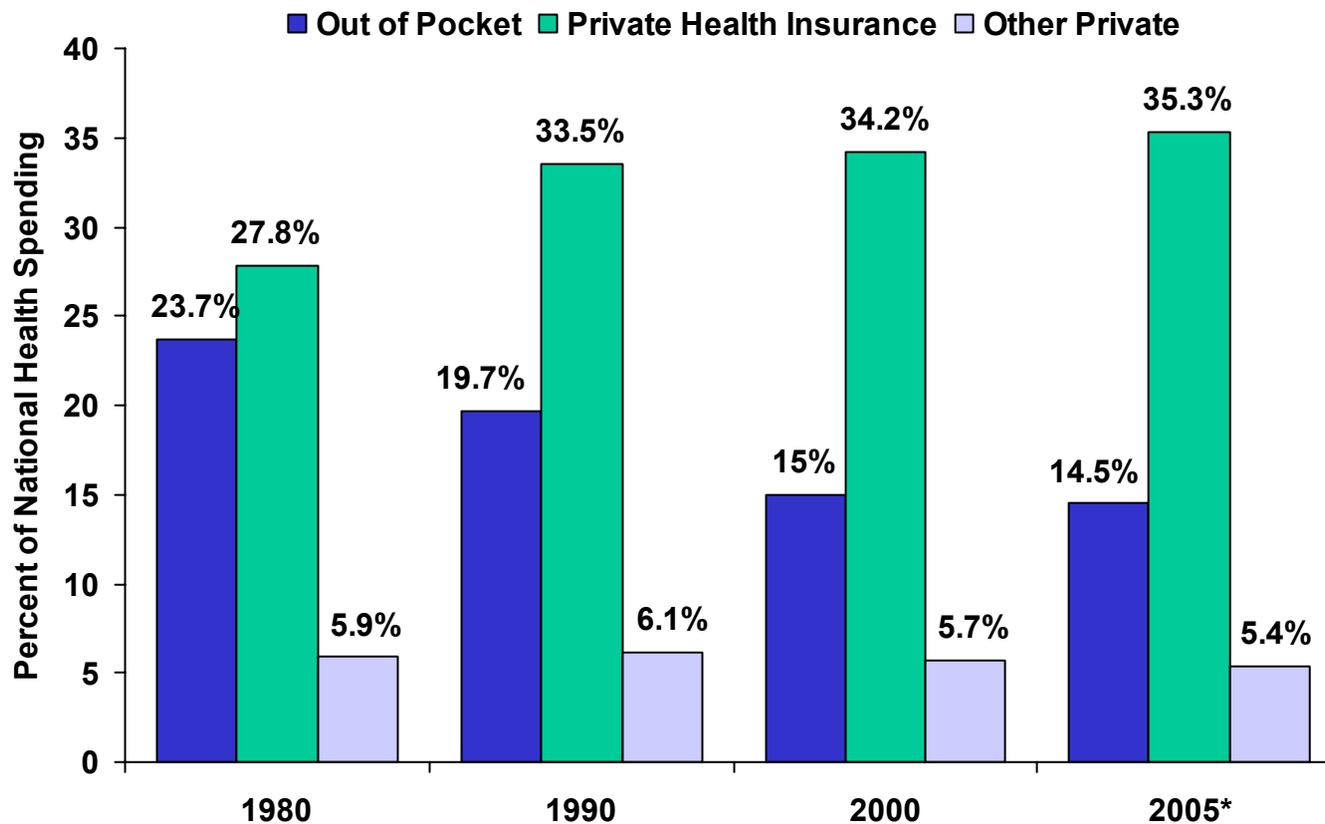


Table 4.1 National Health Spending From Out-of-Pocket and Private Health Insurance, 1980-2005

Over the last 25 years, the share of national health spending from out-of-pocket sources has declined, while that from private health insurance has increased.



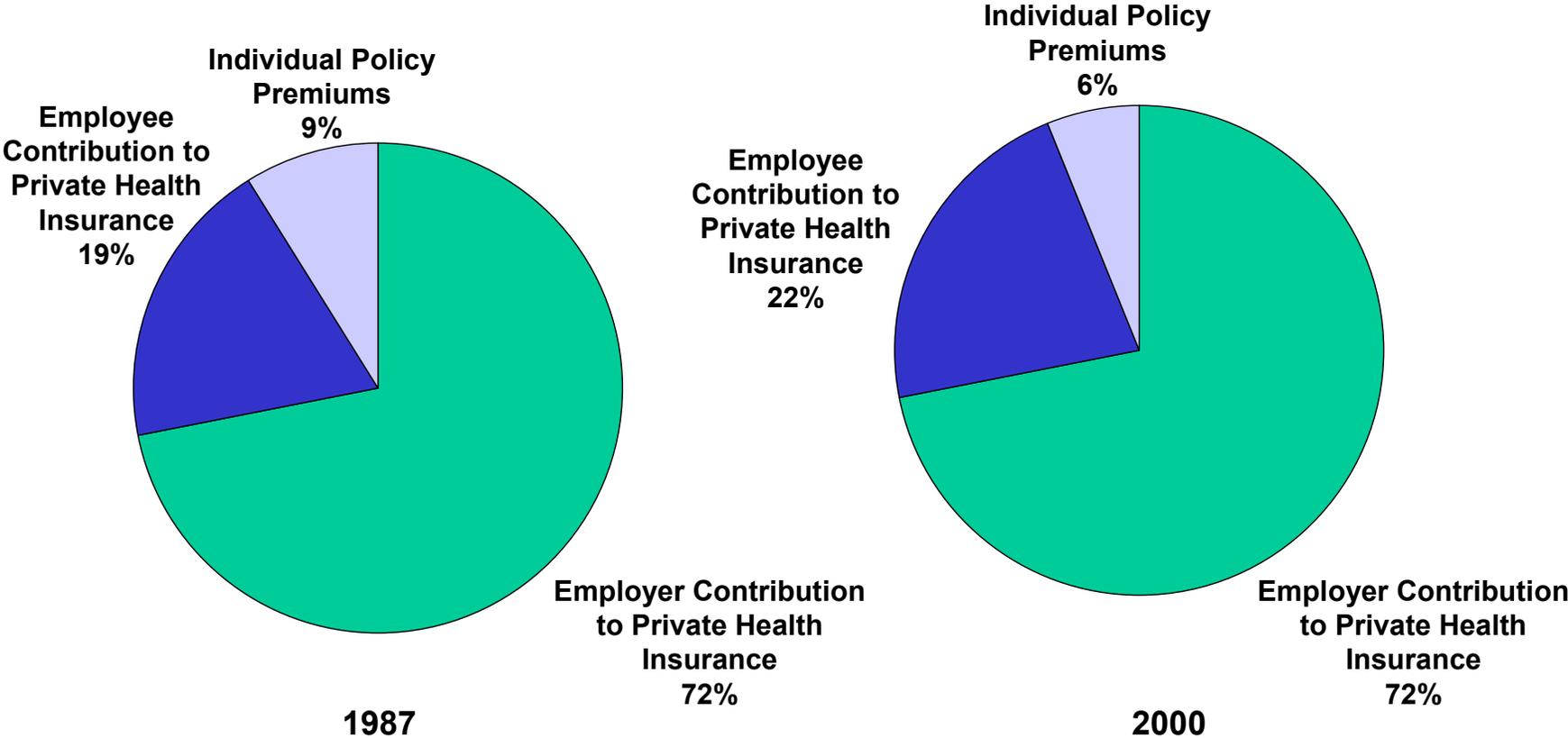
*Projected

Source: CMS, Office of the Actuary, National Health Statistics Group.

Table 4.2

Sources of Payment for Private Health Insurance Coverage, 1987-2000

Employees' share of health insurance premiums has grown.

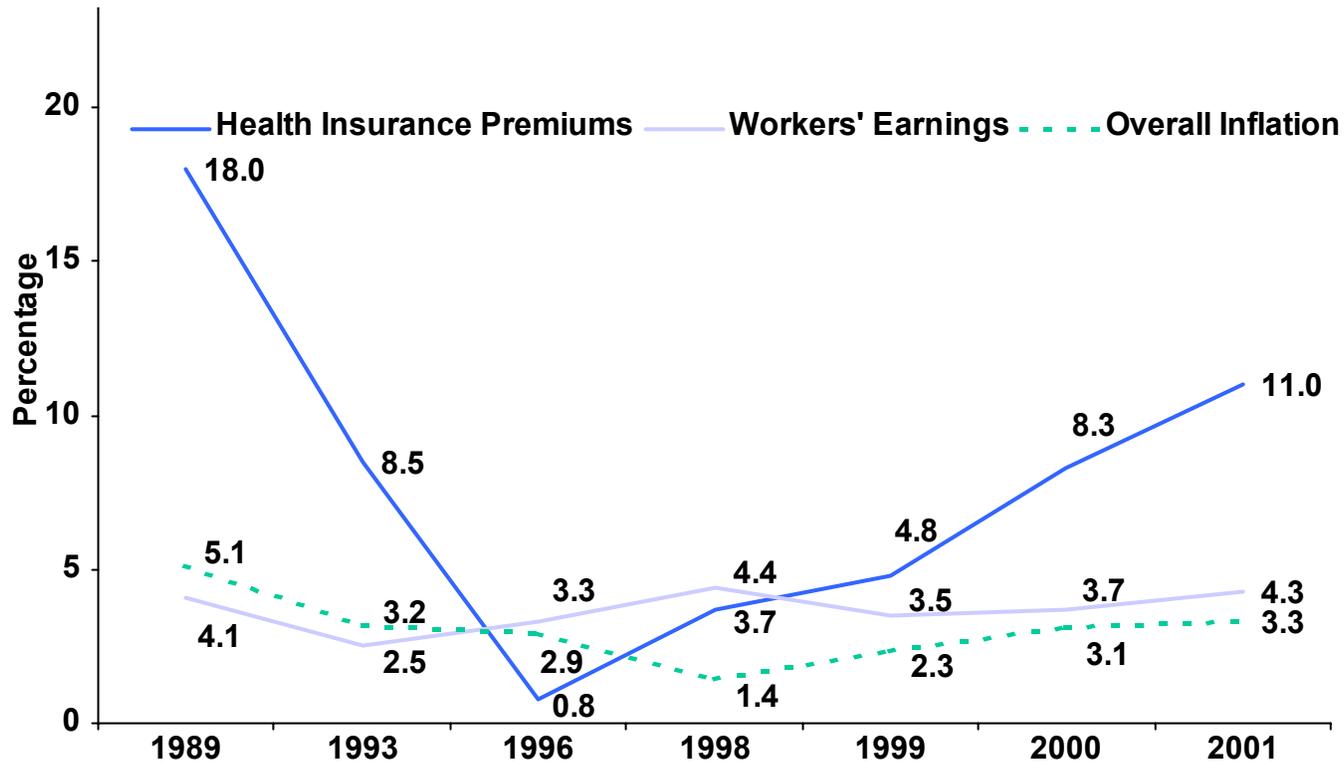


Source: CMS, Office of the Actuary, National Health Statistics Group.

Table 4.3

Changes in Employer Health Insurance Premiums, Overall Inflation, and Workers' Earnings, 1989-2001

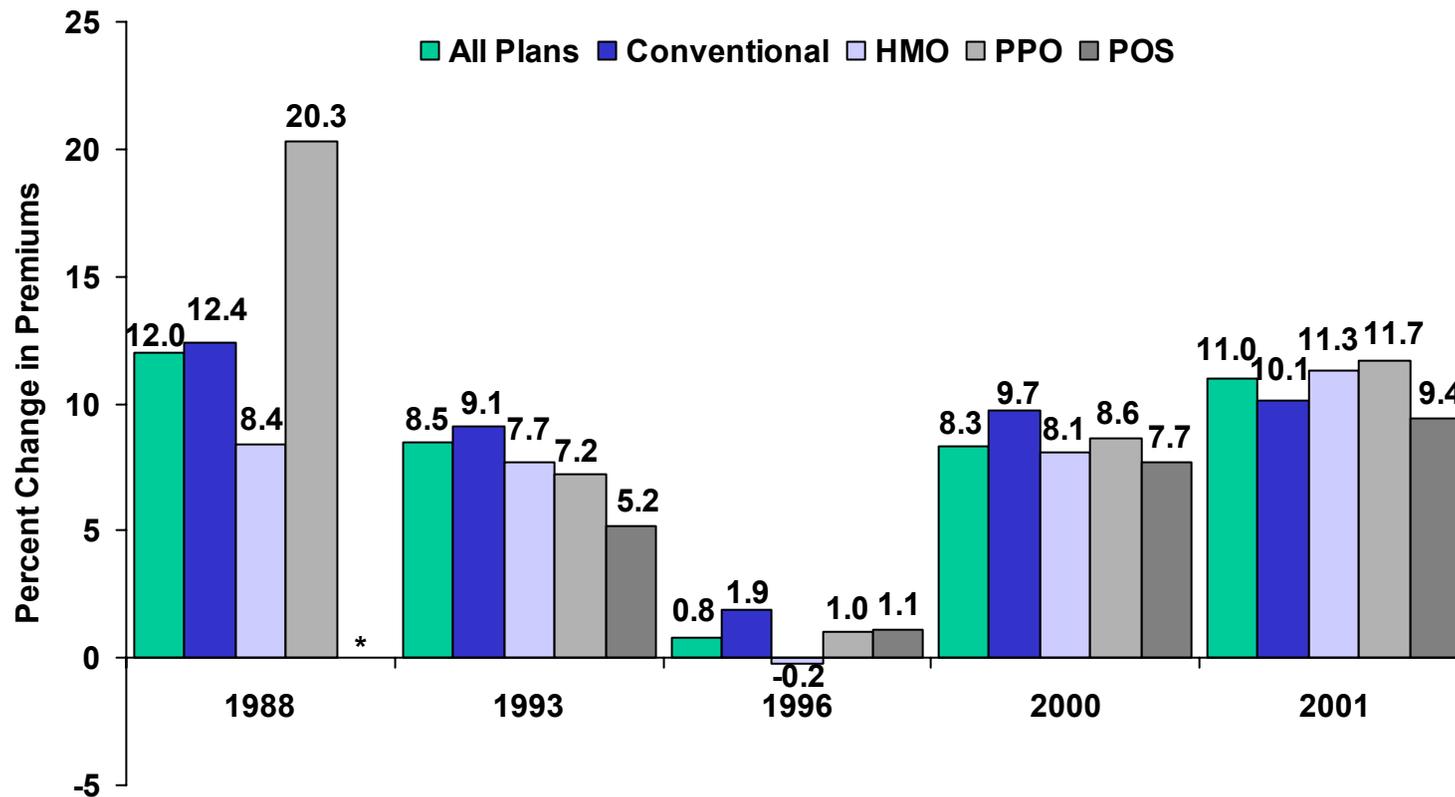
Employer health insurance premiums are rising rapidly again.



Source: Health Insurance Premiums from personal communication of data from KFF/HRET Employer Health Benefits Surveys from 1999, 2000, 2001; KPMG Survey of Employer-Sponsored Health Benefits: 1993, 1996; HIAA Employer-Sponsored Health Insurance Survey; 1989. Workers' Earnings from Bureau of Labor Statistics Current Employment Statistics Survey (April-April), 1988-2001. Overall Inflation from Bureau of Labor Statistics, CPI estimates (April-April), 1988-2001, at www.bls.gov. Trends and Indicators in the Changing Health Care Marketplace, 2002 – Chartbook.

Table 4.4 Change in Health Insurance Premiums by Plan Type, 1988-2001

Premiums for all types of plans are rising rapidly.

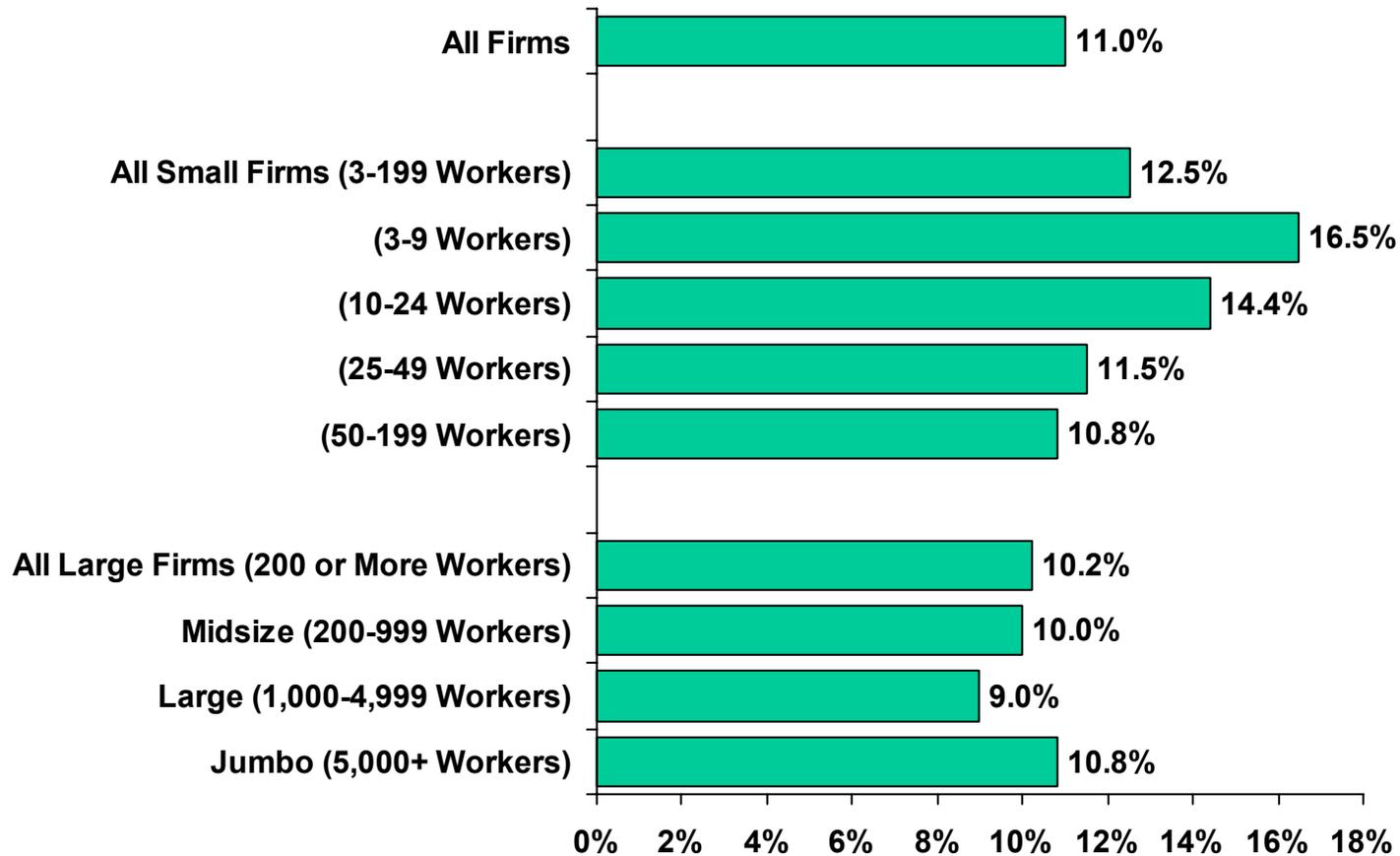


*POS Not available in 1988.

Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 2000, 2001; KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1993, 1996.

Table 4.5 Change in Health Insurance Premiums by Firm Size, 2001

Small firms face higher premium growth than larger firms.

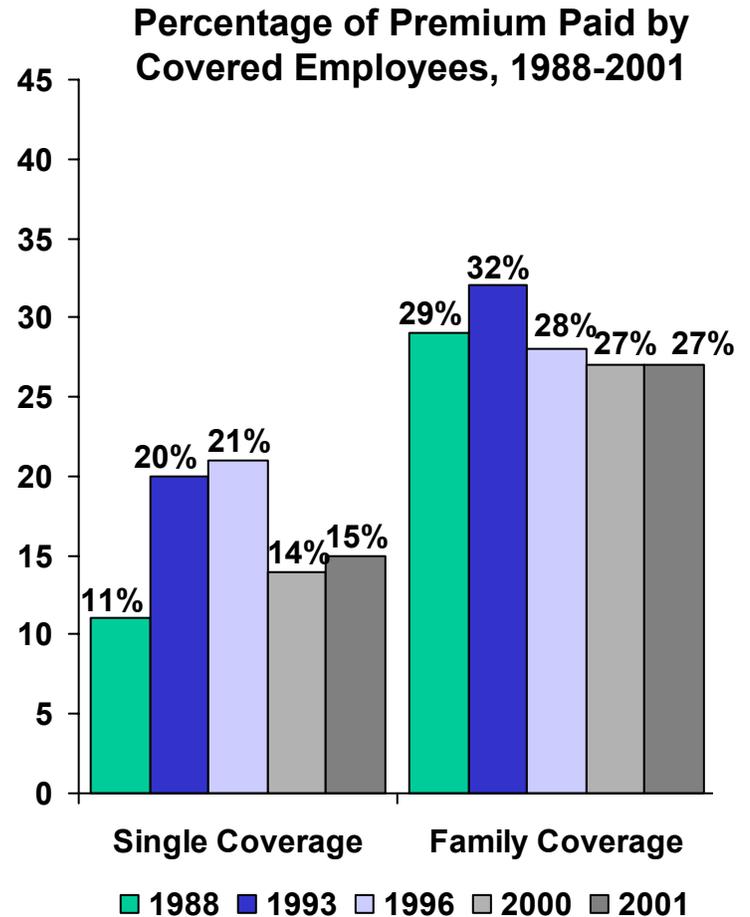
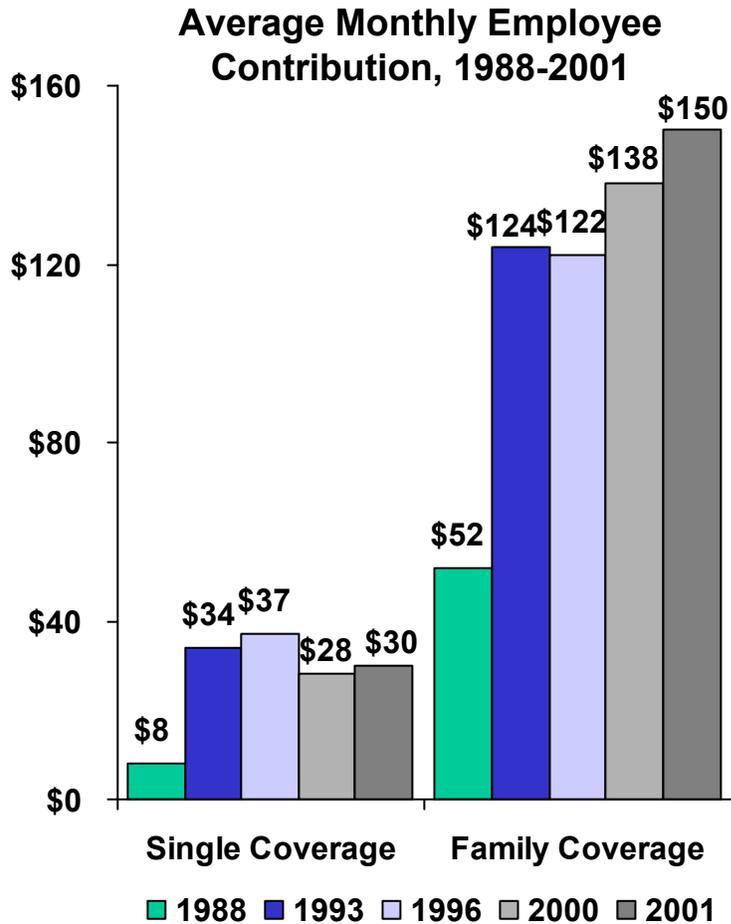


Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2001.

Table 4.6

Employee Contributions to Health Insurance Premiums, 1988-2001

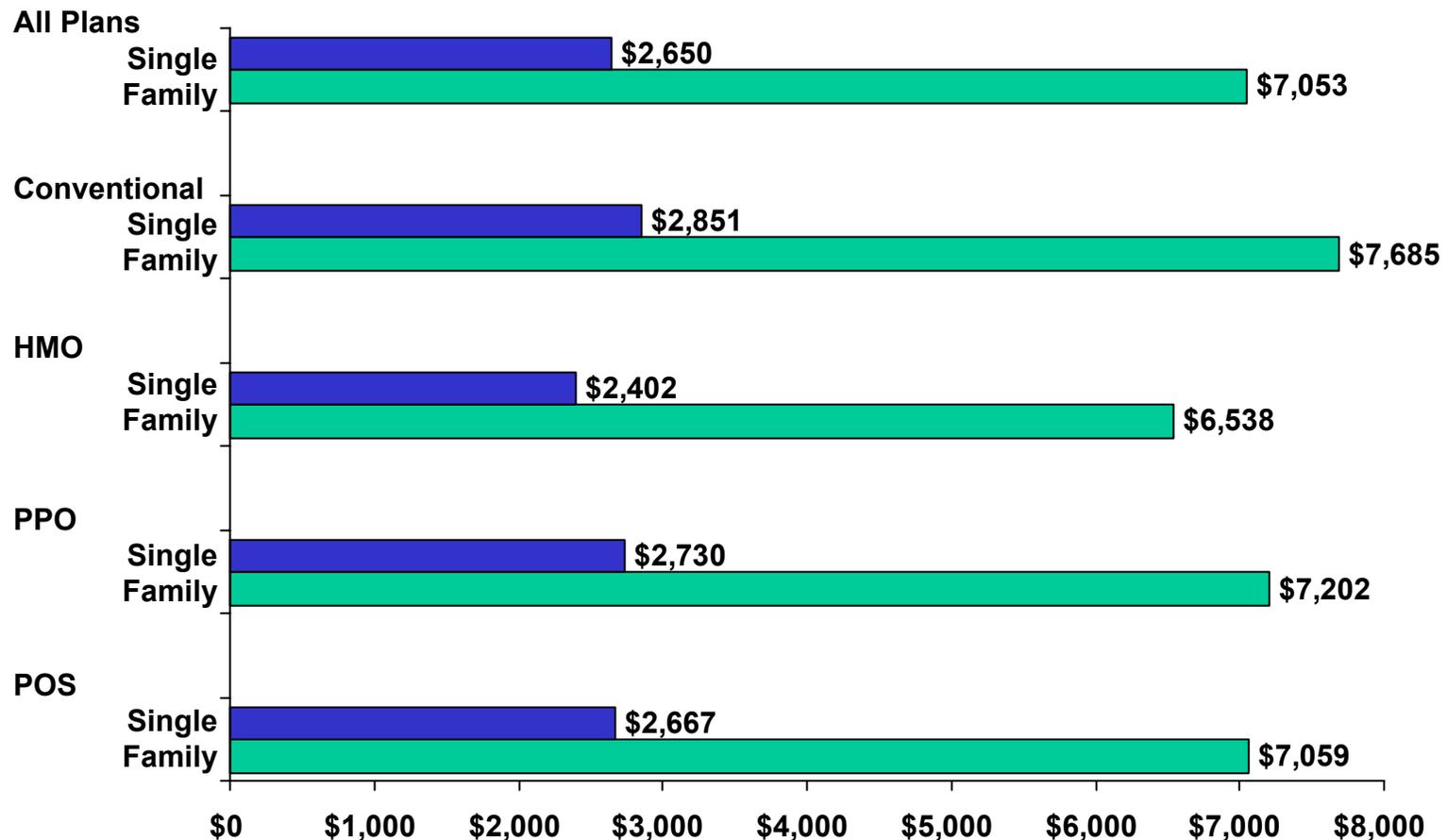
Employees are paying a higher dollar value, but smaller share of their health insurance premiums.



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000, 2001; KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1993, 1996.

Table 4.7
Average Annual Premium Costs by Plan Type, 2001

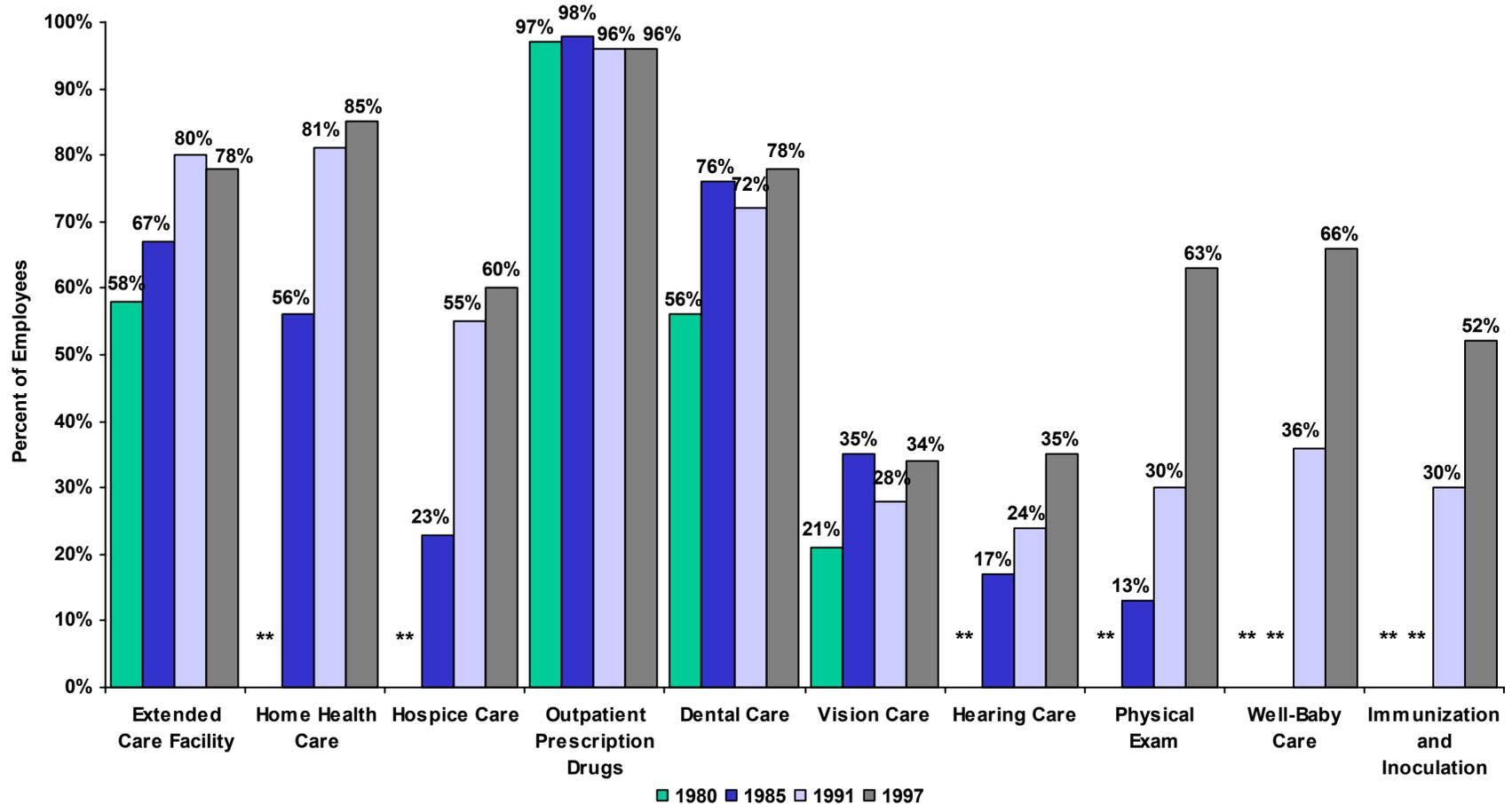
Average premiums vary significantly by plan type.



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2001.

Table 4.8
Changes in Employee Benefit Packages Offered by Employers,
1980-1997

Employees were offered more generous benefit packages in recent years.



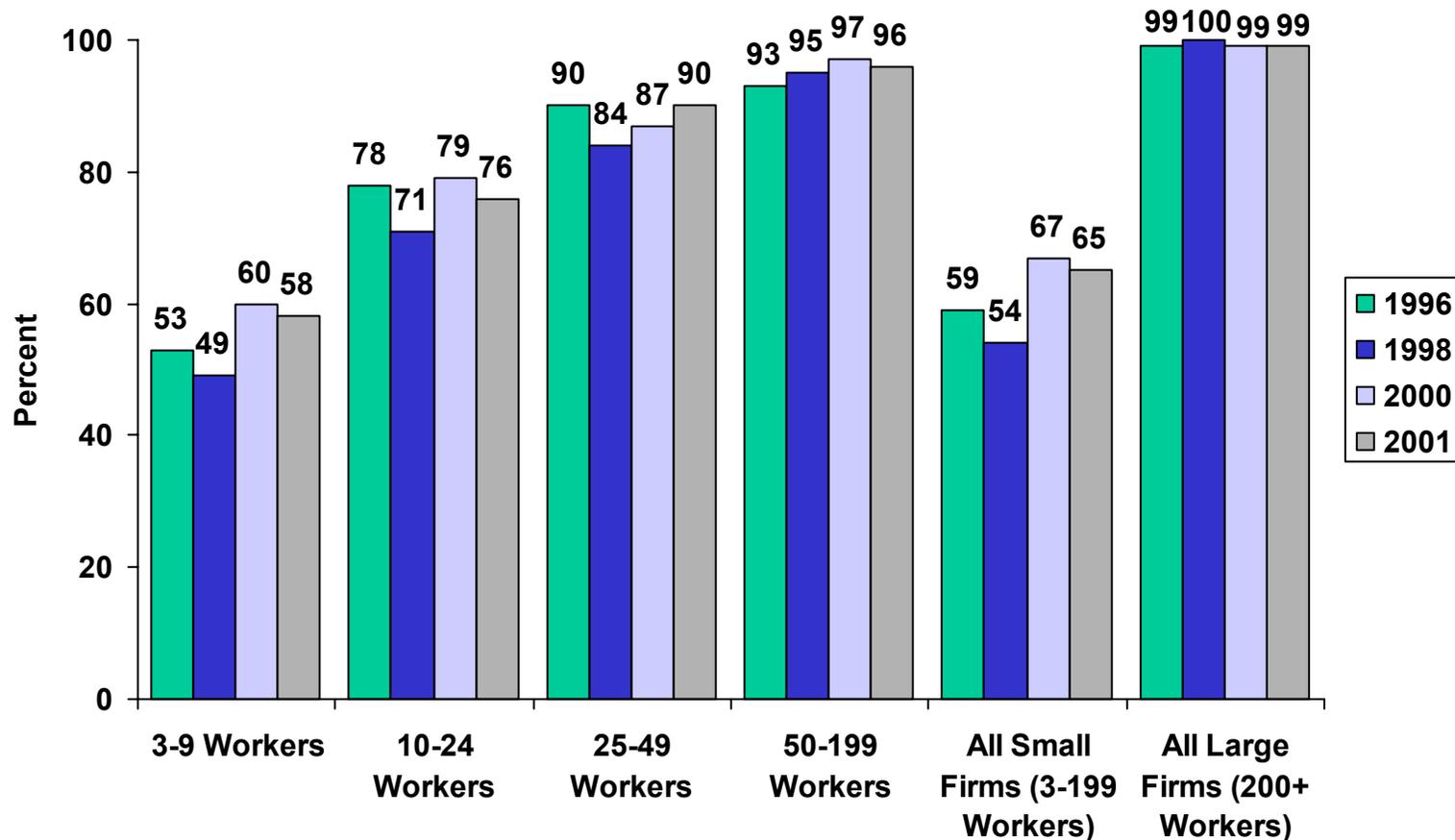
*Note: Coverage for selected services offered by medium and large establishments.

**Not available.

Source: Dept. of Labor, Bureau of Labor Statistics. Report by Sophie Korczyk, "Trends in Employer-Provided Health Care Coverage: 1980-1997, Final Report March, 2000.

Table 4.9
Firms Offering Health Insurance Coverage by Size, 1996-2001

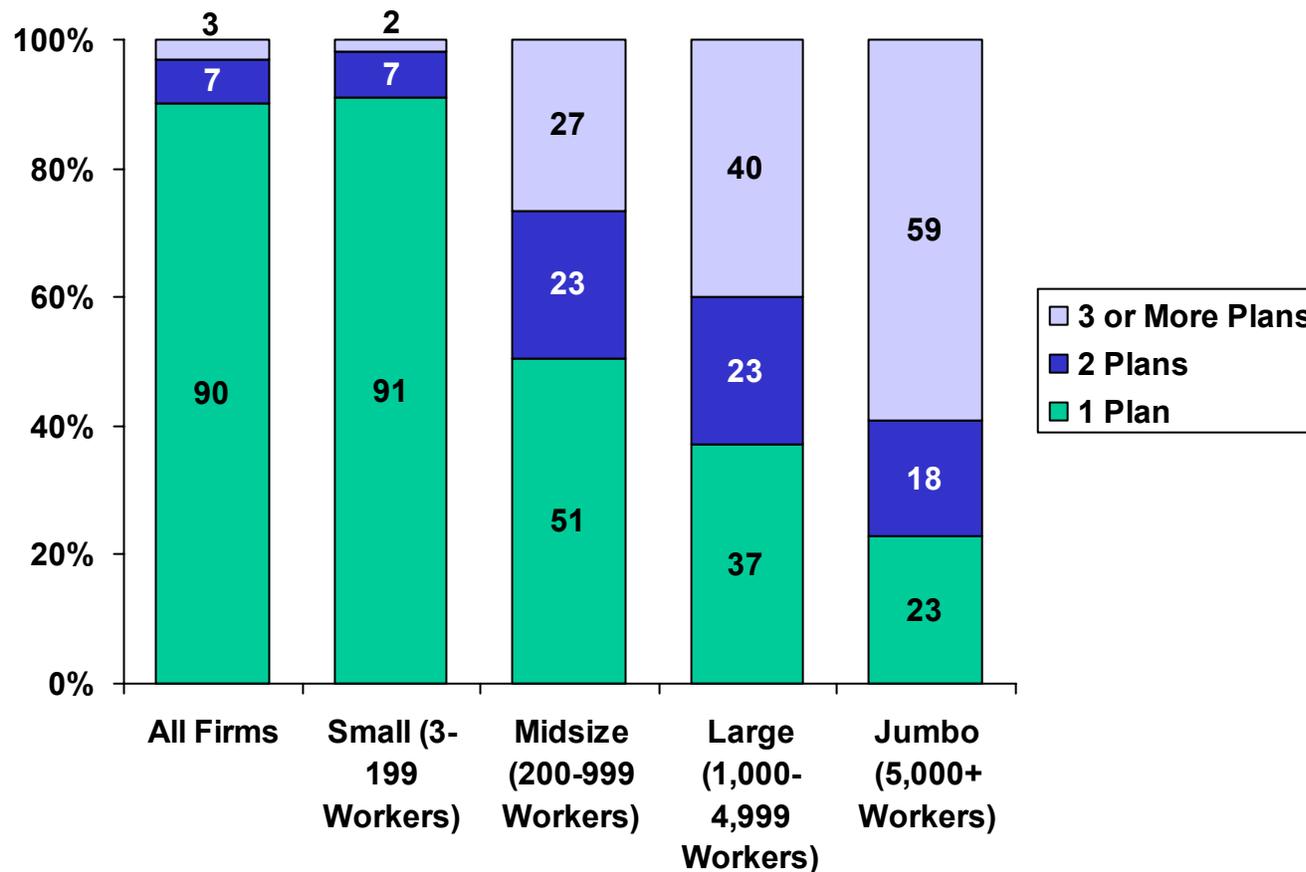
Larger firms are more likely to offer health insurance than smaller firms.



Source: *Employer Health Benefits, 2001 Annual Survey*, The Kaiser Family Foundation and Health Research and Educational Trust. Trends and Indicators in the Changing Health Care Marketplace, 2002 – Chartbook.

Table 4.10
Number of Health Plans Offered by Firm Size, 2001

Larger employers are much more likely to offer employees a choice of health plans than are smaller firms.

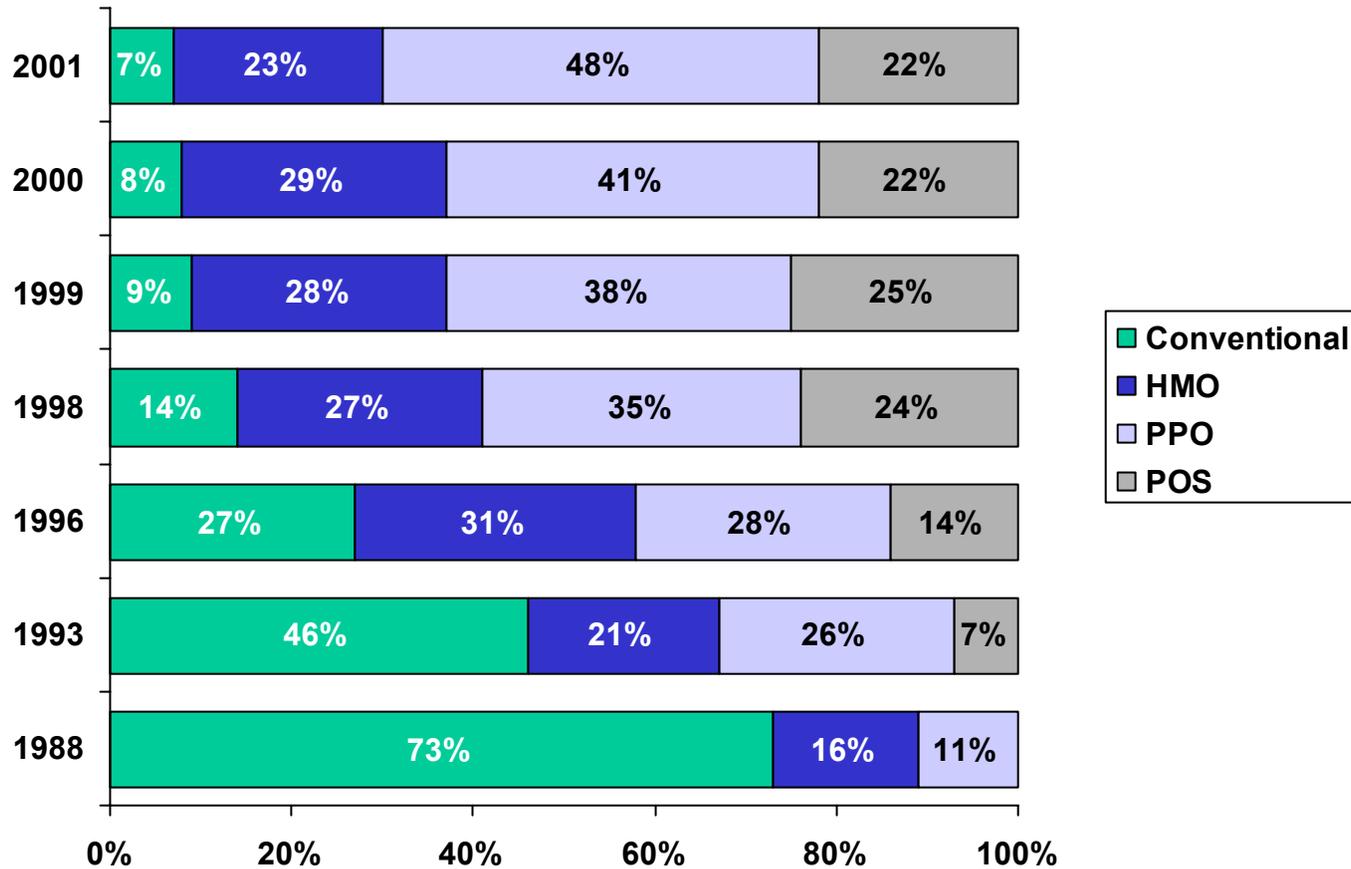


Source: *Employer Health Benefits, 2001 Annual Survey*, The Kaiser Family Foundation and Health Research and Educational Trust. Trends and Indicators in the Changing Health Care Marketplace, 2002 – Chartbook.

Table 4.11

Health Plan Enrollment by Plan Type, 1988-2001

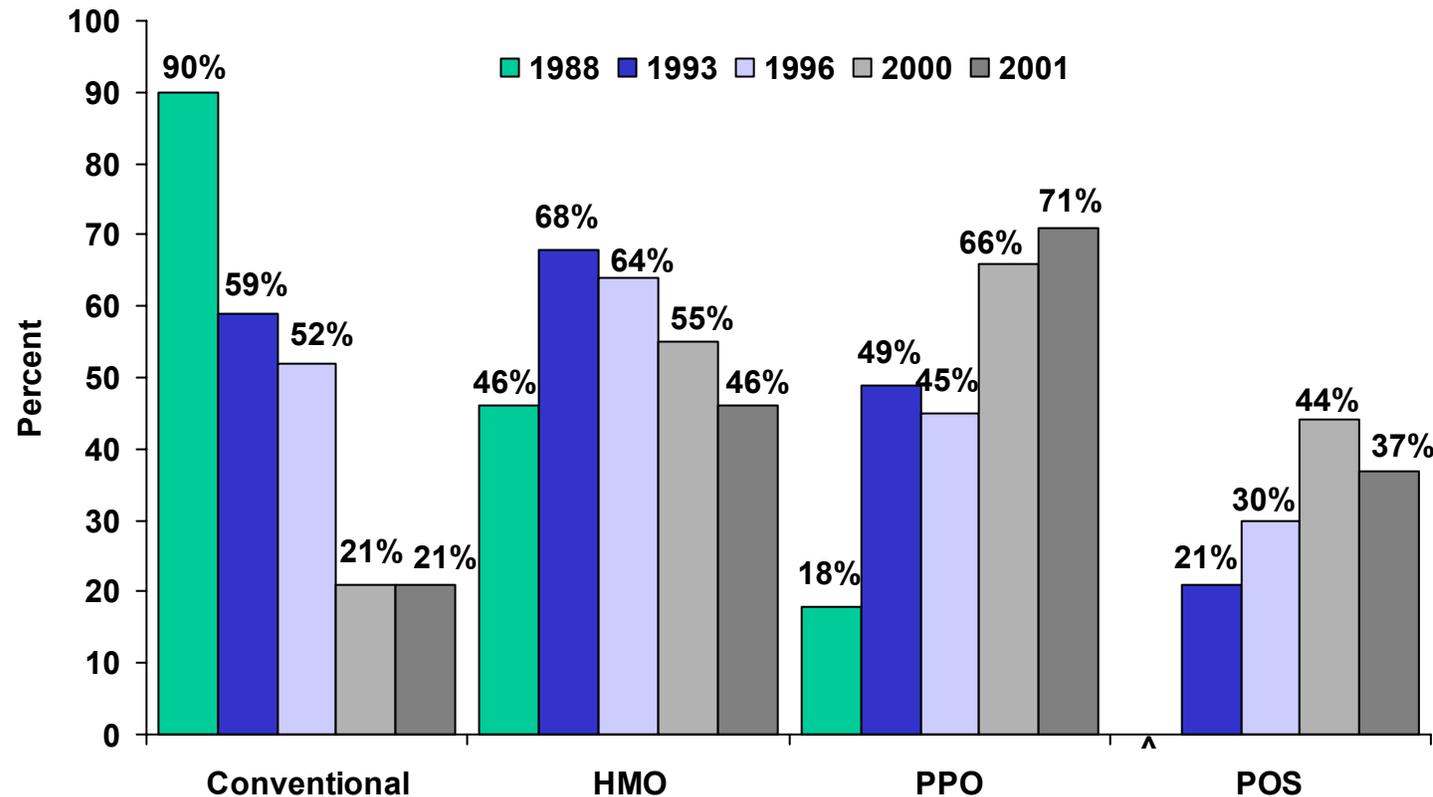
Over the 1990s, managed care grew from about a quarter of employees to the vast majority.



Source: *Employer Health Benefits, 2001 Annual Survey*, The Kaiser Family Foundation and Health Research and Educational Trust. Trends and Indicators in the Changing Health Care Marketplace, 2002 – Chartbook.

Table 4.12
Employees With a Choice of Health Plans, 1988-2001

In recent years, fewer employees have a choice of conventional FFS plans. A growing share have a choice of PPOs and POS plans.

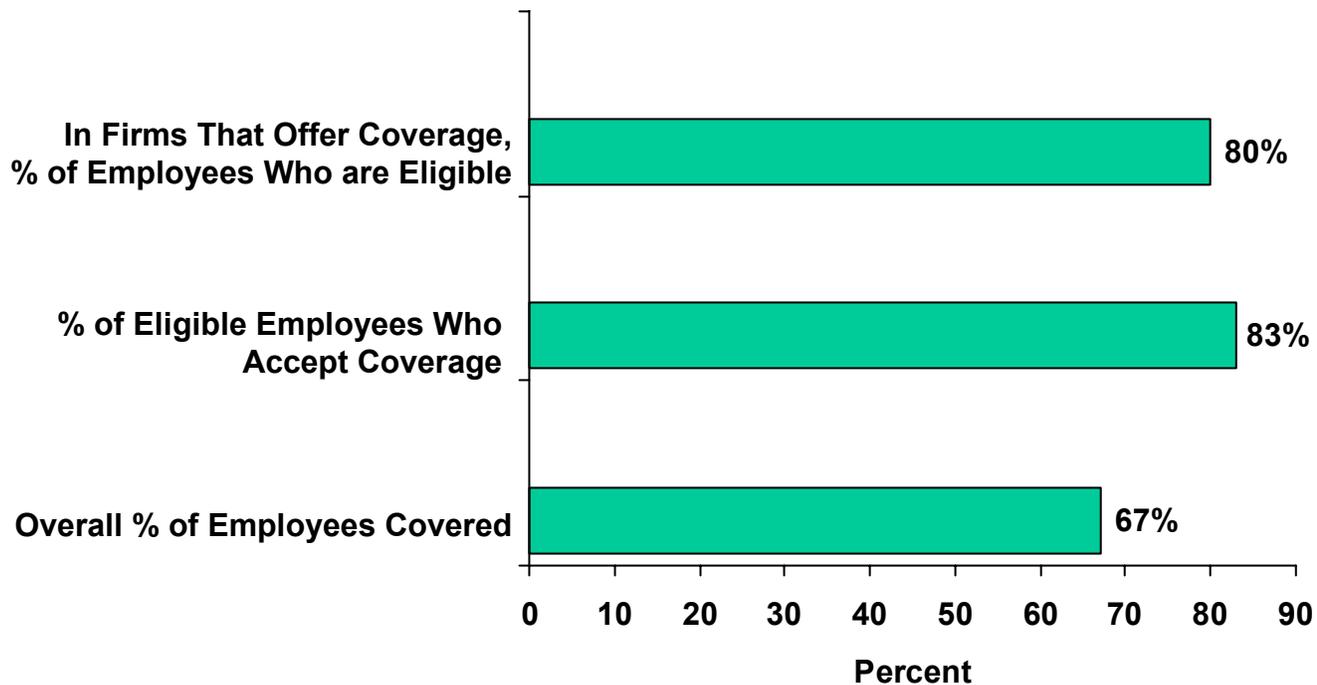


^ Information was not obtained for POS plans in 1988.

Source: KFF/HRET Survey of Employer-Sponsored Health Benefits, 2000, 2001; KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1993, 1996.

Table 4.13 Covered Employees in Firms That Offer Health Benefits, 2001

When a firm offers health benefits, not all employees are covered.

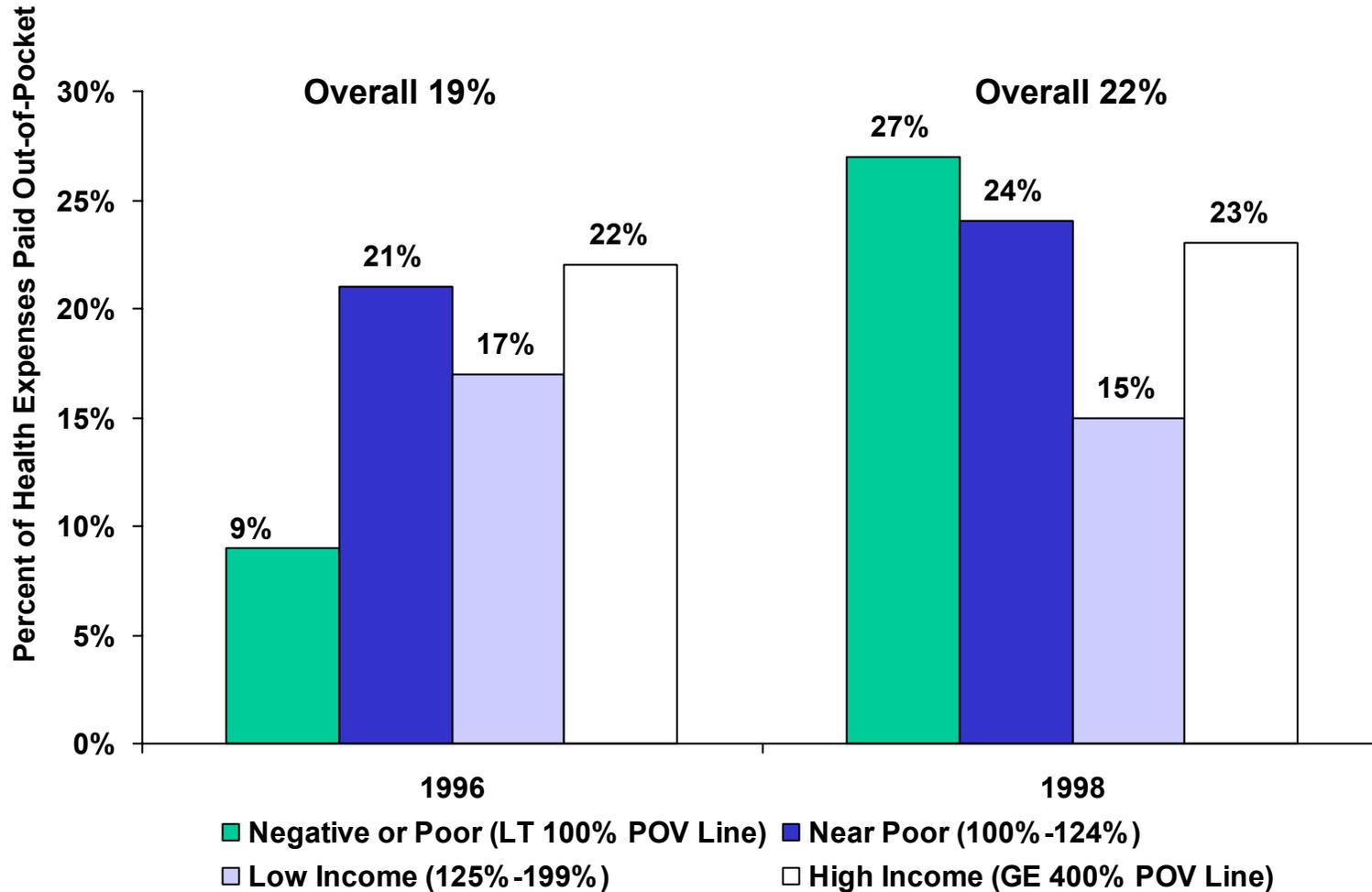


Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2001.

Table 4.14

Out-of-Pocket Spending by the Privately Insured Under 65 Population by Income, 1996-1998

Overall out-of-pocket spending is a slightly larger share of health spending for the under 65 population in 1998.

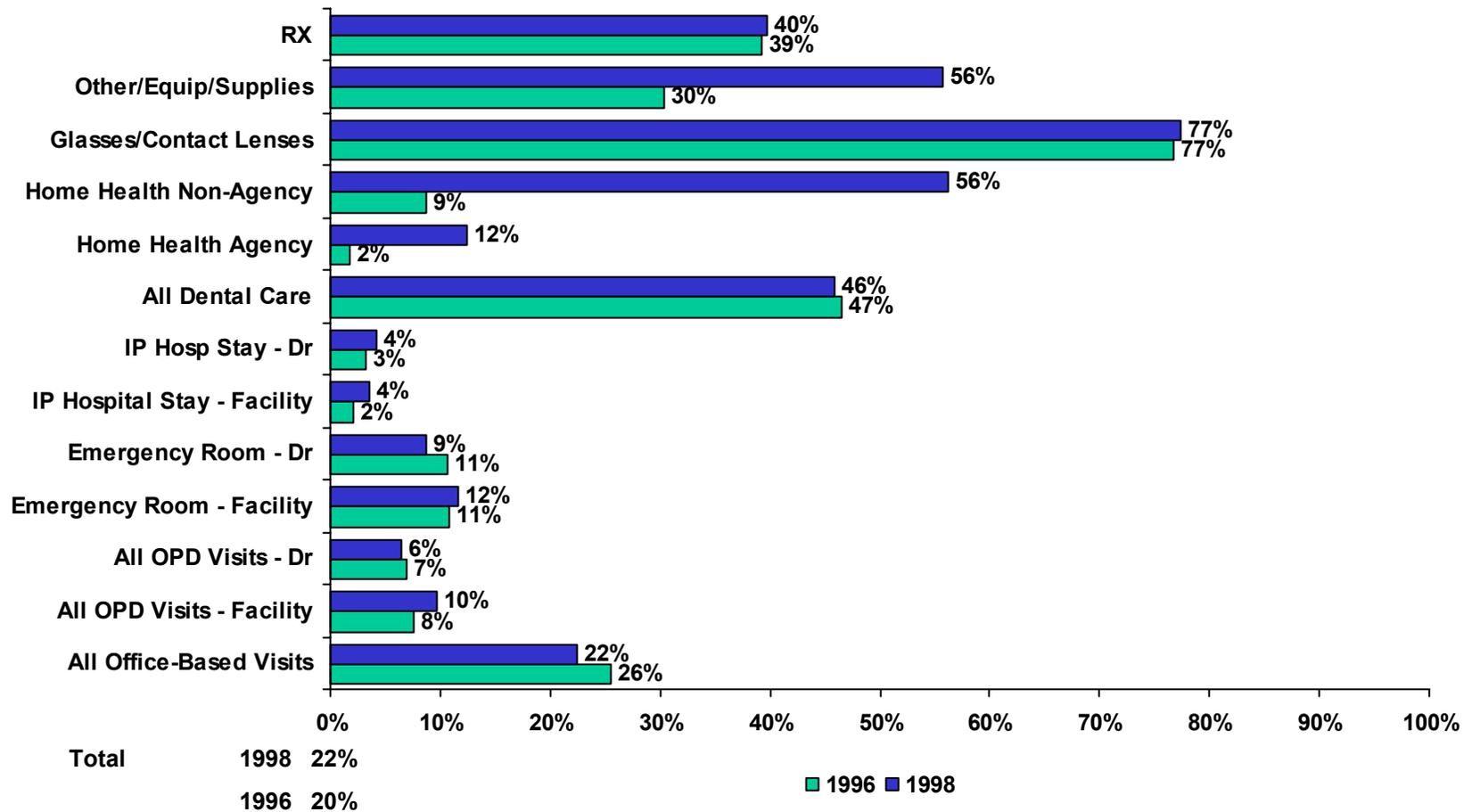


Source: Actuarial Research Corporation tabulations of Medical Expenditure Panel Survey.

Table 4.15

**Out-of-Pocket Spending by the Privately Insured Under 65 Population
by Type of Service, 1996-1998**

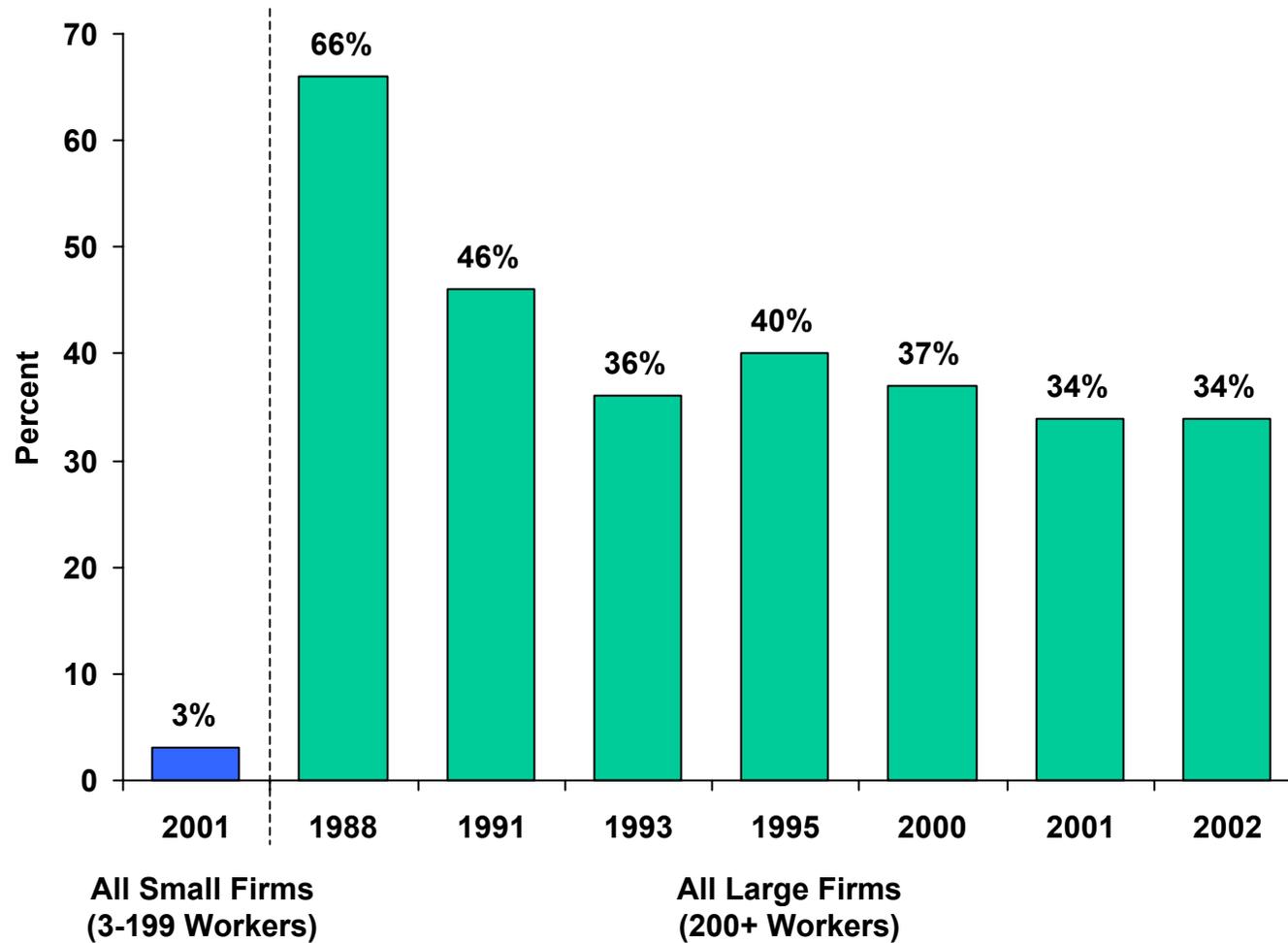
*Out-of-pocket spending by type of service did not generally change much
between 1996 and 1998.*



Source: Actuarial Research Corporation tabulations of Medical Expenditure Panel Survey.

Table 4.16
Percentage of Firms Offering Retiree Health Benefits, 1988-2001

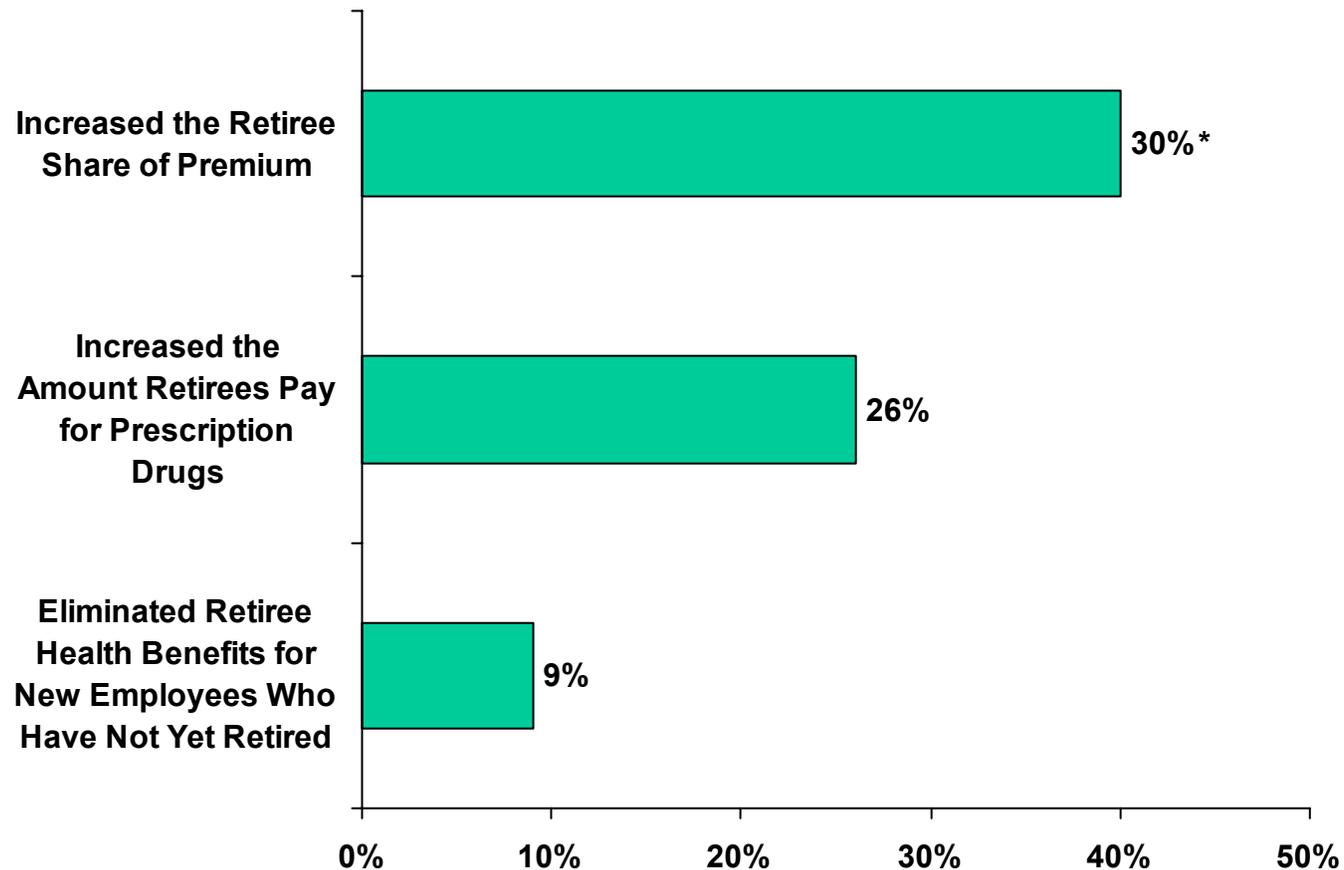
A declining share of large firms offers retiree health benefits.



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000, 2001; KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1991, 1993, 1995.

Table 4.17 Change in Retiree Benefits at Large Firms, 2000-2002

Large firms that offer retiree benefits are scaling back those benefits.



*Estimate is statistically different from All Firms.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2002.