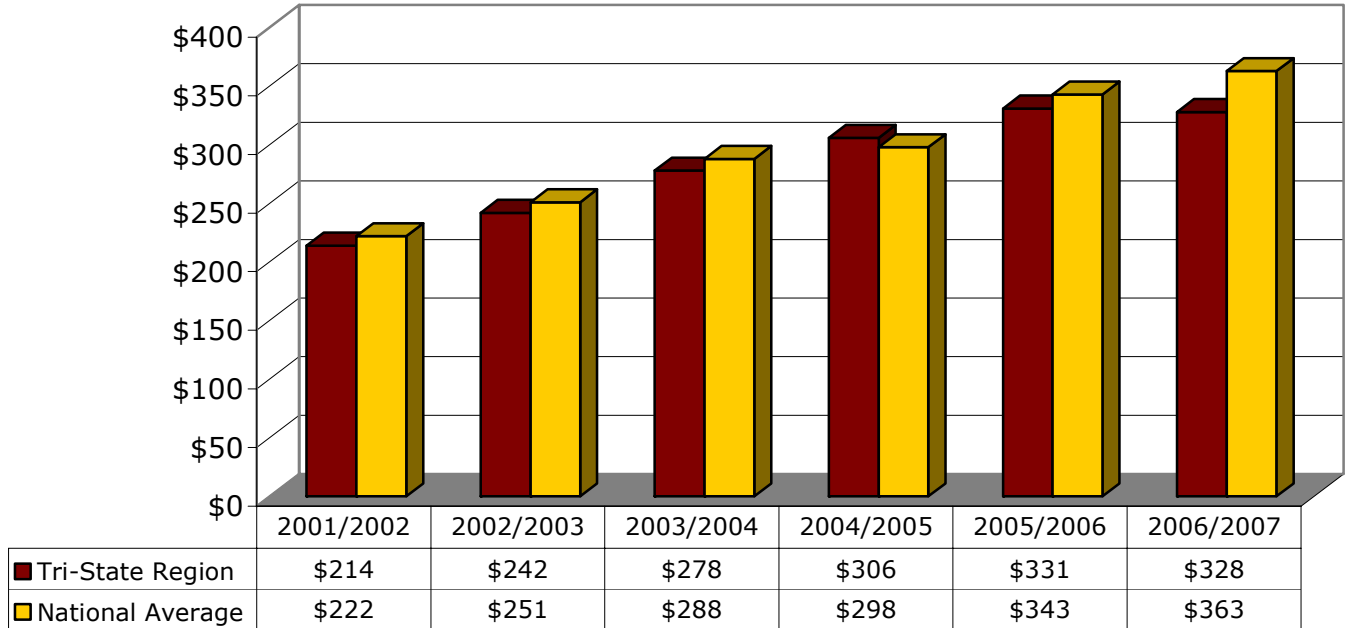


# Overview

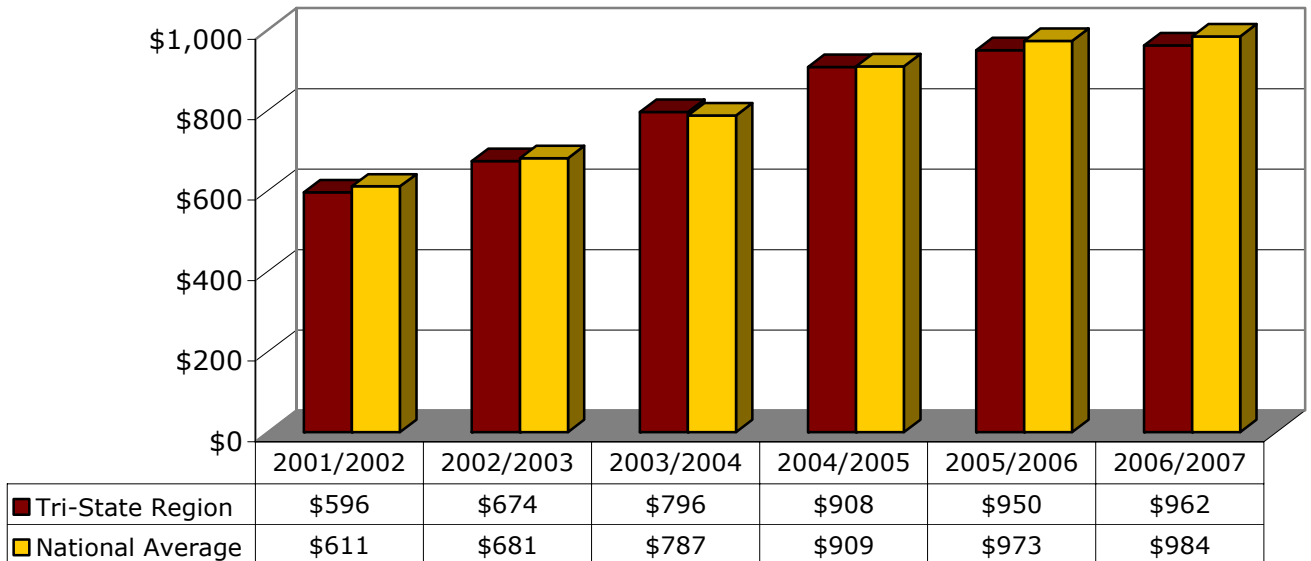
## EXHIBIT B-4

Tri-State Region vs. National Average

### Individual



### Family



# Overview

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## EMPLOYEE CONTRIBUTIONS

Employees in the Tri-State Region on average contribute 20.1% of the premium for individual coverage and 26.3% of the premium for family coverage (Exhibit C-1). Our analysis found that almost 30% of participants increased the percentage employees contributed this year.

Employees with individual coverage cost share rose 2.5% and employees with family coverage cost share rose 4.3% from 2005/2006 (Exhibit C-1).

Governmental employees are contributing a lower amount towards the premium, paying less than 9% of the cost. The differences are not as significant among state, size of employer and program as they fall within the average contribution level of 20.1% for individual coverage and 26.3% for family coverage.

Monthly contributions nationally as a percent of premium for individual coverage increased 3.8% from 17.2% to 21.0% and family coverage increased 3.2% from 27.8% to 31.0%. Employee contributions nationally are comparable to the Tri-State Region average (Exhibit C-2).

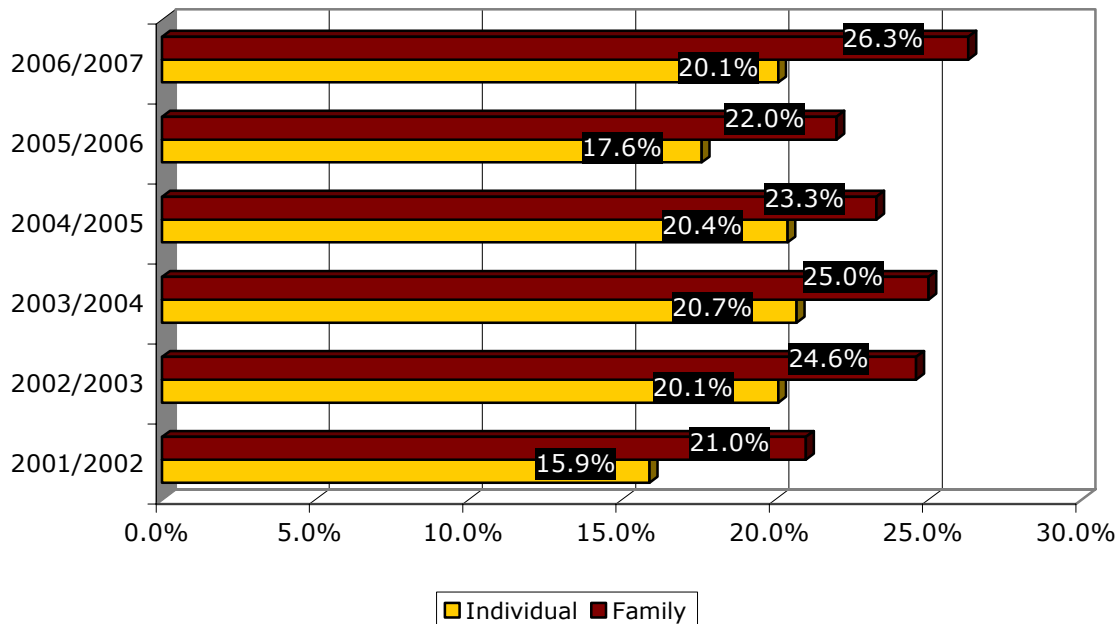
For both the Tri-State Area and National Survey Average, employee contributions in 2005/2006 decreased from 2004/2005 and increased in 2006/2007 as a percentage of premium.

Average monthly contributions reported in the survey are \$66 for employees with individual coverage, remaining relatively unchanged from 2005/2006 of \$58. Average monthly contributions for family coverage rose significantly from \$209 in 2005/2006 to \$253 in 2006/2007 (Exhibit C-3).

On an annual basis, employees will contribute an average \$792 for individual coverage and \$3,036 for family coverage in 2006/2007.

## EXHIBIT C-1

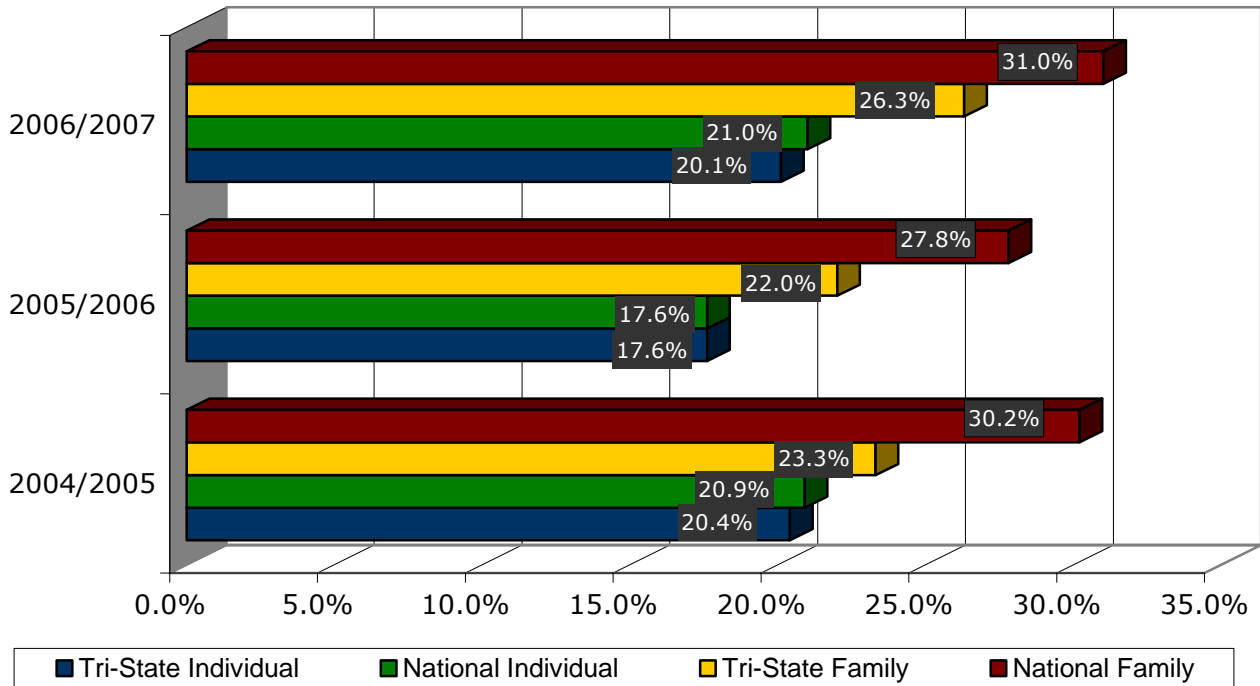
Employee Contribution as a Percent of Premium



# Overview

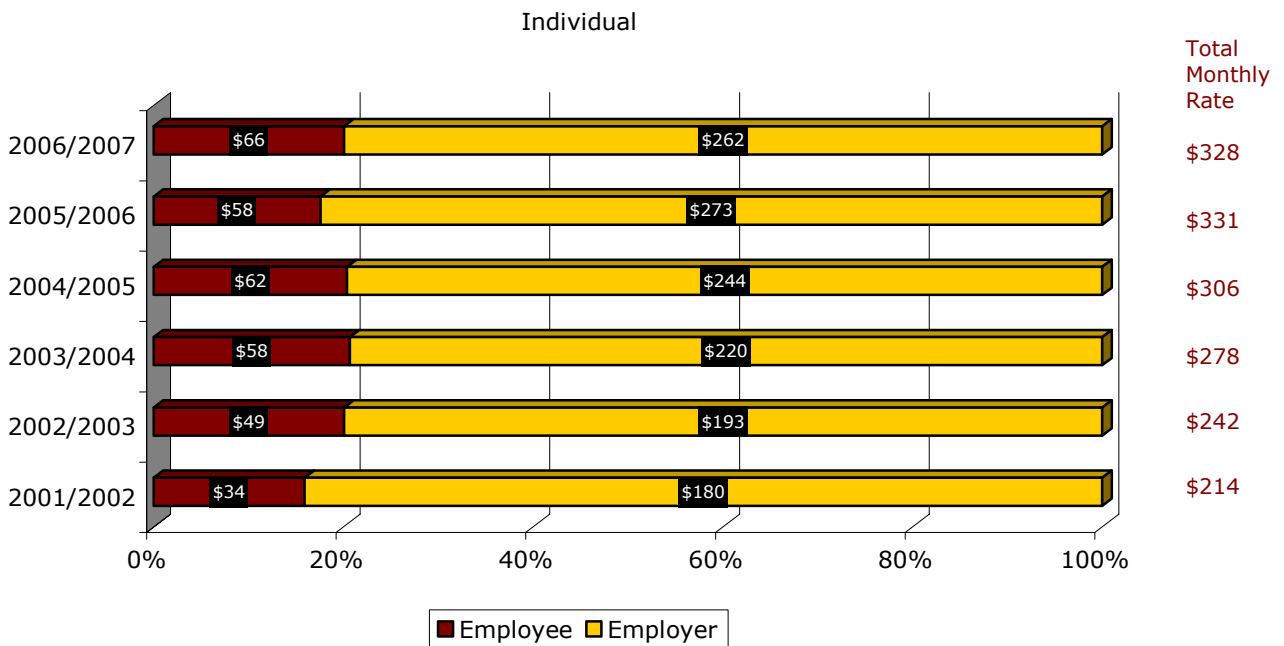
## EXHIBIT C-2

Tri-State Region vs. National Average Employee Contribution as a Percent of Premium



## EXHIBIT C-3.1

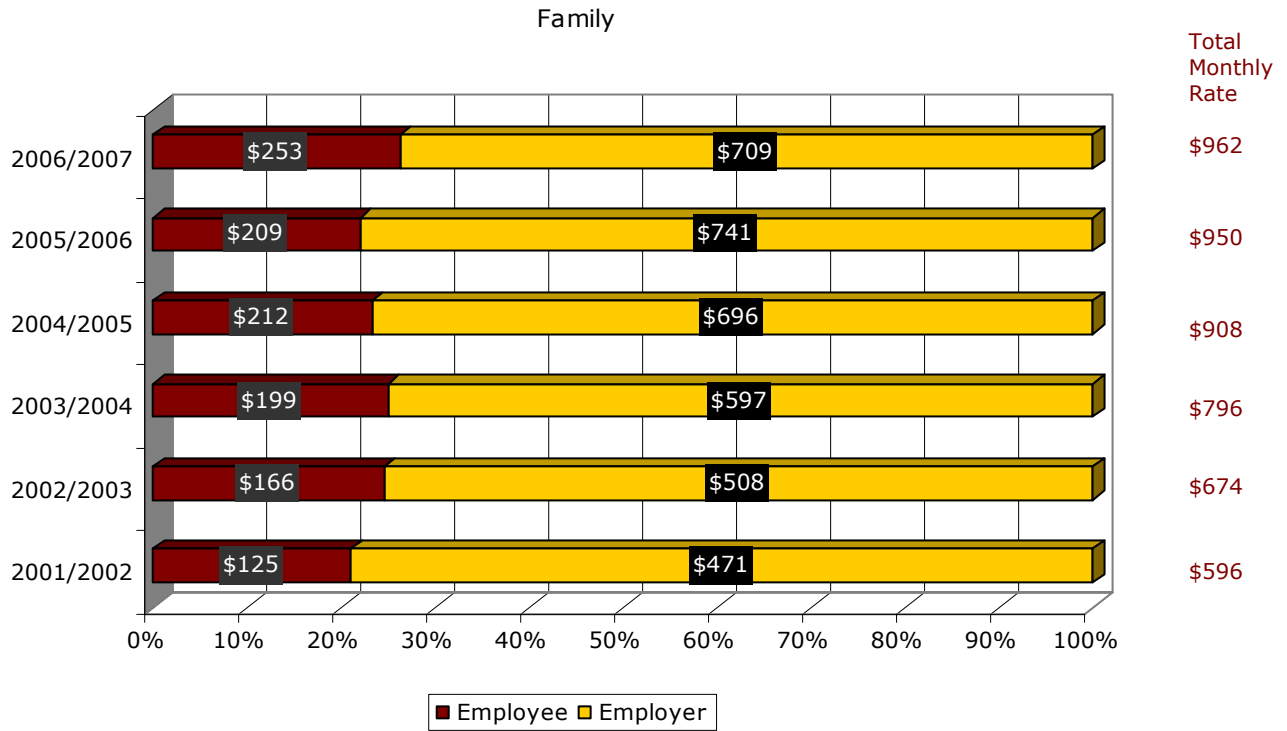
Employee vs. Employer Contributions in Dollars for Individual Coverage



# Overview

## EXHIBIT C-3.2

Employee vs. Employer Contributions  
in Dollars for Family Coverage



### EMPLOYERS PAYING 100% OF COST

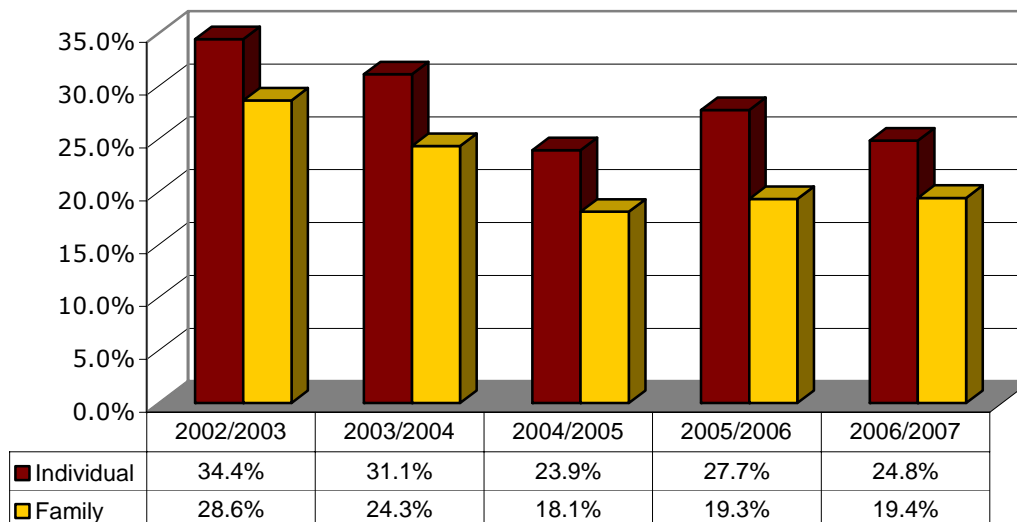
The average percentage of employers in the Tri-State region paying the full cost of healthcare for their employees is 24.8% for individual coverage and 19.4% for family coverage. This is similar to the percentages reported in 2005/2006 (Exhibit D-1).

According to our report findings, those falling below the average range, Governmental employees (58.9% require no contributions for individual coverage and 55.4% require no contributions for family coverage) and employees with individual coverage working for a company under 500 employees (30.1%) are most likely to have their healthcare coverage paid entirely by their employer. This also holds true for employees with individual coverage working in West Virginia (36.8%). (Exhibit D-2.1; D-2.2; D-2.3).

## Overview

### EXHIBIT D-1

Employers Requiring no Employee Contributions



### EXHIBIT D-2.1

Employers Requiring no Employee Contributions  
By Entity

By Entity	For-Profit	Not-for-Profit	Governmental
Individual	17.6%	15.8%	58.9%
Family	11.4%	9.5%	55.4%

### EXHIBIT D-2.2

Employers Requiring no Employee Contributions  
By Employer Size

By Employer Size	Under 500	500 to 999	Over 1,000
Individual	30.1%	6.5%	11.8%
Family	23.6%	6.5%	8.2%

### EXHIBIT D-2.3

Employers Requiring no Employee Contributions  
By State

By State	Pennsylvania	Ohio	West Virginia
Individual	25.5%	17.3%	36.8%
Family	20.0%	14.0%	26.3%

## Overview

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### EMPLOYERS SHIFTING THE COST

Employees have been paying more out-of-pocket for their healthcare coverage due to employers shifting costs to employees through benefit plan design as a way to manage healthcare costs. In addition to employees sharing the cost of premiums through contributions, they also share the cost when they use their healthcare benefits.

The most common means of sharing costs or seeking lower premiums this renewal was to increase employee contributions and to shop healthcare coverage to another carrier/administrator.

Our findings show that a large percent of cost shifting measures through plan design were acted upon in 2004/2005. Cost shifting measures included increasing deductibles; increasing office visit copayments; reducing coinsurance; and increasing out-of-pocket maximums.

Employers continue to shift costs through these means, however, the percentage of employers shifting costs through plan design has declined over the past two years (Exhibit E-1).

### EXHIBIT E-1

#### Employer Cost Shifting Measures

Cost Shifting Measure	2006/2007	2005/2006	2004/2005
Increase Employee Contribution	29.9%	36.0%	37.4%
Increase Office Visit Copayments	14.6%	15.6%	25.1%
Increase Deductible	14.6%	21.8%	25.6%
Reduce Coinsurance	4.2%	5.7%	12.3%
Increase Out-of-Pocket Maximum	9.0%	12.8%	20.2%
High Deductible Plan as Option or Total Replacement	5.4%	9.8%	12.8%
Shopped Coverage to other Carriers/ Administrators	25.1%	19.9%	29.1%

### HIGH DEDUCTIBLE HEALTH PLANS

High Deductible Health Plans (HDHPs) are one of the latest strategies used by employers to slow healthcare costs. The HDHP features higher deductibles than other traditional health plans resulting in lower employer costs. These plans generally require employees to pay a significant up front deductible before benefits kick in.

A High Deductible Health Plan (HDHP) with a Health Reimbursement Account (HRA) or a Health Savings Account (HSA) provides traditional medical coverage and a tax free way to help build savings for future medical expenses. HSAs were established in federal law when President Bush signed the Medicare Prescription Drug Improvement and Modernization Act of 2003. These accounts are subject to federal benefit plan requirements.

In 2007, the minimum deductible to be paired with a HSA is \$1,100 per individual and \$2,200 per family and the annual out of pocket maximum (including deductibles, copayments and

## Overview

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coinsurance) cannot exceed \$5,500 per individual and \$11,000 per family. For an HDHP to be paired with an HRA, there are no federal plan requirements.

Even though HDHPs are not widely adopted, they continue to gain interest amongst employers as a way to reduce healthcare costs. Slightly over 15% of Tri-State participants offer an HRA/HSA. One-third of these plans were introduced in 2006/2007.

Just under 9.5% of participants offer an HDHP (not pairing it with an HRA/HSA) with at least an individual deductible of \$1,000 per individual and \$2,000 per family. West Virginia and Ohio participants appear to be more aggressive with implementing a higher deductible of \$1,500 or more per individual and over \$3,000 per family compared to Pennsylvania participants. The majority of Pennsylvania participants with a high deductible plan have individual deductible ranges between \$1,250 to \$1,499. Participants with under 500 employees are more likely to offer a higher deductible PPO plan than employers with over 500 employees.

### **WELLNESS PROGRAMS**

Employee wellness programs are receiving greater attention from employers as ways to manage healthcare costs. Wellness programs are aimed at reducing benefit costs through improvements in health.

The percentage of Tri-State employers offering wellness programs is increasing. Forty-nine percent of participants offering healthcare benefits offer wellness programs to their employees, up from 46% a year ago.

The results showed that employers in Pennsylvania, employers with over 500 employees and Not-for-Profit employers represent the highest percentage offering a wellness program.

As a way to encourage participation in wellness programs, many employers are providing incentives to their employees. Thirteen percent of the 49% participants provide incentives such as lower deductibles and/or copayments and providing a monetary incentive.

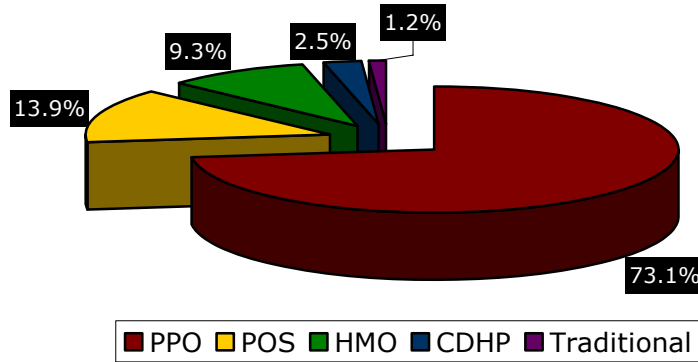
### **BENEFIT PLAN DESIGN**

PPO programs continue to be the prevalent benefit program in the Tri-State area. Seventy-three percent of employers offer a PPO Plan as their predominant plan; compared to 13.9% with a POS Plan (with enrollment continuing to decline as it did in 2005); 9.3% with an HMO Plan; and only 1.2% with a Traditional/Indemnity Plan (Exhibit H-1).

As in 2005, HMO programs continue to provide the highest level of benefits with only 20% of employers requiring an in-network deductible and coinsurance. Of those employers who require an in-network deductible, the average deductible per individual is \$500 and \$921 per family. The average coinsurance amount is 83%.

## EXHIBIT H-1

### Predominant Program Offering



### In-Network Deductible

The median annual deductible for PPO programs is \$200 - \$299 per individual and \$400 - \$599 per family. Forty percent of employers who offer a POS program have an in-network deductible compared to 61.7% of employers who offer a PPO program. West Virginia employers require a higher in-network deductible of \$785 per individual and \$1,450 per family. Employers with 500 to 999 employees offering a PPO program are lower than average (\$300 per individual and \$645 per family).

### Coinsurance

After the employee reaches the deductible, they may then be responsible for paying a percentage of the cost of healthcare called coinsurance. The median in-network coinsurance applicable to PPO programs is 80% (20% employee coinsurance requirement). 20.5% of employers require employees to pay a share after the deductible is met in a POS program and 45.3% of employers require employees to share in a PPO program. The median in-network coinsurance for POS plans is 90%. In 2005, the median coinsurance was 90% for both POS and PPO.

### Out-of-Pocket Maximums

There are limits as to how much an employee spends for benefit services in a plan year known as out-of-pocket maximums. About 50% of employees who are enrolled in a POS or PPO plan have limits towards the cost of services. The average in-network out-of-pocket maximum for a POS plan is \$1,349 per individual and \$2,512 per family. In a PPO program, the in-network out-of-pocket maximum is \$1,644 per individual and \$3,252 per family.

### In-Patient Hospital

Almost 90% of Tri-State employees are not required to pay additional deductibles or copayments when they use inpatient hospital services under a PPO plan design. Of the 10% employees who are required to pay an in-network inpatient hospital copay, the average is \$210.

### Physician Office Visits

The majority of participants require a copayment for in-network physician office visits. Most enrolled employees are in a plan with an average per visit copayment between \$15 and \$19 (HMO \$18; POS \$16; \$16 PPO) for non-specialist visits.

## Overview

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### **Prescription Drug**

Just like physician office visits, most employees in the Tri-State region share the cost of prescription drugs through a copayment rather than coinsurance arrangement. The most common prescription drug program for PPO plans is a two-tier plan with the average copayments of \$13 for generic drugs and \$25 for brand name drugs.

### **SUMMARY OF KEY FINDINGS**

Healthcare costs continue to increase, however, not at the rate they once did. For 2006/2007, Tri-State region employers on average saw an increase of 6.3% in healthcare costs down from 9% the previous year.

Monthly rates for healthcare are relatively unchanged from 2005/2006. Employees are contributing a higher percentage of the premium at 20.1% for individual coverage and 26.3% for family coverage. Annually, employees will contribute an average of \$792 for individual coverage and \$3,036 for family coverage in 2006/2007.

Employers continue to shift costs to employees through benefit plan design; however, design changes are not as drastic as in 2004/2005. The latest strategy employers are using to reduce healthcare costs is implementation of High Deductible Health Plans (HDHPs) paired with or without a Health Reimbursement Account (HRA) or Health Savings Account (HSA). Employers are also looking to manage their healthcare costs by offering wellness programs with hopes to improve overall employee health.

PPO programs continue to be the most prevalent benefit program in the Tri-State area with 61.7% of employers requiring an in-network deductible and coinsurance with specified out-of-pocket limits.

The most common prescription drug program is a two-tier plan with average copayments for a PPO plan of \$13 for generic drugs and \$25 for brand name drugs.

## Demographics of Survey Participants

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We asked participants to provide information on their location, size, type of entity, method of funding, and primary plan offering. This section provides a detailed summary of their responses.

### LOCATION OF ORGANIZATIONS

	Number	Percentage
Central/Eastern Pennsylvania	40	11.9%
Northwestern Pennsylvania	50	14.9%
Ohio	56	16.7%
Southwestern Pennsylvania	170	50.8%
West Virginia	19	5.7%
<b>Total</b>	<b>335</b>	<b>100%</b>

Once again this year, the majority of participants are from Pennsylvania (77.6%), with a strong concentration in Southwestern Pennsylvania. West Virginia and particularly Ohio participation increased significantly. They accounted for 16.1% of the participants last year. This year they represent 22.4% of the participants.

### ORGANIZATION SIZE

	Number	Percentage
Under 100 Employees	119	35.5%
100 – 249 Employees	74	22.1%
250 – 499 Employees	54	16.1%
500 – 999 Employees	32	9.6%
1,000 – 4,999 Employees	38	11.3%
5,000 – 9,999 Employees	7	2.1%
Over 10,000 Employees	11	3.3%
<b>Total</b>	<b>335</b>	<b>100%</b>

Participation increased in all ranges except '500 – 999 Employees' this year. Groups of less than 1,000 employees make up 83.3% (77.2% last year) of the participating population. Groups of 1,000 or more employees make up the remaining 16.7% (22.7% last year) of the participating population.

### TYPE OF ENTITY

	Number	Percentage
For-Profit (Public or Private)	192	57.5%
Not-for-Profit	81	24.2%
Governmental	57	17.1%
Taft Hartley Funds	4	1.2%
Other	0	0.0%
<b>Total</b>	<b>334</b>	<b>100%</b>

For-profit entities make up 57.5% (56.4% last year) of the participants in the survey. Not-for-profit entities account for 24.2% (27.0% last year) of the participants. Governmental, Taft Hartley Funds and other organizations make up the remaining 18.3% of participants. The split of

## Demographics of Survey Participants

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entities is fairly representative of the Tri-State area and is consistent with prior year participant make-up.

Please note that public school district entities have been included in the governmental classification. Colleges, universities and hospitals have been included in the not-for-profit classification where appropriate.

### FUNDING METHOD

	Number	Percentage
Insured	220	68.1%
Self Insured with Stop Loss	88	27.2%
Self Insured without Stop Loss	13	4.0%
Other	2	0.6%
Total	323	100%

A large portion of participants continue to use an insured funding method (68.1%) for their primary medical plan offering. 27.2% of participants were self insured with stop loss coverage. 4.0% of participants were self insured with no stop loss coverage. The percentage of insured increased significantly from last year, consistent with the significant increase in the number of groups with less than 500 employees.

### PRIMARY PLAN OFFERING

	Number	Percentage
Preferred Provider Organization (PPO)	237	73.1%
Point of Service (POS)	45	13.9%
Health Maintenance Organization (HMO or EPO)	30	9.3%
Indemnity (Traditional or Comprehensive)	4	1.2%
Consumer Directed Health Plan (HRA/HSA)	8	2.5%
Total	324	100%

PPO plans continued to increase in popularity over the past year, with 73.1% of participants offering PPO plans as their primary plan offering (61.5% last year). Consumer directed health plans (HSA/HRA) have increased from 1.9% last year to 2.5% this year.

# Current Cost of Medical and Prescription Drug Plans

We asked participants to provide their current individual and family rates for medical and prescription drug coverage.

## CURRENT MEDICAL & PRESCRIPTION DRUG COSTS – INDIVIDUAL

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
Under \$175 per month	9	2.7%	1.4%
\$175 - \$199 per month	7	2.1%	2.4%
\$200 - \$224 per month	11	3.3%	1.9%
\$225 - \$249 per month	22	6.7%	6.2%
\$250 - \$274 per month	34	10.3%	9.1%
\$275 - \$299 per month	39	11.9%	15.3%
\$300 - \$324 per month	39	11.9%	12.9%
\$325 - \$349 per month	34	10.3%	12.0%
\$350 - \$374 per month	42	12.8%	10.5%
\$375 - \$399 per month	32	9.7%	10.5%
\$400 - \$424 per month	19	5.8%	6.2%
\$425 or higher per month	41	12.5%	11.5%
<b>Total</b>	<b>329</b>	<b>100%</b>	<b>100%</b>
Average	\$328		
Median	\$325-\$349		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$175 per month	7	2.9%	1	3.1%	1	1.8%
\$175 - \$199 per month	6	2.5%	0	0.0%	1	1.8%
\$200 - \$224 per month	10	4.1%	1	3.1%	0	0.0%
\$225 - \$249 per month	16	6.6%	4	12.5%	2	3.6%
\$250 - \$274 per month	25	10.3%	4	12.5%	5	9.1%
\$275 - \$299 per month	32	13.2%	3	9.4%	4	7.3%
\$300 - \$324 per month	29	12.0%	0	0.0%	10	18.2%
\$325 - \$349 per month	27	11.2%	3	9.4%	4	7.3%
\$350 - \$374 per month	28	11.6%	2	6.3%	12	21.8%
\$375 - \$399 per month	20	8.3%	5	15.6%	7	12.7%
\$400 - \$424 per month	13	5.4%	3	9.4%	3	5.5%
\$425 or higher per month	29	12.0%	6	18.8%	6	10.9%
<b>Total</b>	<b>242</b>	<b>100%</b>	<b>32</b>	<b>100%</b>	<b>55</b>	<b>100%</b>
Average	\$324		\$339		\$341	
Median	\$300-\$324		\$325-\$349		\$350-\$374	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$175 per month	6	3.2%	1	1.3%	1	1.8%
\$175 - \$199 per month	6	3.2%	1	1.3%	0	0.0%
\$200 - \$224 per month	10	5.3%	0	0.0%	1	1.8%
\$225 - \$249 per month	17	9.0%	5	6.4%	0	0.0%
\$250 - \$274 per month	25	13.2%	7	9.0%	1	1.8%
\$275 - \$299 per month	27	14.3%	10	12.8%	2	3.5%
\$300 - \$324 per month	24	12.7%	10	12.8%	5	8.8%
\$325 - \$349 per month	21	11.1%	11	14.1%	2	3.5%
\$350 - \$374 per month	17	9.0%	10	12.8%	14	24.6%
\$375 - \$399 per month	15	7.9%	5	6.4%	12	21.1%
\$400 - \$424 per month	6	3.2%	5	6.4%	7	12.3%
\$425 or higher per month	15	7.9%	13	16.7%	12	21.1%
<b>Total</b>	<b>189</b>	<b>100%</b>	<b>78</b>	<b>100%</b>	<b>57</b>	<b>100%</b>
Average	\$309		\$341		\$377	
Median	\$300-\$324		\$325-\$349		\$375-\$399	

# Current Cost of Medical and Prescription Drug Plans

## CURRENT MEDICAL AND PRESCRIPTION DRUG COSTS – INDIVIDUAL

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$175 per month	4	1.6%	4	7.4%	1	5.6%
\$175 - \$199 per month	6	2.3%	1	1.9%	0	0.0%
\$200 - \$224 per month	8	3.1%	3	5.6%	0	0.0%
\$225 - \$249 per month	19	7.4%	3	5.6%	0	0.0%
\$250 - \$274 per month	31	12.1%	3	5.6%	0	0.0%
\$275 - \$299 per month	32	12.5%	5	9.3%	2	11.1%
\$300 - \$324 per month	33	12.8%	5	9.3%	1	5.6%
\$325 - \$349 per month	29	11.3%	4	7.4%	1	5.6%
\$350 - \$374 per month	30	11.7%	8	14.8%	4	22.2%
\$375 - \$399 per month	28	10.9%	3	5.6%	1	5.6%
\$400 - \$424 per month	13	5.1%	2	3.7%	4	22.2%
\$425 or higher per month	24	9.3%	13	24.1%	4	22.2%
<b>Total</b>	<b>257</b>	<b>100%</b>	<b>54</b>	<b>100%</b>	<b>18</b>	<b>100%</b>
Average	\$324		\$334		\$371	
Median	\$300-\$324		\$325-\$349		\$350-\$374	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$175 per month	0	0.0%	7	3.0%	0	0.0%
\$175 - \$199 per month	0	0.0%	5	2.1%	2	4.4%
\$200 - \$224 per month	0	0.0%	7	3.0%	3	6.7%
\$225 - \$249 per month	1	3.4%	18	7.7%	2	4.4%
\$250 - \$274 per month	4	13.8%	26	11.2%	3	6.7%
\$275 - \$299 per month	4	13.8%	27	11.6%	3	6.7%
\$300 - \$324 per month	7	24.1%	27	11.6%	5	11.1%
\$325 - \$349 per month	4	13.8%	21	9.0%	7	15.6%
\$350 - \$374 per month	4	13.8%	27	11.6%	6	13.3%
\$375 - \$399 per month	2	6.9%	22	9.4%	6	13.3%
\$400 - \$424 per month	1	3.4%	13	5.6%	4	8.9%
\$425 or higher per month	2	6.9%	33	14.2%	4	8.9%
<b>Total</b>	<b>29</b>	<b>100%</b>	<b>233</b>	<b>100%</b>	<b>45</b>	<b>100%</b>
Average	\$328		\$328		\$334	
Median	\$300-\$324		\$300-\$324		\$325-\$349	

# Current Cost of Medical and Prescription Drug Plans

## CURRENT MEDICAL AND PRESCRIPTION DRUG COSTS – FAMILY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
Under \$550 per month	10	3.1%	0.5%
\$550 - \$649 per month	9	2.8%	3.9%
\$650 - \$749 per month	33	10.2%	9.7%
\$750 - \$849 per month	48	14.8%	20.3%
\$850 - \$949 per month	52	16.0%	21.3%
\$950 - \$999 per month	41	12.6%	9.2%
\$1,000 - \$1,099 per month	52	16.0%	13.5%
\$1,100 - \$1,199 per month	41	12.6%	9.7%
\$1,200 - \$1,299 per month	21	6.5%	5.8%
\$1,300 - \$1,399 per month	8	2.5%	4.4%
\$1,400 - \$1,499 per month	7	2.2%	0.5%
\$1,500 or higher per month	3	0.9%	1.5%
<b>Total</b>	<b>325</b>	<b>100%</b>	<b>100%</b>
Average	\$962		
Median	\$950-\$999		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$550 per month	8	3.4%	1	3.1%	1	1.8%
\$550 - \$649 per month	9	3.8%	0	0.0%	0	0.0%
\$650 - \$749 per month	25	10.5%	4	12.5%	4	7.3%
\$750 - \$849 per month	34	14.3%	5	15.6%	9	16.4%
\$850 - \$949 per month	44	18.5%	2	6.3%	6	10.9%
\$950 - \$999 per month	28	11.8%	3	9.4%	10	18.2%
\$1,000 - \$1,099 per month	36	15.1%	8	25.0%	8	14.5%
\$1,100 - \$1,199 per month	29	12.2%	3	9.4%	9	16.4%
\$1,200 - \$1,299 per month	13	5.5%	3	9.4%	5	9.1%
\$1,300 - \$1,399 per month	3	1.3%	2	6.3%	3	5.5%
\$1,400 - \$1,499 per month	7	2.9%	0	0.0%	0	0.0%
\$1,500 or higher per month	2	0.8%	1	3.1%	0	0.0%
<b>Total</b>	<b>238</b>	<b>100%</b>	<b>32</b>	<b>100%</b>	<b>55</b>	<b>100%</b>
Average	\$950		\$997		\$995	
Median	\$850-\$949		\$1,000-\$1,099		\$950-\$999	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$550 per month	6	3.2%	2	2.6%	0	0.0%
\$550 - \$649 per month	9	4.8%	0	0.0%	0	0.0%
\$650 - \$749 per month	28	15.1%	5	6.5%	0	0.0%
\$750 - \$849 per month	37	19.9%	7	9.1%	2	3.6%
\$850 - \$949 per month	32	17.2%	12	15.6%	8	14.3%
\$950 - \$999 per month	26	14.0%	10	13.0%	4	7.1%
\$1,000 - \$1,099 per month	19	10.2%	17	22.1%	15	26.8%
\$1,100 - \$1,199 per month	17	9.1%	12	15.6%	12	21.4%
\$1,200 - \$1,299 per month	8	4.3%	5	6.5%	8	14.3%
\$1,300 - \$1,399 per month	3	1.6%	2	2.6%	3	5.4%
\$1,400 - \$1,499 per month	1	0.5%	4	5.2%	2	3.6%
\$1,500 or higher per month	0	0.0%	1	1.3%	2	3.6%
<b>Total</b>	<b>186</b>	<b>100%</b>	<b>77</b>	<b>100%</b>	<b>56</b>	<b>100%</b>
Average	\$898		\$1,022		\$1,112	
Median	\$850-\$949		\$1,000-\$1,099		\$1,000-\$1,099	

# Current Cost of Medical and Prescription Drug Plans

## CURRENT MEDICAL AND PRESCRIPTION DRUG COSTS – FAMILY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$550 per month	7	2.8%	2	3.8%	1	5.6%
\$550 - \$649 per month	6	2.4%	3	5.7%	0	0.0%
\$650 - \$749 per month	27	10.6%	6	11.3%	0	0.0%
\$750 - \$849 per month	41	16.1%	4	7.5%	3	16.7%
\$850 - \$949 per month	41	16.1%	7	13.2%	4	22.2%
\$950 - \$999 per month	28	11.0%	8	15.1%	5	27.8%
\$1,000 - \$1,099 per month	40	15.7%	10	18.9%	2	11.1%
\$1,100 - \$1,199 per month	37	14.6%	3	5.7%	1	5.6%
\$1,200 - \$1,299 per month	15	5.9%	5	9.4%	1	5.6%
\$1,300 - \$1,399 per month	6	2.4%	2	3.8%	1	5.6%
\$1,400 - \$1,499 per month	5	2.0%	1	1.9%	0	0.0%
\$1,500 or higher per month	1	0.4%	2	3.8%	0	0.0%
<b>Total</b>	<b>254</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>18</b>	<b>100%</b>
Average	\$959		\$978		\$959	
Median	\$950-\$999		\$950-\$999		\$950-\$999	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$550 per month	0	0.0%	8	3.5%	1	2.2%
\$550 - \$649 per month	0	0.0%	5	2.2%	3	6.7%
\$650 - \$749 per month	1	3.4%	24	10.5%	5	11.1%
\$750 - \$849 per month	6	20.7%	37	16.2%	3	6.7%
\$850 - \$949 per month	6	20.7%	36	15.7%	6	13.3%
\$950 - \$999 per month	7	24.1%	26	11.4%	6	13.3%
\$1,000 - \$1,099 per month	5	17.2%	34	14.8%	10	22.2%
\$1,100 - \$1,199 per month	3	10.3%	31	13.5%	6	13.3%
\$1,200 - \$1,299 per month	0	0.0%	15	6.6%	3	6.7%
\$1,300 - \$1,399 per month	0	0.0%	7	3.1%	1	2.2%
\$1,400 - \$1,499 per month	1	3.4%	3	1.3%	1	2.2%
\$1,500 or higher per month	0	0.0%	3	1.3%	0	0.0%
<b>Total</b>	<b>29</b>	<b>100%</b>	<b>229</b>	<b>100%</b>	<b>45</b>	<b>100%</b>
Average	\$961		\$961		\$965	
Median	\$950-\$999		\$950-\$999		\$950-\$999	

## Plan Increases at Renewal

Most employer sponsored medical plans renew once a year. We asked participants their most recent medical and prescription drug increase, as well as what they expected for next year. The following is a detailed summary of participant responses.

### MOST RECENT RENEWAL INCREASE – MEDICAL ONLY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
-10% to -5.1%	25	7.9%	5.4%
-5% to -0.1%	25	7.9%	7.4%
0% to 4.9%	87	27.5%	19.3%
5% to 9.9%	98	31.0%	23.8%
10% to 14.9%	51	16.1%	23.8%
15% to 19.9%	19	6.0%	12.4%
20% to 24.9%	7	2.2%	5.4%
25% to 34.9%	2	0.6%	2.0%
35% to 49.9%	2	0.6%	0.0%
50% or More	0	0.0%	0.5%
<b>Total</b>	<b>316</b>	<b>100%</b>	<b>100%</b>
<b>Average</b>	<b>6.3%</b>		
<b>Median</b>	<b>5%-9.9%</b>		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	20	8.7%	2	6.7%	3	5.5%
-5% to -0.1%	21	9.1%	1	3.3%	3	5.5%
0% to 4.9%	62	26.8%	11	36.7%	14	25.5%
5% to 9.9%	70	30.3%	8	26.7%	20	36.4%
10% to 14.9%	34	14.7%	6	20.0%	11	20.0%
15% to 19.9%	16	6.9%	2	6.7%	1	1.8%
20% to 24.9%	4	1.7%	0	0.0%	3	5.5%
25% to 34.9%	2	0.9%	0	0.0%	0	0.0%
35% to 49.9%	2	0.9%	0	0.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>231</b>	<b>100%</b>	<b>30</b>	<b>100%</b>	<b>55</b>	<b>100%</b>
<b>Average</b>	<b>6.1%</b>		<b>6.0%</b>		<b>6.9%</b>	
<b>Median</b>	<b>5%-9.9%</b>		<b>5%-9.9%</b>		<b>5%-9.9%</b>	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	14	7.9%	8	10.1%	2	3.7%
-5% to -0.1%	14	7.9%	10	12.7%	1	1.9%
0% to 4.9%	48	27.0%	18	22.8%	18	33.3%
5% to 9.9%	59	33.1%	24	30.4%	15	27.8%
10% to 14.9%	29	16.3%	10	12.7%	11	20.4%
15% to 19.9%	10	5.6%	6	7.6%	3	5.6%
20% to 24.9%	2	1.1%	2	2.5%	3	5.6%
25% to 34.9%	2	1.1%	0	0.0%	0	0.0%
35% to 49.9%	0	0.0%	1	1.3%	1	1.9%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>178</b>	<b>100%</b>	<b>79</b>	<b>100%</b>	<b>54</b>	<b>100%</b>
<b>Average</b>	<b>6.0%</b>		<b>5.8%</b>		<b>8.1%</b>	
<b>Median</b>	<b>5%-9.9%</b>		<b>5%-9.9%</b>		<b>5%-9.9%</b>	

# Plan Increases at Renewal

## MOST RECENT RENEWAL INCREASE – MEDICAL ONLY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	24	9.6%	1	2.0%	0	0.0%
-5% to -0.1%	23	9.2%	0	0.0%	2	11.8%
0% to 4.9%	69	27.6%	14	28.6%	4	23.5%
5% to 9.9%	71	28.4%	21	42.9%	6	35.3%
10% to 14.9%	38	15.2%	9	18.4%	4	23.5%
15% to 19.9%	16	6.4%	2	4.1%	1	5.9%
20% to 24.9%	6	2.4%	1	2.0%	0	0.0%
25% to 34.9%	2	0.8%	0	0.0%	0	0.0%
35% to 49.9%	1	0.4%	1	2.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>250</b>	<b>100%</b>	<b>49</b>	<b>100%</b>	<b>17</b>	<b>100%</b>
Average	5.8%		8.1%		6.9%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	1	3.4%	20	9.0%	3	6.7%
-5% to -0.1%	6	20.7%	18	8.1%	1	2.2%
0% to 4.9%	9	31.0%	55	24.7%	18	40.0%
5% to 9.9%	9	31.0%	69	30.9%	14	31.1%
10% to 14.9%	2	6.9%	38	17.0%	6	13.3%
15% to 19.9%	1	3.4%	16	7.2%	1	2.2%
20% to 24.9%	1	3.4%	4	1.8%	1	2.2%
25% to 34.9%	0	0.0%	1	0.4%	1	2.2%
35% to 49.9%	0	0.0%	2	0.9%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>29</b>	<b>100%</b>	<b>223</b>	<b>100%</b>	<b>45</b>	<b>100%</b>
Average	4.6%		6.4%		6.0%	
Median	0%-4.9%		5%-9.9%		5%-9.9%	

# Plan Increases at Renewal

## MOST RECENT RENEWAL INCREASE – PRESCRIPTION DRUG ONLY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
-10% to -5.1%	14	8.0%	4.5%
-5% to -0.1%	13	7.4%	5.4%
0% to 4.9%	51	29.0%	18.8%
5% to 9.9%	52	29.5%	18.8%
10% to 14.9%	28	15.9%	32.1%
15% to 19.9%	8	4.5%	12.5%
20% to 24.9%	4	2.3%	5.4%
25% to 34.9%	2	1.1%	0.9%
35% to 49.9%	4	2.3%	0.9%
50% or More	0	0.0%	0.9%
<b>Total</b>	<b>176</b>	<b>100%</b>	<b>100%</b>
Average	6.8%		
Median	5%-9.9%		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	11	8.6%	2	10.0%	1	3.6%
-5% to -0.1%	10	7.8%	1	5.0%	2	7.1%
0% to 4.9%	41	32.0%	6	30.0%	4	14.3%
5% to 9.9%	37	28.9%	6	30.0%	9	32.1%
10% to 14.9%	16	12.5%	4	20.0%	8	28.6%
15% to 19.9%	5	3.9%	1	5.0%	2	7.1%
20% to 24.9%	3	2.3%	0	0.0%	1	3.6%
25% to 34.9%	2	1.6%	0	0.0%	0	0.0%
35% to 49.9%	3	2.3%	0	0.0%	1	3.6%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>128</b>	<b>100%</b>	<b>20</b>	<b>100%</b>	<b>28</b>	<b>100%</b>
Average	6.4%		5.5%		9.5%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	5	5.3%	6	14.0%	3	8.3%
-5% to -0.1%	7	7.4%	5	11.6%	1	2.8%
0% to 4.9%	25	26.6%	12	27.9%	11	30.6%
5% to 9.9%	33	35.1%	10	23.3%	9	25.0%
10% to 14.9%	15	16.0%	5	11.6%	8	22.2%
15% to 19.9%	4	4.3%	3	7.0%	1	2.8%
20% to 24.9%	2	2.1%	0	0.0%	2	5.6%
25% to 34.9%	2	2.1%	0	0.0%	0	0.0%
35% to 49.9%	1	1.1%	2	4.7%	1	2.8%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>94</b>	<b>100%</b>	<b>43</b>	<b>100%</b>	<b>36</b>	<b>100%</b>
Average	7.0%		5.8%		7.6%	
Median	5%-9.9%		0%-4.9%		5%-9.9%	

# Plan Increases at Renewal

## MOST RECENT RENEWAL INCREASE – PRESCRIPTION DRUG ONLY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	13	9.2%	1	4.0%	0	0.0%
-5% to -0.1%	11	7.7%	0	0.0%	2	22.2%
0% to 4.9%	40	28.2%	9	36.0%	2	22.2%
5% to 9.9%	41	28.9%	7	28.0%	4	44.4%
10% to 14.9%	22	15.5%	5	20.0%	1	11.1%
15% to 19.9%	7	4.9%	1	4.0%	0	0.0%
20% to 24.9%	3	2.1%	1	4.0%	0	0.0%
25% to 34.9%	2	1.4%	0	0.0%	0	0.0%
35% to 49.9%	3	2.1%	1	4.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>142</b>	<b>100%</b>	<b>25</b>	<b>100%</b>	<b>9</b>	<b>100%</b>
Average	6.6%		8.5%		4.7%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	0	0.0%	11	8.9%	2	8.0%
-5% to -0.1%	1	7.7%	11	8.9%	1	4.0%
0% to 4.9%	4	30.8%	36	29.0%	7	28.0%
5% to 9.9%	5	38.5%	35	28.2%	9	36.0%
10% to 14.9%	2	15.4%	18	14.5%	4	16.0%
15% to 19.9%	1	7.7%	7	5.6%	0	0.0%
20% to 24.9%	0	0.0%	1	0.8%	1	4.0%
25% to 34.9%	0	0.0%	1	0.8%	1	4.0%
35% to 49.9%	0	0.0%	4	3.2%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>13</b>	<b>100%</b>	<b>124</b>	<b>100%</b>	<b>25</b>	<b>100%</b>
Average	6.7%		6.6%		6.8%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

The table below summarizes responses for combined medical and prescription drug increases.

## COMBINED MEDICAL AND PRESCRIPTION DRUG

Most Recent Renewal Increase – Medical and Prescription Drug Combined Average	2006/2007 Survey	2005/2006 Survey
All Participants	6.3%	9.0%
Under 500	6.2%	9.9%
500-999	6.0%	8.1%
1,000 or More	7.1%	7.4%
For-Profit	6.1%	N/A
Not-for-Profit	5.8%	N/A
Governmental	8.1%	N/A
Pennsylvania	5.9%	9.0%
Ohio	8.1%	9.6%
West Virginia	6.7%	8.0%
HMO	4.7%	9.7%
PPO	6.4%	9.4%
POS	6.1%	7.4%

# Plan Increases at Renewal

## EXPECTED NEXT YEAR RENEWAL INCREASE – MEDICAL ONLY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
-10% to -5.1%	14	5.0%	6.4%
-5% to -0.1%	11	3.9%	3.5%
0% to 4.9%	67	23.8%	15.0%
5% to 9.9%	108	38.4%	27.2%
10% to 14.9%	60	21.4%	29.5%
15% to 19.9%	14	5.0%	11.0%
20% to 24.9%	3	1.1%	4.6%
25% to 34.9%	3	1.1%	1.7%
35% to 49.9%	1	0.4%	1.2%
50% or More	0	0.0%	0.0%
<b>Total</b>	<b>281</b>	<b>100%</b>	<b>100%</b>
Average	7.3%		
Median	5%-9.9%		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	11	5.3%	1	3.8%	2	4.1%
-5% to -0.1%	10	4.9%	1	3.8%	0	0.0%
0% to 4.9%	51	24.8%	6	23.1%	10	20.4%
5% to 9.9%	76	36.9%	8	30.8%	24	49.0%
10% to 14.9%	44	21.4%	4	15.4%	12	24.5%
15% to 19.9%	8	3.9%	5	19.2%	1	2.0%
20% to 24.9%	2	1.0%	1	3.8%	0	0.0%
25% to 34.9%	3	1.5%	0	0.0%	0	0.0%
35% to 49.9%	1	0.5%	0	0.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>206</b>	<b>100%</b>	<b>26</b>	<b>100%</b>	<b>49</b>	<b>100%</b>
Average	7.1%		8.7%		7.3%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	7	4.4%	5	7.2%	1	2.0%
-5% to -0.1%	7	4.4%	4	5.8%	0	0.0%
0% to 4.9%	40	25.3%	14	20.3%	9	18.4%
5% to 9.9%	63	39.9%	22	31.9%	23	46.9%
10% to 14.9%	31	19.6%	20	29.0%	9	18.4%
15% to 19.9%	7	4.4%	2	2.9%	5	10.2%
20% to 24.9%	2	1.3%	1	1.4%	0	0.0%
25% to 34.9%	1	0.6%	1	1.4%	1	2.0%
35% to 49.9%	0	0.0%	0	0.0%	1	2.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>158</b>	<b>100%</b>	<b>69</b>	<b>100%</b>	<b>49</b>	<b>100%</b>
Average	6.9%		7.1%		9.4%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

# Plan Increases at Renewal

## EXPECTED NEXT YEAR RENEWAL INCREASE – MEDICAL ONLY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	14	6.2%	0	0.0%	0	0.0%
-5% to -0.1%	10	4.4%	1	2.4%	0	0.0%
0% to 4.9%	55	24.4%	7	16.7%	5	35.7%
5% to 9.9%	88	39.1%	16	38.1%	4	28.6%
10% to 14.9%	45	20.0%	11	26.2%	4	28.6%
15% to 19.9%	10	4.4%	3	7.1%	1	7.1%
20% to 24.9%	0	0.0%	3	7.1%	0	0.0%
25% to 34.9%	2	0.9%	1	2.4%	0	0.0%
35% to 49.9%	1	0.4%	0	0.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>225</b>	<b>100%</b>	<b>42</b>	<b>100%</b>	<b>14</b>	<b>100%</b>
Average	6.7%		10.1%		7.9%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	0	0.0%	10	5.1%	3	7.3%
-5% to -0.1%	2	8.7%	7	3.5%	1	2.4%
0% to 4.9%	5	21.7%	48	24.2%	8	19.5%
5% to 9.9%	11	47.8%	71	35.9%	20	48.8%
10% to 14.9%	3	13.0%	47	23.7%	8	19.5%
15% to 19.9%	2	8.7%	11	5.6%	0	0.0%
20% to 24.9%	0	0.0%	2	1.0%	0	0.0%
25% to 34.9%	0	0.0%	1	0.5%	1	2.4%
35% to 49.9%	0	0.0%	1	0.5%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>23</b>	<b>100%</b>	<b>198</b>	<b>100%</b>	<b>41</b>	<b>100%</b>
Average	7.1%		7.4%		6.7%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

# Plan Increases at Renewal

## EXPECTED NEXT YEAR RENEWAL INCREASE – PRESCRIPTION DRUG ONLY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
-10% to -5.1%	9	5.5%	2.1%
-5% to -0.1%	6	3.6%	3.2%
0% to 4.9%	39	23.6%	16.8%
5% to 9.9%	63	38.2%	32.6%
10% to 14.9%	35	21.2%	34.7%
15% to 19.9%	6	3.6%	5.3%
20% to 24.9%	3	1.8%	3.2%
25% to 34.9%	3	1.8%	1.1%
35% to 49.9%	1	0.6%	1.1%
50% or More	0	0.0%	0.0%
<b>Total</b>	<b>165</b>	<b>100%</b>	<b>100%</b>
Average	7.5%		
Median	5%-9.9%		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	8	6.6%	1	5.6%	0	0.0%
-5% to -0.1%	6	4.9%	0	0.0%	0	0.0%
0% to 4.9%	30	24.6%	3	16.7%	6	24.0%
5% to 9.9%	44	36.1%	9	50.0%	10	40.0%
10% to 14.9%	25	20.5%	2	11.1%	8	32.0%
15% to 19.9%	3	2.5%	2	11.1%	1	4.0%
20% to 24.9%	2	1.6%	1	5.6%	0	0.0%
25% to 34.9%	3	2.5%	0	0.0%	0	0.0%
35% to 49.9%	1	0.8%	0	0.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>122</b>	<b>100%</b>	<b>18</b>	<b>100%</b>	<b>25</b>	<b>100%</b>
Average	7.2%		8.3%		8.3%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	3	3.4%	4	10.3%	2	5.9%
-5% to -0.1%	3	3.4%	3	7.7%	0	0.0%
0% to 4.9%	27	30.3%	5	12.8%	4	11.8%
5% to 9.9%	34	38.2%	14	35.9%	15	44.1%
10% to 14.9%	16	18.0%	9	23.1%	10	29.4%
15% to 19.9%	3	3.4%	2	5.1%	1	2.9%
20% to 24.9%	2	2.2%	1	2.6%	0	0.0%
25% to 34.9%	1	1.1%	1	2.6%	1	2.9%
35% to 49.9%	0	0.0%	0	0.0%	1	2.9%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>89</b>	<b>100%</b>	<b>39</b>	<b>100%</b>	<b>34</b>	<b>100%</b>
Average	7.0%		7.2%		9.5%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

# Plan Increases at Renewal

## EXPECTED NEXT YEAR RENEWAL INCREASE – PRESCRIPTION DRUG ONLY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	9	6.8%	0	0.0%	0	0.0%
-5% to -0.1%	5	3.8%	1	4.2%	0	0.0%
0% to 4.9%	32	24.1%	3	12.5%	4	50.0%
5% to 9.9%	54	40.6%	7	29.2%	2	25.0%
10% to 14.9%	26	19.5%	8	33.3%	1	12.5%
15% to 19.9%	4	3.0%	1	4.2%	1	12.5%
20% to 24.9%	0	0.0%	3	12.5%	0	0.0%
25% to 34.9%	2	1.5%	1	4.2%	0	0.0%
35% to 49.9%	1	0.8%	0	0.0%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>133</b>	<b>100%</b>	<b>24</b>	<b>100%</b>	<b>8</b>	<b>100%</b>
Average	6.8%		11.4%		6.9%	
Median	5%-9.9%		10%-14.9%		5%-9.9%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
-10% to -5.1%	0	0.0%	6	5.2%	2	7.7%
-5% to -0.1%	1	11.1%	3	2.6%	1	3.8%
0% to 4.9%	2	22.2%	27	23.5%	6	23.1%
5% to 9.9%	4	44.4%	42	36.5%	11	42.3%
10% to 14.9%	0	0.0%	29	25.2%	5	19.2%
15% to 19.9%	2	22.2%	4	3.5%	0	0.0%
20% to 24.9%	0	0.0%	2	1.7%	0	0.0%
25% to 34.9%	0	0.0%	1	0.9%	1	3.8%
35% to 49.9%	0	0.0%	1	0.9%	0	0.0%
50% or More	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>26</b>	<b>100%</b>
Average	7.5%		7.7%		6.6%	
Median	5%-9.9%		5%-9.9%		5%-9.9%	

## EXPECTED NEXT YEAR RENEWAL INCREASE -COMBINED MEDICAL AND PRESCRIPTION DRUG

Expected Renewal Increase – Medical and Prescription Drug Combined Average	2006/2007 Survey	2005/2006 Survey
	All Participants	7.3%
Under 500	7.1%	10.1%
500-999	8.6%	9.6%
1,000 or More	7.4%	7.9%
For-Profit	6.9%	N/A
Not-for-Profit	7.1%	N/A
Governmental	9.4%	N/A
Pennsylvania	6.7%	9.6%
Ohio	10.2%	9.3%
West Virginia	7.8%	8.9%
HMO	7.1%	11.2%
PPO	7.4%	9.5%
POS	6.7%	8.9%

## Employee Contribution Percentages

We asked participants to provide the level of employee contribution for medical and prescription drug coverage. The following is a detailed summary of the participant responses. The responses and percentages below are based on those employers who require employee contributions for medical and prescription drug coverage. Those not requiring employee contributions are included at the end of each table.

### EMPLOYEE CONTRIBUTIONS – INDIVIDUAL

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
1% to 10%	63	26.4%	22.6%
11% to 15%	26	10.9%	16.4%
16% to 20%	52	21.8%	26.0%
21% to 25%	32	13.4%	17.8%
26% to 30%	25	10.5%	8.2%
31% to 35%	17	7.1%	2.7%
36% to 40%	4	1.7%	2.7%
41% to 45%	0	0.0%	2.1%
46% to 50%	9	3.8%	0.7%
Over 50%	11	4.6%	0.7%
<b>Total</b>	<b>239</b>	<b>100%</b>	<b>100%</b>
Average	20.1%		
Median	16%-20%		
Employer Pays 100%	79		
Percent of Total	24.8%		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	47	28.5%	10	34.5%	6	13.3%
11% to 15%	14	8.5%	3	10.3%	9	20.0%
16% to 20%	27	16.4%	10	34.5%	15	33.3%
21% to 25%	25	15.2%	1	3.4%	6	13.3%
26% to 30%	19	11.5%	3	10.3%	3	6.7%
31% to 35%	12	7.3%	2	6.9%	3	6.7%
36% to 40%	3	1.8%	0	0.0%	1	2.2%
41% to 45%	0	0.0%	0	0.0%	0	0.0%
46% to 50%	8	4.8%	0	0.0%	1	2.2%
Over 50%	10	6.1%	0	0.0%	1	2.2%
<b>Total</b>	<b>165</b>	<b>100%</b>	<b>29</b>	<b>100%</b>	<b>45</b>	<b>100%</b>
Average	21.2%		14.9%		19.3%	
Median	16%-20%		16%-20%		16%-20%	
Employer Pays 100%	71		2		6	
Percent of Total	30.1%		6.5%		11.8%	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	22	14.7%	23	35.9%	16	69.6%
11% to 15%	14	9.3%	10	15.6%	2	8.7%
16% to 20%	30	20.0%	17	26.6%	5	21.7%
21% to 25%	27	18.0%	5	7.8%	0	0.0%
26% to 30%	20	13.3%	5	7.8%	0	0.0%
31% to 35%	17	11.3%	0	0.0%	0	0.0%
36% to 40%	3	2.0%	1	1.6%	0	0.0%
41% to 45%	0	0.0%	0	0.0%	0	0.0%
46% to 50%	9	6.0%	0	0.0%	0	0.0%
Over 50%	8	5.3%	3	4.7%	0	0.0%
<b>Total</b>	<b>150</b>	<b>100%</b>	<b>64</b>	<b>100%</b>	<b>23</b>	<b>100%</b>
Average	23.9%		15.9%		8.4%	
Median	21%-25%		11%-15%		1%-10%	
Employer Pays 100%	32		12		33	
Percent of Total	17.6%		15.8%		58.9%	

# Employee Contribution Percentages

## EMPLOYEE CONTRIBUTIONS – INDIVIDUAL

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	46	25.0%	17	39.5%	0	0.0%
11% to 15%	20	10.9%	3	7.0%	3	25.0%
16% to 20%	40	21.7%	10	23.3%	2	16.7%
21% to 25%	24	13.0%	6	14.0%	2	16.7%
26% to 30%	22	12.0%	0	0.0%	3	25.0%
31% to 35%	14	7.6%	2	4.7%	1	8.3%
36% to 40%	3	1.6%	0	0.0%	1	8.3%
41% to 45%	0	0.0%	0	0.0%	0	0.0%
46% to 50%	7	3.8%	2	4.7%	0	0.0%
Over 50%	8	4.3%	3	7.0%	0	0.0%
<b>Total</b>	<b>184</b>	<b>100%</b>	<b>43</b>	<b>100%</b>	<b>12</b>	<b>100%</b>
Average	20.4%		18.3%		22.5%	
Median	16%-20%		16%-20%		21%-25%	
Employer Pays 100%	63		9		7	
Percent of Total	25.5%		17.3%		36.8%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	5	19.2%	47	27.2%	10	40.0%
11% to 15%	5	19.2%	18	10.4%	2	8.0%
16% to 20%	6	23.1%	38	22.0%	5	20.0%
21% to 25%	4	15.4%	26	15.0%	0	0.0%
26% to 30%	1	3.8%	18	10.4%	3	12.0%
31% to 35%	0	0.0%	14	8.1%	2	8.0%
36% to 40%	2	7.7%	2	1.2%	0	0.0%
41% to 45%	0	0.0%	0	0.0%	0	0.0%
46% to 50%	1	3.8%	5	2.9%	1	4.0%
Over 50%	2	7.7%	5	2.9%	2	8.0%
<b>Total</b>	<b>26</b>	<b>100%</b>	<b>173</b>	<b>100%</b>	<b>25</b>	<b>100%</b>
Average	21.6%		19.1%		19.5%	
Median	16%-20%		16%-20%		16%-20%	
Employer Pays 100%	4		50		19	
Percent of Total	13.3%		22.4%		43.2%	

# Employee Contribution Percentages

## EMPLOYEE CONTRIBUTIONS – FAMILY

All Participants Combined	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
1% to 10%	54	21.7%	21.4%
11% to 15%	22	8.8%	12.6%
16% to 20%	46	18.5%	21.4%
21% to 25%	32	12.9%	15.7%
26% to 30%	23	9.2%	8.8%
31% to 35%	14	5.6%	3.8%
36% to 40%	9	3.6%	4.4%
41% to 45%	4	1.6%	1.3%
46% to 50%	12	4.8%	5.0%
Over 50%	17	6.8%	3.8%
Employee Pays 100% Above Single Rate	16	6.4%	1.9%
<b>Total</b>	<b>249</b>	<b>100%</b>	<b>100%</b>
Average	26.3%		
Median	21%-25%		
Employer Pays 100%	60		
Percent of Total	19.4%		

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	41	23.4%	8	27.6%	5	11.1%
11% to 15%	10	5.7%	4	13.8%	8	17.8%
16% to 20%	23	13.1%	10	34.5%	13	28.9%
21% to 25%	23	13.1%	1	3.4%	8	17.8%
26% to 30%	16	9.1%	4	13.8%	3	6.7%
31% to 35%	10	5.7%	1	3.4%	3	6.7%
36% to 40%	8	4.6%	0	0.0%	1	2.2%
41% to 45%	2	1.1%	0	0.0%	2	4.4%
46% to 50%	9	5.1%	1	3.4%	2	4.4%
Over 50%	17	9.7%	0	0.0%	0	0.0%
Employee Pays 100% Above Single Rate	16	9.1%	0	0.0%	0	0.0%
<b>Total</b>	<b>175</b>	<b>100%</b>	<b>29</b>	<b>100%</b>	<b>45</b>	<b>100%</b>
Average	29.3%		16.5%		20.7%	
Median	21%-25%		16%-20%		16%-20%	
Employer Pays 100%	54		2		4	
Percent of Total	23.6%		6.5%		8.2%	

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	20	12.9%	15	22.4%	17	68.0%
11% to 15%	12	7.7%	8	11.9%	2	8.0%
16% to 20%	23	14.8%	17	25.4%	6	24.0%
21% to 25%	25	16.1%	7	10.4%	0	0.0%
26% to 30%	20	12.9%	3	4.5%	0	0.0%
31% to 35%	13	8.4%	1	1.5%	0	0.0%
36% to 40%	7	4.5%	2	3.0%	0	0.0%
41% to 45%	4	2.6%	0	0.0%	0	0.0%
46% to 50%	10	6.5%	2	3.0%	0	0.0%
Over 50%	8	5.2%	9	13.4%	0	0.0%
Employee Pays 100% Above Single Rate	13	8.4%	3	4.5%	0	0.0%
<b>Total</b>	<b>155</b>	<b>100%</b>	<b>67</b>	<b>100%</b>	<b>25</b>	<b>100%</b>
Average	29.6%		25.7%		8.6%	
Median	21%-25%		16%-20%		1%-10%	
Employer Pays 100%	20		7		31	
Percent of Total	11.4%		9.5%		55.4%	

# Employee Contribution Percentages

## EMPLOYEE CONTRIBUTIONS – FAMILY

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	39	20.3%	15	34.9%	0	0.0%
11% to 15%	17	8.9%	4	9.3%	1	7.1%
16% to 20%	36	18.8%	7	16.3%	3	21.4%
21% to 25%	25	13.0%	4	9.3%	3	21.4%
26% to 30%	19	9.9%	0	0.0%	4	28.6%
31% to 35%	12	6.3%	2	4.7%	0	0.0%
36% to 40%	6	3.1%	2	4.7%	1	7.1%
41% to 45%	3	1.6%	1	2.3%	0	0.0%
46% to 50%	9	4.7%	2	4.7%	1	7.1%
Over 50%	15	7.8%	2	4.7%	0	0.0%
Employee Pays 100% Above Single Rate	11	5.7%	4	9.3%	1	7.1%
<b>Total</b>	<b>192</b>	<b>100%</b>	<b>43</b>	<b>100%</b>	<b>14</b>	<b>100%</b>
Average	26.5%		24.3%		28.8%	
Median	21%-25%		16%-20%		26%-30%	
Employer Pays 100%	48		7		5	
Percent of Total	20.0%		14.0%		26.3%	

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
1% to 10%	3	10.3%	41	23.2%	9	34.6%
11% to 15%	2	6.9%	17	9.6%	2	7.7%
16% to 20%	7	24.1%	33	18.6%	4	15.4%
21% to 25%	4	13.8%	25	14.1%	1	3.8%
26% to 30%	3	10.3%	16	9.0%	3	11.5%
31% to 35%	1	3.4%	10	5.6%	3	11.5%
36% to 40%	3	10.3%	5	2.8%	0	0.0%
41% to 45%	0	0.0%	3	1.7%	0	0.0%
46% to 50%	1	3.4%	8	4.5%	1	3.8%
Over 50%	2	6.9%	10	5.6%	2	7.7%
Employee Pays 100% Above Single Rate	3	10.3%	9	5.1%	1	3.8%
<b>Total</b>	<b>29</b>	<b>100%</b>	<b>177</b>	<b>100%</b>	<b>26</b>	<b>100%</b>
Average	30.4%		24.5%		22.9%	
Median	21%-25%		16%-20%		16%-20%	
Employer Pays 100%	1		39		16	
Percent of Total	3.3%		18.1%		38.1%	

## Insurer/Administrator

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We asked participants who insures/administers their primary plan. The following table indicates the responses and percentages. More than half of survey participants utilize Blue Cross Blue Shield as their insurer or administrator.

### MEDICAL INSURER/ADMINISTRATOR

	<b>Number</b>	<b>Percentage</b>
Aultcare	6	1.8%
Aetna	6	1.8%
Blue Cross Blue Shield	218	66.1%
CIGNA HealthCare	7	2.1%
HealthAmerica/HealthAssurance	19	5.8%
Medical Mutual of Ohio	14	4.2%
United Healthcare	11	3.3%
UPMC Health Plan	24	7.3%
All Other	25	7.6%
<b>Total</b>	<b>330</b>	<b>100%</b>

This year we also asked participants to identify their prescription drug plan administrator, if different than their medical plan administrator.

### DRUG ADMINISTRATOR

	<b>Number</b>	<b>Percentage</b>
Caremark	7	10.8%
CIGNA	3	4.6%
Express Scripts	14	21.5%
Medco	19	29.2%
PharmaCare	12	18.5%
All Other	10	15.4%
<b>Total</b>	<b>65</b>	<b>100%</b>

## Employer Actions

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We asked participants what actions they have taken in conjunction with their most recent renewal to address increasing medical plan costs. Many participants responded with more than one of the following options. The following tables indicate the number of positive responses and percentages based on all 335 participants.

### ACTIONS IMPLEMENTED TO CONTROL COSTS

	2006/2007 Survey		2005/2006 Survey
	Number	Percentage	Percentage
Raised Employee Contributions	100	29.9%	36.0%
Raised Office Visit Copayments	49	14.6%	15.6%
Reduced Covered Coinsurance (e.g., 90% to 80%)	14	4.2%	5.7%
Raised Deductibles	49	14.6%	21.8%
Increased Out-of-Pocket Maximums	30	9.0%	12.8%
Introduced a High Deductible HRA/HSA Option	13	3.9%	7.1%
Introduced a High Deductible HRA/HSA as a Total Replacement	5	1.5%	2.8%
Shopped Coverage to Other Carriers or TPAs	84	25.1%	19.9%

# Wellness Programs

This year we asked participants whether they offered employee wellness programs such as smoking cessation, stress management, weight loss, or heart health programs.

## WELLNESS PROGRAMS

	2006/2007 Survey	
	Number	Percentage
No	167	50.8%
Yes, with incentives for participation	44	13.4%
Yes, with no participation incentives or penalties	117	35.6%
Yes, with penalties for nonparticipation	1	0.3%
<b>Grand Total</b>	<b>329</b>	<b>100.0%</b>

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
No	142	58.7%	10	31.3%	15	27.3%
Yes, with incentives for participation	21	8.7%	7	21.9%	16	29.1%
Yes, with no participation incentives or penalties	78	32.2%	15	46.9%	24	43.6%
Yes, with penalties for nonparticipation	1	0.4%	0	0.0%	0	0.0%
<b>Total</b>	<b>242</b>	<b>100%</b>	<b>32</b>	<b>100%</b>	<b>55</b>	<b>100%</b>

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
No	99	52.4%	34	42.5%	32	58.2%
Yes, with incentives for participation	29	15.3%	13	16.3%	2	3.6%
Yes, with no participation incentives or penalties	60	31.7%	33	41.3%	21	38.2%
Yes, with penalties for nonparticipation	1	0.5%	0	0.0%	0	0.0%
<b>Total</b>	<b>189</b>	<b>100%</b>	<b>80</b>	<b>100%</b>	<b>55</b>	<b>100%</b>

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
No	124	48.2%	35	64.8%	8	44.4%
Yes, with incentives for participation	39	15.2%	2	3.7%	3	16.7%
Yes, with no participation incentives or penalties	93	36.2%	17	31.5%	7	38.9%
Yes, with penalties for nonparticipation	1	0.4%	0	0.0%	0	0.0%
<b>Total</b>	<b>257</b>	<b>100%</b>	<b>54</b>	<b>100%</b>	<b>18</b>	<b>100%</b>

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
No	16	53.3%	113	48.1%	26	60.5%
Yes, with incentives for participation	3	10.0%	34	14.5%	5	11.6%
Yes, with no participation incentives or penalties	11	36.7%	87	37.0%	12	27.9%
Yes, with penalties for nonparticipation	0	0.0%	1	0.4%	0	0.0%
<b>Total</b>	<b>30</b>	<b>100%</b>	<b>235</b>	<b>100%</b>	<b>43</b>	<b>100%</b>

# Domestic Partner Coverage

This year we asked participants if they offer domestic partner coverage with their medical benefit. If they did offer the coverage, we further asked whether its offered to opposite sex partners only, same sex partners only, or both opposite and same sex partners.

## DOMESTIC PARTNER COVERAGE

	2006/2007 Survey	
	Number	Percentage
No	259	79.2%
Yes, both opposite and same sex	38	11.6%
Yes, opposite sex only	23	7.0%
Yes, same sex only	7	2.1%
<b>Grand Total</b>	<b>327</b>	<b>100%</b>

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
No	187	77.9%	30	93.8%	42	73.7%
Yes, both opposite and same sex	28	11.7%	1	3.1%	9	15.8%
Yes, opposite sex only	22	9.2%	0	0.0%	3	5.3%
Yes, same sex only	3	1.3%	1	3.1%	3	5.3%
<b>Total</b>	<b>240</b>	<b>100%</b>	<b>32</b>	<b>100%</b>	<b>57</b>	<b>100%</b>

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
No	148	78.7%	66	82.5%	41	75.9%
Yes, both opposite and same sex	25	13.3%	6	7.5%	6	11.1%
Yes, opposite sex only	11	5.9%	6	7.5%	6	11.1%
Yes, same sex only	4	2.1%	2	2.5%	1	1.9%
<b>Total</b>	<b>188</b>	<b>100%</b>	<b>80</b>	<b>100%</b>	<b>54</b>	<b>100%</b>

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
No	198	77.6%	44	83.0%	17	89.5%
Yes, both opposite and same sex	31	12.2%	6	11.3%	1	5.3%
Yes, opposite sex only	19	7.5%	3	5.7%	1	5.3%
Yes, same sex only	7	2.7%	0	0.0%	0	0.0%
<b>Total</b>	<b>255</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>19</b>	<b>100%</b>

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
No	22	73.3%	185	79.4%	35	83.3%
Yes, both opposite and same sex	3	10.0%	30	12.9%	2	4.8%
Yes, opposite sex only	3	10.0%	13	5.6%	5	11.9%
Yes, same sex only	2	6.7%	5	2.1%	0	0.0%
<b>Total</b>	<b>30</b>	<b>100%</b>	<b>233</b>	<b>100%</b>	<b>42</b>	<b>100%</b>

## HRA/HSA Accounts

This year we asked participants if they offer an HRA or HSA account, usually accompanied by a high deductible health plan. For those that offered these accounts, we asked the participation rate.

### HRA/HSA ACCOUNTS

	2006/2007 Survey	
	Number	Percentage
No	275	84.6%
Offer an HRA	23	7.1%
Offer an HSA	27	8.3%
<b>Grand Total</b>	<b>325</b>	<b>100%</b>

By Size	Under 500 Employees		500 – 999 Employees		1,000 or more Employees	
	Number	Percentage	Number	Percentage	Number	Percentage
No	205	86.5%	29	90.6%	41	73.2%
Offer an HRA	15	6.3%	1	3.1%	7	12.5%
Offer an HSA	17	7.2%	2	6.3%	8	14.3%
<b>Total</b>	<b>237</b>	<b>100%</b>	<b>32</b>	<b>100%</b>	<b>56</b>	<b>100%</b>

By Entity	For-Profit		Not-for-Profit		Governmental	
	Number	Percentage	Number	Percentage	Number	Percentage
No	155	82.9%	65	84.4%	52	92.9%
Offer an HRA	16	8.6%	3	3.9%	2	3.6%
Offer an HSA	16	8.6%	9	11.7%	2	3.6%
<b>Total</b>	<b>187</b>	<b>100%</b>	<b>77</b>	<b>100%</b>	<b>56</b>	<b>100%</b>

By State	Pennsylvania		Ohio		West Virginia	
	Number	Percentage	Number	Percentage	Number	Percentage
No	68	78.2%	44	83.0%	15	83.3%
Offer an HRA	9	10.3%	3	5.7%	1	5.6%
Offer an HSA	10	11.5%	6	11.3%	2	11.1%
<b>Total</b>	<b>87</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>18</b>	<b>100%</b>

By Plan Type	HMO		PPO		POS	
	Number	Percentage	Number	Percentage	Number	Percentage
No	25	89.3%	198	85.7%	40	93.0%
Offer an HRA	1	3.6%	14	6.1%	2	4.7%
Offer an HSA	2	7.1%	19	8.2%	1	2.3%
<b>Total</b>	<b>28</b>	<b>100%</b>	<b>231</b>	<b>100%</b>	<b>43</b>	<b>100%</b>

### HRA/HSA PARTICIPATION

	Number	Percentage
1% to 10%	12	30.0%
11% to 25%	5	12.5%
26% to 50%	5	12.5%
51% to 75%	7	17.5%
76% to 100%	11	27.5%
<b>Total</b>	<b>40</b>	<b>100%</b>

# Benefit Design

We asked participants to provide specific measurable provisions of their predominant medical plan. The following tables summarize their responses by plan type.

## HMO BENEFIT DESIGN

HMO All Participants	In-Network		
	Number	Average	Median
Individual Deductible			
Required	6	\$500	\$200-\$299
None Required	24	N/A	N/A
Family Deductible			
Required	7	\$921	\$400-\$599
None Required	23	N/A	N/A
Coinsurance			
Required	6	83%	90%
None Required	24	N/A	N/A
Individual Out-of-Pocket			
Required	6	\$1,583	\$1,000-\$1,499
None Required	21	N/A	N/A
Family Out-of-Pocket			
Required	6	\$3,167	\$2,000-\$2,999
None Required	22	N/A	N/A
Primary Care Copayment			
Subject to Copayment	165	\$18	\$15-\$19
Subject to Coinsurance	4	N/A	N/A
Specialist Copayment			
Subject to Copayment	28	\$25	\$30+
Subject to Coinsurance	1	N/A	N/A
Emergency Room Copayment			
Subject to Copayment	27	\$61	\$50
Subject to Coinsurance	2	N/A	N/A
In-patient Hospital Copayment			
Subject to Copayment	8	\$256	\$250
No Copayment	21	N/A	N/A
Retail Prescription Drug			
Generic			
Copayment	28	\$14	\$10-\$14
Coinsurance	2	70%	N/A
Brand			
Copayment	26	\$28	\$30-\$34
Coinsurance	3	70%	N/A
Non-Preferred (if applicable)			
Copayment	17	\$48	\$45-\$54
Coinsurance	3	50%	N/A

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	30	0
Mail Order Multiplier	Number	Percentage
1 times retail copayment	2	7.1%
1.5 times retail copayment	0	0.0%
2 times retail copayment	22	78.6%
2.5 times retail copayment	2	7.1%
3 times retail copayment	2	7.1%
Total	28	100%
Average Multiplier	2	

# Benefit Design

## PPO BENEFIT DESIGN

All Participants	In-Network			Out-of-Network		
	Number	Average	Median	Number	Average	Median
Individual Deductible						
Required	145	\$521	\$200-\$299	208	\$861	\$400-\$599
None Required	90	N/A	N/A	8	N/A	N/A
Family Deductible						
Required	144	\$1,018	\$400-\$599	209	\$1,592	\$1,000-\$1,499
None Required	89	N/A	N/A	9	N/A	N/A
Coinsurance						
Without 100% Coinsurance	92	84%	80%	191	73%	80%
With 100% Coinsurance	111	N/A	N/A	0	N/A	N/A
Individual Out-of-Pocket						
Required	119	\$1,644	\$1,000-\$1,499	205	\$2,911	\$2,000-\$2,999
None Required	114	N/A	N/A	6	N/A	N/A
Family Out-of-Pocket						
Required	118	\$3,252	\$2,000-\$2,999	206	\$5,858	\$4,000-\$4,999
None Required	112	N/A	N/A	6	N/A	N/A
Primary Care Copayment						
Subject to Copayment	43	\$16	\$10-\$14			
Subject to Coinsurance	2	N/A	N/A			
Specialist Copayment						
Subject to Copayment	222	\$21	\$20-\$24			
Subject to Coinsurance	12	N/A	N/A			
Emergency Room Copayment						
Subject to Copayment	202	\$61	\$50			
Subject to Coinsurance	15	N/A	N/A			
In-patient Hospital Copayment						
Subject to Copayment	15	\$210	\$100			
No Copayment	192	N/A	N/A			
Retail Prescription Drug						
Generic						
Copayment	205	\$13	\$10-\$14			
Coinsurance	21	79%	80%			
Brand						
Copayment	196	\$25	\$20-\$24			
Coinsurance	26	73%	70%			
Non-Preferred (if applicable)						
Copayment	131	\$40	\$35-\$44			
Coinsurance	22	62%	70%			

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	213	17
Mail Order Multiplier	<b>Number</b>	<b>Percentage</b>
1 times retail copayment	23	12.4%
1.5 times retail copayment	7	3.8%
2 times retail copayment	137	73.7%
2.5 times retail copayment	7	3.8%
3 times retail copayment	12	6.5%
Total	186	100%
Average Multiplier	2	

# Benefit Design

## PPO BENEFIT DESIGN

Under 500 Employees	In-Network			Out-of-Network		
	Number	Average	Median	Number	Average	Median
Individual Deductible						
Required	106	\$581	\$200-\$299	146	\$933	\$400-\$599
None Required	64	N/A	N/A	8	N/A	N/A
Family Deductible						
Required	105	\$1,104	\$400-\$599	147	\$1,671	\$400-\$749
None Required	63	N/A	N/A	8	N/A	N/A
Coinsurance						
Without 100% Coinsurance	62	84%	80%	130	73%	80%
With 100% Coinsurance	80	N/A	N/A	0	N/A	N/A
Individual Out-of-Pocket						
Required	81	\$1,602	\$1,000-\$1,499	141	\$2,918	\$2,000-\$2,999
None Required	87	N/A	N/A	6	N/A	N/A
Family Out-of-Pocket						
Required	79	\$3,155	\$2,000-\$2,999	143	\$5,823	\$4,000-\$5,999
None Required	85	N/A	N/A	6	N/A	N/A
Primary Care Copayment						
Subject to Copayment	165	\$18	\$20-\$24			
Subject to Coinsurance	4	N/A	N/A			
Specialist Copayment						
Subject to Copayment	162	\$20	\$20-\$24			
Subject to Coinsurance	7	N/A	N/A			
Emergency Room Copayment						
Subject to Copayment	145	\$63	\$50			
Subject to Coinsurance	10	N/A	N/A			
In-patient Hospital Copayment						
Subject to Copayment	9	\$233	\$300			
No Copayment	142	N/A	N/A			
Retail Prescription Drug						
Generic						
Copayment	154	\$13	\$10-\$14			
Coinsurance	8	75%	80%			
Brand						
Copayment	149	\$25	\$20-\$24			
Coinsurance	11	71%	70%			
Non-Preferred (if applicable)						
Copayment	95	\$40	\$35-\$44			
Coinsurance	12	64%	70%			

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	155	10
Mail Order Multiplier	Number	Percentage
1 times retail copayment	16	11.9%
1.5 times retail copayment	5	3.7%
2 times retail copayment	102	75.6%
2.5 times retail copayment	3	2.2%
3 times retail copayment	9	6.7%
Total	135	100%
Average Multiplier	2	

# Benefit Design

## PPO BENEFIT DESIGN

500-999 Employees	In-Network			Out-of-Network		
	Number	Average	Median	Number	Average	Median
Individual Deductible						
Required	18	\$317	\$200-\$299	25	\$619	\$400-\$499
None Required	10	N/A	N/A	0	N/A	N/A
Family Deductible						
Required	18	\$644	\$600-\$799	25	\$1,245	\$1,000-\$1,499
None Required	10	N/A	N/A	1	N/A	N/A
Coinsurance						
Without 100% Coinsurance	10	85%	80%	23	75%	80%
With 100% Coinsurance	13	N/A	N/A	0	N/A	N/A
Individual Out-of-Pocket						
Required	81	\$1,602	\$1,000-\$1,499	26	\$2,596	\$2,000-\$2,999
None Required	87	N/A	N/A	0	N/A	N/A
Family Out-of-Pocket						
Required	17	\$3,500	\$3,000-\$3,999	26	\$5,519	\$4,000-\$5,999
None Required	11	N/A	N/A	0	N/A	N/A
Primary Care Copayment						
Subject to Copayment	26	\$20	\$20-\$24			
Subject to Coinsurance	1	N/A	N/A			
Specialist Copayment						
Subject to Copayment	25	\$21	\$20-\$24			
Subject to Coinsurance	2	N/A	N/A			
Emergency Room Copayment						
Subject to Copayment	25	\$58	\$50			
Subject to Coinsurance	1	N/A	N/A			
In-patient Hospital Copayment						
Subject to Copayment	2	\$175	\$250			
No Copayment	23	N/A	N/A			
Retail Prescription Drug						
Generic						
Copayment	24	\$14	\$10-\$14			
Coinsurance	2	70%	70%			
Brand						
Copayment	24	\$24	\$20-\$24			
Coinsurance	2	70%	70%			
Non-Preferred (if applicable)						
Copayment	18	\$36	\$35-\$44			
Coinsurance	1	70%	70%			

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	27	1
Mail Order Multiplier	Number	Percentage
1 times retail copayment	2	8.3%
1.5 times retail copayment	2	8.3%
2 times retail copayment	17	70.8%
2.5 times retail copayment	0	0.0%
3 times retail copayment	3	12.5%
Total	24	100%
Average Multiplier	2	

# Benefit Design

## PPO BENEFIT DESIGN

\$1,000+ Employees	In-Network			Out-of-Network		
	Number	Average	Median	Number	Average	Median
Individual Deductible						
Required	21	\$392	\$300-\$399	37	\$739	\$400-\$599
None Required	16	N/A	N/A	0	N/A	N/A
Family Deductible						
Required	21	\$910	\$600-\$799	37	\$1,509	\$1,000-\$1,499
None Required	16	N/A	N/A	0	N/A	N/A
Coinsurance						
Without 100% Coinsurance	20	86%	80%	38	70%	70%
With 100% Coinsurance	18	N/A	N/A	0	N/A	N/A
Individual Out-of-Pocket						
Required	22	\$1,735	\$1,500-\$1,999	38	\$3,099	\$2,000-\$2,999
None Required	16	N/A	N/A	0	N/A	N/A
Family Out-of-Pocket						
Required	22	\$3,409	\$3,000-\$3,999	37	\$6,230	\$4,000-\$5,999
None Required	16	N/A	N/A	0	N/A	N/A
Primary Care Copayment						
Subject to Copayment	36	\$18	\$15-\$19			
Subject to Coinsurance	2	N/A	N/A			
Specialist Copayment						
Subject to Copayment	35	\$22	\$20-\$24			
Subject to Coinsurance	3	N/A	N/A			
Emergency Room Copayment						
Subject to Copayment	31	\$55	\$50			
Subject to Coinsurance	4	N/A	N/A			
In-patient Hospital Copayment						
Subject to Copayment	4	\$175	\$250			
No Copayment	27	N/A	N/A			
Retail Prescription Drug						
Generic						
Copayment	27	\$12	\$10-\$14			
Coinsurance	11	83%	80%			
Brand						
Copayment	23	\$25	\$20-\$24			
Coinsurance	13	76%	75%			
Non-Preferred (if applicable)						
Copayment	18	\$45	\$35-\$44			
Coinsurance	9	59%	65%			

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	31	6
Mail Order Multiplier	Number	Percentage
1 times retail copayment	5	18.5%
1.5 times retail copayment	0	0.0%
2 times retail copayment	18	66.7%
2.5 times retail copayment	4	14.8%
3 times retail copayment	0	0.0%
Total	27	100%
Average Multiplier	2	

# Benefit Design

## POS BENEFIT DESIGN

All Participants	In-Network			Out-of-Network		
	Number	Average	Median	Number	Average	Median
Individual Deductible						
Required	17	\$493	\$500-\$749	36	\$756	\$400-\$599
None Required	26	N/A	N/A	3	N/A	N/A
Family Deductible						
Required	18	\$990	\$1,000-\$1,499	36	\$1,410	\$1,000-\$1,499
None Required	25	N/A	N/A	3	N/A	N/A
Coinsurance						
Without 100% Coinsurance	8	83%	90%	33	75%	70%
With 100% Coinsurance	31	N/A	N/A	0	N/A	N/A
Individual Out-of-Pocket						
Required	19	\$1,349	\$500-\$999	36	\$2,583	\$2,000-\$2,999
None Required	23	N/A	N/A	2	N/A	N/A
Family Out-of-Pocket						
Required	21	\$2,512	\$1,000-\$1,999	37	\$5,716	\$4,000-\$5,999
None Required	22	N/A	N/A	2	N/A	N/A
Primary Care Copayment						
Subject to Copayment	43	\$16	\$15-\$19			
Subject to Coinsurance	2	N/A	N/A			
Specialist Copayment						
Subject to Copayment	43	\$19	\$15-\$19			
Subject to Coinsurance	1	N/A	N/A			
Emergency Room Copayment						
Subject to Copayment	40	\$55	\$50			
Subject to Coinsurance	3	N/A	N/A			
In-patient Hospital Copayment						
Subject to Copayment	5	\$120	\$100			
No Copayment	34	N/A	N/A			
Retail Prescription Drug						
Generic						
Copayment	43	\$12	\$10-\$14			
Coinsurance	0	N/A	N/A			
Brand						
Copayment	42	\$24	\$20-\$24			
Coinsurance	1	80%	80%			
Non-Preferred (if applicable)						
Copayment	17	\$41	\$35-\$44			
Coinsurance	3	53%	50%			

## MAIL ORDER PRESCRIPTION DRUGS

	Yes	No
Offer Mail Order Prescription Drugs	38	7
Mail Order Multiplier	Number	Percentage
1 times retail copayment	6	17.1%
1.5 times retail copayment	6	17.1%
2 times retail copayment	20	57.1%
2.5 times retail copayment	0	0.0%
3 times retail copayment	3	8.6%
Total	35	100%
Average Multiplier	2	





Cowden Associates, Inc. is a full service benefits consulting and actuarial firm specializing in the design, implementation and administration of employer sponsored group benefits programs. We strategize with clients to design a customized plan that ensures the success and management of your benefits programs based on your organization's objectives and employee needs.

Our full range consulting capabilities include: Health & Benefits, Actuarial, Defined Contribution, Compensation, Technology and Labor Management.

### Health & Benefits

- Financial Management and Analysis
- Renewal Evaluation and Analysis
- Plan Design Analysis and Implementation
- Benefit Benchmarking
- Vendor Management and Selection
- Legislative and Compliance
- Employee Communication and Education
- Administrative Support

### Defined Contribution

- Benchmarking
- Compliance Assistance
- Fiduciary Review
- Investment Analysis
- Operational Review
- Plan Design Strategy
- Vendor Management and Selection

### Technology

- Data Management
- Benefits Enrollment
- Compliance Assistance
- Communication Assistance

### Actuarial

- Defined Benefit Plan Freeze Analysis
- Accounting Disclosure and Expense
- Retirement Calculations
- Financial Planning
- Compliance Assistance
- Communication Assistance

### Compensation

- Total Compensation Review
- Executive and Board Compensation
- Benchmarking
- Employee Assistance

### Labor Management

- Collective Bargaining Assistance
- Economic Cost Model Tools
- Retiree Medical and Life Analysis

For more information, please contact us:

Cowden Associates, Inc.  
Four Gateway Center  
444 Liberty Avenue, Suite 1900  
Pittsburgh, PA 15222-1222  
(412) 394-9330 • (888) 889-9432  
[www.cowdenassociates.com](http://www.cowdenassociates.com)

Cowden Associates, Inc. is committed to providing and delivering our consulting services with Integrity, Expertise and Results.

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