

**STATE PLANNING PROJECT FOR THE UNINSURED**

**HIGHLIGHTS FROM THE MICHIGAN EMPLOYER SURVEY**

The Employer Survey sought information on Michigan's employer-based health insurance environment and insight into the circumstances and rationale attending employer decisions whether or not to offer health insurance. 12,000 Michigan businesses were contacted; 1,261 responded, 762 offering insurance options and 499 offering no insurance.

**SIZE:** In general, the larger the business in terms of employees and/or gross income, the greater the probability that health insurance will be offered in the workplace. 98% of businesses with more than 100 employees offer health insurance support while only 31% of those with 5 or fewer employees offer insurance. The larger the business, the more likely they are to be self-insured.

**LENGTH OF TIME IN BUSINESS:** The longer a company has been in business, the greater the probability that health insurance will be offered to employees. 74% of businesses operating over 20 years offer health insurance support while only 25% of those in business less than two years offer insurance.

**EMPLOYMENT STATUS:** Full time employees are more likely to have employer offered health insurance than part time employees.

**BENEFITS & COVERAGES:** The most common type of insurance offered to employees and dependents is comprehensive coverage with 93% of covered employees and 73% of covered dependents receiving comprehensive coverage.

**EMPLOYER CONTRIBUTION:** Employers who offer health insurance contribute 75 to 100% of the premium for full time employees (73% of insured employees). In contrast, nearly all employers offering health insurance to their full time employees do not offer coverage to part time employees (70% of part time employees are uninsured).

**WHY DO BUSINESSES OFFER HEALTH INSURANCE:** Businesses offering health insurance report that they do so because it is the right thing to do, it assists employee recruitment, it increases loyalty while decreasing employee turnover.

**WHY DO BUSINESSES NOT OFFER HEALTH INSURANCE:** Businesses not offering health insurance report that the cost of insuring their employees is prohibitive. In addition, these businesses feel that lack of employer offered health insurance is not a barrier to recruitment, retention or performance.

**INCENTIVES TO OFFER HEALTH INSURANCE:** Fully 2/3rds of businesses currently not offering health insurance would be willing to contribute some dollar amount toward employee health premiums with a majority (59%) prepared to consider up to \$200 per employee.

**ATTITUDES TOWARD HEALTH INSURANCE:** Of those businesses responding, 70% felt that state funds should be used to make insurance affordable *for low wage employees*; 50% of respondents felt that employers should be required to participate *at some level* in the cost of health insurance for their employees.