



Average Family Premiums Now Top \$20,000

Annual family premiums for employer-sponsored health insurance rose 5 percent to average \$20,576 this year, according to the 2019 benchmark KFF Employer Health Benefits Survey. Workers' wages rose 3.4 percent and inflation rose 2 percent over the same period. On average, workers this year are contributing \$6,015 toward the cost of family coverage, with employers paying the rest.

Despite the nation's strong economy and low unemployment, what employers and workers pay toward premiums continues to rise more quickly than workers' wages and inflation over time. Since 2009, average family premiums have increased 54 percent and workers' contributions have increased 71 percent, several times more quickly than wages (26 percent) and inflation (20 percent).

Deductibles. Currently 82 percent of covered workers have a deductible in their plan, similar to last year and up from 63 percent a decade ago. The average single deductible now stands at \$1,655 for workers who have one, similar to last year's \$1,573 average but up sharply from the \$826 average of a decade ago. These two trends result in a 162 percent total increase in the burden of deductibles across all covered workers over the past decade.

More than a quarter (28 percent) of all covered workers, including nearly half (45 percent) of those at small employers with fewer than 200 employees, are now in plans with a deductible of at least \$2,000, almost four times the share who faced such deductibles in 2009. One in eight (13 percent) now face deductibles of at least \$3,000.

Little impact from individual mandate repeal. The survey also gauges employers' experiences and view related to several provisions of the Affordable Care Act (ACA).

In 2017, Congress eliminated the ACA's tax penalty for people who do not have health insurance effective for this tax year, raising questions about whether it would lead workers to drop their coverage. The survey finds 9 percent of offering firms with at least 50 workers say the elimination of the individual mandate penalty led to fewer workers and dependents enrolling this year.

The ACA also included a tax on high-cost health plans, sometimes called the "Cadillac tax," that was originally set to take effective in 2018, though Congress delayed the tax until 2022. One-third of those firms say the upcoming tax was either "very" or "somewhat" important in making their health benefit decisions for the current year.

SOURCE: <https://www.kff.org/health-costs/report/2019-employer-health-benefits-survey/>