

## Survey: Employers plan for hikes in health insurance rates

By [WILL ASTOR](#) - 11/10/2010 3:20:42 PM

Area businesses responding to the Rochester Business Alliance Inc.'s employer survey expect an average 14.3 percent hike in health insurance rates.

More than 180 Rochester-area companies and organizations representing nearly 85,000 workers responded to the annual RBA health coverage survey.

Employers plan to employ a variety of strategies to cope with rate hikes. Among the survey's findings:

- 17 percent plan to absorb the majority of rate hikes;
- 10 percent plan to pass on the majority of the cost;
- 15 percent plan to split the increase with employees;
- 14 percent are considering reducing benefits or offering lower cost plans.

Local employers' health coverage costs as a percentage of payroll declined marginally this year, dropping from 10.1 percent in 2009 to 10 percent. Dollar amounts contributed monthly by responding employers this year ranged from \$276 for singles to \$545 for two-person coverage and \$647 for family plans.

Most respondents continue to pay half or more of their workers' premium costs, the survey found. Employers on average said they paid 75 percent of single-person plan costs and 67 percent of two-person and family premiums. Twenty-two percent said they pay the full cost of single coverage for at least one plan, up from 16 percent a year ago.

Coverage for part-time workers continues to be high in the area with 67 percent of respondents saying they offer health insurance to part timers. A majority of respondents—53 percent—said they offer domestic partner coverage.

Twenty-nine percent of respondents said they offered employees cash incentives to opt out of their health plans with bonus offers averaging \$1,076.

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