

MEMORANDUM

To: Interested Parties
From: LSG
Date: May 24, 2023
Re: The Value of Employer-Provided Coverage in 2023

On behalf of AHIP, LSG conducted a nationwide survey of 1,000 U.S. consumers with employer-provided coverage to understand their perceptions, priorities, and expectations towards their current coverage and benefits, employers, and public policy impacting their coverage. This survey was conducted online from April 17-25, 2023 with a margin of error of +/- 3% and was balanced to national demographics for gender, age, and region. Below is a summary of key findings.

Employer-provided coverage continues to play an integral part in ensuring Americans have access to affordable, high-quality health care. Most consumers (63%) are satisfied with their current employer-provided coverage, and the vast majority (68%) prefer to get their coverage through their employer rather than through the federal or state government. This satisfaction is driven by the comprehensive coverage, affordability, and choice of providers their plans provide. In addition, a majority (59%) feel the quality of their current health insurance plan is high.

During this time of high inflation and rising cost of living, costs remain a top concern for consumers. Encouragingly, a majority of those with employer-provided coverage (53%) report that what they currently pay for coverage overall is reasonable.

Even though costs are the largest driver of plan dissatisfaction, it matters more to consumers that their coverage is comprehensive (60%) as opposed to affordable (40%). Consumers report that the plan benefits they value most are emergency care (62%), prescription drugs (58%), and preventive care (55%). The vast majority of consumers report health insurance providers cover preventive services (82%), provide access to quality providers (76%), and give them financial peace of mind if consumers faced significant costs from an unexpected medical event (65%).

As mental health challenges persist across our nation, especially among children, employer-provided coverage plays a critical role in ensuring access to mental health care. Nearly half (49%) feel employer-provided coverage is effectively meeting children's mental health needs – particularly parents (56%) – and most (58%) believe the need for mental health support for children will increase.

In addition, health coverage plays an important role in employee recruitment (68%) and an even more important role in retention (77%). Once informed that the average company pays between 70-80% of the cost of coverage, a majority (61%) have a more favorable impression of companies who provide their employees with health insurance benefits.

On telehealth, 68% consider it important for health insurance providers to cover telehealth services, and 73% believe it's important for the federal government to maintain the pandemic-era telehealth flexibilities for patients. In fact, 66% of consumers with employer-provided coverage report they're likely to consider being seen by a doctor or treated via telehealth if it's an option.

Finally, some politicians have proposed changing the current tax treatment of employer-provided coverage and taxing employee health benefits. A majority oppose taxing employee health benefits (52%), and an even greater majority would be less likely to vote for a lawmaker who supports taxing them (63%) – including 60% of Democrats, 68% of swing voters, and 57% of Republicans.