



RMEHA
THE ALLIANCE

Colorado Employer Survey: Likelihood to Purchase in COHBE

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Date - April 23, 2012 - COHBE Board Meeting Presentation

Purpose of Survey - Expectations

- ❖ Determine likelihood that small employers intend to purchase group benefits on the Exchange by also determining:
 - ❖ Current purchasing methods
 - ❖ Current marketing trends
 - ❖ Awareness of COHBE
- ❖ Determine the most important factors for employers when purchasing group benefits
- ❖ Determine the Employer-Broker relationship.
- ❖ Obtain feedback from employers on COHBE and PPACA

Methodology

- ❖ Survey conducted using web-based open survey administered to any participant that visited the survey site.
- ❖ Distributed to Chambers of Commerce state-wide, trade associations, non-profits, and through RMEHA newsletter, with a readership of over 500 recipients.
- ❖ Survey active from Feb 27 - March 30
- ❖ Use of “cookies” and email registration to prevent duplicate entries.
- ❖ Questions created by RMEHA membership with a submission from COHBE Staff

Research & Analysis

- ❖ Survey conducted by University of Colorado at Denver School of Public Affairs Masters student - CAPSTONE Project
- ❖ Accompanied by full report “Impact of the Patient Protection and Affordable Care Act on the Small Group Insurance Market” by Justine Plenkiewicz.
- ❖ Follow-up interviews of randomly selected responders who volunteered to participate in further research.

Responses

- ❖ 708 Responders
 - ❖ 313 unique responders with 50 or less employees.
 - ❖ 45 responders with more than 50 employees (removed from results).
 - ❖ 16 duplicate responders (removed from results).
 - ❖ 334 Incomplete surveys (all responses removed from results).
- ❖ 9 interviews conducted with randomly selected responders.
- ❖ Survey not funded by grants or any other financial source.
- ❖ Responders not compensated for their participation.

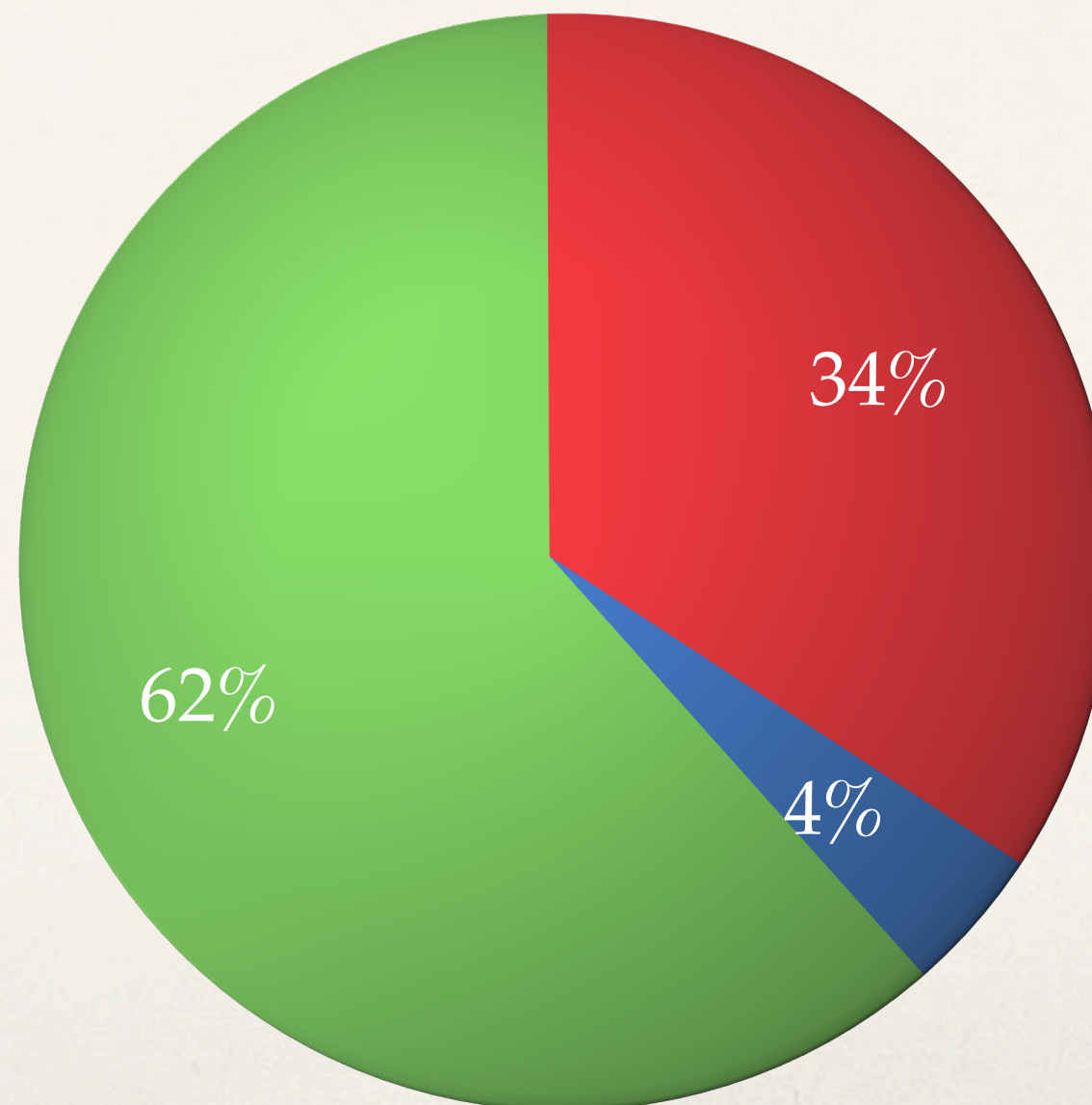
Survey Questions

- ❖ How many employees (FTE)?
- ❖ Employ more than 50 FTE's?
- ❖ Employ fewer than 25 employees with an avg. wage of \$50k or less?
- ❖ Currently offer group health insurance plan for employees?
- ❖ % employee coverage?
- ❖ % family coverage?
- ❖ Most important concern when choosing current group plan?
- ❖ Use a broker to select current group plan?
- ❖ Planning on maintaining group plan if the individual mandate remains in place after Supreme Court decision?
- ❖ How knowledgeable are you about COHBE?
- ❖ Based on current information about an exchange and how it will operate, how likely are you to purchase group plans through COHBE?
- ❖ Most important factor that would lead your business to purchase group plans through the COHBE?
- ❖ Are you planning on using a broker to purchase group insurance through the COHBE?
- ❖ What is the main reason you would not purchase group insurance through the COHBE?
- ❖ COHBE could provide additional health insurance related products, HSA's and other pre-tax products for employees to save for their family's future healthcare related expenditures. The COHBE would manage these programs for the employer. Would you be interested in obtaining these services through the COHBE?
- ❖ Would you participate in a follow-up interview?

Does your business employ fewer than 25 employees with an average wage of \$50,000 or less?

Note: This could make your business eligible for a small business tax credit under the Affordable Care Act - please refer to the IRS website for eligibility requirements)

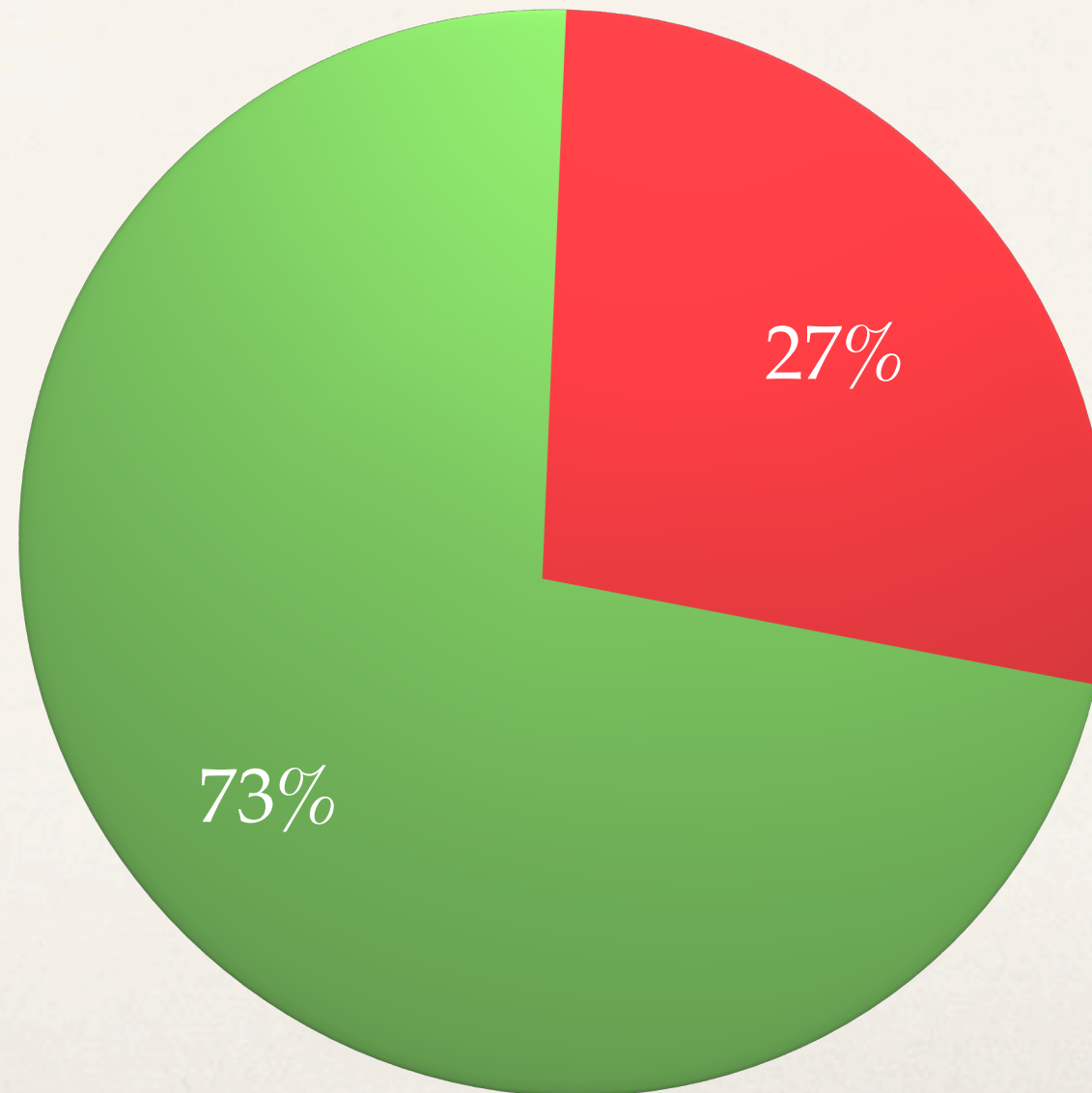
● Yes ● No ● Uncertain



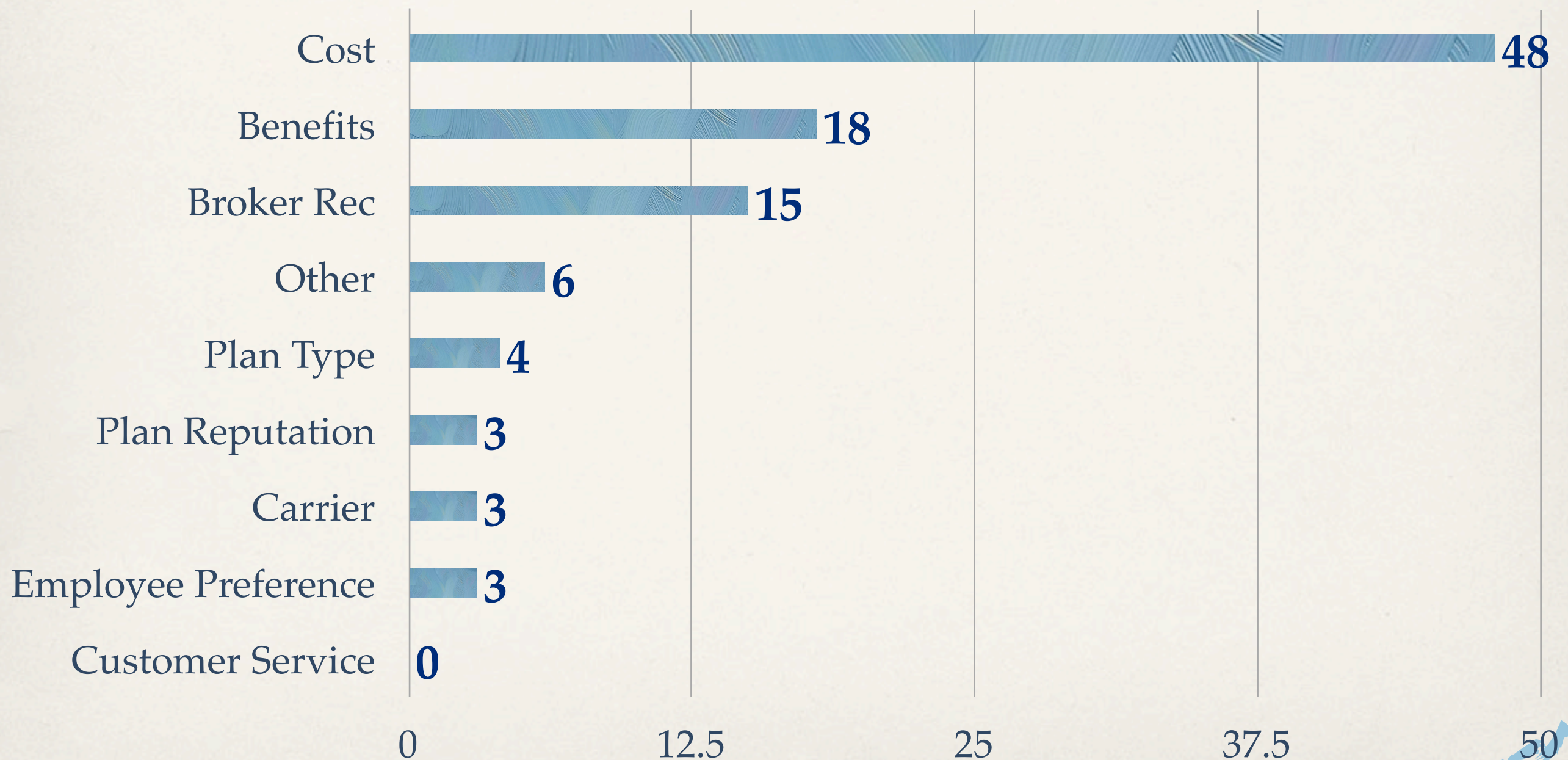
Does your business currently offer a group health insurance plan for employees?

● Yes

● No



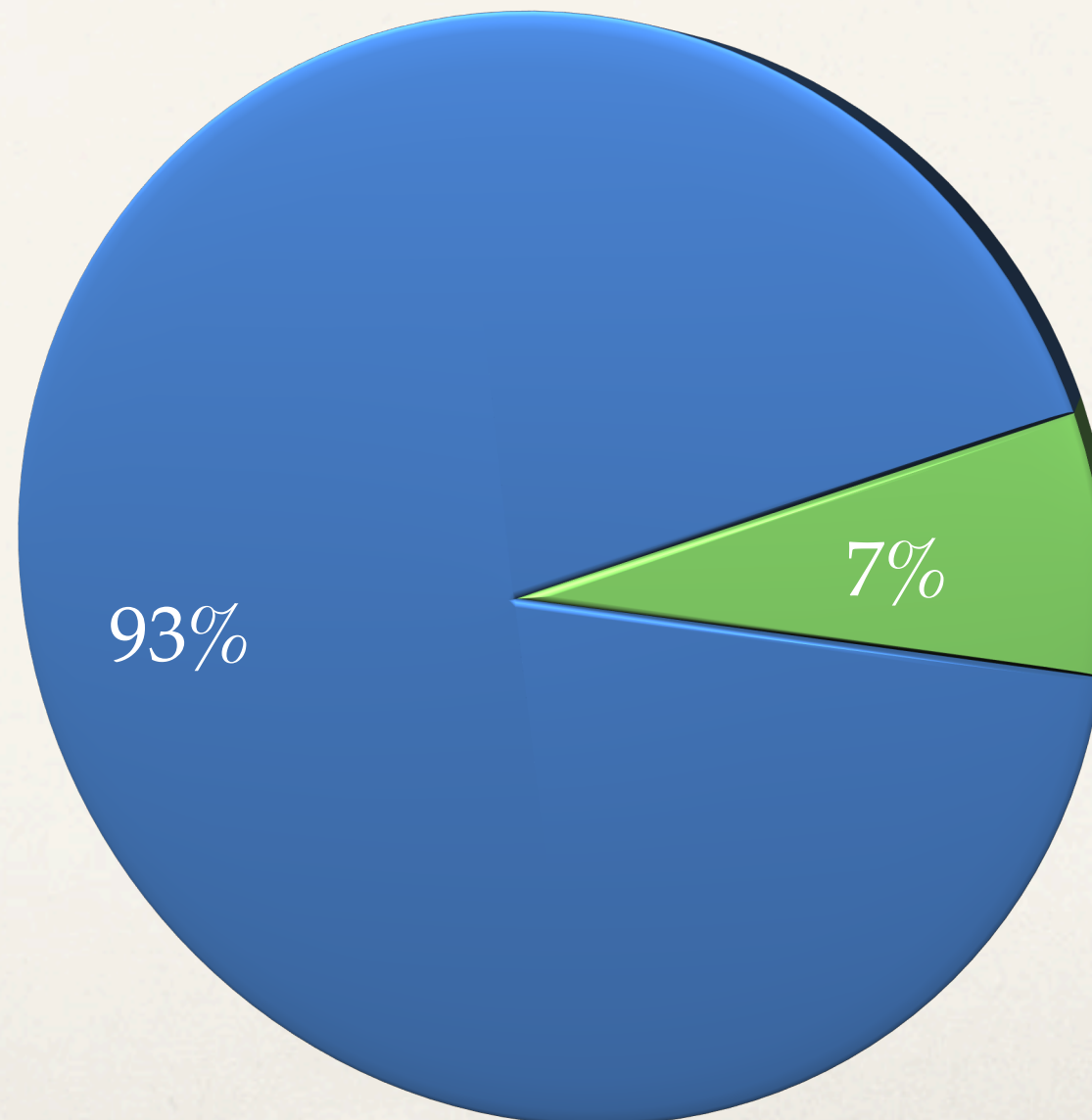
What was your most Important Concern when choosing current group benefit plan?



Did you use an insurance broker to select your current group health insurance plan?

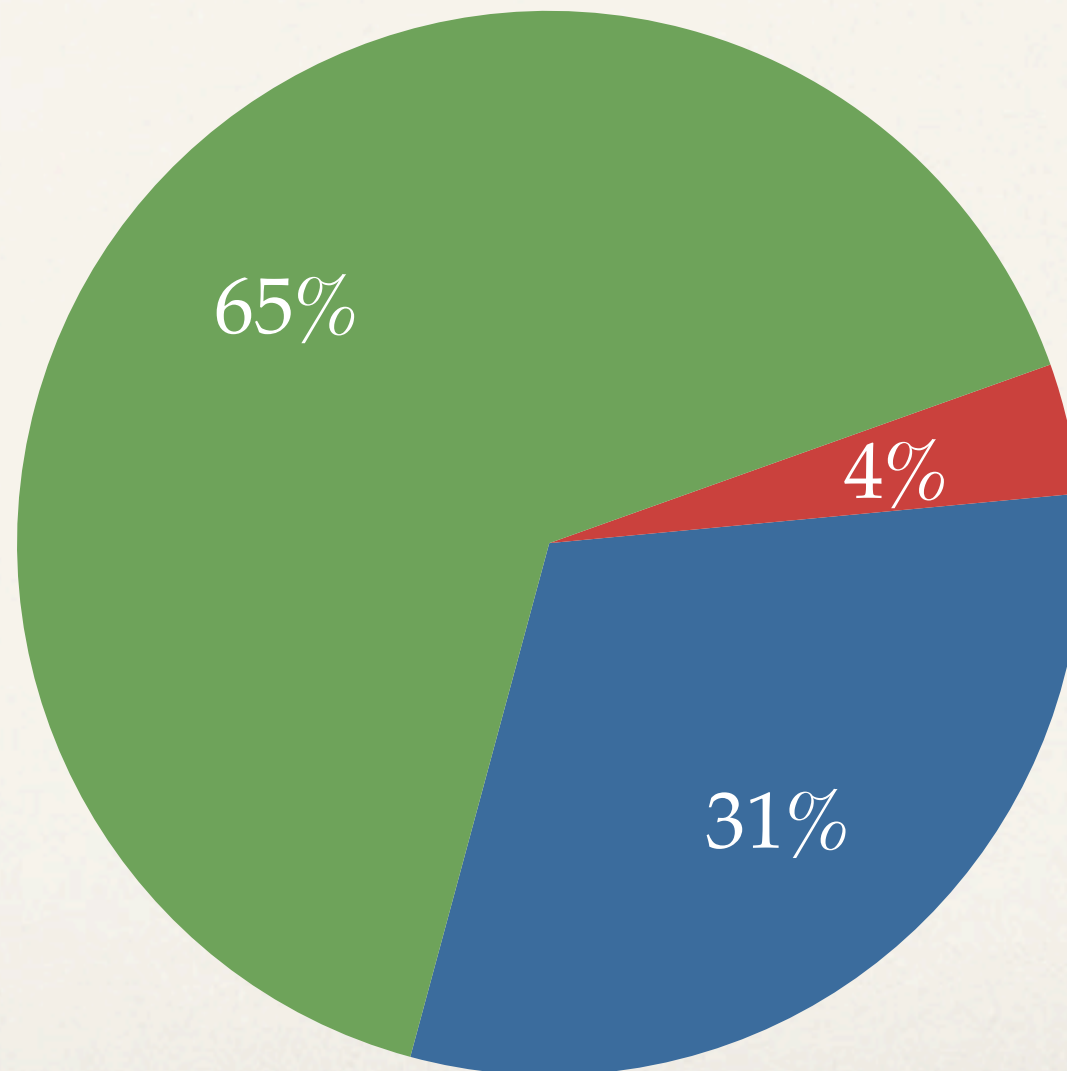
● Yes

● No



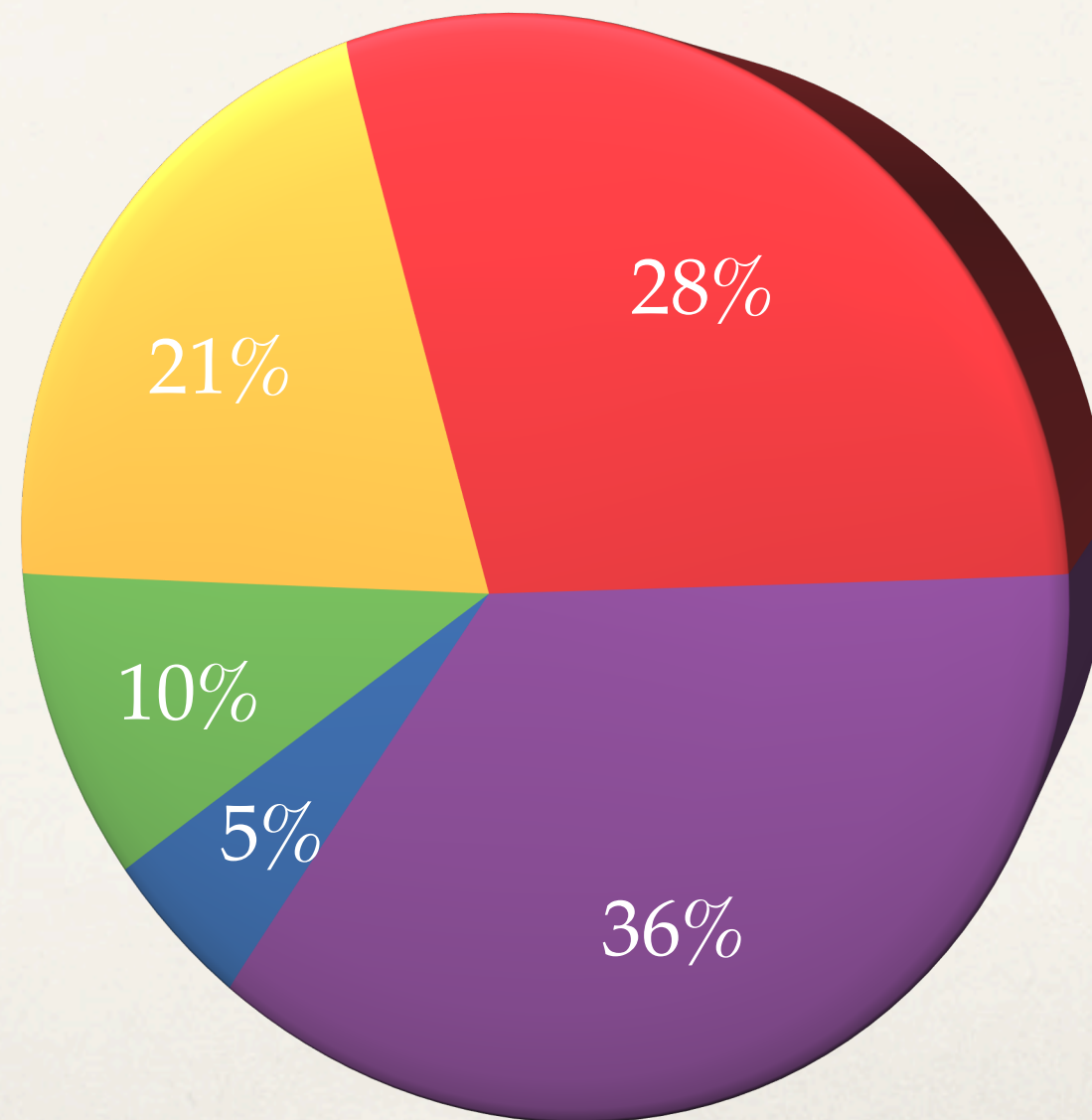
If the Individual Mandate remains in place, is your business planning on maintaining a group health insurance plan?

● Yes ● No ● Undecided



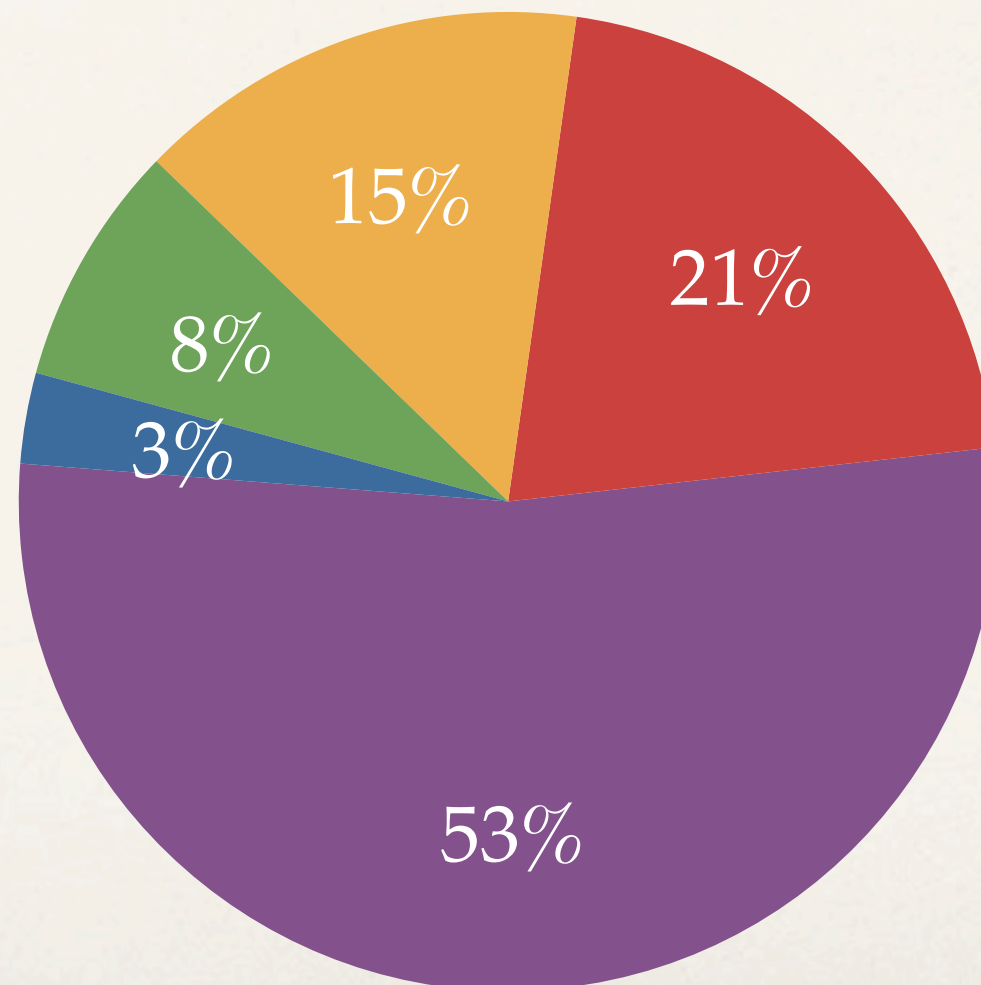
How knowledgeable are you about the Colorado Health Benefit Exchange?

● Extremely ● Very ● Somewhat ● A Little ● Not at All



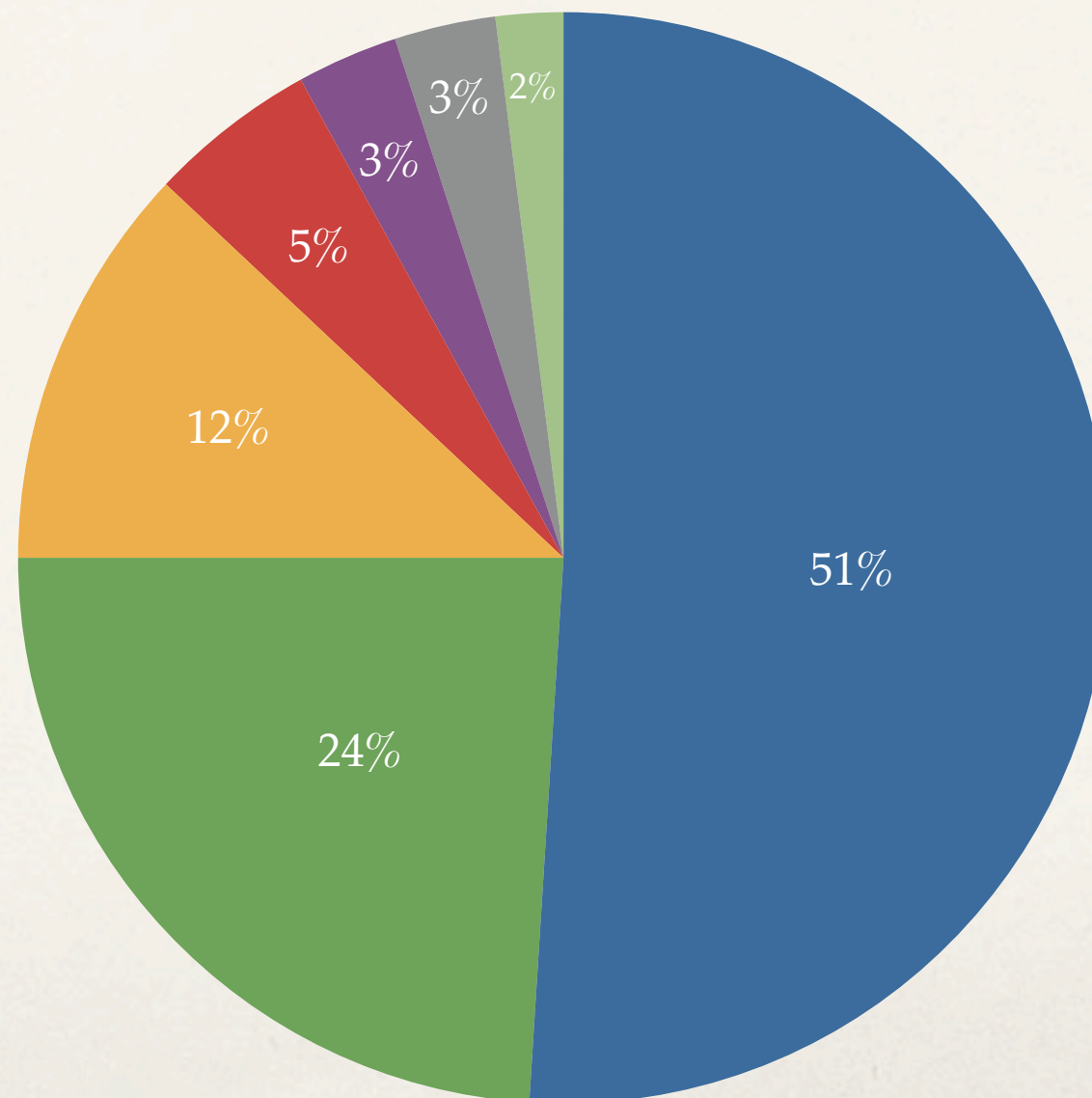
Based on current information about what a health exchange is and how it will operate, how likely is your business to purchase group insurance through the COHBE?

- Def. Purchase
- Probably Purchase
- Prob NOT Purchase
- Def. NOT Purchase
- Undecided



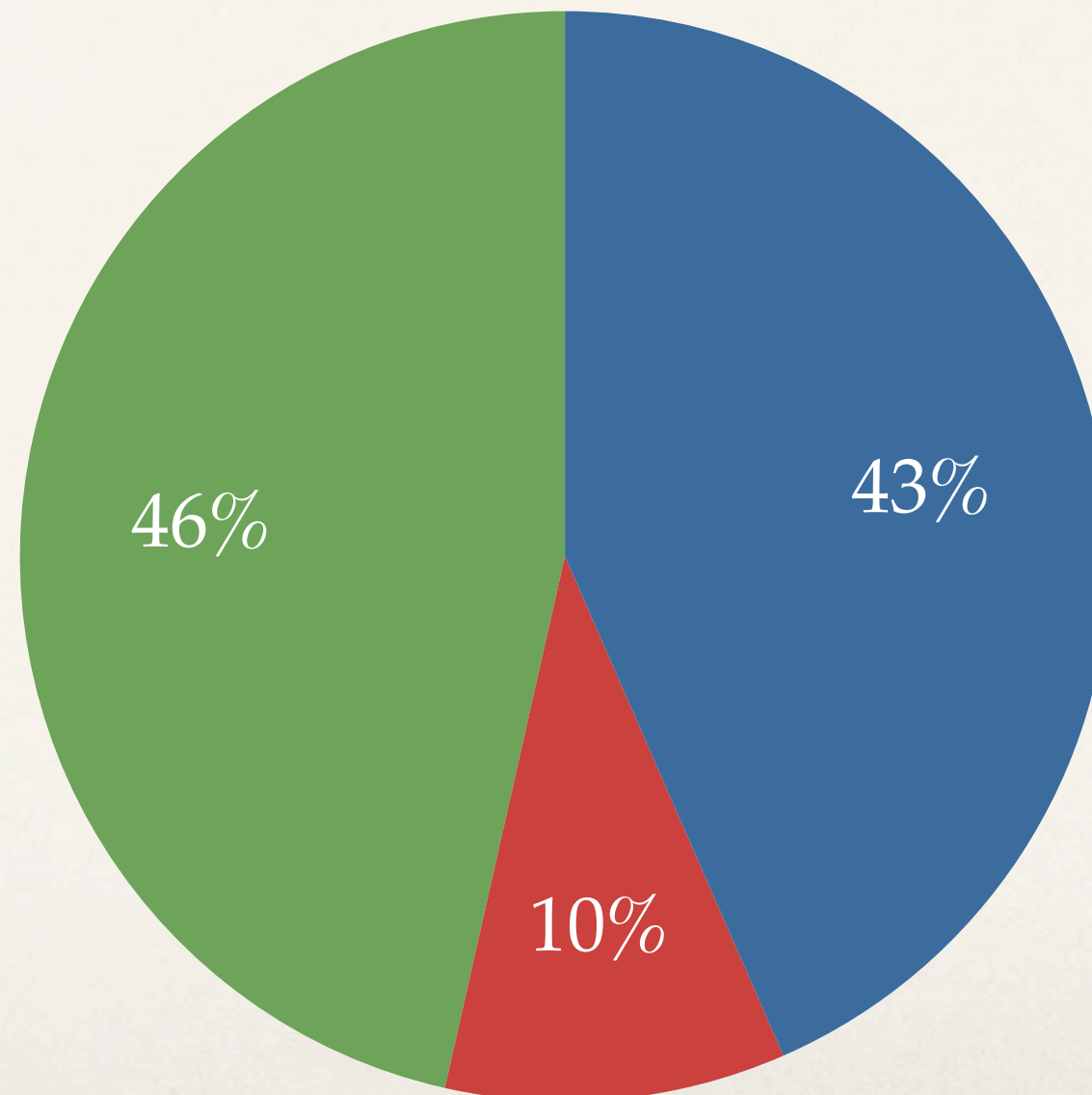
What is the most important factor that would lead your business to purchase group insurance through the COHBE?

- Premium
- Choice of Plan Type
- Tax Credit
- Quality of Plan
- Choice of Provider
- Other
- Administrative Simplicity



Are you planning on using a broker to purchase group benefits in the COHBE?

● Yes ● No ● Undecided

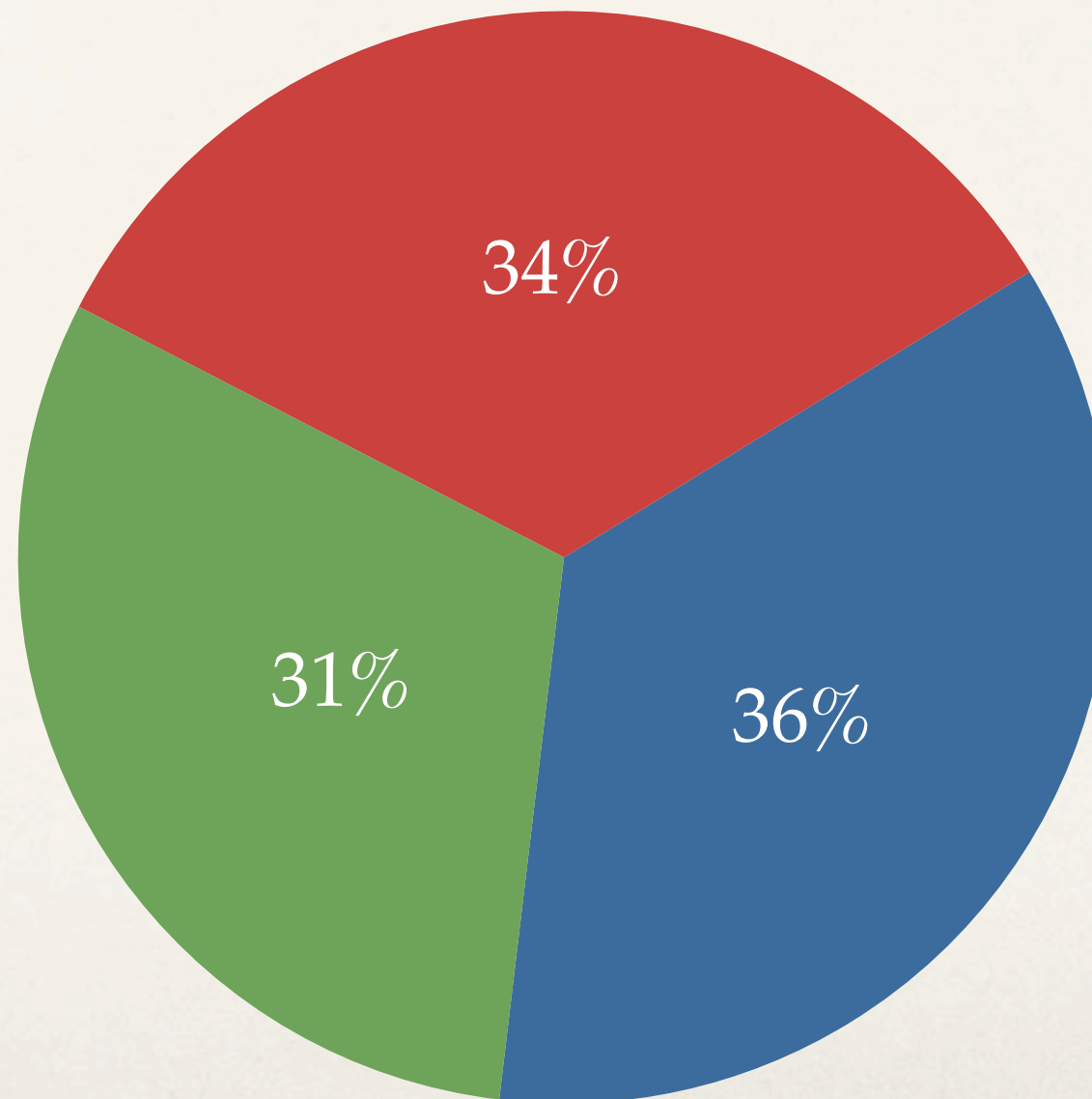


The COHBE could provide additional insurance related services to small employers and their employees. IE: HSA's and other pre-tax products. The COHBE would manage these programs for the employer. Would you be interested in these services?

● Yes

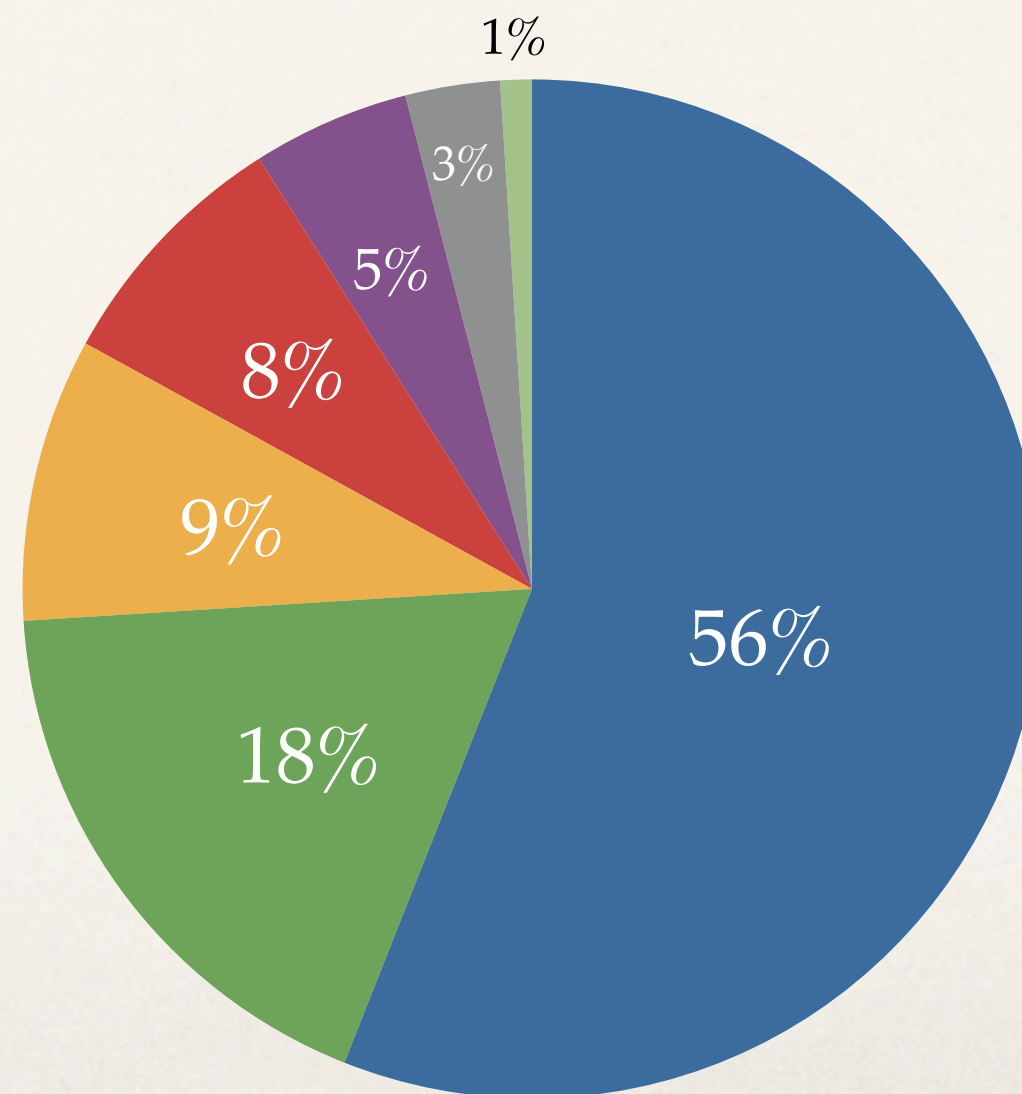
● No

● Undecided



What is the main reason that your business would NOT purchase group benefits through the COHBE?

- Other* See Report
- Not enough choice (benefits)
- Not Eligible (50+)
- Not purchasing group benefits
- Not enough Plan Types
- Unfamiliar with COHBE
- Not enough Carriers



Notable Quotes from Responders

- ❖ “I trust my broker.”
- ❖ “No confidence in government plans like this.”
- ❖ “Not the government’s job to provide health insurance.”
- ❖ “It’s (PPACA) a good start. We are desperately in need of overhaul in the health care system.”
- ❖ “It (PPACA) will hurt my business, but I’m in favor of it.”
- ❖ “Less government involved in my business the better.”
- ❖ “I know very little about the COHBE. I read about it in the news, but I’m not sure how it’s going to work, and my broker hasn’t mentioned it yet.”
- ❖ “COHBE should partner with the business community to reach potential purchasers, it’s difficult to reach businesses that are not part of an organized group.”
- ❖ “Brokers manage at least 90% of my insurance needs. To be successful, COHBE must partner with brokers.”
- ❖ “The initial market-share gain must come from the existing market, COHBE won’t draw purchasers who do not currently provide benefits.”
- ❖ “The individual mandate is more complex than a simple math calculation, it’s hard to do the math that an employee and company are better off if the company does not offer health insurance.”
- ❖ “The single most important factor that would lead s to purchase products with the COHBE, besides being a blend of affordability, quality, choices, tax credits, etc. is that we have access to a knowledgeable, licensed broker who can make appropriate recommendations for our budget and needs,”

Questions?



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