

# **TEXAS STATE PLANNING GRANT**

## **Small Employers and Health Insurance: Final Results of the Texas Small Employer Survey 2001**



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**Texas Department of Insurance**

**Texas Department of Insurance  
State Planning Grant Division**

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**SMALL EMPLOYER HEALTH INSURANCE SURVEY RESULTS**  
**TEXAS STATE PLANNING GRANT – 2001**  
**SUMMARY REPORT**

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The majority of people with health insurance in Texas and throughout the United States obtain coverage as a benefit provided by their employer. More than 60 percent of insured Texans are covered under employment-based plans. However, many working Texans are employed at firms that do not offer insurance. Many of these businesses are small firms with 50 or fewer employees. Small business employees and their families are about twice as likely to be uninsured as workers employed by large firms. Nearly one-half of uninsured working Texans are employed by firms with less than 25 workers according to Current Population Survey (CPS) data. An additional 14 percent are employed in firms with 25 to 99 workers.

Numerous studies have examined the reasons why small employers do not offer health insurance. Factors most often cited include: unaffordable premium costs; the presence of pre-existing health conditions which make the group uninsurable; a high number of low-income workers; high employee turnover; and lack of interest among employees. While some of these problems are inherent in the nature of a small business, Congress partially addressed these issues in the Health Insurance Portability and Accountability Act (HIPAA) enacted in 1996. The Texas Legislature also adopted insurance reforms for small employers in 1993 and 1995. Both the federal and state laws apply to small firms with 2-50 employees. Among other things, the more significant provisions included were:

- guarantee issue requirements for all groups, regardless of the health status of the group applicants;
- rating restrictions that limit the extent to which insurers can increase rates for small firms;
- authority to establish purchasing cooperatives that allow small firms to band together for the purpose of purchasing health insurance; and
- creation of standard benefit plans that provide reduced benefits with the expectation that premium costs would be significantly lower.

**While these reforms have helped increase the number of small firms that offer health insurance, many small employers continue to find that the cost of health insurance is unaffordable. Insurance enrollment information filed with the Texas Department of Insurance (TDI) indicates that 97,793 small employers provided health insurance benefits for their employees in the year 2000. While this number is up significantly from 36,952 in 1993, it still represents only 25 percent of all small firms in Texas. Most small employers continue to not offer health insurance.**

To better understand the reasons why small firms in Texas do not offer coverage, the TDI State Planning Grant program mailed surveys to 50,000 small employers throughout the state. The survey requested information on why employers do not provide insurance and what type of changes they would like to see implemented to make insurance more affordable and attractive to small business owners. This report provides an overview of the survey activities and results and is followed by an appendix that contains detailed statistical data for all survey questions.

### ***Survey Methodology***

**In August 2001, approximately 50,000 surveys were mailed to small employers throughout the state. Surveyed employers were selected at random from a Texas Workforce Commission database that includes all businesses filing state unemployment tax information. Each packet**

**included a cover letter from TDI that provided information on the purpose of the survey and instructions on how to complete the survey form. Also included was a copy of the survey questionnaire and a customized electronic Scantron answer sheet designed specifically for this survey. A postage-paid return envelope was provided for returning completed surveys.**

**Of the 50,000 mailed surveys, 11,861 completed forms were returned by the cut-off date, for a response rate of 23.72 percent. However, some surveys were incomplete or otherwise not usable, reducing the number of acceptable surveys to 10,968 (21.94 percent usable response rate).**

Following a series of questions requesting basic demographic information on the firm's size, type of industry, financial data, and employee information, the survey asks employers to indicate whether they currently offer health insurance. The respondents are then directed to one of two series of questions based on whether they do or do not offer health insurance. Firms that do not offer coverage were asked to answer questions in the following areas:

- reasons why small firms do not offer health insurance;
- the extent to which employers are interested in providing insurance;
- how much employers are able to pay for coverage;
- the types of benefits they are most interested in; and
- whether the employer is aware of the legislative reforms designed to increase the affordability and availability of health insurance.

**Employers who currently provide insurance answered a separate set of questions that address other areas, including:**

- the extent to which employees participate in the group health plan;
- reasons why employees do not enroll in the benefit plan;
- cost information;
- employer and employee contribution rates; and
- whether the firm plans to continue offering health insurance.

All employers were asked at the end of the survey to indicate their level of support for various options for expanding health insurance.

### ***Demographics***

To determine whether survey responses varied across geographic regions of the state, all respondents were asked to provide the zip code of the business mailing address. Unfortunately, only three-quarters of the respondents provided the requested zip code, limiting somewhat the ability to analyze the data set on a geographic basis. Of those employers who did provide zip codes, most are located in the state's major metropolitan areas, including Harris, Dallas, Tarrant, Travis, Lubbock, Nueces, and Bexar counties. More than a quarter of the surveys (28.2 percent) came from firms located in the Dallas-Ft. Worth Metroplex. Another 20.6 percent came from firms in the Houston/Gulf Coast area. Return rates were considerably lower for non-metropolitan areas, including the Upper Rio Grande area (0.14 percent), West Texas (3.43 percent), Southeast Texas (3.30 percent), and Northwest Texas (3.70 percent).

Most surveyed employers (69.1 percent) report they have been in business for at least ten years or more, with nearly 40 percent reporting 20 or more years. Nearly half (46 percent) are in some type of service-related industry, followed by retail (11 percent); construction (9 percent); manufacturing (7 percent); wholesale (4 percent); agriculture, forestry or fishing (3 percent); food service (3 percent); and other (16 percent).

### ***Survey Results: Employers Not Offering Insurance***

A total of 5,037 employers (46%) reported they do not currently offer health insurance. Most indicated they had not recently provided insurance and do not expect to offer it in the near future. Almost 85 percent of respondents (4,252) said they had not provided health insurance in the past five years. Only 41 percent had attempted to purchase health insurance during the same time.

**Table 1 - History of offering insurance and attempts to purchase insurance**

<b>Offered or attempted to purchase insurance</b>	<b>Number</b>	<b>Percentage</b>
Employers who offered insurance within past 5 years	761	15%
Employers who have not offered insurance within past 5 years	4,252	85%
Employers that attempted to purchase insurance within past 5 years	2,049	41%
Employers that did not attempt to purchase insurance within past 5 years	2,943	58%

A large majority (77 percent) of employers not offering insurance indicated that employees were interested in the benefits, with 31 percent showing a strong level of interest. Yet, despite the significant interest among employees, few employers expect to offer insurance within the next three years. Only four percent of the surveyed firms stated they will definitely offer insurance, while 75 percent indicated that they definitely will not or probably will not offer coverage.

**Table 2- Likelihood of Offering Insurance**

<b><u>Likelihood of offering insurance</u></b>	<b>Number</b>	<b>Percentage</b>
Company will definitely not offer health insurance in next 3 years	1,268	25%
Company probably will not offer health insurance in next 3 years	2,484	50%
Company probably will offer health insurance in next 3 years	1,028	20%
Company definitely will offer health insurance in next 3 years	186	4%

When asked to indicate the primary reason for not offering insurance, employers report that cost is clearly the most significant factor (Table 3). Sixty-two percent of the employers indicated that they tried to purchase coverage but found it too expensive, or they have not attempted to purchase coverage because they know it is unaffordable. Another seven percent are willing to offer the benefit, but have determined that the majority of their employees are unable to afford their share of the premium. Four percent of the employers report they were unable to obtain insurance because one or more employees have a pre-existing condition that makes the group uninsurable. It should be noted that under state insurance reforms enacted in 1993 and 1995, no small employer group may be denied coverage due to the health status of the applicants. The question does not, however, provide information that would allow us to determine whether the employer was actually wrongly denied coverage when they attempted to purchase insurance or if they simply believe they are ineligible for insurance.

**Table 3 - Primary reason for not offering insurance**

<b>Reason insurance is not offered</b>	<b>Number</b>	<b>Percent</b>
We have not tried to purchase insurance because we know it is too expensive	1,349	27%
We tried to purchase insurance but it was too expensive	1,792	35%
The majority of employees don't want insurance because they already have coverage	762	15%
We could not obtain insurance because one or more of our employees has a pre-existing health condition	201	4%
The majority of employees do not want health insurance because they do not think it is necessary	45	1%
The majority of employees prefer higher wages to health insurance	236	5%
We are willing to offer coverage but the majority of employees are not able to afford their share of the premium	358	7%
Providing health insurance is too much of an administrative hassle	76	2%

**To examine employers' perceptions regarding the cost of insurance and determine the amount of money they are able to pay for coverage, employers were asked two separate questions about the cost of health insurance. Employers were first asked to estimate how much money per employee they believe insurance would cost including both the company's and the employee's contribution. The estimates varied considerably, as shown in the table below. More than 21 percent believe the cost would be more than \$300 per-employee-per-month. Nearly 18 percent estimate the cost to be no more than \$100 a month.**

**Table 4 – Employers' Estimated Insurance Costs**

<b>Amount of Money Employer Estimates Insurance Will Cost</b>	<b>Number</b>	<b>Percentage</b>
\$0-\$50 per-employee-per-month	317	6.3%
\$51-\$100 per-employee-per-month	591	11.7%
\$101-\$200 per-employee-per-month	1,321	26.2%
\$201-\$300 per-employee-per-month	1,169	23.2%
\$301-\$400 per-employee-per-month	627	12.4%
\$401-\$500 per-employee-per-month	299	5.9%
\$501-\$600 per-employee-per-month	124	2.5%
More than \$600 per-employee-per-month	143	2.8%

**When asked how much the firm would be able to pay for each employee's coverage, most employers (64.9 percent) report that they could pay no more than \$100 a month. Nearly half (45.4 percent) could pay no more than \$50 per employee per month. This information is of particular importance as it confirms the fact that most small firms cannot afford premiums for even a relatively inexpensive benefit plan.**

**Table 5 – Employers' Ability to Pay for Insurance**

Maximum Premium Contribution Employer Can Afford Per-Employee-Per-Month	Number	Percentage
Less than \$50 per-employee-per-month	1,176	23.3%
\$50 per-employee-per-month	1,111	22.1%
\$100 per-employee-per-month	981	19.5%
\$150 per-employee-per-month	402	8.8%
\$200 per-employee-per-month	232	4.6%
\$250 per-employee-per-month	87	1.7%
\$300 or more per-employee-per-month	86	1.7%
The company would not purchase insurance at any cost	691	13.7%

Several questions were included in the survey to determine the types of health care benefits employers would most prefer if they were purchasing health insurance. When asked to choose between a basic benefit plan with annual benefit levels of \$10,000, \$20,000 or \$50,000, or a catastrophic policy with limits of \$100,000, \$500,000 or no limit, employers were surprisingly evenly divided in their choices. Nearly 48 percent chose a basic benefit plan and 43 percent chose a catastrophic plan. But there was no consensus on policy limits as illustrated in the chart below. The disparity of the distribution highlights the difficulty of designing a benefit plan that appeals to a large number of employers with diverse preferences and expectations.

**Table 6 – Employers' Preference for Basic or Catastrophic Plans With Annual Limits**

Type of Benefit Plan	Number	Percentage
Preventive care, coverage for routine illnesses and minor injuries w/\$10,000 annual limit	722	14.3%
Preventive care, coverage for routine illnesses and minor injuries w/\$20,000 annual limit	630	12.5%
Preventive care, coverage for routine illnesses and minor injuries w/\$50,000 annual limit	1,063	21.1%
Catastrophic coverage that would not cover routine illnesses with \$100,000 annual limit	624	12.4%
Catastrophic coverage that would not cover routine illnesses with \$500,000 annual limit	726	14.4%
Catastrophic coverage that would not cover routine illnesses with no annual limit	837	16.6%

**When asked about the importance of specific benefits, employers' responses varied considerably as illustrated in Table 7. A majority of respondents expressed strong support for primary care**

only when an individual is sick (72 percent), primary care when sick or for well-care (67 percent), specialist care (73 percent), in-patient hospital care (85 percent), laboratory services (71 percent), prescription drugs (71 percent), radiological care (73 percent), preventive screenings such as mammograms (66 percent) and well-child care (51 percent). Employers indicated the least amount of support for maternity care, mental health services, alcohol or drug abuse treatment, chiropractic care, vision and dental benefits.

**Table 7 – Employers’ Opinions on the Importance of Various Health Insurance Benefits**

A= Extremely Important  
 B= Very Important  
 C= Somewhat Important  
 D= Not Very Important  
 E= Not At All Important

Type of Health Insurance Benefit	A	B	C	D	E	NR
Visits to a primary care physician, such as a pediatrician or family doctor, but only when sick	41 %	31 %	15 %	4%	3%	6%
Visits to a primary care physician when sick <u>and</u> for annual well-person check-ups	37 %	30 %	19 %	6%	3%	5%
Visits to a specialist physician, such as a cardiologist or surgeon	40 %	33 %	16 %	4%	2%	5%
In-patient hospital care (for surgery, illness, emergencies, etc.)	57 %	28 %	7%	1%	2%	5%
Maternity care for pregnant women	20 %	21 %	23 %	14 %	16 %	6%
Laboratory services (such as getting blood work or having a biopsy analyzed).	35 %	36 %	18 %	4%	2%	5%
Mental health services	12 %	17 %	29 %	22 %	15 %	5%
Prescription drugs	41 %	30 %	17 %	4%	3%	5%
X-Rays or MRI's	36 %	37 %	17 %	3%	2%	5%
Alcohol or drug abuse treatment	7%	11 %	27 %	26 %	23 %	6%
Well-child care, including coverage for immunizations and routine check-ups	26 %	25 %	23 %	10 %	10 %	6%
Chiropractic services	8%	14 %	29 %	22 %	21 %	6%

Preventive screenings (such as mammograms or prostate cancer testing)	35 %	31 %	19 %	6%	3%	6%
Vision care (visits to the eye doctor, glasses, contacts)	14 %	24 %	30 %	15 %	11 %	6%
Dental benefits	15 %	23 %	30 %	14 %	12 %	6%

As discussed earlier, the Texas Legislature enacted several reforms intended to increase the affordability and availability of health insurance. Anecdotal information indicates that many small employers are unaware of the reforms, but little statistical information has been available until now. However, the survey clearly confirms that few small employers are aware of the earlier reforms. As shown in the table below, 70 percent of the respondents indicated they are not familiar with guarantee-issue requirements that prohibit insurers from denying coverage based on an individual's health status and 72 percent of the small employers did not know that Texas allows small employers to create purchasing alliances. Only 18 percent of the respondents are familiar with the two standard benefit plans designed to lower the cost of health insurance and which are required to be offered by insurers to all small employers; 80 percent of the employers indicated they were not familiar with this requirement.

**Table 8 – Employers' Knowledge of Small Employer Health Insurance Reforms**

Description of Reform	Yes, I am familiar	No, I am not familiar
Small employers cannot be denied health insurance coverage based on the health status of their employees.	28%	70%
Small employers can purchase one of two standard benefit plans (the Basic and Catastrophic health plans) that offer more limited benefits at a lower cost.	18%	80%
Small employers can join together to form purchasing alliances for the purpose of buying health insurance.	26%	72%

Employers were asked to indicate who they think is primarily responsible for assuring people have health insurance. Forty-one percent of the employers believe the government is responsible, but an almost equal number believe individuals are responsible for obtaining their own coverage. Only ten percent believe employers should be responsible for providing insurance.

**Table 9 – Entity Primarily Responsible for Assuring Individuals are Insured**

Entity Employer Believes is Responsible for Assuring Individuals Are Insured	Number	Percentage
Federal Government	1,373	27.3%
State Government	639	12.7%

Local Government	48	1.0%
Employers	520	10.3%
Individuals	2,092	41.5%
None of the Above – Insurance is not important	22	0.4%
Other	112	2.2%

### ***Survey Results: Employers That Do Offer Insurance***

Surveyed employers that currently offer health insurance were asked a separate series of questions about the premium rates, employees’ participation, and the company’s plans for the future. Of the surveyed employers, 5,918 (54 percent) reported they do offer insurance. More than 80 percent of those have done so for at least three years and more than half (59 percent) have provided coverage for more than five years. Nearly 1700 have offered insurance for more than 15 years.

Table 10 – Length of Time Insurance Has Been Provided

Number of Years Insurance has been Provided	Number	Percentage
<b>Less than One Year</b>	<b>254</b>	<b>4.3%</b>
<b>1-2 Years</b>	<b>608</b>	<b>10.3%</b>
<b>3-5 Years</b>	<b>1,334</b>	<b>22.5%</b>
<b>6-10 Years</b>	<b>1,189</b>	<b>20.1%</b>
<b>11-15 Years</b>	<b>655</b>	<b>11.1%</b>
<b>More than 15 Years</b>	<b>1,680</b>	<b>28.4%</b>

Typical of employment-based insurance plans, the surveyed small employers report that insurance is generally not available to part-time workers. Most employers (64.8 percent) report that only full-time employees working 36 to 40 hours a week are eligible for the company’s health plan. An additional 17 percent of the employers offer coverage for employees working at least 30 hours a week. Only 5.2 percent provide coverage for employees working as few as 20 hours a week.

Table 11 – Availability of Coverage Based on Number of Hours Worked

Number of Working Hours Required to Be Eligible for Insurance	Number	Percentage
At least 20 hours per week	309	5.2%
At least 25 hours per week	68	1.1%
At least 30 hours per week	1,006	17.0%
At least 35 hours per week	381	6.4%
At least 36-40 hours per week	3,832	64.8%
Other	148	2.5%

Insurance appears to be a popular benefit among employees. More than half the employers (54.7 percent) reported that 90 percent or more of their employees accept health insurance when offered, with less than 10 percent of the employees declining coverage. However, another 10 percent report that more than half of their eligible employees decline insurance.

**Table 12 – Percentage of Employees who Decline Coverage When Offered**

<b>Percentage of Employees Declining Coverage</b>	<b>Number</b>	<b>Percentage</b>
Less than 10%	3,240	54.7%
Between 10% and 20%	570	9.6%
Between 21% and 30%	355	6.0%
Between 31% and 40%	239	4.0%
Between 41% and 50%	333	5.6%
More than 50%	590	10.0%

**Of those employees who do not enroll in the employers' insurance plan, employers were asked to indicate the primary reason why most employees decline coverage. More than half the employers report employees are already covered under another plan. Another 16.4 percent indicate that employees refuse coverage because they cannot afford their portion of the premium contribution and 6.3 percent report the primary reason is because employees do not want coverage.**

**Table 13 – Reasons Employees Decline Coverage When Offered**

<b>Reason for Declining Coverage</b>	<b>Number</b>	<b>Percent</b>
Already covered under spouse or parent's plan	3,124	52.8%
Already covered under another employer's plan	245	4.1%
Cannot afford employee premium contribution	969	16.4%
Does not want insurance	375	6.3%

Because cost plays a significant role in most employees' decision to accept or decline insurance when offered by the employer, premium contribution payments are an important indicator of take-up rates among employees. Of the surveyed employers who provide insurance, most employers report they pay a significant portion of the employee's premium, with more than half (59.8 percent) paying the full cost of coverage for employee-only benefits. Of those employers that require the employee to share the cost of their own coverage, 13 percent of the employers report their employees generally pay less than \$50 a month; 8.8 percent report payments generally fall between \$50 and \$75 a month; 6 percent report payments of \$76 - \$100 a month; and 7.4 percent indicate employees generally pay more than \$100 a month.

Employers are significantly less likely to pay substantial portions of dependents' insurance costs. Only 12.4 percent of surveyed employers pay the full cost of coverage for the employees' spouse and 13 percent pay the full premium the employees' children (table 14). More than two thirds pay nothing towards the premium for children or spouse.

**Table 14 – Employers' Contributions for Dependents' Health Insurance Benefits**

<b>Percentage of Premium Paid by the Employer</b>	<b>Spouse's Coverage - #</b>	<b>Spouse's Coverage - %</b>	<b>Children's Coverage - #</b>	<b>Children's Coverage - %</b>
10% of premium cost	50	0.8%	39	0.7%
15% of premium cost	16	0.3%	18	0.3%
20% of premium cost	37	0.6%	35	0.6%
25% of premium cost	84	1.4%	92	1.6%
50% of premium cost	319	5.4%	304	5.1%
More than half of premium cost	279	4.7%	268	4.5%
100% of premium cost	733	12.4%	778	13.1%
Company does not pay any portion	4,131	69.8%	4117	69.6%

Employers were also asked to indicate how much the cost of insurance has increased since 1999. Approximately one-quarter report increases of more than 50 percent with 6 percent reporting their costs have more than doubled (table 15). The majority of insurers report significantly lower increases. Nearly one-fourth (22.3 percent) report their insurance has increased between 10 and 25 percent. The remaining experienced increases between 26 and 50 percent.

**Table 15 – Health Insurance Rate Increases Since 1999**

Size of Rate Increase Since 1999	Number	Percentage
Less than 10%	153	2.6%
10% to 25%	1,318	22.3%
26% to 50%	2,128	36%
51% to 75%	869	14.7%
76% to 100%	386	6.5%
101% to 150%	179	3%
More than 150%	176	3%

Most small employers report that, despite rising insurance premiums, they most likely will continue to offer health insurance. Nearly a fourth of the employers (22.9 percent) responded that they “absolutely” will not discontinue offering coverage and another 38 percent reported it is “very unlikely” they will discontinue the benefit (table 16). However, many employers also indicate there is a reasonable chance that they will stop offering insurance coverage. More than 2000 employers (35.8 percent) reported they are “almost certain,” “very likely” or “somewhat likely” to discontinue offering insurance.

**Table 16 – Likelihood of Employers’ Discontinuing Health Insurance Offering**

Likelihood of discontinuing health insurance benefits	Number	Percentage
Almost certain to discontinue coverage	329	5.6%
Very likely to discontinue coverage	536	9.1%
Somewhat likely to discontinue coverage	1,247	21.1%
Very unlikely to discontinue coverage	2,251	38.0%
Absolutely not likely to discontinue coverage	1,353	22.9%

All employers – including both those that do and those that do not offer health insurance – were asked to indicate their level of support for 11 health insurance expansion options. As shown in Table 17 below, the surveyed employers overwhelmingly support the formation of purchasing alliances; the ability to purchase insurance through a large existing health insurance plan such as those plans for state and federal employees; and providing a financial incentive for small employers who offer health insurance. Employers also favor allowing children not eligible for CHIP to “buy-in” to the program or expanding the CHIP program to include more children.

**Options receiving the least amount of support are reducing the mandated benefits without requiring a reduction in premium costs and expanding Medicaid to include low-income parents of children already enrolled in Medicaid.**

**Table 17 – Level of Support for Health Insurance Expansion Options**

A = Strongly Support  
 B = Generally Support  
 C = Generally Oppose  
 D = Strongly Oppose  
 NR = No Response

<b>Description of Policy Option</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>NR</b>
Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)	77%	18%	1%	3%	1%
Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees’ health plan or the health plan for federal government employees	65%	24%	5%	3%	3%
Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs	22%	26%	25%	23%	4%
Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs	6%	7%	15%	67%	5%
Providing a financial incentive to encourage small employers to provide health insurance for their employees	55%	30%	7%	4%	4%
Allowing children who are not eligible for the state’s CHIP program to “buy-in” to the program by paying the required premium	34%	44%	10%	5%	7%
Expanding the state’s CHIP program to include the parents of children who are already enrolled in CHIP	22%	34%	21%	14%	9%
Expanding the state’s CHIP program to include more children	32%	39%	13%	7%	9%
Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance	20%	29%	25%	20%	6%
Expanding the state’s Medicaid program to include the low-income parents of children who are already enrolled in Medicaid	14%	30%	29%	20%	7%
Expanding the state’s Medicaid program to include more children	21%	34%	22%	14%	8%

Finally, surveyed employers were provided a form for submitting additional comments. Many took advantage of the opportunity to express their concerns, offer suggestions or plead for help. Attached to this report are only a few of the many comments received.

## COMMENTS OF SMALL EMPLOYERS

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### Administrative Cost

- *“As a small business, I find it very difficult to keep all the insurance plans we are required to have maintained & then offer health insurance also. Most employees already are interested in the benefits of a job as they are the wage. We are insurance poor. I need some relief.” - Gilmer, Texas*
- *“I answered that we do not offer health insurance due to cost. However, every time I have evaluated plans in the past, it turned out to be an enormous hassle. To solve this, I think it would be good to open pooled plans to employees at group rates, and then they can pay their own premiums and deal with the insurance companies. That way, the employer would be eliminated as the middle man.”*
- *“The HMO type of coverage is all our company can afford. Physicians that provide services to HMO coverage drop out of plans too frequently. Why? With insurance carriers telling them what they can charge and what medicines they can prescribe stifles good sound healthcare. The frustration with paper work required by physician groups and non-payment for medical services provided causes them to drop out. This is a real nightmare for HMO consumers. Please fix this if you can.”*

### Benefit Packages

- *“It is very important that insurance policies be mandated to cover chemical dependency and mental health assessment and treatment. A few dollars saved by excluding these benefits results in far greater health care costs, increasing premiums for small businesses.” - Waco, Texas*
- *“Fewer ancillary coverage’s (alcohol abuse, dental, chiropractic) would allow for cheaper premiums. The more state or federal government interferes with health care delivery with special subsidies or programs, the more complex it will likely become for the bulk of consumers to obtain affordable health care.” - Bastrop, Texas*
- *“When insurance did not cover office visits -- costs were affordable. Expanded coverage lead to increased cost for standard care. Insurance should cover hospitalization --- cancer---- high cost things like MRI's or other screenings. As long as drugs are so expensive, some coverage needs to be available for those who have health problems that require monthly drugs, such as blood pressure, cancer, aids, diabetes, etc. Those meds cost some as much as \$500.00 and can be the difference between life and death.”*
- *“The majority of healthcare insurance coverage premiums would not be an issue if government offered just a catastrophic plan (I.e. Only claims in excess of \$20,000.00)”*
- *“I would like to buy what I call major medical with no strings attached. Our company would self insure all smaller claims.”*
- *“All HMO programs specify the doctors you must see, the conditions under which they are willing to pay for prescriptions, and the number of employees that must qualify for coverage. In short, there are too many restrictions not enough options, and even this costs a lot of money whether or*

*not you use all of the services. I would like to find a plan where you have more choices and options with more control while paying less money.” - Lubbock, Texas*

- *“I am very interested in offering health insurance to my employees, but I can't because I understand that health insurance companies are being forced to pay for contraceptives and abortions. If I could work with an insurance company that didn't, I would offer this to my employees in a heartbeat. There should be a conscience clause for employers, with employees being informed up front about coverage exemptions on moral grounds.” - San Antonio, Texas*

## CHIP – Medicaid

- *“I'm a single female with CHILD who has become very sick. I can't afford to get adequate coverage through a general insurance company and still be allowed to use my same caregivers (physicians and specialists). Nobody wants to treat my son without insurance, and CHIP says I make too much money. I would even be willing to pay more for CHIP if possible. I'm struggling to get my son the proper treatment he needs without insurance, which is impossible. I need CHIP...HELP!”*
- *“If CHIP is government subsidized, discontinue it. We don't need more government programs that exist through taxing of businesses or individuals. We could use government help in pooling our buying power to lower health care costs and increase benefits. This should be administered by an employer board.”*
- *“I have a grandchild who is eligible for the CHIP program but when I called and tried to enroll him I was told the program had been discontinued and no new enrollees were being accepted. This occurred within the last 6 months. If this is not the case, you need to promote this program more so people will know how to access it.”*
- *“CHIP and HIPAA have regulations that have only increased government control and increased insurance premiums for small businesses. Only 6500 people in 20 states have enrolled in HIPAA high risk pools since the law was enacted while the rules, laws and costs for medical insurance have increased. We need equal tax incentives for all sized employers and individuals with true risk pools in insurance and not government taxpayer funded programs.”*
- *“Most physicians have not been reimbursed adequately for services provided under CHIPS.”*
- *“Regarding the CHIP program: I have an employee who must furnish insurance for his two children by divorce decree. His children are not eligible for this program because they do not live in his household. So, in my opinion, it is not helping the ones that REALLY need the insurance. He is paying for insurance that he cannot really afford.”*
- *“I feel that the Medicaid and/or TexCare Partnership has been designated to provide medical care to low income children which is right, mainly because children cannot earn income to change their economic status. There are too many able bodied parents who have learned the welfare system and have insured their children when they could work and provide more. To provide medical to low income parents, would put a burden to tax payers in Texas. Taxpayers along with small business have too many burdens as it stands now. I would be totally against providing medical care to low income parents of children who receive Medicaid and/or TexCare Partnership.”*

- *“It would be helpful if the State could provide an affordable insurance program like (CHIPS) for middle income families that could afford a reasonable premiums, with good coverage. I am a middle income employer, but I am unable to afford coverage for myself and my family, because of the high cost.”*

### Free Clinics/Emergency Care

- *“For 3 years we offered health insurance to our employees at no cost to them. Not a single employee ever used the coverage and therefore we dropped the coverage. Our employees use several free clinics in the area and a good county hospital which charges them practically nothing.”*
- *“Even though our employees are offered insurance they would rather use the free clinics than pay, especially the ones that are not U.S. citizens.”*
- *“My experiences are --- indigent people go to hospitals for minor medical needs, thus flooding emergency room operations and driving hospital costs out of sight. This uncontrolled abuse is affecting insurance costs adversely. Abuse of government aid has always been a problem.”*

### High-Risk

- *“In regard to the so called "Guaranteed Issue" for health insurance, we have had a problem with it. One of our employees with an existing condition has attempted to get an individual policy due to the high cost of our existing group plan. They were told that they were not eligible to obtain insurance through the "high risk" pool due to the fact that there was an employer plan available. How do we address the fact that the premiums for the employer plan are no longer affordable but the high-risk policy is not available due to the existence of the employer plan? We have talked to several agents and have no solution.” -- Wichita Falls, Texas*
- *“Insurance companies should request an annual physical. If employees don't pass certain criteria such as weight for their age or if they have a drinking problem that is damaging or if they smoke, then they should be on a separate policy with other people with the same problems and pay more. This business, which is family-owned, promoted healthy lifestyles and exercise. My brother, father, other employees and myself do not smoke or drink excessively, and do exercise regularly. We don't like paying to subsidize others who engage in bad habits.” - San Angelo, Texas*
- *I feel that small employers in Texas definitely need some assistance in providing coverage for themselves & their employees. Extremely high-premium group & individual coverage has left a large percentage of people without any coverage & therefore lacking access to good health care. Health problems within a group can cause premiums to be prohibitively high, and the same problems to deny coverage exist under individual plans, except for the state pool, which is too high for any average person to be to afford. – Houston, Texas*

### Insurance Costs

- *“Health insurance coverage has become unbelievably expensive. It is most frustrating to find decent coverage with trying to keep costs down for the employee as well as the company. It seems the carriers always quote one price, then find any medical condition they can to "max rate" the whole group. I hope that your project can help alleviate this tough situation for small employer groups. We want to provide the best we can for our people, but it is becoming increasingly difficult.” –Carthage, Texas*
- *“The cost of obtaining quality health care insurance at an affordable cost has become an extreme burden over the last several years for employers as well as employees. Government regulations and mandated coverage/benefits have compounded the problem. As well, costs are affected by lawsuit abuse and indigent care.” - Victoria, Texas*
- *“Our employees cannot afford insurance for their families. I encourage them to cover themselves and get the children covered under CHIP but often times the wife and mother is left without any coverage. This is very disturbing. Also, we have a couple of older employees that it is costing double to cover their spouse because of the older age. If a person is healthy he should not be punished for getting older. This is about the age from 55 to 65.”*
- *“Over 20 years as a small business owner, I have noticed that employees do not want to work for businesses that do not provide benefits, especially health insurance. Many single parents or young couples prefer not to have insurance due to the cost. Our insurance increased 38% from last year. As a medical equipment company, our income has decreased with government cuts, but costs continue to increase. It becomes more and more difficult for a small business owner.” - La Grange, Texas*
- *“I think that if a group of 300,000 people can buy insurance at \$10.00 a month, that one individual should be able to purchase the same insurance at the same amount.”*
- *“Small businesses can't continue to provide health insurance without assistance. My premiums have gone up 135% and benefits have decreased. I have a \$2500.00 deductible because that's all I can afford. The insurance companies cater to large companies. Why can't costs be averaged to offer small companies some help? I want to insure my employees, but can't if it increases a lot more.”*
- *“We have been hit with 30% increases in each of the past three years. Our group is fairly young and fairly healthy. It does not seem right for us to get hit with this, but it happens every year. We have to reduce benefits (higher deductibles, co-pays, less co-insurance, etc) in order to get something that we can afford. We pay all but \$5.00 per week on employees insurance and 50% on dependent coverage. We do this in part to attract and to keep good employees. However, we simply cannot keep absorbing this type of increase.”*
- *“When our plan started, we covered employees and family. Now we cover only the employees and the premiums are higher than when we used to cover the entire family. The 25% increase year after year has made the cost out of sight. On a 160 hour work week, premium costs are over 25 cents per hour per employee.” - Laredo, Texas*

## Mandated Benefits

- *“We have had to provide, in our policies, coverage for pregnancy since it became a disease. However, we have not had any pregnancies nor any women employees of child bearing age; yet, we had to have the coverage. This, to me, is one example of why my rates have increased so much. I have to pay for that which I do not need.”*
- *“The people of Texas want quality healthcare, not just a little coverage which does not include the things they need. Elimination of mandated coverage is not the answer. Please be careful to know the facts, before considering elimination of mandated coverage. There are many issues involved --- such as discrimination of healthcare types as well as preventive issues.”*
- *“I do not think you need to reduce mandated benefits at all. All the mandated benefits are important, and people need help getting those benefits. We have tried several times to get health ins. and have not been able to afford it. We even tried the 75-25 for our employees and they could not afford that. Insurance in general is way too high no one who makes less than \$50,000 a year can not afford it. There needs to be a regulation on Insurance costs- lower the cost of premiums!”*
- *“All mandated benefits should be optional at the business owners discretion. Mandatory benefits such on treatment for alcohol and drugs could only increase cost. Let's just cover the medical problems that aren't preventable. Tax breaks for employers that provide benefits would be a good thing. No more government programs.”*

## Medical Costs

- *“Medical costs are the problem; not insurance companies. The high cost of lawsuits and liability claims are also the problems. Trying to create health care under these conditions is not a smart idea and will not work. It will just cost the people more in taxes and does not solve the problem.”*
- *“In addition to changing Health Insurance benefits, the hospitals, clinics, doctors, etc. should be monitored and there needs to be a guideline defining how much they are permitted to charge for any services provided. The cost of health insurance is a direct result of the 'price gouging' that all health care providers continue to make worse every year.”*
- *“I feel the government should step in and regulate hospitals and doctors along with insurance companies to help lower the total costs of the expenses. I'm sure we all know what a coke or an aspirin cost when you're in the hospital and as I feel this is taking advantage of that individual and the insurance companies. This is why the cost of insurance is so high.”*
- *“I still think the bulk of the problem is healthcare cost, not insurance cost and availability. 1) Do something about drug company costs. 2) Do something about putting a ceiling on % granted as monetary awards in insurance/healthcare lawsuits and limit the % of awards going to the lawyers. 3) Give incentives to drug companies that put \$ into researching new and needed drugs instead of revamping old drugs in order to keep them from entering generic form.”*
- *“Instead of looking for ways to help people afford insurance, why don't we look for ways to reduce health care cost. I favor nationalized medicine, and getting rid of insurance companies. I am aware of those impossibilities, and sincerely hope we succeed in this monumental endeavor.”*

## Medicare

- *“Our biggest problem is with employees over 65. They are forced by insurance companies to pay for Medicare as their primary insurer and then purchase an individual Medicare Supplemental insurance policy. This results in paying two policies for what they had at age 64. In addition, individual Medicare Supplemental insurance with prescription coverage is cost prohibitive. Therefore, they lose this coverage at age 65 also. This results in a catastrophic cost increase for those who work after age 65. This is mandated by insurance companies in response to federal requirements to provide coverage for companies with less than 20 employees.”*
- *“I think Medicare patients should also be a concern to Texas. The Medicare program is not sensible for aging parents that need treatments and are willing to pay for them, but are refused these services because they have already received 4 or 6 treatments from a doctor’s prescription, but they know an additional series could provide a longer lasting benefit. Medicare would pull the license of the institution if they took them for additional therapy.”*

### Migrant Workers

- *“We have quite a few migrant workers who come to work for 3-6 months, or even up to a year at times. Then they return to Mexico for several months. Some of them will come back to work again. How would we handle these types of employees, and what type criteria would be needed in order to determine their eligibility into a health insurance plan? Logistically, the administration of these type of employees could be very difficult and cumbersome.”*
- *“Only citizens of USA and residents of Texas should qualify for insurance assistance programs.”*
- *“I would really rather see job training and education encouragement than welfare for the under-insured. I would like to see limitations on tort and on insurance premium increases. I think that illegals should not drain our emergency care system for routine care.”*

## Medical Savings Accounts (MSA)

- *“We as small employers want more MSA’s opened to all employees at all levels of companies. If we had to go to a traditional coverage we would stop coverage. Keep insurance policy's simple with less coverage, so we all do not have to pay for coverage we do not need!”*
- *“I'd like to see some more employer supported medical savings account.”*

## Payment for Services

- *“Insurance companies want your money but when there is a claim they disallow charges that they are obligated to pay. Group insurance and individual insurance rates, after you sign up, escalate way too fast and become unaffordable to employer.”*
- *“Insurance companies need to be made more accountable for timely payment. They are also starting to override Dr.'s decisions, such as making patients pay more if they do not switch their medications to one on their formulary, forcing them to get their meds through the mail or at specified outlets. They are practicing medicine (like they are doctors) without a license. Sometimes, they completely refuse to pay on a medicine if they determine that the Dr. has not prescribed according to their guidelines. On the other side, drug manufacturers, hospitals, and doctors are way out of control on padding bills and grossly overcharging.”*
- *“The biggest problem with health care coverage is companies not paying their claims in a timely manner. This causes doctors to drop them and the customer (me) has to locate the doctors under the plan. Tighter controls need to be in place holding these companies accountable for paying their claims.” - Dallas, Texas*
- *“I supply health insurance to the entire family of my employees because it is important to me that they are all healthy, however, health insurance companies are famous for giving small business the run around denying claims that are obviously justified. We have had several instances where it was just not worth any more time to appeal a denial and the company paid the claim out of the pocket.”*
- *“We have had very bad experiences with health care providers not paying and needing to fight them about breach of contract, but what I seem to need is an attorney to preview the policy and then hold the providers accountable! I don't have those resources available. We now use alternative health care ---well-care option, out of our own pockets.”*

## Pre-existing Conditions

- *“We are family owned and operated. We feel very strongly about providing good health insurance for all of our employees. We have done so for 16 years. Our big problem came about a year ago when my 2-year-old granddaughter was diagnosed with cerebral palsy. Our rates have jumped and we are unable to acquire other insurance due to outrageous premiums. If we didn't disclose preexisting (she was very mild) we stand the chance of no coverage.”*
- *“Health insurance should be required to take all applicants, regardless of health conditions or pre-existing conditions. Premiums should be the same regardless of age. That would be truly sharing the risk.”*
- *“We are desperately in need of securing medical insurance for small businesses who hire employees with pre-existing medical conditions. Since our groups are small, we are being singled out and targeted for high premiums from insurance providers.”*
- *“I would like to provide health insurance for my employees. Due to pre-existing conditions such as diabetes, heart conditions and obesity, our group would be up rated 60% on all my employees and I cannot afford the premium, and, and they cannot afford their 25% of the premium. – Ft. Worth, Texas*
- *“I am female, 63, self-employed, widow, minority, suffering from Rheumatoid arthritis and osteoporosis. My monthly premium for one employee and me is \$460.00. I take 12 RX drugs, have lab work done once a month and visit the doctor once a month as well. Extremely difficult financially.” - Mineral Wells, Texas*

## Purchasing Pools

- *“We would support a large pool of small companies for health insurance purposes. Limit how much an insurance company can increase premiums from one year to the next.” - Austin, Texas*
- *“I would like to see small businesses join for the purpose of purchasing health insurance. Hopefully using economies of scale to reduce the enormous expenses incurred by small employers.” - Castroville, Texas*
- *“All the answers that I "could" answer, I did! My strong recommendation would be to offer a tax incentive to small businesses to offer coverage or at least a percentage of cost for insurance coverage to their employees. Insurance coverage is cost-prohibitive for single income families in particular. If there were a state pool from which small businesses could obtain a lucrative plan with an affordable rate, it would benefit so many of us, both individually as well as company-wide.”*
- *“State law should enable all employers and individuals to get the same rates as the largest group. The economics that allow for lowest cost premiums can be extended through combined administration so that no groups would be less costly than any other -----assuming broad demographics to minimize the differences between the state's largest employer and the sole proprietorship. Put every business into a large group.”*

- *“I experience extreme problems with TIPA when it was created & do not want to go through those problems again. If small business can pool together into the large groups it should help reduce premiums that are currently bordering on excessive for my small business.”*

## Recruit and Retain

- *“As a small employer providing health insurance coverage is an especially critical issue for us. We have a difficult time attracting quality employees when we have to compete with the larger employers in our community, such as the city, state and federal agencies and universities. These employers, due to their state, can offer very generous plans that we simply can't match.” -Alpine, Texas*
- *“Health insurance is a must in recruiting and keeping talented employees. However, premiums are escalating at an alarming rate. Premiums increase on average 25-30% each annual renewal. That means insurance costs double at least every three years. No other expense has that rate of increase. I don't believe medical costs have increased at such a rate. I believe insurance companies have exploited the economy and the risk of not carrying health insurance to boost their bottom line. Just look at the number of new high rise office buildings with an insurance logo at the top. Monthly insurance premiums for a family of four are close to 50% of that same family's rent/house payment. Employers and employees cannot keep up with that kind of growth.”*
- *“We began providing insurance at considerable cost to us in order to retain/attract the quality employees we needed. The cost of this insurance is certainly a turn-off for most employers who consequently do not offer it, in my experience, which is unfortunate. A better plan at lower rates would certainly be welcomed.”*
- *“It is difficult for the small business to compete for personnel with the larger corporations. There should be a way to "pool" the coverages with other small business in order to be able to afford health insurance for our employees.” -Houston, Texas*

## Small Business Insurance

- *“We are just a mom and pop business. We buy personal health insurance in a medical services account. We like it very much. It offers incentives for small businesses to set up MSA's for their employees.”*
- *“All businesses with employees should provide health insurance. If you can't afford insurance, you shouldn't be in business or you need to understand overhead and profit margins. We should not expect everyone else's tax dollars can be used to subsidize small business. A lot of small business owners line their pockets and the expense of others including their employees. Providing care for your employees comes down to moral issues. All businesses, small and large, should have to provide health insurance to their employees.”*
- *“As a small business, I have found requirements imposed by health insurance providers to be absurd. Even if I want to offer insurance and employees are willing to contribute, I need to have a 75% participation of all eligible to participate in a plan. Most low wage employees are not willing to pay a portion of their insurance, regardless of their benefits. I would support a state subsidized contribution program if employees were required to meet certain requirements (for ex: regular attendance at work, performance standards, etc.). I have found many employees who work in the childcare field to expect high wages and are not willing to work at a performance level. At one point, I contributed 90% of health insurance coverage. As soon as I increased employee contribution by tying benefits to performance (for ex: # of parent complaints, child enrollment, attendance, etc) employees declined insurance because it was easier than just meeting job performance requirements. I am not in favor of increasing state spending/tax payer burden to provide benefits to those not willing to support themselves and put in an average day of work.”*
- *“Small business is being discriminated against. We should be allowed to join together or to join the wonderful generous government employees' programs.”*
- *“It is imperative that something be done to revise the health insurance requirements and restrictions, particularly for small businesses.” Burseson, Texas*

## Socialized Medicine

- *“It is my opinion that generally the government should not interfere with my employee compensation and benefits policies, and socialized medicine is a bad idea. It is by mutual agreement that my employees and I have determined their value to me and my value to them, and if I am forced to increase my compensation through benefits to a point beyond the value my employees bring to the company, it could cost them their employment.”*
- *“Insurance is a privilege not a right. It should be provided as a benefit if the employed wishes to do so. Also, if you provide insurance for the small stuff that normally is taken care of at home people will not use it because it's "free" or close or they perceive that they have already "paid" for it.”*
- *“If the state government is going to provide health and hospital coverage with tax payer money for kids, the poor, Medicaid, CHIPS, government employee and officials, elderly, Medicare, etc., then they should provide coverage for all those that pay the bills.”*

- *“In my opinion, the more government subsidies you give adults, the less likely they are to take responsibility for themselves and their children.”*
- *“We are opposed to expanding federal or state programs for anyone including this company. We also feel that health care is a privilege, not an entitlement. It would be easier on us, short term, if programs were in place to subsidize our employees or us as health care is expensive. However, long term quality of care will suffer and the costs would be greater. This is why we are opposed to government tampering in health care.”*
- *“Health care is a major problem for everyone that does not work for a large company or government agencies that subsidizes their premiums. I believe health care cost should be a social program where an equal amount is charged to all. This way, no one will go without health care or medicine and every individual should contribute to the cost, including the government.” - Houston, Texas*

### Standardization

- *“Insurance purchasing is a major hassle --impossible to compare rates and benefits between companies as there are no standards.”*
- *“I have experienced such a difficult time in trying to keep affordable health care insurance for myself and my husband as self-employed persons. I would be very interested in ANY solutions we could find for this problem in Texas and across the country. Even my experience with insurance companies covering expenses that I understood to be covered and was not, has been very negative. I feel insurance policies, companies and agents mislead consumers with their terminology and definitions that are too many and too confusing for the average person. There needs to be standards to make it less confusing and expensive.”*

## Tax Structure

- *“We pay 100% of our employees health plan. Small businesses should be rewarded in some way for doing that. Some kind of rebate should be provided, because we keep SEVEN people off of the Medicaid roles.”*
- *“Small employers are forced to pay through various forms of taxation for all city, county, state, federal, community college and university employees. There is not enough money left for us to cover ourselves and employees with adequate health coverage.”*
- *“1) For households who buy individual health insurance, a tax credit or deduction (regardless of income) would be a helpful gesture. 2) I would support buying into Medicare or CHIPS provided the premiums would be the same or lower as private insurance. Private insurance is notorious for denying or providing coverage with an exclusion on people with pre-existing conditions. This practice must stop!”*
- *“It has always been my belief that the federal government should give employers a tax credit rather than a tax expense for the money spent by employers for health insurance. Secondly, state boards should determine eligibility of expenses rather than insurance companies.”*
- *“We once were able to write health insurance costs and expenses off the top & were not required to pay taxes on this money. With changes in tax laws and increases in insurance costs, this is now impossible. If all citizens could do this today, the savings incurred would help pay the insurance cost.”*

## Tort Reform

- *“Lawsuit abuse is the single biggest reason health insurance premiums are out of control. Control the lawyers who sue frivolously and health premiums will come down and be affordable.”*

## Working Poor

- *“The working poor are not receiving the help they need and as people come off welfare, they lose ground economically due to the loss of health benefits. Someone has to pay for health insurance, but who and how? Socialized medicine does not seem to be the answer, but neither does the current system. We have \$500,000.00 net per year physicians. Pharmaceutical companies are spending more on advertising and lobbying than research. Patients are over utilizing the system and lawyers are looking for the lotto case.”*

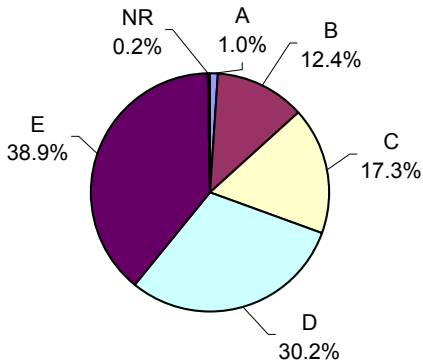
## SECTION 1: SURVEY RESULTS

### PART A: ALL COMPANIES

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#### 1. How long has your company been in business?

- a. less than 1 year:
- b. 1-4 years:
- c. 5-9 years:
- d. 10-19 years:
- e. 20 or more years:

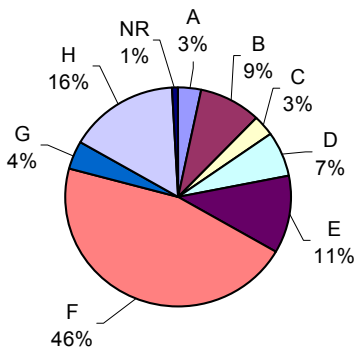


#### Response Breakdown

A: 113  
 B: 1,359  
 C: 1,890  
 D: 3,310  
 E: 4,261

#### 2. Which of the following best describes your company's primary business?

- a. Agriculture, forestry, fishing
- b. Construction
- c. Food service
- d. Manufacturing
- e. Retail
- f. Services (medical care, personal services, laundry, repair business, legal, business services, computer services, etc.)
- g. Wholesale
- h. Other

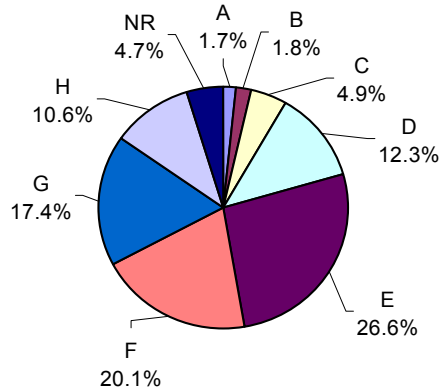


#### Response Breakdown

A: 350  
 B: 986  
 C: 345  
 D: 721  
 E: 1,257  
 F: 5,010  
 G: 451  
 H: 1,751

**3. For calendar year 2000, what was your company's annual gross revenue?**

- a. less than \$25,000
- b. \$25,000 - \$50,000
- c. \$50,001 - \$100,000
- d. \$100,001 - \$200,000
- e. \$200,001 - \$500,000
- f. \$500,001 - \$ 1 million
- g. \$1,000,001 - \$2.5 million
- h. more than \$2.5 million

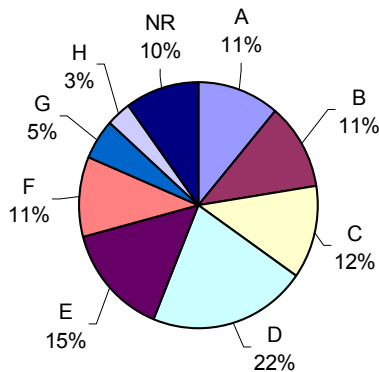


**Response Breakdown**

- A: 188
- B: 195
- C: 533
- D: 1,349
- E: 2,915
- F: 2,197
- G: 1,908
- H: 1,159

**4. As of December 31, 2000, what was your company's estimated net worth?**

- a. less than \$50,000
- b. \$50,000 - \$100,000
- c. \$100,001 - \$200,000
- d. \$200,001 - \$500,000
- e. \$500,001 - \$1 million
- f. \$1,000,001 - \$2.5 million
- g. \$2,500,001 - \$5 million
- h. more than \$5 million

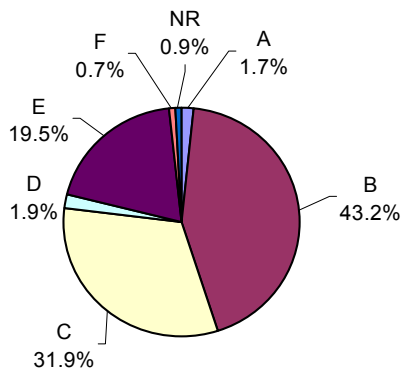


**Response Breakdown:**

- A: 1,220
- B: 1,235
- C: 1,348
- D: 2,339
- E: 1,613
- F: 1,171
- G: 576
- H: 366

**5. Which of the following describes the wages of most of your employees?**

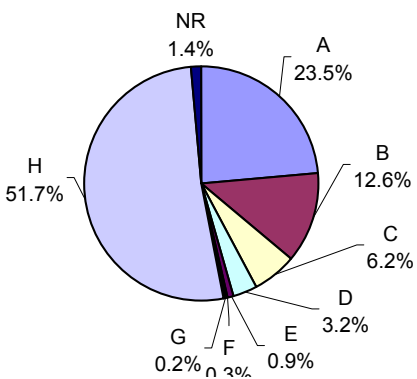
- a. minimum wage
- b. hourly, but more than minimum wage
- c. salaried
- d. independent contractors
- e. mix
- f. hourly plus tips



<u>Response Breakdown</u>	
A:	191
B:	4,735
C:	3,499
D:	213
E:	2,139
F:	79

**6. How many employees earn less than \$8 an hour?**

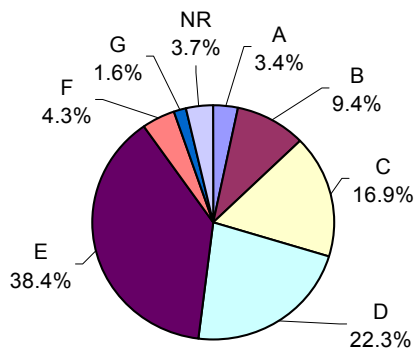
- a. 1-2
- b. 3-5
- c. 6-10
- d. 11-20
- e. 21-30
- f. 31-40
- g. 41-50
- h. none



<u>Response Breakdown</u>	
A:	2,573
B:	1,383
C:	679
D:	347
E:	96
F:	31
G:	24
H:	5,669

**7. Not including the business owner(s), approximately what is the average annual salary (excluding all benefits) for a full-time employee?**

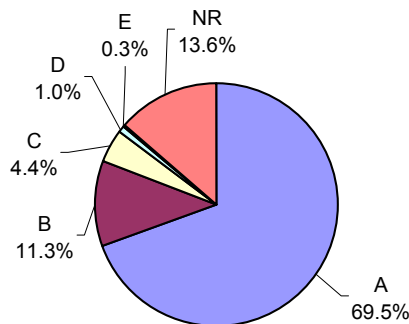
- a. Less than \$10,000
- b. \$10,000 - \$15,000
- c. \$15,001 - \$20,000
- d. \$20,001 - \$25,000
- e. \$25,001 - \$50,000
- f. \$50,001 - \$75,000
- g. More than \$75,000



<u>Response Breakdown</u>	
A:	367
B:	1,035
C:	1,848
D:	2,442
E:	4,209
F:	471
G:	178

**8. If some of your employees have children who are covered under TexCare Partnership (State Medicaid or Children’s Health Insurance Programs), have any of those employees ever indicated to you that they would prefer their children be covered under an employment-based health plan instead of under Medicaid or CHIP?**

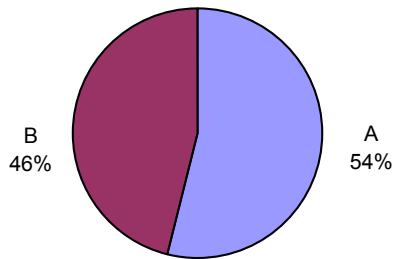
- a. I do not know if any of my employees’ children are covered under Medicaid or CHIP, and none have indicated that they would prefer to be covered under an employment-based health plan.
- b. I do know that some employees have children who are covered under Medicaid or CHIP, but I have not had any discussions with my employees about their preference.
- c. Less than 5 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.
- d. Between 5 and 10 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.
- e. More than 10 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.



<u>Response Breakdown</u>	
A:	7,612
B:	1,233
C:	482
D:	107
E:	36

9. Does your company currently offer health insurance coverage to its employees?

- a. Yes
- b. No



**Response  
Breakdown:**

A: 5,918  
B: 5,037

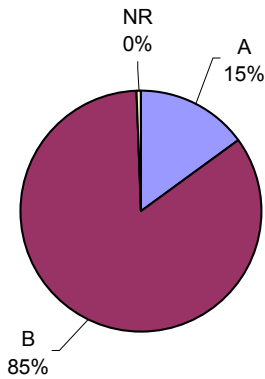
**IF YES, PLEASE SKIP TO PART C: QUESTIONS 41-63.**  
**IF NO, PLEASE CONTINUE WITH PART B: QUESTIONS 10-40.**

**PART B: COMPANIES NOT CURRENTLY OFFERING HEALTH INSURANCE**

The following questions (10-40) were answered only by those employers who do not currently offer health insurance (5,013 employers).

**10. Has your company offered health insurance coverage to its employees within the past 5 calendar years (1997-2001)?**

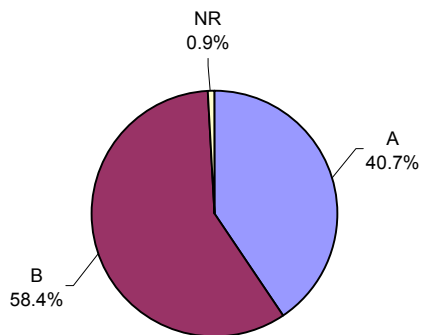
- a. Yes
- b. No



<b><u>Response Breakdown:</u></b>
A: 761
B: 4,252

**11. Has your company attempted to purchase health insurance within the past 5 calendar years (1997-2001)?**

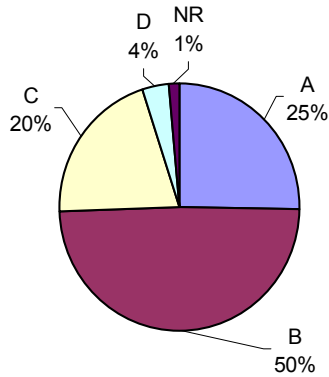
- a. Yes
- b. No



<b><u>Response Breakdown:</u></b>
A: 2,049
B: 2,943

**12. Which statement best describes your company's position on purchasing health insurance?**

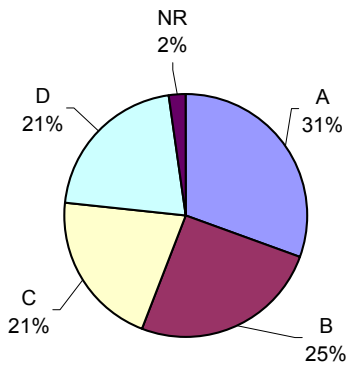
- a. The company will definitely not offer health insurance in the next 3 years.
- b. The company will probably not offer health insurance in the next 3 years.
- c. The company will probably offer health insurance in the next 3 years.
- d. The company will definitely offer health insurance in the next 3 years.



<b><u>Response Breakdown</u></b>	
A:	1,268
B:	2,484
C:	1,028
D:	186

**13. Which statement best describes your company employees' level of interest in health insurance?**

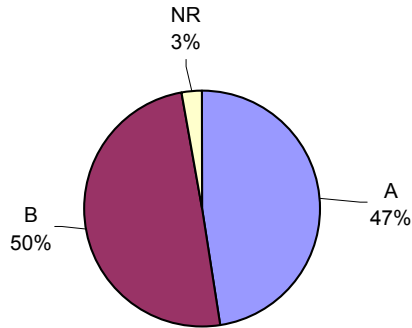
- a. Employees are very interested in whether health insurance will be offered.
- b. Employees are somewhat interested in whether health insurance will be offered.
- c. Employees are mildly interested in whether health insurance will be offered.
- d. Employees are not interested in whether health insurance will be offered.



<b><u>Response Breakdown</u></b>	
A:	1,541
B:	1,267
C:	1,048
D:	1,067

**14. Do you feel that not offering health insurance has negatively affected your ability to attract qualified employees?**

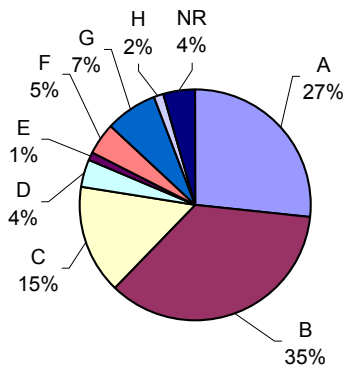
- a. Yes
- b. No



<b><u>Response Breakdown</u></b>	
A:	2,388
B:	2,504

**15. Which statement best describes your company's reason for not offering health insurance? Please select only one.**

- a. We have not tried to purchase insurance because we know it is too expensive.
- b. We tried to purchase insurance but it was too expensive.
- c. The majority of employees don't want insurance because they already have coverage under another family member's policy or some other type of coverage (such as Medicare, Medicaid, or the Children's Health Insurance Plan).
- d. We couldn't obtain insurance because one or more of our employees has a pre-existing health condition that makes our group uninsurable.
- e. The majority of employees do not want health insurance because they do not think it is necessary.
- f. The majority of employees prefer higher wages to health insurance.
- g. We are willing to offer coverage, but the majority of employees are not able to afford their share of the premium.
- h. Providing health insurance is too much of an administrative hassle.



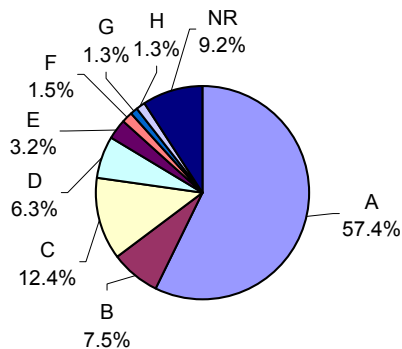
<b><u>Response Breakdown</u></b>	
A:	1,349
B:	1,792
C:	762
D:	201
E:	45
F:	236
G:	358
H:	76

**Background Note:** The following information should assist you in answering Questions 16-18.

When employers offer health insurance, the employer usually pays a percentage of the premium cost and the employee pays the remaining percentage. For example, the employer may pay 75% of the cost and the employee would pay the remaining 25%. The actual percentages may vary depending on the insurer and the employer.

**16. If your company has received an estimate for health insurance within the past 3 years, please indicate the estimated total monthly premium for all the company's employees combined, including both the employer's and the employee's contribution.**

- a. We haven't received an estimate.
- b. Less than \$1,000 a month.
- c. \$1,000 - \$2,000 a month.
- d. \$2,001 - \$3,000 a month.
- e. \$3,001 - \$4,000 a month.
- f. \$4,001 - \$5,000 a month.
- g. \$5,001 - \$7,500 a month.
- h. More than \$7,500 a month.

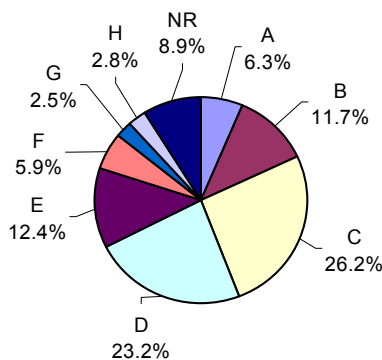


**Response Breakdown**

- A: 2,889
- B: 378
- C: 624
- D: 317
- E: 159
- F: 77
- G: 63
- H: 65

**17. If your company were to purchase health insurance coverage today, approximately how much money per employee do you believe insurance would cost? Please indicate the total amount of the premium cost including both the company's contribution and the employee's contribution. The estimate should indicate the cost for employee-only coverage (i.e. does not include the cost of coverage for the employee's spouse or children).**

- a. \$0 - \$50 per employee per month
- b. \$51-\$100 per employee per month
- c. \$101-\$200 per employee per month
- d. \$201-\$300 per employee per month
- e. \$301-\$400 per employee per month
- f. \$401-\$500 per employee per month
- g. \$501-\$600 per employee per month
- h. More than \$600 per employee per month

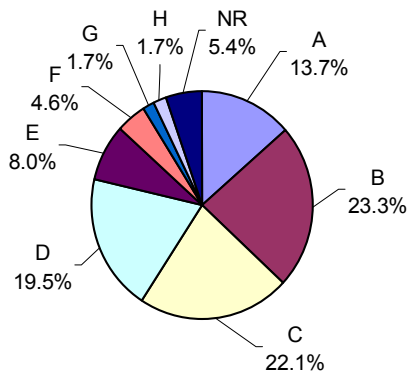


**Response Breakdown**

- A: 317
- B: 591
- C: 1,321
- D: 1,169
- E: 627
- F: 299
- G: 124
- H: 143

18. If your company decided to purchase health insurance, approximately what is the maximum amount it would be able to pay for each employee per month? Please indicate only how much the company would be able to pay, not including the employee's contribution.

- a. The company would not be interested in purchasing health insurance at any cost
- b. Less than \$50 per employee per month
- c. \$50 per employee per month
- d. \$100 per employee per month
- e. \$150 per employee per month
- f. \$200 per employee per month
- g. \$250 per employee per month
- h. \$300 or more per employee per month



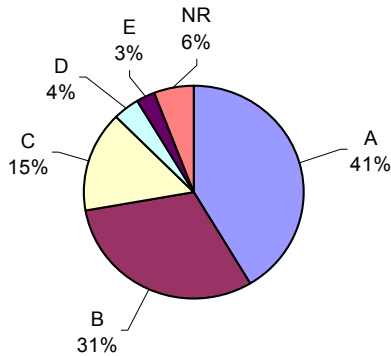
**Response  
Breakdown**

A: 691  
B: 1,176  
C: 1,111  
D: 981  
E: 402  
F: 232  
G: 87  
H: 86

If you were to purchase health insurance for your company's employees, please indicate the importance of each of the benefits listed below (19 - 33) using the following scale:

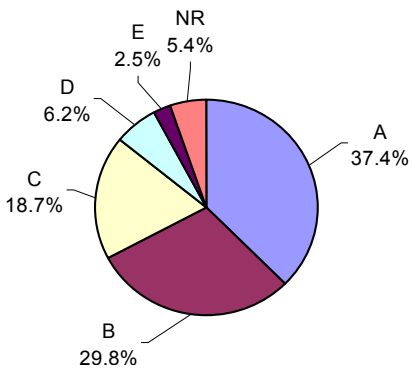
- a = extremely important
- b = very important
- c = somewhat important
- d = not very important
- e = not at all important

19. Visits to a primary care physician, such as a pediatrician or family doctor, but only when sick



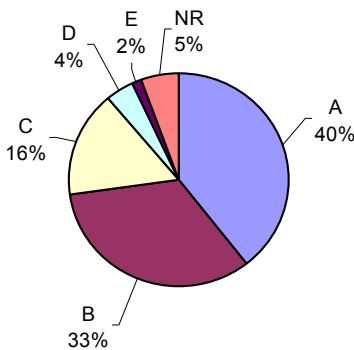
<u>Response Breakdown</u>	
A:	2,082
B:	1,557
C:	769
D:	191
E:	146

20. Visits to a primary care physician when sick and for annual well-person check-ups



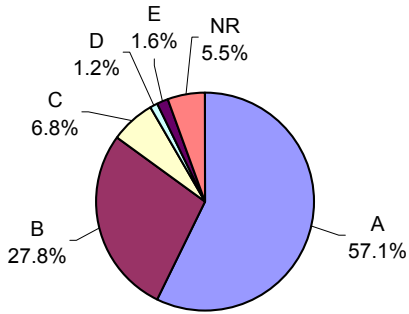
<u>Response Breakdown</u>	
A:	1,883
B:	1,503
C:	944
D:	311
E:	124

21. Visits to a specialist physician, such as a cardiologist or surgeon



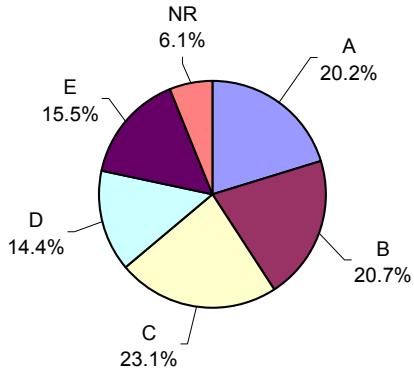
<u>Response Breakdown</u>	
A:	1,989
B:	1,679
C:	812
D:	202
E:	78

22. In-patient hospital care (for surgery, illness, emergencies, etc.)



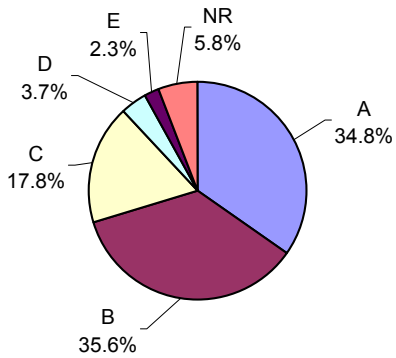
<b><u>Response Breakdown</u></b>	
A:	2,877
B:	1,399
C:	344
D:	58
E:	82

23. Maternity care for pregnant women



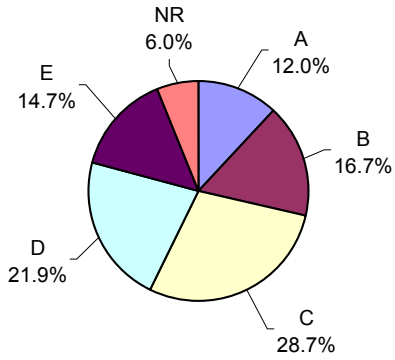
<b><u>Response Breakdown</u></b>	
A:	1,017
B:	1,043
C:	1,163
D:	725
E:	781

24. Laboratory services (such as getting blood work or having a biopsy analyzed).



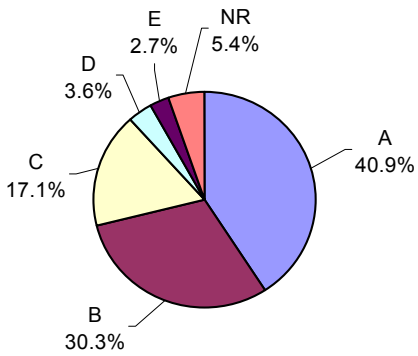
<b><u>Response Breakdown</u></b>	
A:	1,754
B:	1,791
C:	895
D:	188
E:	115

25. Mental health services



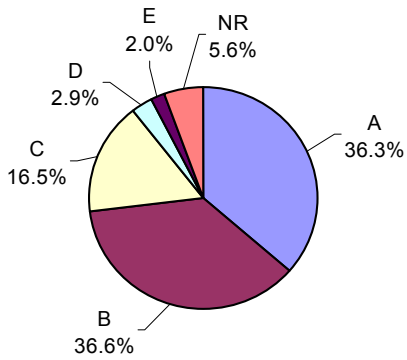
<b><u>Response Breakdown</u></b>	
A:	602
B:	839
C:	1,446
D:	1,104
E:	742

26. Prescription drugs



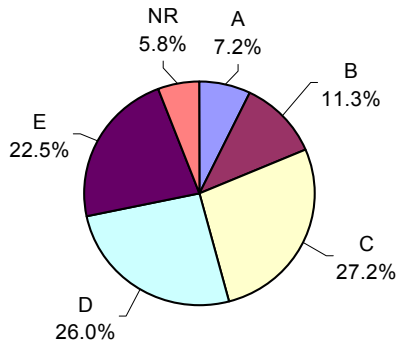
<b><u>Response Breakdown</u></b>	
A:	2,060
B:	1,525
C:	863
D:	181
E:	136

27. X-Rays or MRI's



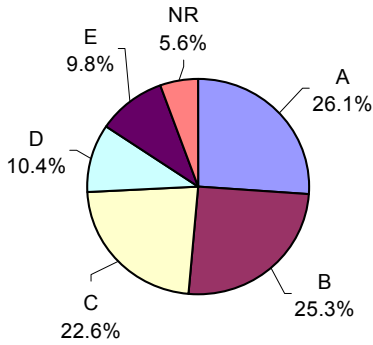
<b><u>Response Breakdown</u></b>	
A:	1,830
B:	1,843
C:	833
D:	147
E:	100

28. Alcohol or drug abuse treatment



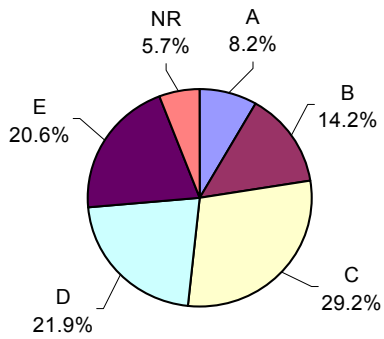
<b><u>Response Breakdown</u></b>	
A:	364
B:	569
C:	1,370
D:	1,308
E:	1,132

29. Well-child care, including coverage for immunizations and routine check-ups



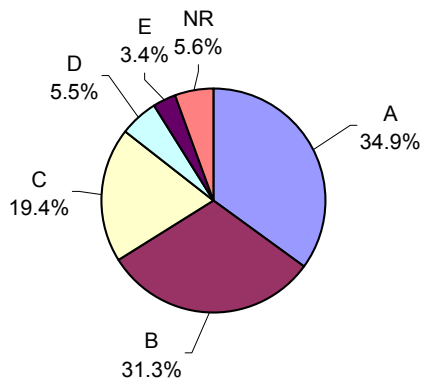
<b><u>Response Breakdown</u></b>	
A:	1,316
B:	1,276
C:	1,140
D:	526
E:	495

30. Chiropractic services



<b><u>Response Breakdown</u></b>	
A:	414
B:	717
C:	1,473
D:	1,105
E:	1,040

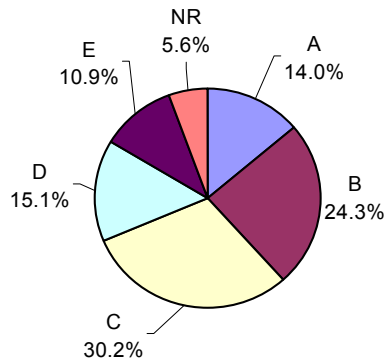
31. Preventive screenings (such as mammograms or prostate cancer testing)



**Response Breakdown**

A: 1,758  
 B: 1,576  
 C: 976  
 D: 276  
 E: 171

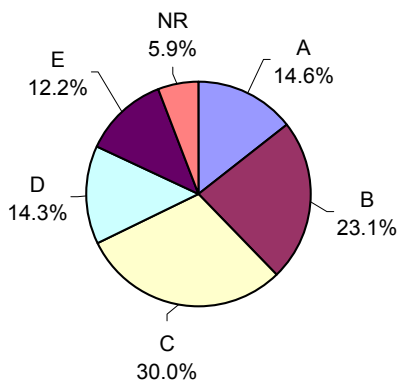
32. Vision care (visits to the eye doctor, glasses, contacts)



**Response Breakdown**

A: 705  
 B: 1,222  
 C: 1,522  
 D: 759  
 E: 548

33. Dental benefits

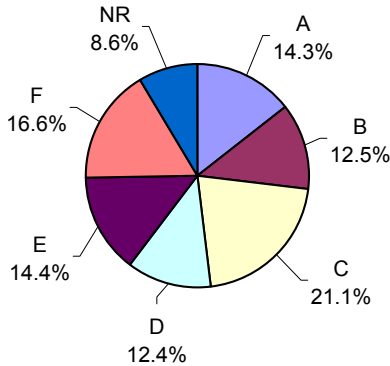


**Response Breakdown**

A: 734  
 B: 1,162  
 C: 1,512  
 D: 720  
 E: 613

34. In order to make health insurance more affordable, if you had to choose between an insurance policy that provides coverage only for routine health care expenses (such as annual check-ups, minor illnesses and injuries, limited hospital coverage) and a policy that provides coverage only for major catastrophic illnesses (such as cancer, organ transplants, major surgery or major injury), which type of coverage would you prefer? Please select only one.

- a. Benefits for preventive care, routine illnesses and minor injuries with a benefit level that would pay costs up to \$10,000 per person each year
- b. Benefits for preventive care, routine illnesses and minor injuries with a benefit level that would pay costs up to \$20,000 per person each year
- c. Benefits for preventive care, routine illnesses and minor injuries with a benefit level that would pay costs up to \$50,000 per person each year
- d. Benefits for major catastrophic illnesses that would not cover routine illnesses but would provide coverage for large medical expenses with a benefit level of \$100,000 per person each year
- e. Benefits for major catastrophic illness that would not cover routine illnesses but would provide coverage for large medical expenses with a benefit level of \$500,000 per person each year
- f. Benefits for major catastrophic illness that would not cover routine illnesses but would provide coverage for large medical expenses with no benefit level maximum.

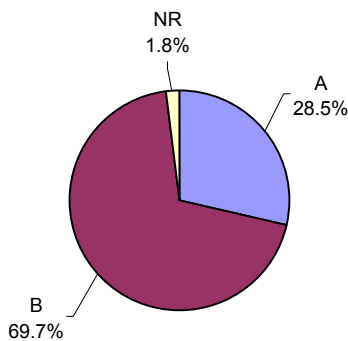


<u>Response Breakdown</u>	
A:	722
B:	630
C:	1,063
D:	624
E:	726
F:	837

In recent years, the Texas Legislature passed several reforms that were intended to make health insurance more affordable and more widely available to small employers. Please indicate whether you are aware of each of the reforms in questions 35-37:

35. Small employers cannot be denied health insurance coverage based on the health status of their employees.

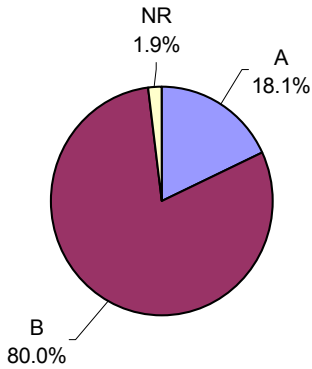
- a. Yes, I am familiar
- b. No, I am not familiar



<u>Response Breakdown</u>	
A:	1,436
B:	3,510

36. Small employers can purchase one of two standard benefit plans (the Basic and Catastrophic health plans) that offer more limited benefits at a lower cost.

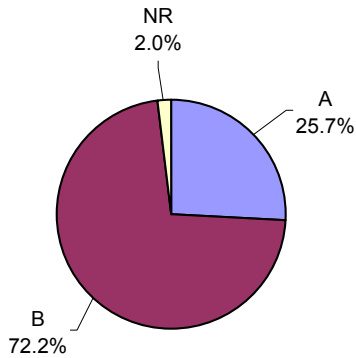
- a. Yes, I am familiar
- b. No, I am not familiar



<b><u>Response Breakdown</u></b>
A: 910
B: 4,032

37. Small employers can join together to form purchasing alliances for the purpose of buying health insurance.

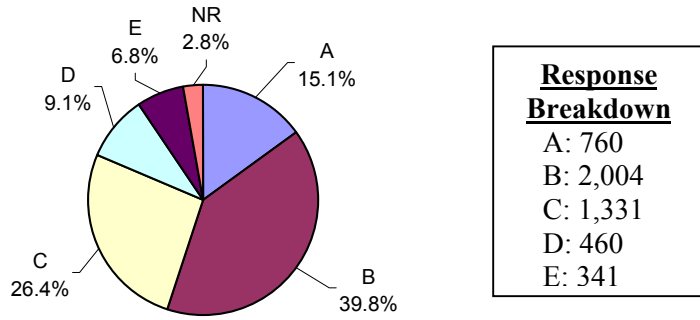
- a. Yes, I am familiar
- b. No, I am not familiar



<b><u>Response Breakdown</u></b>
A: 1,296
B: 3,639

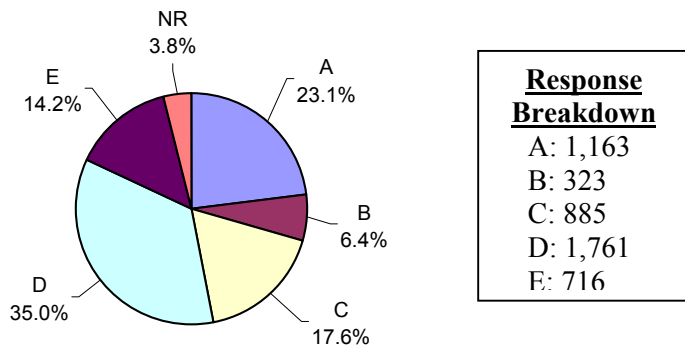
**38. How would you best describe your level of knowledge about issues concerning health insurance purchases?**

- a. I am very comfortable discussing and evaluating health insurance purchasing issues.
- b. I am fairly comfortable discussing and evaluating health insurance purchasing issues.
- c. I am fairly uncomfortable discussing and evaluating health insurance purchasing issues.
- d. I am very uncomfortable discussing and evaluating health insurance purchasing issues.
- e. I am so uncomfortable discussing and evaluating health insurance purchasing issues that I try to avoid it.



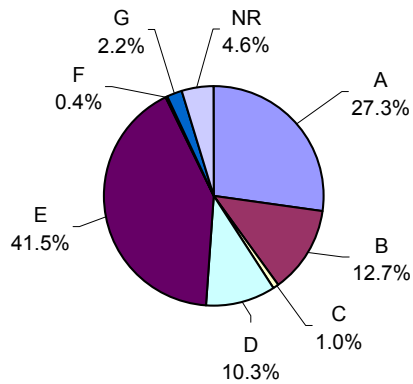
**39. Which statement best describes how you feel about health insurance?**

- a. Employers should provide health insurance for their employees if they can afford to do so.
- b. Employers should provide health insurance for their employees and pay at least 75% of the cost of the employees' family members if they can afford to do so.
- c. Employers should provide health insurance for their employees and pay at least 50% of the cost of the employees' family members if they can afford to do so.
- d. Employers should provide health insurance for their employees if they can afford to do so, but they should not be expected to pay for coverage of the employees' family members.
- e. Employers should not feel responsible for providing health insurance for their employees, even if they can afford to do so.



40. Of the following choices, which entity do you think is primarily responsible for assuring people have health insurance?

- a. The federal government
- b. The state government
- c. Local government
- d. Employers
- e. Individuals
- f. None of the above – insurance is not important
- g. Other



<b><u>Response Breakdown</u></b>	
A:	1,373
B:	639
C:	48
D:	520
E:	2,092
F:	22
G:	112

**PLEASE SKIP TO PART D: QUESTIONS 64-80.**

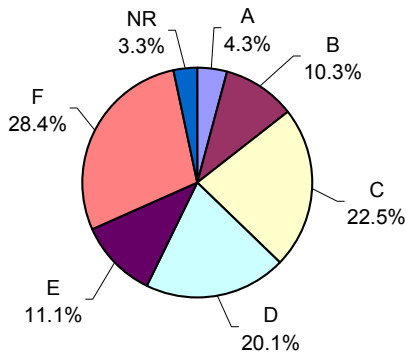
**PART C: COMPANIES CURRENTLY OFFERING HEALTH INSURANCE**

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The following questions (41-60) were answered only by those companies who do currently offer health insurance.

**41. How many years has your company offered health insurance?**

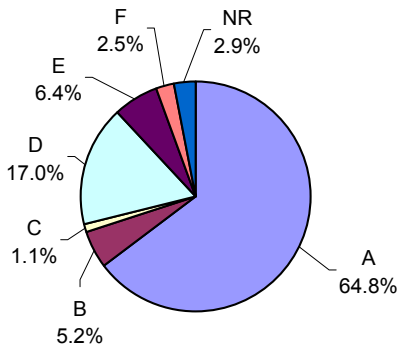
- a. Less than one
- b. 1-2 years
- c. 3-5 years
- d. 6-10 years
- e. 11-15 years
- f. More than 15 years



<b><u>Response Breakdown</u></b>	
A:	254
B:	608
C:	1,334
D:	1,189
E:	655
F:	1,680

**42. Which employees are eligible for the company's health plan?**

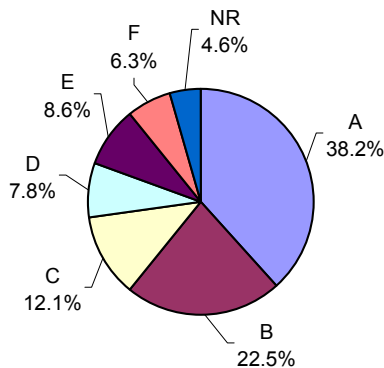
- a. Only full-time employees (working 36-40 hours per week)
- b. All employees working at least 20 hours per week
- c. All employees working at least 25 hours per week
- d. All employees working at least 30 hours per week
- e. All employees working at least 35 hours per week
- f. Other



<b><u>Response Breakdown</u></b>	
A:	3,832
B:	309
C:	68
D:	1,006
E:	381
F:	148

**43. How many employees at your company are eligible to purchase health insurance through the plan offered by your company?**

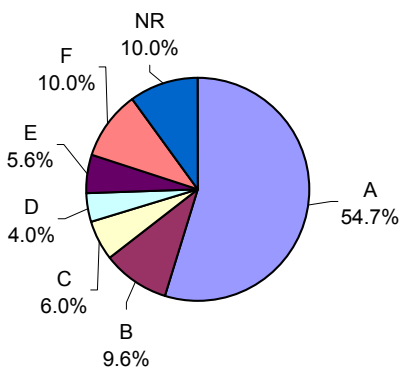
- a. 1-5
- b. 6-10
- c. 11-15
- d. 16-20
- e. 21-30
- f. 31-50



<b><u>Response Breakdown</u></b>	
A:	2,263
B:	1,330
C:	715
D:	460
E:	509
F:	370

**44. Approximately what percentage of employees are eligible to purchase health insurance but do not?**

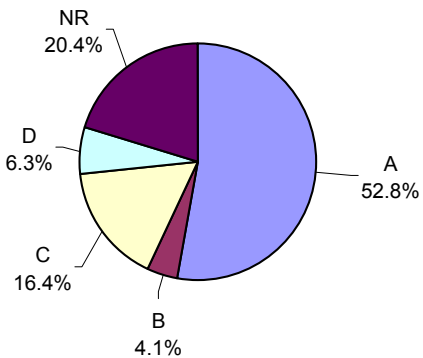
- a. Less than 10% of eligible employees decline the insurance
- b. Between 10% and 20% of eligible employees decline the insurance
- c. Between 21% and 30% of eligible employees decline the insurance
- d. Between 31% and 40% of eligible employees decline the insurance
- e. Between 41% and 50% of eligible employees decline the insurance
- f. More than 50% of eligible employees decline the insurance



<b><u>Response Breakdown:</u></b>	
A:	3,240
B:	570
C:	355
D:	239
E:	333
F:	590

**45. Of those employees who do not purchase health insurance, which of the following statements applies most often?**

- a. The employee doesn't take the insurance because he/she is covered under a spouse's or parent's plan.
- b. The employee doesn't take the insurance because he/she has coverage under another employer's plan (either through a second job or a retiree plan).
- c. The employee doesn't take the insurance because he/she cannot afford his/her part of the premium.
- d. The employee doesn't take the insurance because he/she does not want it.

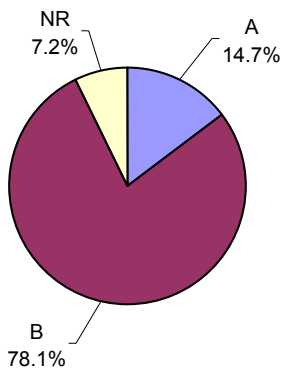


<b><u>Response Breakdown</u></b>	
A:	3,124
B:	245
C:	969
D:	375

**For the following types of insurance, please indicate “yes” if your company currently offers the type of plan listed to its employees and “no” if it does not offer the type of plan listed.**

**46. An HMO plan that does not allow members to go outside the network**

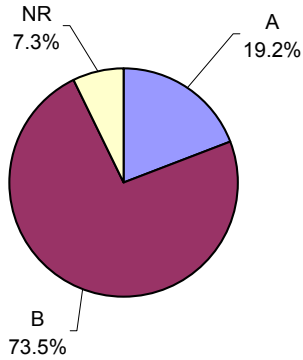
- a. Yes
- b. No



<b><u>Response Breakdown</u></b>	
A:	870
B:	4,623

47. An HMO plan that allows members to go outside the network

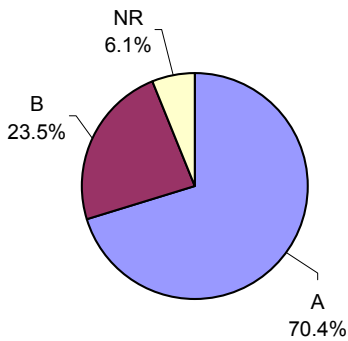
- a. Yes
- b. No



**Response Breakdown**  
A: 1,135  
B: 4,351

48. PPO (Preferred provider organization/preferred provider plan)

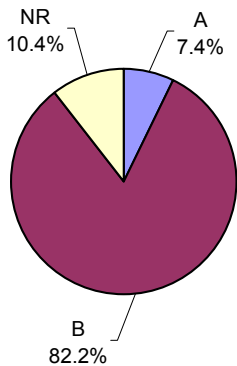
- a. Yes
- b. No



**Response Breakdown**  
A: 4,165  
B: 1,390

49. Traditional Indemnity Plan

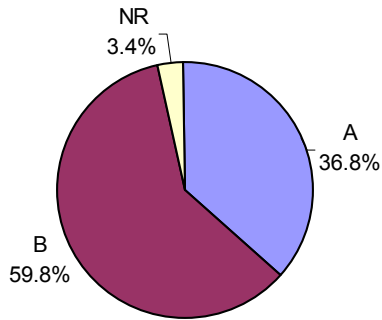
- a. Yes
- b. No



**Response Breakdown**  
A: 435  
B: 4,866

50. Do your employees contribute to the cost of their own coverage (not including coverage for children or spouse)?

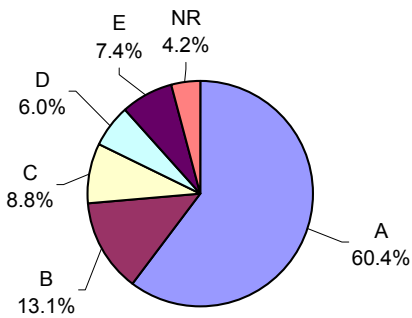
- a. Yes
- b. No



<u>Response Breakdown</u>	
A:	2,178
B:	3,538

51. Approximately how much is each employee required to contribute towards his/her own insurance coverage each month (not including coverage for children or spouse)?

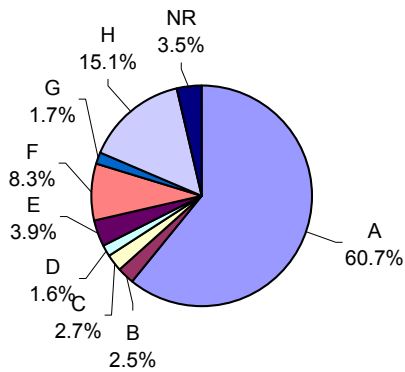
- a. Employees do not pay anything for their own coverage
- b. Employees generally pay less than \$50 a month
- c. Employees generally pay \$50 - \$75 a month
- d. Employees generally pay \$76 - \$100 a month
- e. Employees generally pay more than \$100 a month



<u>Response Breakdown</u>	
A:	3,575
B:	775
C:	523
D:	356
E:	439

52. Approximately what percentage of the total cost of insurance does each employee contribute towards the cost of his/her own coverage each month (not including coverage for children or spouse)?

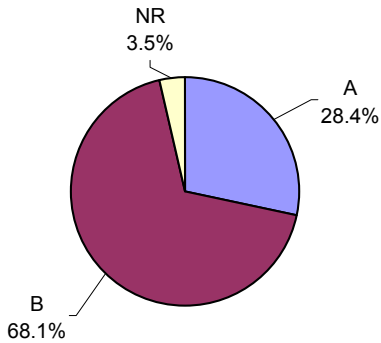
- a. 0%
- b. 5%
- c. 10%
- d. 15%
- e. 20%
- f. 25%
- g. 30%
- h. More than 30%



<u>Response Breakdown</u>	
A:	3,593
B:	149
C:	159
D:	94
E:	229
F:	490
G:	103
H:	891

53. Does your company pay any portion of the premium for coverage of an employee's spouse?

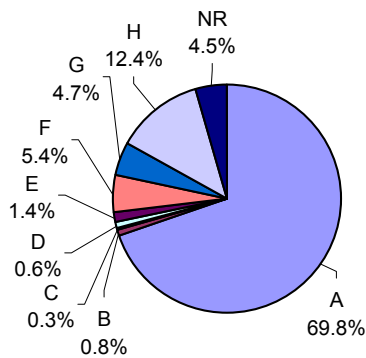
- a. Yes
- b. No



<u>Response Breakdown</u>	
A:	1,683
B:	4,028

**54. Approximately what percentage of the total cost of the spouse's premium does your company pay?**

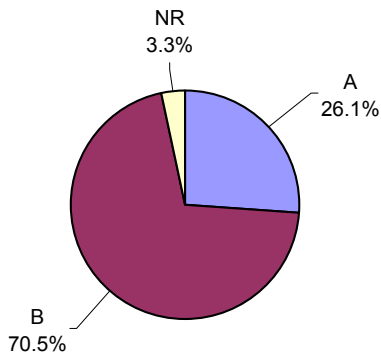
- a. The company does not pay any portion of the spouse's premium
- b. The company pays 10% of the spouse's premium
- c. The company pays 15% of the spouse's premium
- d. The company pays 20% of the spouse's premium
- e. The company pays 25% of the spouse's premium
- f. The company pays 50% of the spouse's premium
- g. The company pays more than half (51-99%) of the spouse's premium
- h. The company pays all of the spouse's premium



<u>Response Breakdown</u>	
A:	4,131
B:	50
C:	16
D:	37
E:	84
F:	319
G:	279
H:	733

**55. Does your company pay any portion of the premium for coverage of an employee's children?**

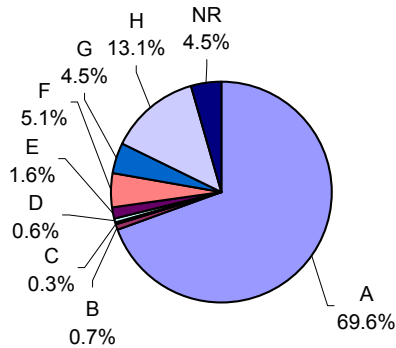
- a. Yes
- b. No



<u>Response Breakdown</u>	
A:	1,546
B:	4,175

**56. Approximately what percentage of the total cost of the children's premium does your company pay?**

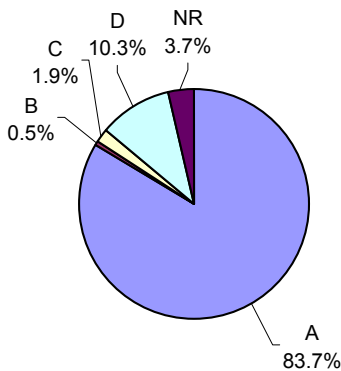
- a. The company does not pay any portion of the children's premium
- b. The company pays 10% of the children's premium
- c. The company pays 15% of the children's premium
- d. The company pays 20% of the children's premium
- e. The company pays 25% of the children's premium
- f. The company pays 50% of the children's premium
- g. The company pays more than half (51-99%) of the children's premium
- h. The company pays all of the children's premium



<u>Response Breakdown</u>	
A:	4,117
B:	39
C:	18
D:	35
E:	92
F:	304
G:	268
H:	778

**57. Is your current policy fully insured by an insurance company or an HMO, or is it a self-insured policy in which the business assumes full risk of all health insurance costs?**

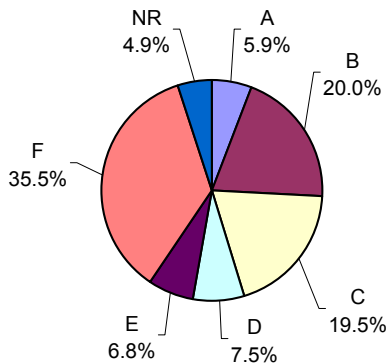
- a. Fully insured by an insurance company or HMO
- b. Self-insured by the business with no stop loss coverage (also called reinsurance)
- c. Self-insured by the business with stop loss/reinsurance coverage
- d. I don't know



<u>Response Breakdown</u>	
A:	4,953
B:	28
C:	113
D:	607

**58. On average, about how often do you change insurance carriers?**

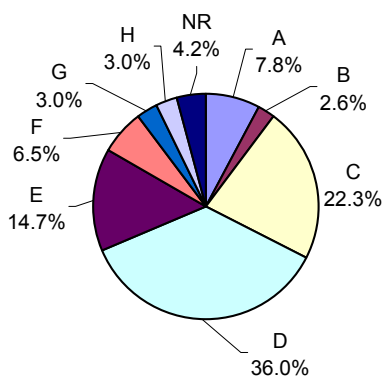
- a. Every year
- b. Every two years
- c. Every three years
- d. Every four years
- e. Every five years
- f. The company has not changed carriers within the past five years



<b><u>Response Breakdown</u></b>	
A:	347
B:	1,181
C:	1,153
D:	441
E:	403
F:	2,103

**59. Approximately how much has the cost of your health insurance plan increased since 1999?**

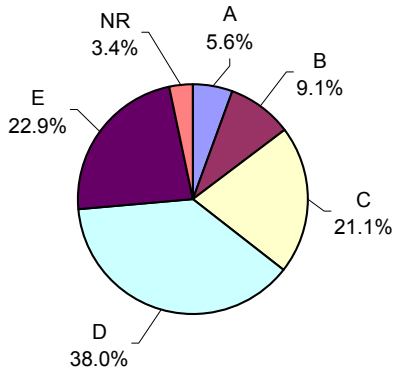
- a. Does not apply – we have offered health insurance coverage for less than three years
- b. Less than 10%
- c. 10% - 25%
- d. 26% - 50%
- e. 51% - 75%
- f. 76% - 100%
- g. 101% - 150%
- h. More than 150%



<b><u>Response Breakdown</u></b>	
A:	460
B:	153
C:	1,318
D:	2,128
E:	869
F:	386
G:	179
H:	176

**60. How likely is your company to discontinue providing health insurance within the next 5 years?**

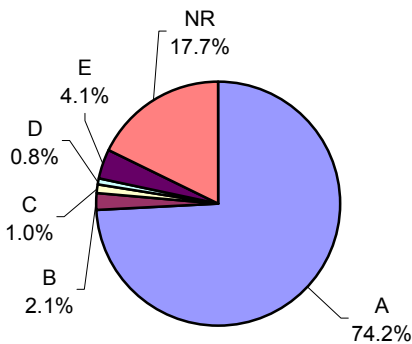
- a. Almost certain to discontinue
- b. Very likely to discontinue
- c. Somewhat likely to discontinue
- d. Very unlikely to discontinue
- e. Absolutely not likely – the company will continue providing health insurance.



<u>Response Breakdown</u>	
A:	329
B:	536
C:	1,247
D:	2,251
E:	1,353

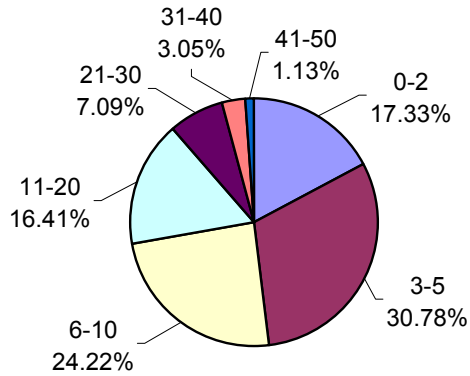
**61. Since CHIP was implemented in 1999, have you seen a decline in the number of employees who cover their children under the health insurance plan offered by your business?**

- a. I have not noticed any decrease in the number of employees who cover their children under our health plan.
- b. I have noticed a decrease in the number of employees who cover their children, and I am sure it is because these children are now enrolled in CHIP.
- c. I have noticed a decrease in the number of employees who cover their children, and I think it is because they are now enrolled in CHIP but do not know that for certain.
- d. I have noticed a decrease in the number of employees who cover their children, but I know that these children are **not** enrolled in CHIP.
- e. I have noticed a decrease in the number of employees who cover their children, but I do not know whether these children are now covered under CHIP.



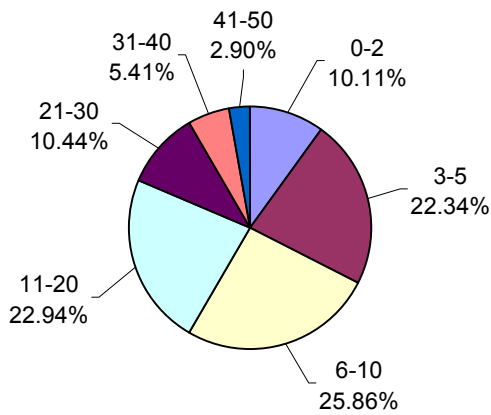
<u>Response Breakdown</u>	
A:	4,394
B:	126
C:	61
D:	47
E:	241

62. How many of your employees are currently insured under your company's health plan? (bubble in two-digit number)



Response Breakdown	
Age	Number
0-2	966
3-5	1,716
6-10	1,350
11-20	915
21-30	395
31-40	170
41-50	63

63. Including employees, spouses and children, what is the total number of people currently insured under your company's health plan? (bubble in three-digit number)



Response Breakdown	
Age	Number
0-2	520
3-5	1,149
6-10	1,330
11-20	1,180
21-30	537
31-40	278
41-50	149

PLEASE CONTINUE WITH PART D: QUESTIONS 64-80.

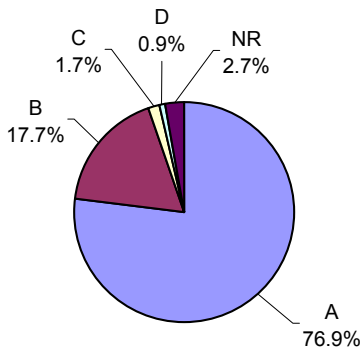
**PART D: ALL COMPANIES**

**ALL RESPONDENTS, PLEASE PROVIDE THE FOLLOWING INFORMATION. THIS DATA IS EXTREMELY IMPORTANT FOR THE PURPOSE OF OUR SURVEY.**

**As part of our study, we are looking at a variety of proposals for expanding health insurance in Texas. For each of the options listed below (numbers 64-74), please indicate your level of support as follows:**

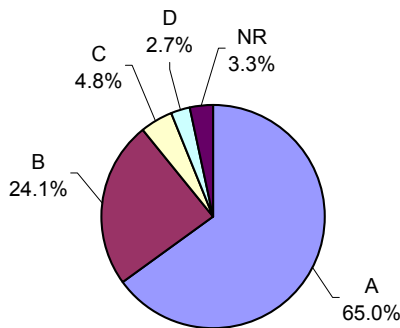
- a = strongly support**
- b = generally support**
- c = generally oppose**
- d = strongly oppose**

**64. Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)**



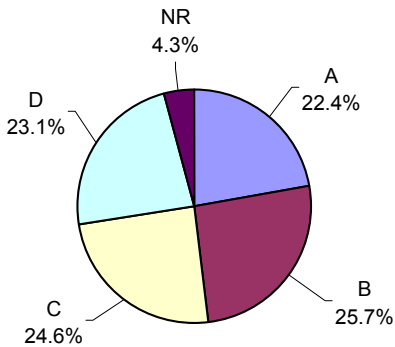
<u>Response Breakdown</u>	
A:	7,876
B:	2,292
C:	250
D:	106

**65. Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees’ health plan or the health plan for federal government employees**



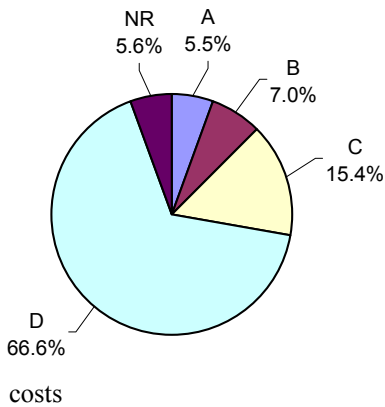
<u>Response Breakdown</u>	
A:	7,019
B:	2,708
C:	478
D:	270

66. Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs



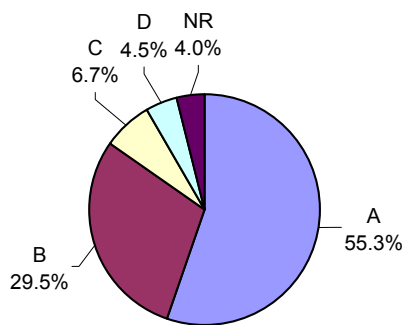
<b><u>Response Breakdown</u></b>	
A:	2,890
B:	3,386
C:	2,273
D:	1,807

67. Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs



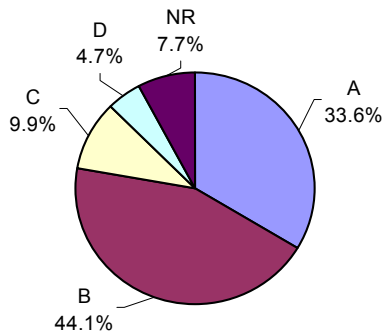
<b><u>Response Breakdown</u></b>	
A:	650
B:	1,057
C:	1,914
D:	6,571

68. Providing a financial incentive to encourage small employers to provide health insurance for their employees



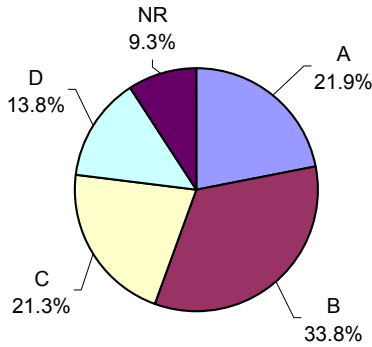
<b><u>Response Breakdown</u></b>	
A:	5,897
B:	3,326
C:	709
D:	457

69. Allowing children who are not eligible for the state’s CHIP program to “buy-in” to the program by paying the required premium



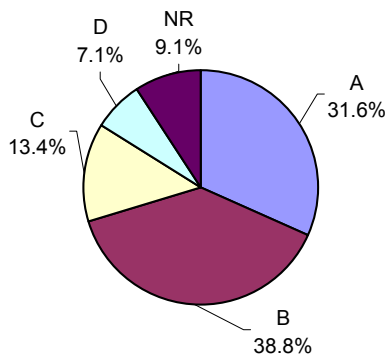
<b><u>Response Breakdown</u></b>	
A:	3,686
B:	4,757
C:	1,105
D:	493

70. Expanding the state’s CHIP program to include the parents of children who are already enrolled in CHIP



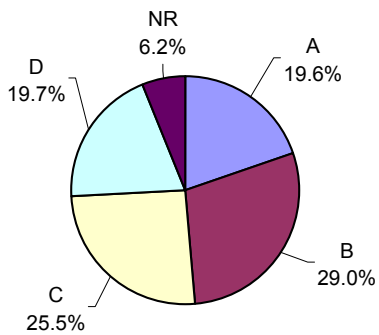
<b><u>Response Breakdown</u></b>	
A:	2,503
B:	3,614
C:	2,342
D:	1,416

71. Expanding the state’s CHIP program to include more children



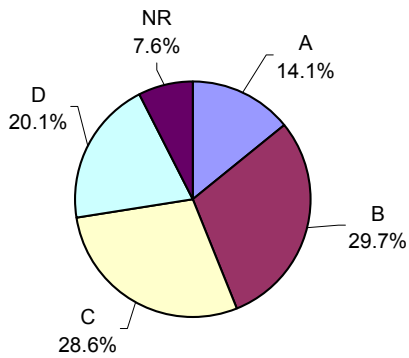
<b><u>Response Breakdown</u></b>	
A:	3,444
B:	4,119
C:	1,525
D:	783

72. Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance



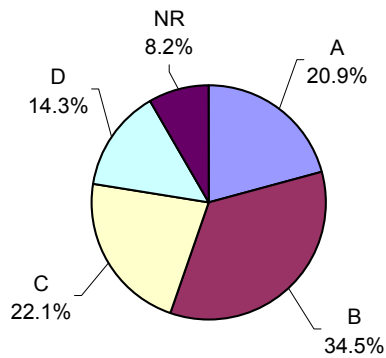
<b><u>Response Breakdown</u></b>	
A:	2,328
B:	3,166
C:	2,602
D:	2,072

73. Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid



<b><u>Response Breakdown</u></b>	
A:	1,669
B:	3,181
C:	3,036
D:	2,129

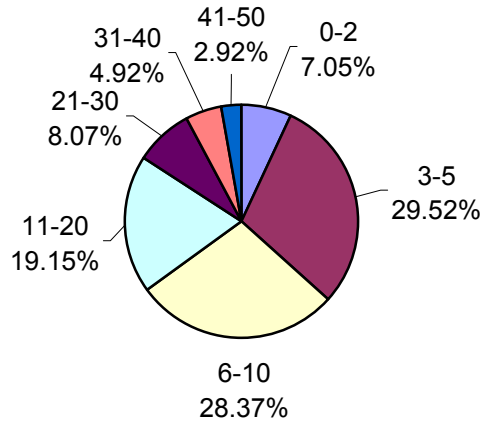
74. Expanding the state's Medicaid program to include more children



<b><u>Response Breakdown</u></b>	
A:	2,289
B:	3,684
C:	2,405
D:	1,551

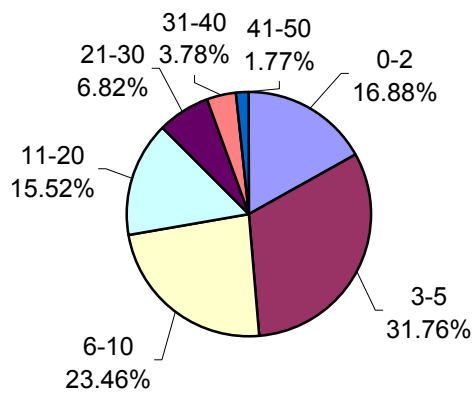
Please bubble in the two-digit number box provided for Questions 75-80.

75. Including the owner(s), how many employees work for your company?



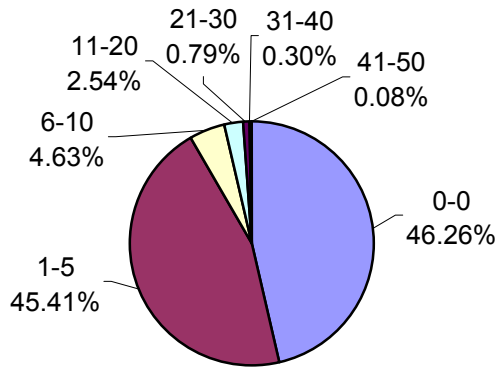
Response Breakdown	
Age	Number
0-2	745
3-5	3,119
6-10	2,997
11-20	2,023
21-30	853
31-40	520
41-50	308

76. How many employees work full-time (36-40 hours per week)?



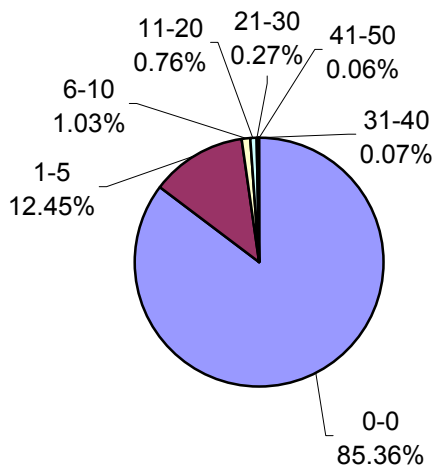
Response Breakdown	
Age	Number
0-2	1,780
3-5	3,349
6-10	2,474
11-20	1,637
21-30	719
31-40	399
41-50	187

77. How many employees work part-time?



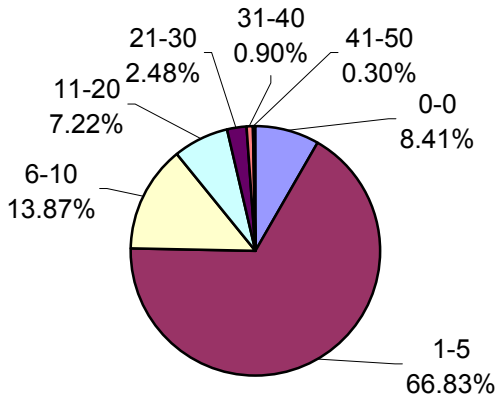
Response Breakdown	
Age	Number
0-0	4,845
1-5	4,756
6-10	485
11-20	266
21-30	83
31-40	31
41-50	8

78. How many employees are contract employers?



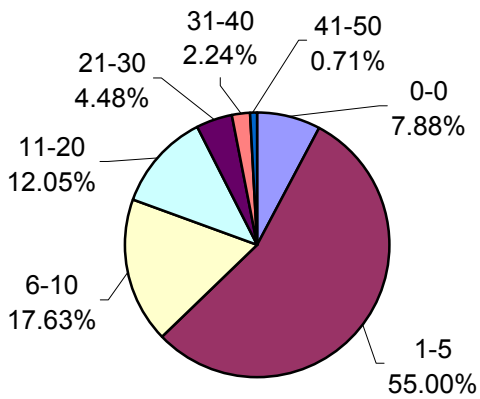
Response Breakdown	
Age	Number
0-0	8,847
1-5	1,290
6-10	107
11-20	79
21-30	28
31-40	7
41-50	6

79. How many employees are female?



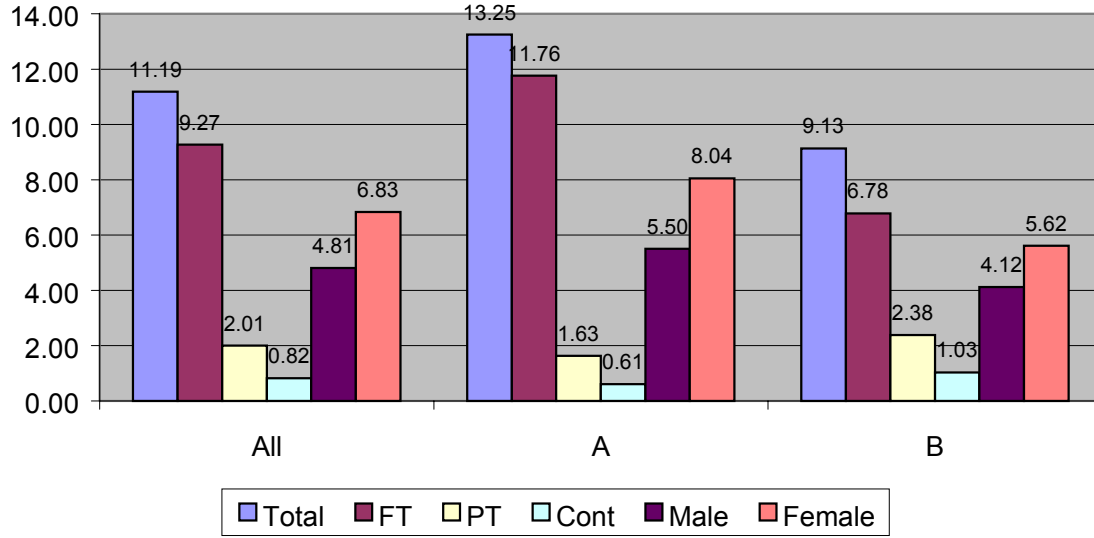
Response Breakdown	
Age	Number
0-0	883
1-5	7,013
6-10	1,455
11-20	758
21-30	260
31-40	94
41-50	31

80. How many employees are male?



Response Breakdown	
Age	Number
0-0	826
1-5	5,764
6-10	1,848
11-20	1,263
21-30	470
31-40	235
41-50	74

## 75-80 Employee Breakdown by Group



## SECTION 2: CROSS-TABULATION OF RESULTS SURVEY QUESTION #2

Included in the Small Employer Survey is Question #2, which asks:

### 2. Which of the following best describes your company's primary business?

- i. Agriculture, forestry, fishing
- j. Construction
- k. Food service
- l. Manufacturing
- m. Retail
- n. Services (medical care, personal services, laundry, repair business, legal, business services, computer services, etc.)
- o. Wholesale
- p. Other

The following charts show the cross-tabulation between industry and position on particular policy options. The policy option is shown at the top of each table.

Question 64 – Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)				
Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	63.8%	28.8%	6.5%	0.9%
Construction	71.5%	24.2%	2.8%	1.5%
Food Service	70.7%	25.2%	2.8%	1.2%
Manufacturing	75.0%	23.3%	1.4%	0.3%
Retail	73.3%	22.2%	3.6%	0.9%
Services	76.8%	20.4%	1.7%	1.1%
Wholesale	81.3%	15.4%	3.0%	0.2%
Other	74.2%	22.4%	2.4%	1.0%

Question 65 - Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees' health plan or the health plan for federal government employees				
Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	60.7%	33.3%	4.2%	1.8%
Construction	67.0%	27.7%	3.9%	1.4%
Food Service	62.2%	32.3%	4.0%	1.5%
Manufacturing	63.2%	29.6%	5.1%	2.1%
Retail	70.0%	24.2%	3.8%	2.0%
Services	67.8%	24.3%	4.6%	3.2%
Wholesale	69.6%	24.5%	4.0%	1.9%
Other	66.1%	25.9%	5.3%	2.8%

**Question 66 - Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	32.7%	34.5%	19.4%	13.3%
Construction	28.7%	30.4%	22.2%	18.7%
Food Service	34.7%	41.5%	16.4%	7.4%
Manufacturing	27.0%	33.0%	24.2%	15.8%
Retail	30.8%	35.1%	20.9%	13.3%
Services	29.0%	31.3%	21.7%	18.0%
Wholesale	25.0%	32.1%	23.6%	19.3%
Other	22.9%	30.1%	24.4%	22.5%

**Question 67 - Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	4.9%	11.0%	23.3%	60.7%
Construction	6.2%	10.2%	18.8%	64.8%
Food Service	11.6%	19.5%	22.3%	46.5%
Manufacturing	4.4%	8.6%	22.1%	65.0%
Retail	7.9%	13.1%	19.9%	59.1%
Services	6.2%	9.2%	17.4%	67.2%
Wholesale	7.9%	11.8%	16.5%	63.8%
Other	5.7%	10.2%	19.1%	64.9%

**Question 68 - Providing a financial incentive to encourage small employers to provide health insurance for their employees**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	50.3%	35.3%	9.0%	5.4%
Construction	58.2%	30.9%	6.6%	4.3%
Food Service	59.8%	29.7%	7.4%	3.1%
Manufacturing	52.4%	34.8%	7.6%	5.2%
Retail	56.8%	31.5%	7.3%	4.4%
Services	58.4%	31.6%	5.9%	4.1%
Wholesale	58.9%	29.6%	7.6%	4.0%
Other	53.0%	33.6%	8.2%	5.3%

**Question 69 - Allowing children who are not eligible for the state's CHIP program to "buy-in" to the program by paying the required premium**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	29.9%	50.0%	14.5%	5.6%
Construction	37.4%	49.7%	8.7%	4.3%
Food Service	41.9%	42.9%	11.1%	4.1%
Manufacturing	32.4%	48.9%	13.0%	5.7%
Retail	37.0%	45.5%	13.0%	4.5%
Services	37.2%	47.2%	10.6%	5.1%
Wholesale	38.3%	45.5%	11.1%	5.2%
Other	36.2%	48.6%	10.4%	4.8%

**Question 70 - Expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	20.6%	39.7%	24.1%	15.6%
Construction	27.0%	37.2%	22.0%	13.8%
Food Service	33.5%	39.6%	18.8%	8.0%
Manufacturing	22.2%	33.5%	29.9%	14.4%
Retail	25.2%	34.5%	24.5%	15.7%
Services	24.9%	36.6%	23.6%	14.9%
Wholesale	25.4%	33.7%	27.3%	13.5%
Other	26.5%	38.5%	22.2%	12.9%

**Question 71 - Expanding the state's CHIP program to include more children**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	28.1%	46.0%	16.3%	9.6%
Construction	37.9%	41.5%	13.1%	7.6%
Food Service	42.4%	37.9%	14.6%	5.1%
Manufacturing	30.0%	42.6%	18.0%	9.4%
Retail	33.7%	39.2%	19.1%	8.0%
Services	34.6%	41.4%	15.6%	8.4%
Wholesale	32.3%	43.2%	15.3%	9.1%
Other	37.2%	43.8%	12.8%	6.2%

**Question 72 - Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	18.1%	29.4%	26.4%	26.1%
Construction	22.6%	31.9%	27.1%	18.4%
Food Service	36.1%	31.8%	21.5%	10.6%
Manufacturing	21.5%	31.1%	25.7%	21.7%
Retail	23.2%	30.4%	27.2%	19.2%
Services	22.1%	31.0%	25.6%	21.2%
Wholesale	21.5%	32.2%	22.8%	23.5%
Other	24.1%	31.7%	24.9%	19.3%

**Question 73 - Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	12.1%	29.5%	34.8%	23.6%
Construction	15.0%	32.5%	31.8%	20.7%
Food Service	28.1%	33.2%	25.2%	13.4%
Manufacturing	12.8%	29.0%	35.1%	23.2%
Retail	16.5%	31.2%	30.7%	21.6%
Services	16.6%	31.5%	30.0%	21.9%
Wholesale	15.4%	29.0%	33.0%	22.6%
Other	18.9%	34.7%	27.2%	19.2%

**Question 74 - Expanding the state's Medicaid program to include more children**

Industry	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Agriculture	16.7%	34.0%	29.2%	20.1%
Construction	23.7%	37.0%	25.8%	13.5%
Food Service	33.8%	32.5%	22.5%	11.3%
Manufacturing	20.9%	37.6%	24.7%	16.7%
Retail	22.2%	35.9%	25.6%	16.3%
Services	22.7%	37.1%	23.8%	16.3%
Wholesale	19.9%	38.0%	25.7%	16.4%
Other	25.4%	38.9%	22.3%	13.5%

## SECTION 3: CROSS-TABULATION OF RESULTS SURVEY QUESTION #3

Included in the Small Employer Survey is Question #3, which asks:

### 3. For calendar year 2000, what was your company's annual gross revenue?

- i. less than \$25,000
- j. \$25,000 - \$50,000
- k. \$50,001 - \$100,000
- l. \$100,001 - \$200,000
- m. \$200,001 - \$500,000
- n. \$500,001 - \$ 1 million
- o. \$1,000,001 - \$2.5 million
- p. more than \$2.5 million

The following charts show the cross-tabulation between average annual gross revenue and position on particular policy options. The policy option is shown at the top of each table.

<b>Question 64 – Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)</b>				
<b>Annual Gross Revenue</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$25,000	67.2%	27.6%	2.9%	2.3%
\$25,000-\$50,000	68.2%	25.1%	3.9%	2.8%
\$50,001-\$100,000	69.7%	25.9%	3.0%	1.4%
\$100,001-\$200,000	71.9%	23.5%	3.4%	1.2%
\$200,001-\$500,000	74.6%	22.2%	2.2%	1.0%
\$500,001-\$1 million	76.9%	20.5%	1.9%	0.8%
\$1,000,001-\$2.5 million	78.4%	18.8%	2.2%	0.6%
More than \$2.5 million	77.9%	19.6%	1.8%	0.7%

<b>Question 65 - Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees' health plan or the health plan for federal government employees</b>				
<b>Annual Gross Revenue</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$25,000	67.1%	26.5%	3.5%	2.9%
\$25,000-\$50,000	61.1%	27.2%	7.8%	3.9%
\$50,001-\$100,000	62.5%	30.0%	4.4%	3.2%
\$100,001-\$200,000	67.8%	25.5%	4.0%	2.7%
\$200,001-\$500,000	67.8%	25.1%	4.7%	2.4%
\$500,001-\$1 million	68.5%	24.8%	4.1%	2.6%
\$1,000,001-\$2.5 million	68.7%	25.4%	4.2%	1.8%
More than \$2.5 million	63.9%	26.9%	5.9%	3.3%

**Question 66 - Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	28.1%	34.7%	19.8%	17.4%
\$25,000-\$50,000	21.7%	40.0%	21.1%	17.1%
\$50,001-\$100,000	30.7%	36.5%	19.0%	13.8%
\$100,001-\$200,000	28.4%	35.4%	20.7%	15.6%
\$200,001-\$500,000	30.6%	35.4%	19.6%	14.4%
\$500,001-\$1 million	28.8%	30.4%	22.8%	18.0%
\$1,000,001-\$2.5 million	26.9%	30.6%	23.6%	18.9%
More than \$2.5 million	22.9%	29.1%	26.0%	22.0%

**Question 67 - Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	11.0%	11.7%	23.3%	54.0%
\$25,000-\$50,000	4.5%	18.8%	28.4%	48.3%
\$50,001-\$100,000	9.1%	12.4%	18.8%	59.6%
\$100,001-\$200,000	8.1%	12.8%	18.6%	60.5%
\$200,001-\$500,000	6.8%	10.6%	19.7%	63.0%
\$500,001-\$1 million	6.1%	10.0%	17.8%	66.1%
\$1,000,001-\$2.5 million	4.8%	8.9%	18.4%	67.9%
More than \$2.5 million	5.2%	8.0%	16.8%	70.0%

**Question 68 - Providing a financial incentive to encourage small employers to provide health insurance for their employees**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	47.6%	33.5%	11.2%	7.6%
\$25,000-\$50,000	55.9%	35.2%	5.6%	3.4%
\$50,001-\$100,000	56.5%	32.2%	7.3%	4.0%
\$100,001-\$200,000	57.2%	32.1%	6.1%	4.7%
\$200,001-\$500,000	57.3%	32.8%	5.9%	4.0%
\$500,001-\$1 million	59.1%	30.1%	6.6%	4.2%
\$1,000,001-\$2.5 million	56.9%	30.2%	7.9%	5.0%
More than \$2.5 million	52.6%	34.6%	8.0%	4.8%

<b>Question 69 - Allowing children who are not eligible for the state's CHIP program to "buy-in" to the program by paying the required premium</b>				
<b>Annual Gross Revenue</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$25,000	34.8%	50.0%	9.8%	5.5%
\$25,000-\$50,000	36.8%	50.0%	7.5%	5.7%
\$50,001-\$100,000	39.2%	43.8%	10.4%	6.6%
\$100,001-\$200,000	37.9%	44.5%	12.0%	5.7%
\$200,001-\$500,000	36.5%	48.3%	11.0%	4.2%
\$500,001-\$1 million	36.9%	47.1%	11.0%	5.0%
\$1,000,001-\$2.5 million	37.5%	47.2%	10.9%	4.4%
More than \$2.5 million	33.9%	48.2%	11.9%	6.0%

<b>Question 70 - Expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP</b>				
<b>Annual Gross Revenue</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$25,000	30.7%	41.1%	19.0%	9.2%
\$25,000-\$50,000	31.8%	41.6%	17.3%	9.2%
\$50,001-\$100,000	33.8%	34.0%	19.4%	12.8%
\$100,001-\$200,000	29.0%	34.1%	23.6%	13.3%
\$200,001-\$500,000	24.5%	36.5%	24.5%	14.5%
\$500,001-\$1 million	25.2%	36.5%	23.8%	14.5%
\$1,000,001-\$2.5 million	23.7%	37.4%	23.5%	15.4%
More than \$2.5 million	19.9%	37.3%	26.6%	16.1%

<b>Question 71 - Expanding the state's CHIP program to include more children</b>				
<b>Annual Gross Revenue</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$25,000	37.4%	46.0%	12.9%	3.7%
\$25,000-\$50,000	41.5%	42.1%	10.5%	5.8%
\$50,001-\$100,000	38.3%	41.5%	13.4%	6.8%
\$100,001-\$200,000	38.7%	39.8%	14.3%	7.2%
\$200,001-\$500,000	33.4%	41.8%	16.8%	8.0%
\$500,001-\$1 million	34.2%	41.0%	16.1%	8.7%
\$1,000,001-\$2.5 million	33.7%	43.1%	15.6%	7.6%
More than \$2.5 million	32.4%	41.8%	16.2%	9.6%

**Question 72 - Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	29.8%	31.5%	23.8%	14.9%
\$25,000-\$50,000	31.3%	33.0%	23.9%	11.9%
\$50,001-\$100,000	29.0%	32.6%	21.9%	16.5%
\$100,001-\$200,000	26.6%	31.6%	22.8%	19.0%
\$200,001-\$500,000	22.6%	31.5%	25.3%	20.5%
\$500,001-\$1 million	21.3%	31.2%	26.5%	21.0%
\$1,000,001-\$2.5 million	21.6%	30.4%	26.4%	21.7%
More than \$2.5 million	18.1%	28.9%	29.7%	23.3%

**Question 73 - Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	24.7%	37.0%	21.0%	17.3%
\$25,000-\$50,000	28.8%	28.8%	28.2%	14.1%
\$50,001-\$100,000	24.1%	31.6%	27.4%	16.9%
\$100,001-\$200,000	18.4%	30.8%	29.8%	21.0%
\$200,001-\$500,000	16.3%	31.1%	31.0%	21.7%
\$500,001-\$1 million	15.9%	32.5%	30.2%	21.5%
\$1,000,001-\$2.5 million	14.0%	32.7%	31.3%	22.0%
More than \$2.5 million	14.2%	30.7%	32.1%	23.0%

**Question 74 - Expanding the state's Medicaid program to include more children**

Annual Gross Revenue	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$25,000	27.3%	41.2%	20.0%	11.5%
\$25,000-\$50,000	35.5%	33.1%	20.1%	11.2%
\$50,001-\$100,000	29.1%	33.3%	25.6%	12.0%
\$100,001-\$200,000	26.1%	37.4%	20.4%	16.2%
\$200,001-\$500,000	21.8%	36.3%	25.6%	16.3%
\$500,001-\$1 million	21.6%	38.2%	24.9%	15.4%
\$1,000,001-\$2.5 million	21.4%	37.0%	25.3%	16.3%
More than \$2.5 million	22.1%	37.0%	25.0%	15.9%

## SECTION 4: CROSS-TABULATION OF RESULTS SURVEY QUESTION #4

Included in the Small Employer Survey is Question #4, which asks:

**4. As of December 31, 2000, what was your company's estimated net worth?**

- i. less than \$50,000
- j. \$50,000 - \$100,000
- k. \$100,001 - \$200,000
- l. \$200,001 - \$500,000
- m. \$500,001 - \$1 million
- n. \$1,000,001 - \$2.5 million
- o. \$2,500,001 - \$5 million
- p. more than \$5 million

The following charts show the cross-tabulation between average company net worth and position on particular policy options. The policy option is shown at the top of each table.

Question 64 – Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)				
Company Net Worth	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$50,000	74.1%	22.2%	2.7%	0.9%
\$50,000-\$100,000	74.4%	22.5%	2.0%	1.1%
\$100,001-\$200,000	74.3%	22.2%	2.4%	1.2%
\$200,001-\$500,000	76.3%	20.4%	2.0%	1.3%
\$500,001-\$1 million	76.9%	19.7%	2.5%	0.9%
\$1,000,001-\$2.5 million	75.3%	21.7%	2.5%	0.5%
\$2,500,001-\$5 million	75.1%	21.8%	2.2%	0.9%
More than \$5 million	77.8%	20.2%	1.4%	0.6%

Question 65 - Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees' health plan or the health plan for federal government employees				
Company Net Worth	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$50,000	66.4%	26.8%	3.9%	2.9%
\$50,000-\$100,000	67.9%	25.2%	4.2%	2.7%
\$100,001-\$200,000	70.3%	23.2%	4.8%	1.8%
\$200,001-\$500,000	66.6%	25.6%	5.1%	2.8%
\$500,001-\$1 million	69.0%	24.5%	4.0%	2.6%
\$1,000,001-\$2.5 million	68.2%	24.8%	5.0%	2.0%
\$2,500,001-\$5 million	63.2%	28.8%	4.4%	3.6%
More than \$5 million	66.2%	23.9%	5.9%	3.9%

**Question 66 - Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	27.5%	34.7%	20.1%	17.6%
\$50,000-\$100,000	28.0%	34.6%	22.8%	14.6%
\$100,001-\$200,000	30.3%	32.3%	20.7%	16.7%
\$200,001-\$500,000	29.1%	34.9%	21.0%	15.0%
\$500,001-\$1 million	30.5%	32.7%	20.8%	16.1%
\$1,000,001-\$2.5 million	29.5%	30.8%	21.4%	18.3%
\$2,500,001-\$5 million	24.1%	27.8%	23.6%	24.5%
More than \$5 million	20.3%	25.1%	30.9%	23.7%

**Question 67 - Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	6.6%	11.4%	18.2%	63.9%
\$50,000-\$100,000	6.5%	11.2%	19.6%	62.8%
\$100,001-\$200,000	6.2%	11.1%	20.5%	62.2%
\$200,001-\$500,000	6.8%	10.6%	17.3%	65.3%
\$500,001-\$1 million	7.0%	10.6%	19.3%	63.1%
\$1,000,001-\$2.5 million	6.6%	9.5%	20.0%	63.9%
\$2,500,001-\$5 million	5.1%	8.6%	18.5%	67.8%
More than \$5 million	6.0%	10.0%	14.5%	69.5%

**Question 68 - Providing a financial incentive to encourage small employers to provide health insurance for their employees**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	55.7%	32.2%	7.5%	4.7%
\$50,000-\$100,000	59.0%	30.3%	6.0%	4.7%
\$100,001-\$200,000	57.8%	30.6%	7.4%	4.2%
\$200,001-\$500,000	57.0%	32.9%	5.8%	4.4%
\$500,001-\$1 million	58.8%	30.8%	6.7%	3.6%
\$1,000,001-\$2.5 million	57.9%	29.1%	7.8%	5.2%
\$2,500,001-\$5 million	55.4%	34.2%	5.9%	4.6%
More than \$5 million	49.2%	35.6%	9.6%	5.6%

**Question 69 - Allowing children who are not eligible for the state's CHIP program to "buy-in" to the program by paying the required premium**

Company Net Worth	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$50,000	38.6%	46.7%	9.8%	5.0%
\$50,000-\$100,000	36.9%	47.0%	11.1%	5.0%
\$100,001-\$200,000	39.0%	45.5%	11.1%	4.4%
\$200,001-\$500,000	35.5%	47.6%	11.4%	5.5%
\$500,001-\$1 million	37.9%	45.8%	12.2%	4.1%
\$1,000,001-\$2.5 million	35.6%	47.3%	11.5%	5.6%
\$2,500,001-\$5 million	37.8%	45.9%	9.3%	7.0%
More than \$5 million	35.1%	51.0%	9.9%	4.1%

**Question 70 - Expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP**

Company Net Worth	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$50,000	26.9%	36.8%	22.6%	13.7%
\$50,000-\$100,000	26.5%	39.0%	22.6%	11.9%
\$100,001-\$200,000	28.5%	34.0%	24.0%	13.5%
\$200,001-\$500,000	24.1%	35.6%	24.6%	15.7%
\$500,001-\$1 million	25.9%	36.5%	22.9%	14.6%
\$1,000,001-\$2.5 million	22.4%	38.0%	23.6%	16.0%
\$2,500,001-\$5 million	25.6%	35.1%	24.9%	14.4%
More than \$5 million	22.6%	40.9%	22.6%	13.9%

**Question 71 - Expanding the state's CHIP program to include more children**

Company Net Worth	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$50,000	35.6%	41.9%	14.3%	8.2%
\$50,000-\$100,000	36.0%	43.1%	14.4%	6.5%
\$100,001-\$200,000	36.1%	41.5%	15.0%	7.4%
\$200,001-\$500,000	33.6%	40.4%	17.2%	8.8%
\$500,001-\$1 million	36.2%	40.0%	15.7%	8.1%
\$1,000,001-\$2.5 million	33.2%	41.5%	16.9%	8.4%
\$2,500,001-\$5 million	35.0%	41.5%	15.8%	7.7%
More than \$5 million	32.0%	42.1%	16.3%	9.5%

**Question 72 - Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	23.7%	31.0%	25.5%	19.9%
\$50,000-\$100,000	24.8%	31.6%	25.4%	18.2%
\$100,001-\$200,000	24.0%	32.2%	25.5%	18.3%
\$200,001-\$500,000	22.3%	30.6%	24.6%	22.5%
\$500,001-\$1 million	22.5%	32.1%	25.9%	19.4%
\$1,000,001-\$2.5 million	22.1%	29.4%	25.4%	23.0%
\$2,500,001-\$5 million	22.9%	29.3%	27.4%	20.5%
More than \$5 million	20.1%	24.4%	33.2%	22.3%

**Question 73 - Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	20.1%	32.3%	27.9%	19.7%
\$50,000-\$100,000	17.5%	32.2%	30.6%	19.8%
\$100,001-\$200,000	18.3%	29.7%	30.6%	21.4%
\$200,001-\$500,000	15.1%	32.7%	30.2%	22.0%
\$500,001-\$1 million	17.1%	31.4%	30.9%	20.6%
\$1,000,001-\$2.5 million	15.8%	29.8%	32.1%	22.3%
\$2,500,001-\$5 million	15.2%	31.1%	31.1%	22.6%
More than \$5 million	16.1%	29.2%	32.7%	21.9%

**Question 74 - Expanding the state's Medicaid program to include more children**

<b>Company Net Worth</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$50,000	25.2%	37.6%	22.1%	15.1%
\$50,000-\$100,000	25.6%	34.6%	25.4%	14.4%
\$100,001-\$200,000	25.1%	35.7%	23.7%	15.5%
\$200,001-\$500,000	21.0%	36.8%	25.2%	17.1%
\$500,001-\$1 million	23.6%	37.2%	24.5%	14.7%
\$1,000,001-\$2.5 million	21.5%	36.8%	24.7%	17.0%
\$2,500,001-\$5 million	21.8%	38.0%	24.1%	16.1%
More than \$5 million	24.9%	36.4%	24.9%	13.8%

## SECTION 5: CROSS-TABULATION OF RESULTS

### SURVEY QUESTION #7

Included in the Small Employer Survey is Question #7, which asks:

**7. Not including the business owner(s), approximately what is the average annual salary (excluding all benefits) for a full-time employee?**

- e. Less than \$10,000
- f. \$10,000 - \$15,000
- g. \$15,001 - \$20,000
- h. \$20,001 - \$25,000
- e. \$25,001 - \$50,000
- f. \$50,001 - \$75,000
- g. More than \$75,000

The following charts show the cross-tabulation between average annual salary and position on particular policy options. The policy option is shown at the top of each table.

<b>Question 64 – Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)</b>				
<b>Annual Salary</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$10,000	68.2%	25.5%	4.5%	1.8%
\$10,000-\$15,000	68.1%	26.8%	3.5%	1.5%
\$15,001-\$20,000	70.9%	24.9%	3.3%	0.9%
\$20,001-\$25,000	74.5%	22.1%	2.4%	1.1%
\$25,001-\$50,000	78.1%	19.4%	1.6%	1.0%
\$50,001-\$75,000	81.2%	16.9%	1.5%	0.4%
More than \$75,000	82.3%	14.9%	2.3%	0.6%

<b>Question 65 - Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees’ health plan or the health plan for federal government employees</b>				
<b>Annual Salary</b>	<b>Strongly Support</b>	<b>Generally Support</b>	<b>Generally Oppose</b>	<b>Strongly Oppose</b>
Less than \$10,000	62.9%	29.3%	4.8%	3.0%
\$10,000-\$15,000	64.3%	29.1%	4.0%	2.6%
\$15,001-\$20,000	67.6%	25.8%	4.2%	2.4%
\$20,001-\$25,000	67.3%	26.0%	4.3%	2.4%
\$25,001-\$50,000	67.9%	24.4%	5.0%	2.7%
\$50,001-\$75,000	65.4%	28.0%	3.9%	2.6%
More than \$75,000	67.8%	24.1%	4.6%	3.4%

**Question 66 - Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	29.9%	38.9%	15.0%	16.2%
\$10,000-\$15,000	32.2%	39.0%	17.7%	11.1%
\$15,001-\$20,000	32.8%	34.0%	19.9%	13.3%
\$20,001-\$25,000	28.4%	35.0%	20.8%	15.8%
\$25,001-\$50,000	25.3%	30.1%	24.2%	20.3%
\$50,001-\$75,000	23.9%	23.5%	27.9%	24.8%
More than \$75,000	22.4%	27.6%	24.7%	25.3%

**Question 67 - Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	7.1%	18.4%	19.3%	55.2%
\$10,000-\$15,000	9.1%	15.0%	23.2%	52.7%
\$15,001-\$20,000	8.2%	11.4%	20.3%	60.0%
\$20,001-\$25,000	5.7%	10.4%	18.3%	65.6%
\$25,001-\$50,000	5.4%	8.8%	17.5%	68.3%
\$50,001-\$75,000	5.1%	7.1%	18.5%	69.3%
More than \$75,000	10.7%	5.4%	17.3%	66.7%

**Question 68 - Providing a financial incentive to encourage small employers to provide health insurance for their employees**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	50.9%	32.1%	10.9%	6.1%
\$10,000-\$15,000	56.3%	34.3%	5.9%	3.4%
\$15,001-\$20,000	57.7%	31.7%	6.6%	4.0%
\$20,001-\$25,000	58.9%	31.2%	5.7%	4.3%
\$25,001-\$50,000	56.9%	31.5%	7.1%	4.5%
\$50,001-\$75,000	53.1%	32.5%	8.6%	5.9%
More than \$75,000	50.6%	34.3%	8.7%	6.4%

Cross-Tabulations: Question #7

Not including the business owner(s), approximately what is the average annual salary (excluding all benefits) for a full-time employee?

**Question 69 - Allowing children who are not eligible for the state's CHIP program to "buy-in" to the program by paying the required premium**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	35.5%	41.9%	15.9%	6.7%
\$10,000-\$15,000	38.3%	46.6%	10.3%	4.7%
\$15,001-\$20,000	38.0%	47.8%	10.1%	4.1%
\$20,001-\$25,000	38.0%	46.7%	10.4%	4.8%
\$25,001-\$50,000	35.7%	47.9%	11.2%	5.2%
\$50,001-\$75,000	37.6%	46.9%	11.3%	4.2%
More than \$75,000	32.5%	47.2%	17.2%	3.1%

**Question 70 - Expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	31.9%	35.6%	18.7%	13.8%
\$10,000-\$15,000	33.2%	35.2%	20.2%	11.4%
\$15,001-\$20,000	27.2%	35.9%	23.3%	13.7%
\$20,001-\$25,000	26.3%	34.1%	23.7%	15.9%
\$25,001-\$50,000	22.6%	37.6%	25.2%	14.7%
\$50,001-\$75,000	21.0%	43.0%	22.9%	13.1%
More than \$75,000	24.4%	38.8%	25.0%	11.9%

**Question 71 - Expanding the state's CHIP program to include more children**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	37.0%	42.6%	12.3%	8.0%
\$10,000-\$15,000	40.2%	39.0%	14.9%	5.9%
\$15,001-\$20,000	37.7%	40.2%	14.3%	7.8%
\$20,001-\$25,000	36.1%	40.5%	15.1%	8.3%
\$25,001-\$50,000	32.2%	43.0%	16.6%	8.2%
\$50,001-\$75,000	32.5%	45.6%	15.0%	7.0%
More than \$75,000	31.4%	41.5%	18.2%	8.8%

**Question 72 - Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	30.2%	31.2%	21.9%	16.7%
\$10,000-\$15,000	31.2%	32.8%	19.4%	16.5%
\$15,001-\$20,000	27.3%	29.5%	24.1%	19.1%
\$20,001-\$25,000	23.6%	30.6%	24.7%	21.0%
\$25,001-\$50,000	19.1%	31.2%	28.7%	21.0%
\$50,001-\$75,000	17.6%	33.9%	24.2%	24.2%
More than \$75,000	20.1%	30.8%	27.8%	21.3%

**Question 73 - Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	24.9%	28.3%	28.0%	18.7%
\$10,000-\$15,000	22.5%	34.0%	25.5%	18.0%
\$15,001-\$20,000	18.7%	30.5%	30.2%	20.6%
\$20,001-\$25,000	16.1%	31.4%	31.0%	21.6%
\$25,001-\$50,000	14.4%	31.5%	31.9%	22.2%
\$50,001-\$75,000	16.6%	36.7%	26.6%	20.1%
More than \$75,000	17.1%	32.9%	31.1%	18.9%

**Question 74 - Expanding the state's Medicaid program to include more children**

Annual Salary	Strongly Support	Generally Support	Generally Oppose	Strongly Oppose
Less than \$10,000	29.4%	33.5%	22.8%	14.2%
\$10,000-\$15,000	26.6%	36.6%	22.8%	13.9%
\$15,001-\$20,000	25.7%	34.6%	24.9%	14.8%
\$20,001-\$25,000	23.3%	36.0%	23.9%	16.8%
\$25,001-\$50,000	21.0%	38.0%	25.0%	16.0%
\$50,001-\$75,000	22.8%	42.0%	22.8%	12.4%
More than \$75,000	21.6%	41.4%	23.5%	13.6%

Cross-Tabulations: Question #7

Not including the business owner(s), approximately what is the average annual salary (excluding all benefits) for a full-time employee?

## SECTION 6: CROSS-TABULATION OF RESULTS

### SURVEY QUESTION #9

Included in the Small Employer Survey is Question #9, which asks:

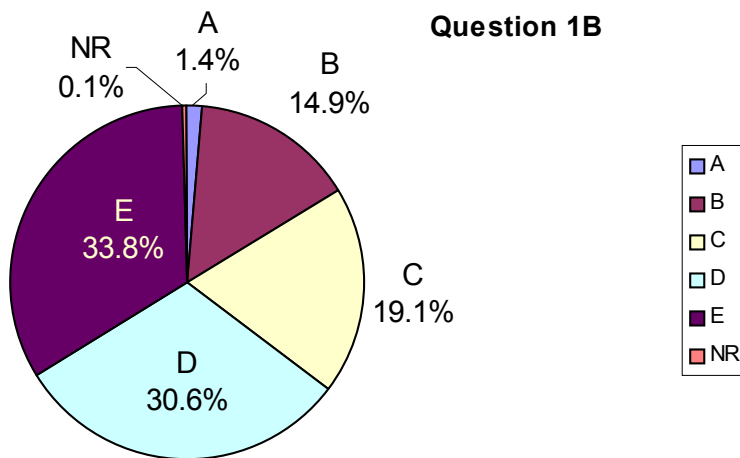
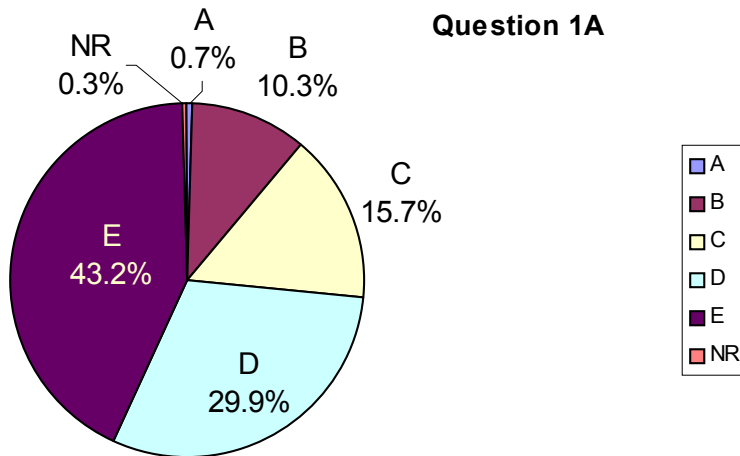
**9. Does your company currently offer health insurance coverage to its employees?**

- c. Yes                      b. No

The following questions have been cross-tabulated with survey question #9. For each question, two charts are depicted - one with a letter "A" indicating respondents who answered "yes" to Question #9, and one with a letter "B" indicating respondents who answered "no" to Question #9.

**1. How long has your company been in business?**

- f. less than 1 year
- g. 1-4 years
- h. 5-9 years
- i. 10-19 years
- j. 20 or more years



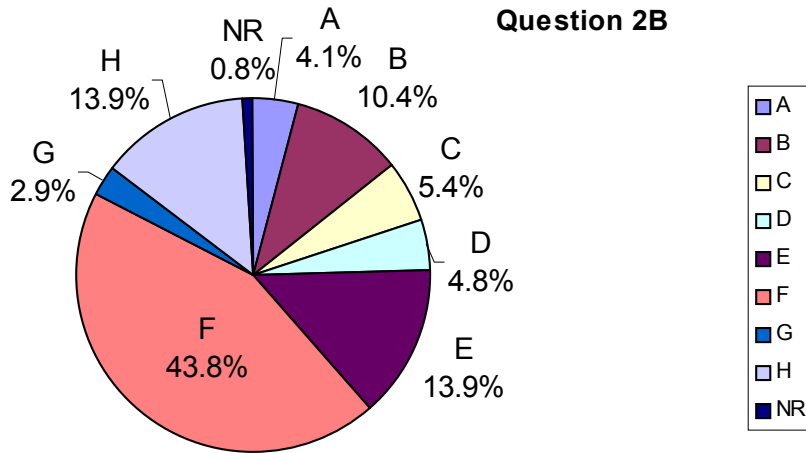
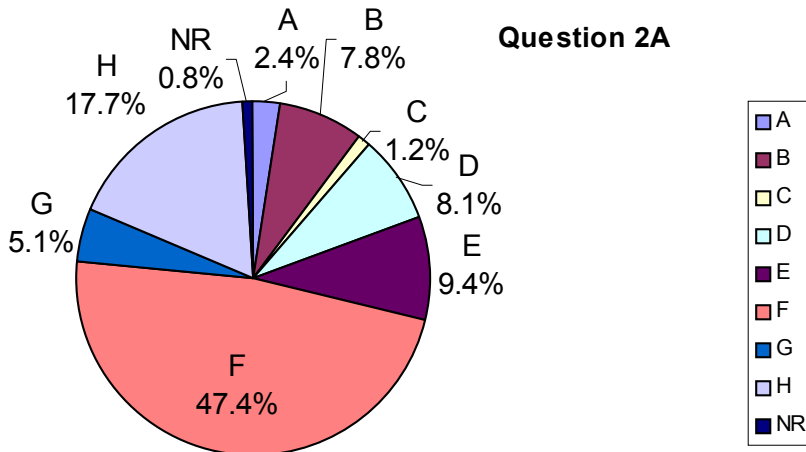
Companies that offered health insurance were only slightly older than companies that did not offer insurance benefits.

Cross-Tabulations: Question #9

Does your company currently offer health insurance coverage to its employees?

**2. Which of the following best describes your company's primary business?**

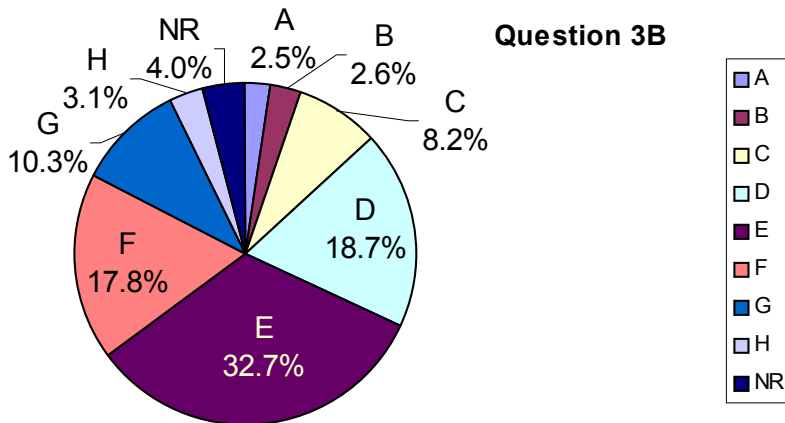
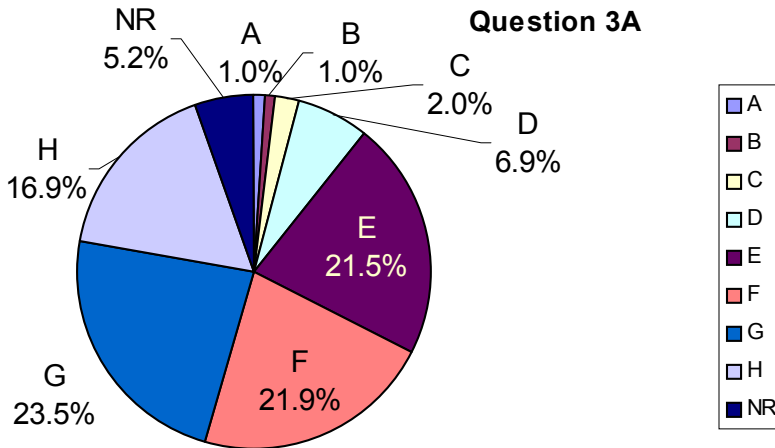
- q. Agriculture, forestry, fishing
- r. Construction
- s. Food service
- t. Manufacturing
- u. Retail
- v. Services (medical care, personal services, laundry, repair business, legal, business services, computer services, etc.)
- w. Wholesale
- x. Other



The majority of respondents were from the services, retail, or "other" categories.

**3. For calendar year 2000, what was your company's annual gross revenue?**

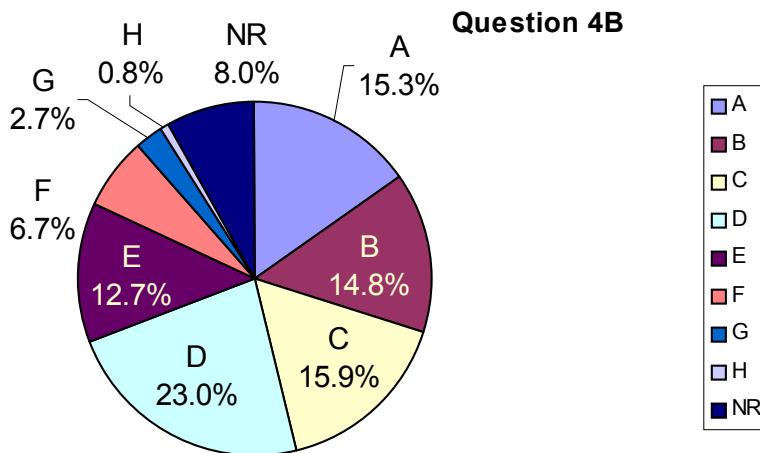
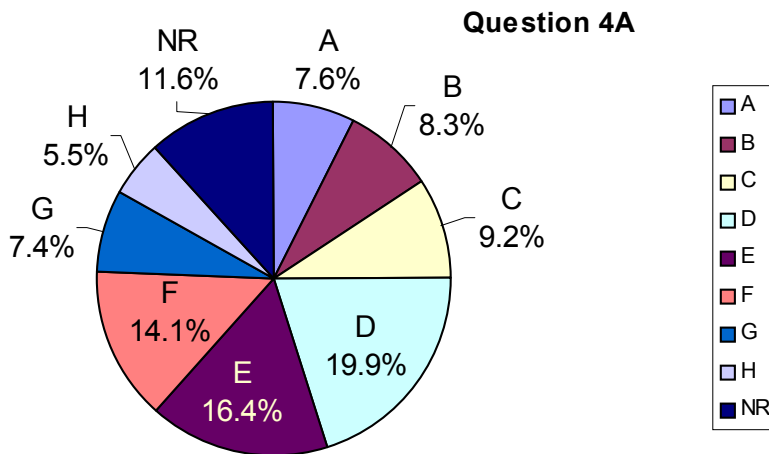
- q. less than \$25,000
- r. \$25,000 - \$50,000
- s. \$50,001 - \$100,000
- t. \$100,001 - \$200,000
- u. \$200,001 - \$500,000
- v. \$500,001 - \$ 1 million
- w. \$1,000,001 - \$2.5 million
- x. more than \$2.5 million



Small employers who offered insurance generally had higher annual gross revenues than employers who did not offer coverage.

**4. As of December 31, 2000, what was your company's estimated net worth?**

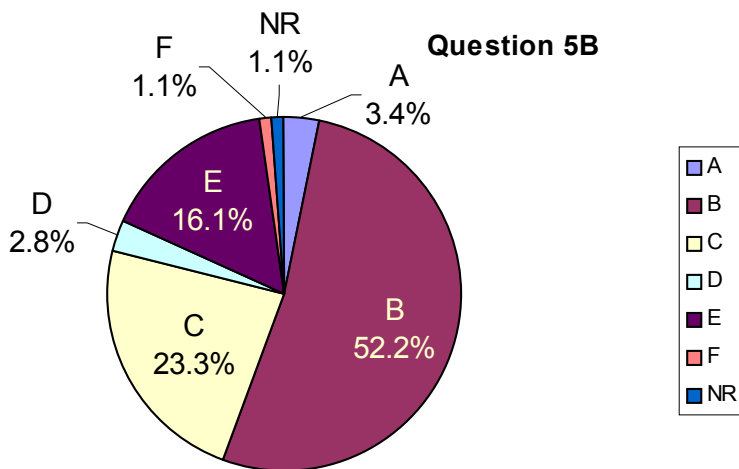
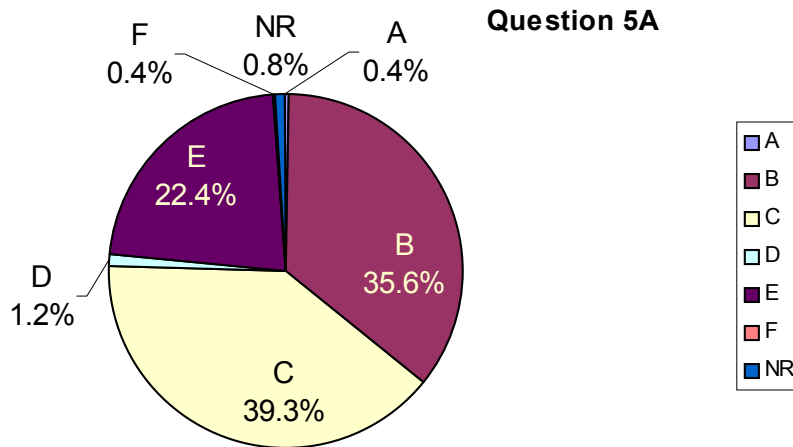
- q. less than \$50,000
- r. \$50,000 - \$100,000
- s. \$100,001 - \$200,000
- t. \$200,001 - \$500,000
- u. \$500,001 - \$1 million
- v. \$1,000,001 - \$2.5 million
- w. \$2,500,001 - \$5 million
- x. more than \$5 million



Approximately 2/5 of employers who offered health insurance to employees had companies worth over \$500,000. Only 1/5 of employers who did not offer health insurance were worth over \$500,000.

**5. Which of the following describes the wages of most of your employees?**

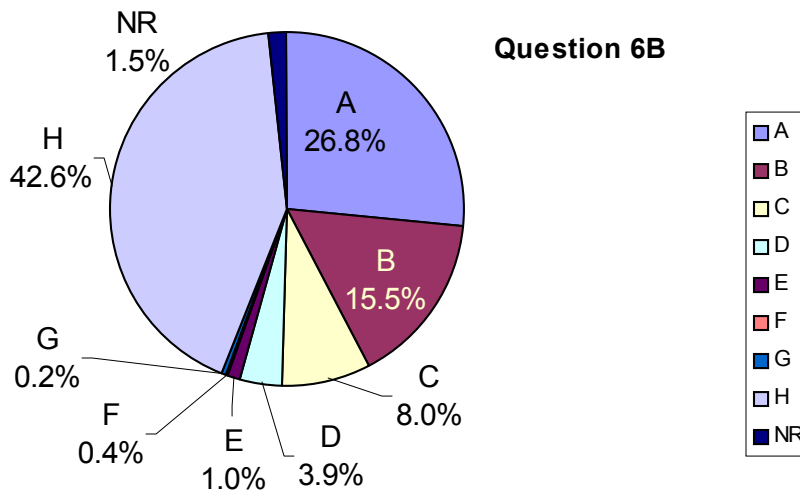
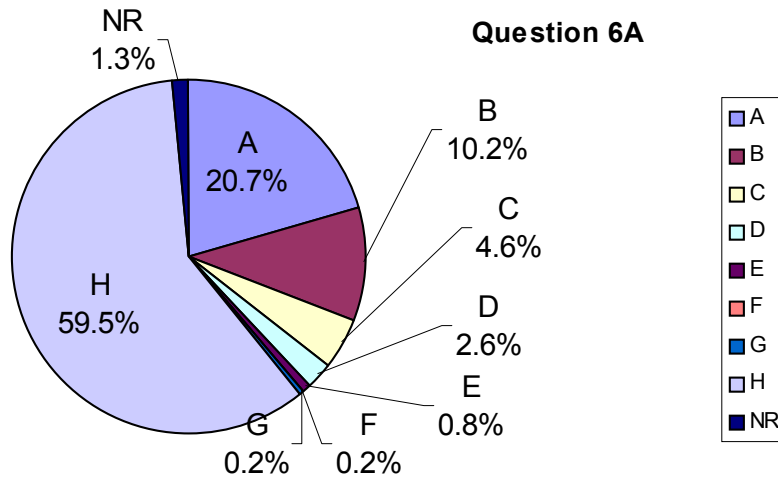
- g. minimum wage
- h. hourly, but more than minimum wage
- i. salaried
- j. independent contractors
- k. mix
- l. hourly plus tips



Employers not offering insurance were more likely to employ workers at hourly wages, while those employers offering insurance employed more salaried employees.

**8. How many employees earn less than \$8 an hour?**

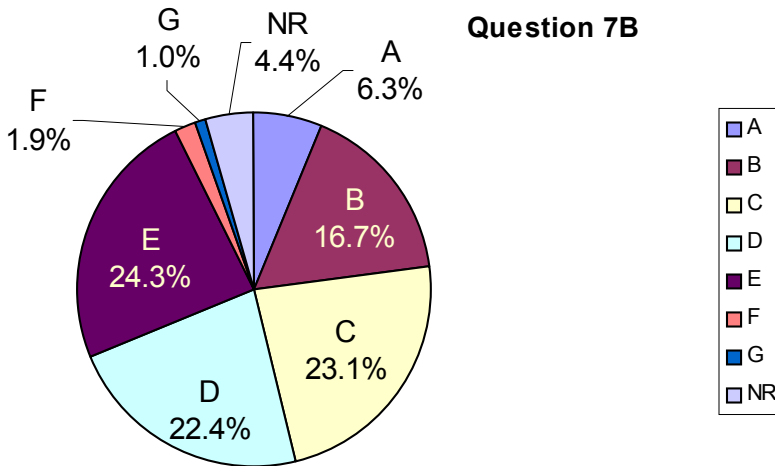
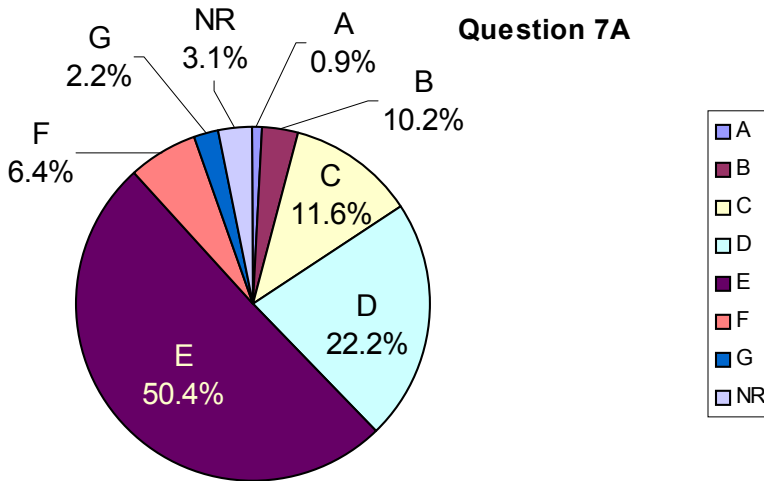
- i. 1-2
- j. 3-5
- k. 6-10
- d. 11-20
- e. 21-30
- f. 31-40
- g. 41-50
- h. none



Approximately 40 percent of employers offering health insurance employed workers at less than \$8 per hour. Over 55 percent of employers not offering insurance employed workers at less than \$8 per hour. Employers not offering insurance were also more prone to employ larger numbers of individuals at less than \$8 per hour.

9. Not including the business owner(s), approximately what is the average annual salary (excluding all benefits) for a full-time employee?

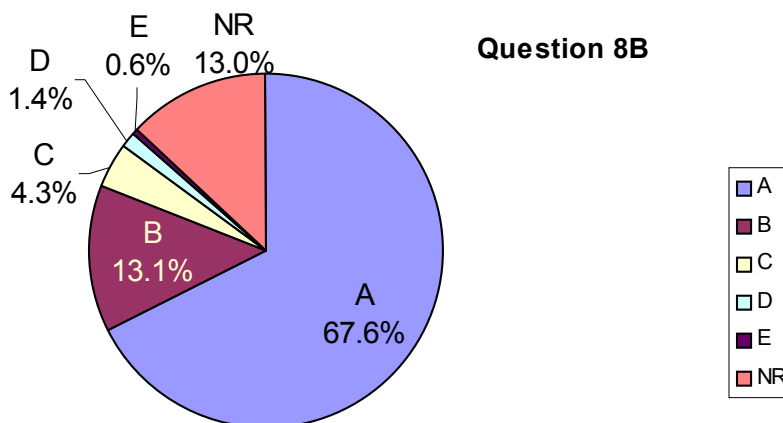
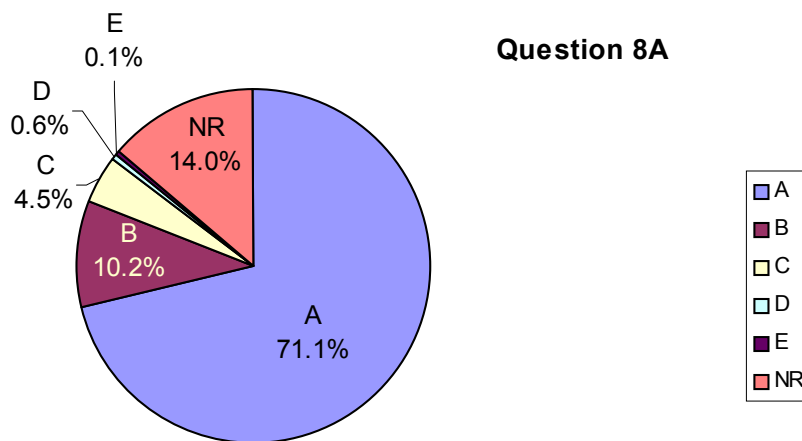
- i. less than \$10,000
- j. \$10,000 - \$15,000
- k. \$15,001 - \$20,000
- l. \$20,001 - \$25,000
- m. \$25,001 - \$50,000
- n. \$50,001 - \$75,000
- o. More than \$75,000



Average salaries are much lower for companies that provide health insurance than in those that do not. Almost of the companies that do not offer health insurance provide an average annual salary of \$20,000 or less.

**10. If some of your employees have children who are covered under TexCare Partnership (State Medicaid or Children’s Health Insurance Programs), have any of those employees ever indicated to you that they would prefer their children be covered under an employment-based health plan instead of under Medicaid or CHIP?**

- f. I do not know if any of my employees’ children are covered under Medicaid or CHIP, and none have indicated that they would prefer to be covered under an employment-based health plan.
- g. I do know that some employees have children who are covered under Medicaid or CHIP, but I have not had any discussions with my employees about their preference.
- h. Less than 5 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.
- i. Between 5 and 10 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.
- j. More than 10 employees have indicated to me that they would prefer to enroll their children in an employment-based health plan rather than Medicaid or CHIP.

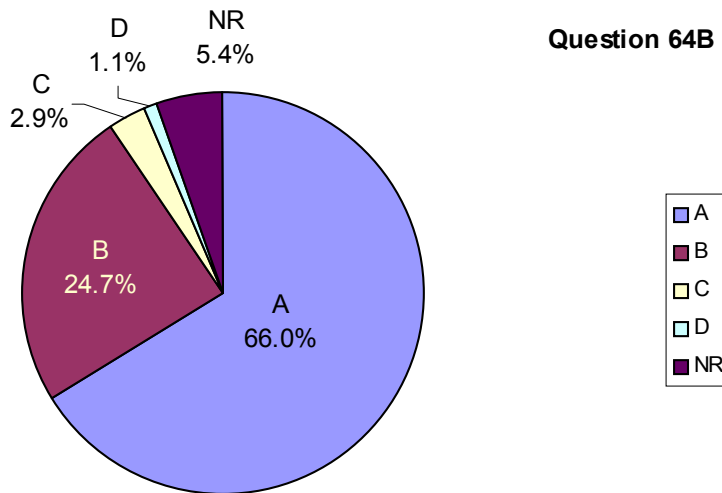
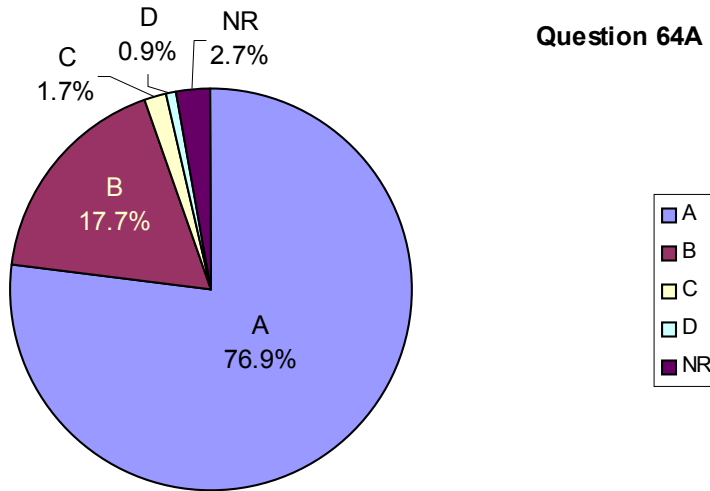


Answers to question #8 were virtually the same for all respondents, regardless of whether they offered health insurance or not.

As part of our study, we are looking at a variety of proposals for expanding health insurance in Texas. For each of the options listed below (numbers 64-74), please indicate your level of support as follows:

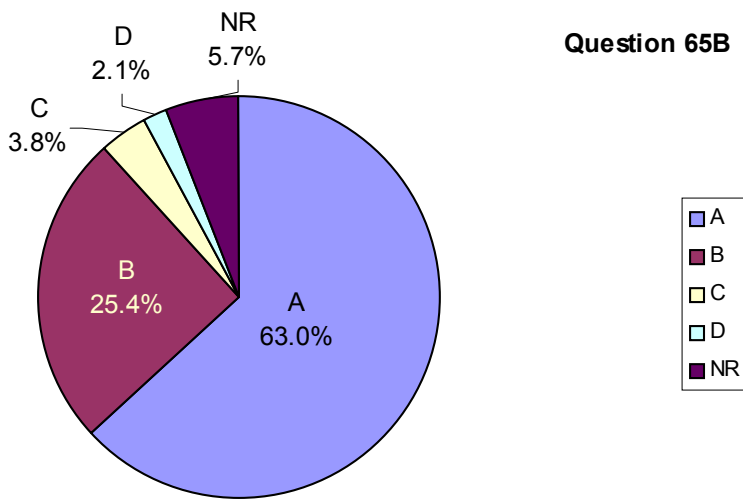
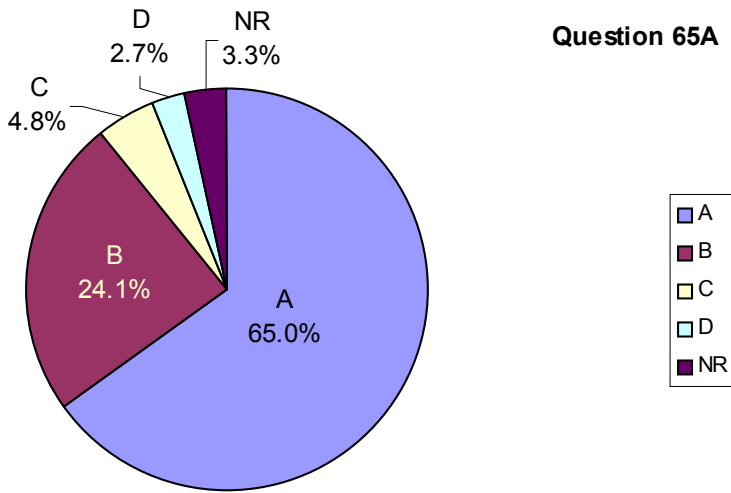
- a = strongly support
- b = generally support
- c = generally oppose
- d = strongly oppose

75. Allowing small businesses to join with other small businesses for the purpose of purchasing health insurance at rates similar to those experienced by large employers (known as “purchasing alliances”)



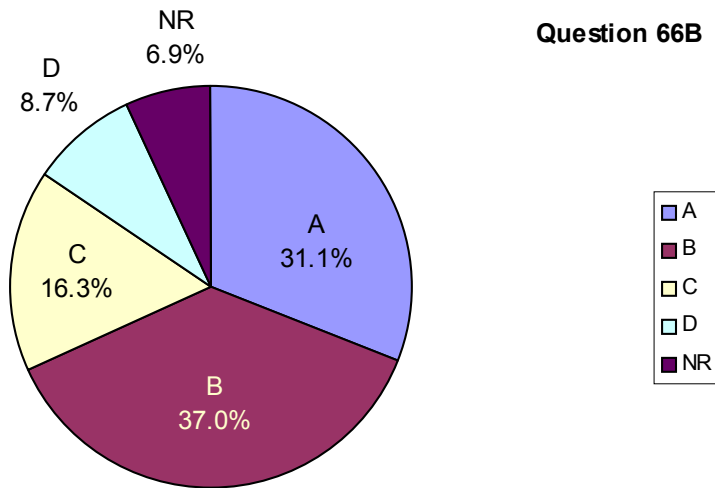
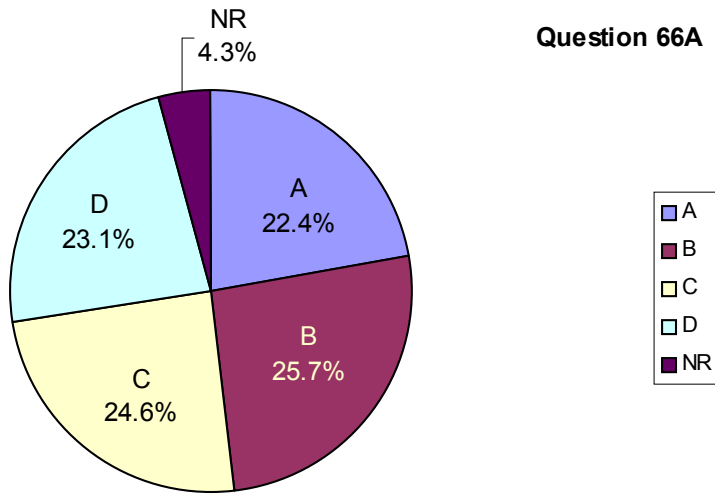
The majority of both employers who do and those who do not provide health insurance benefits to employees support the concept of health insurance purchasing alliances. However, employers who do offer insurance indicate slightly stronger support for the concept.

**76. Allowing small businesses to purchase insurance through a large existing health insurance plan, such as the Texas state employees' health plan or the health plan for federal government employees**



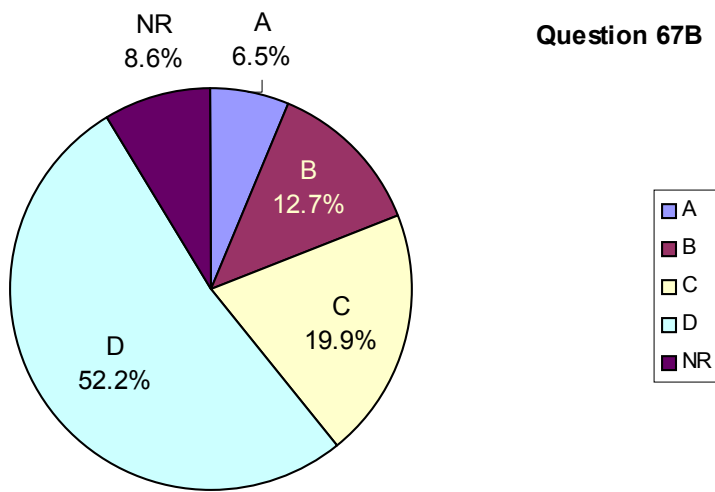
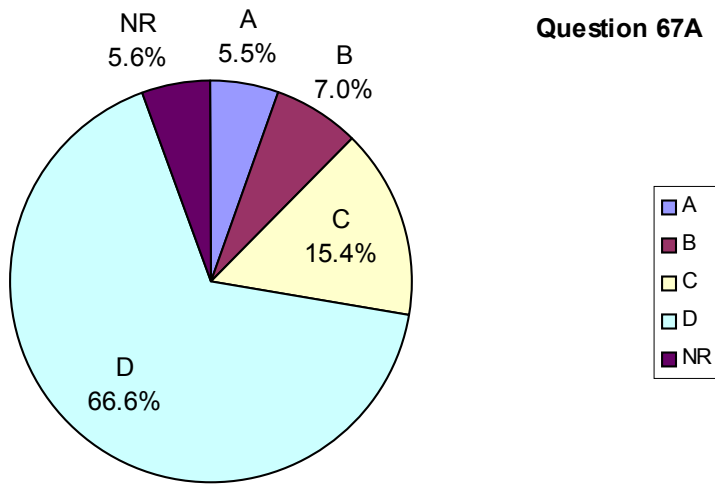
Both groups of respondents indicated virtually identical opinions about purchasing health insurance through an existing health plan. For both groups, almost 90 percent support the concept.

**77. Reducing the mandated benefits insurers must include in their policies (such as coverage of immunizations, mammograms, chiropractic care, chemical/drug abuse, etc.) as long as insurers are also required to reduce their premium costs**



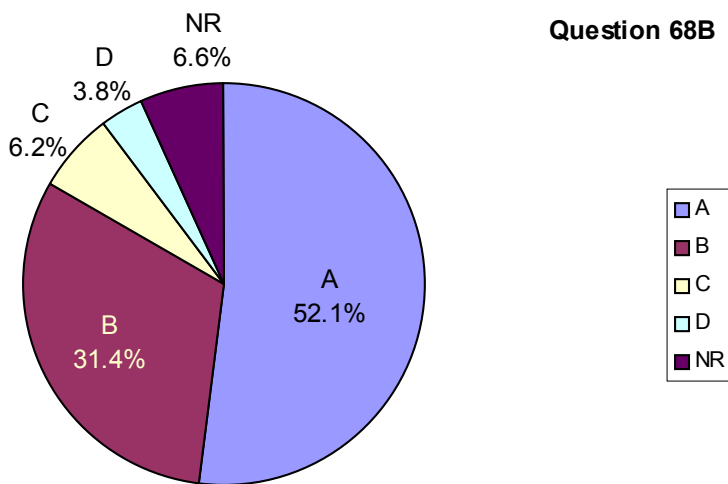
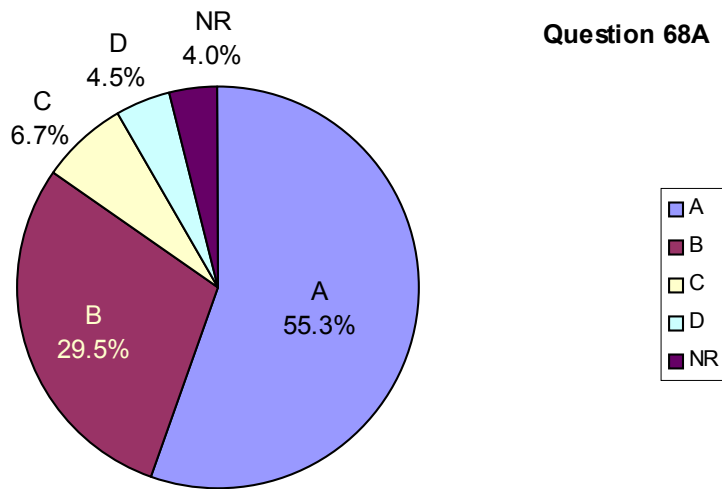
Among employers who do provide health insurance, opinion is split evenly regarding support for a reduction in mandated benefits with an equal reduction in premiums. Employers who do not offer health insurance benefits indicate more support for a mandated benefits reduction, with almost 70 percent expressing at least general support.

**78. Reducing the mandated benefits insurers must include in their policies but not requiring a reduction in premium costs**



Opposition to a reduction in mandated benefits without a reciprocal reduction in health insurance premiums was strong among both groups. However, 82 percent of employers offering health insurance opposed the concept, while only 72 percent of employers not offering insurance expressed opposition to the idea.

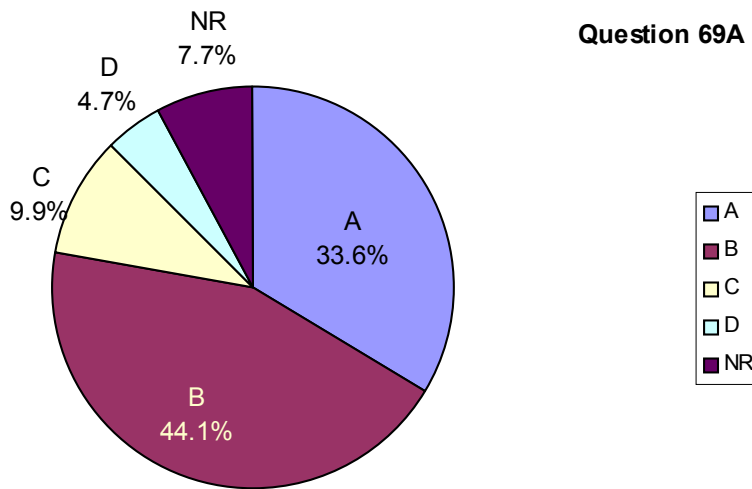
**79. Providing a financial incentive to encourage small employers to provide health insurance for their employees**



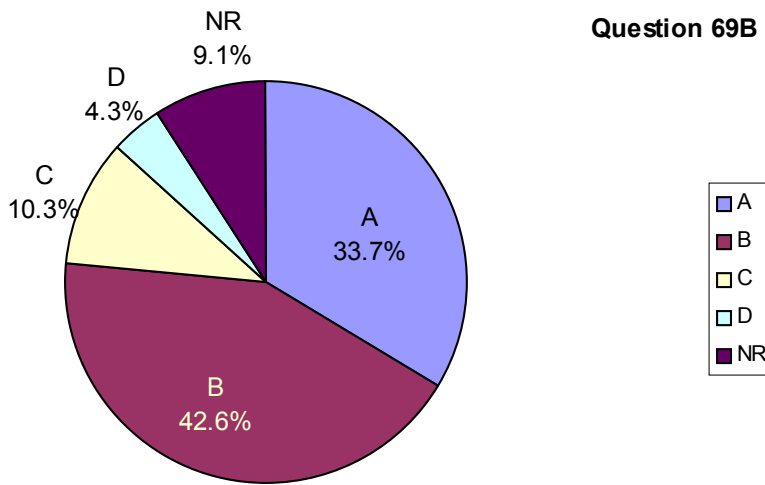
Both groups expressed very similar levels of support for incentives for small employers to provide health insurance.

**80. Allowing children who are not eligible for the state’s CHIP program to “buy-in” to the program by paying the required premium**

**Question 69A**



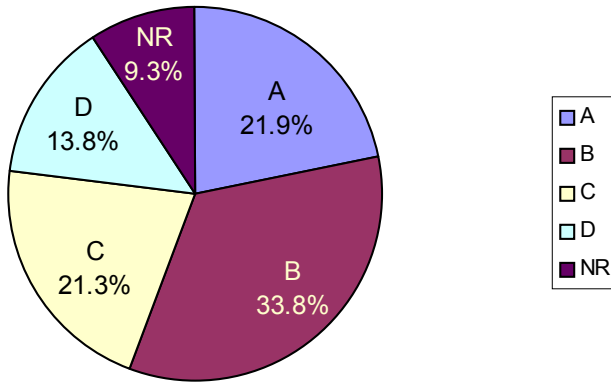
**Question 69B**



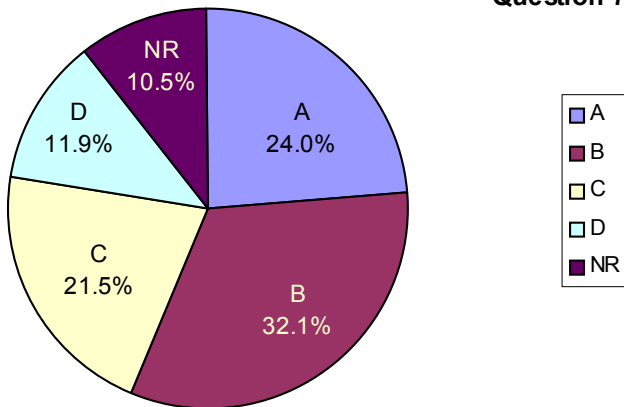
Both groups expressed very similar levels of support for allowing children ineligible for CHIP to “buy-in” to the program. Support for the concept was very high, reaching approximately 75 percent.

**81. Expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP**

**Question 70A**

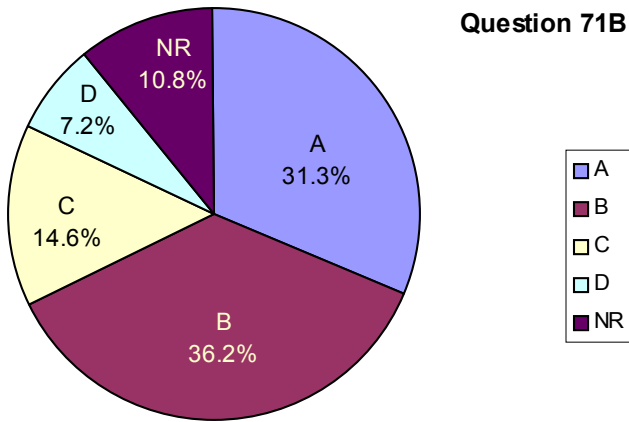
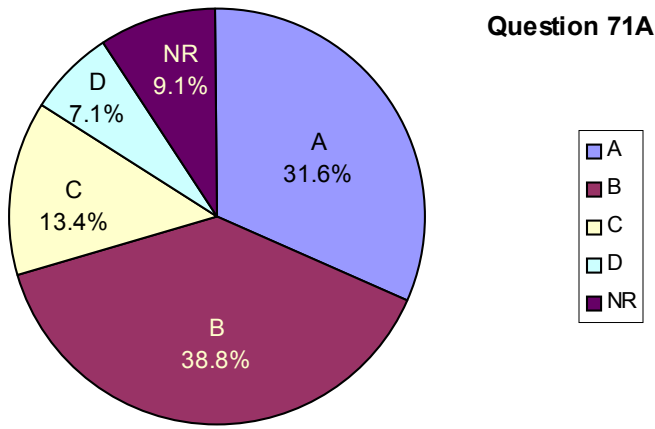


**Question 70B**



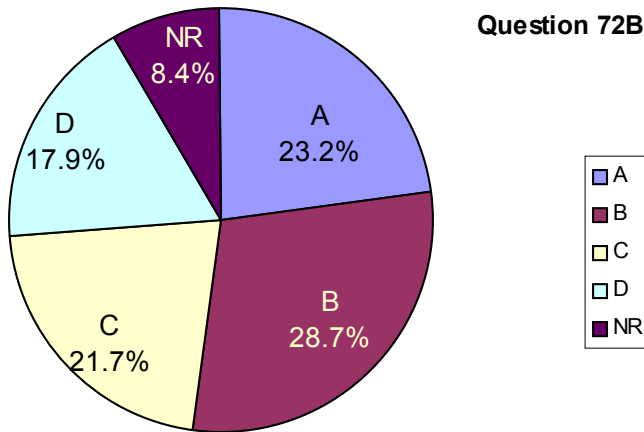
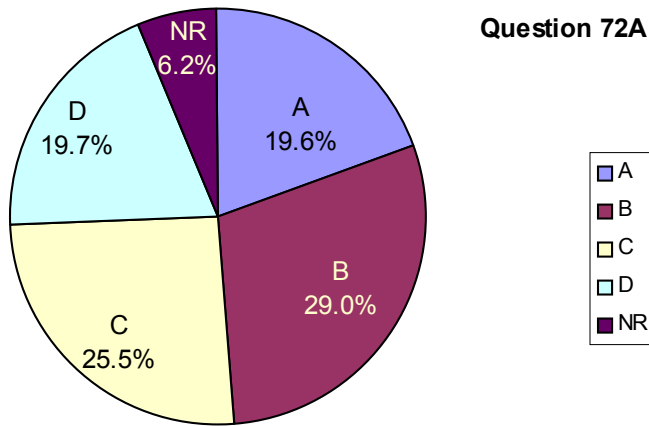
Both groups expressed very similar levels of support for the state expanding the state's CHIP program to include the parents of children who are already enrolled in CHIP. However, support for the concept was mixed as over 30 percent, for both groups, opposed the proposal.

82. Expanding the state's CHIP program to include more children



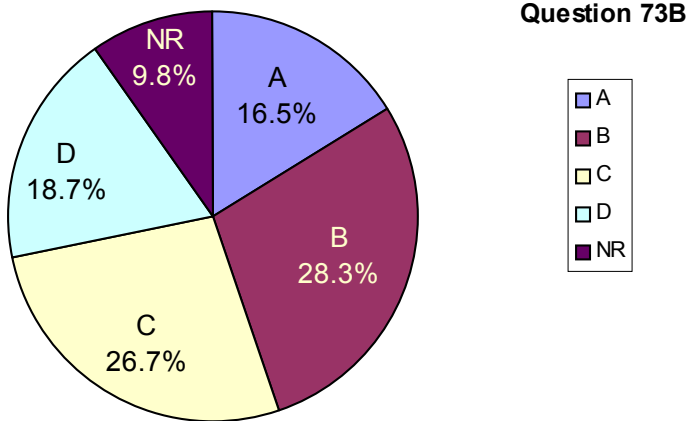
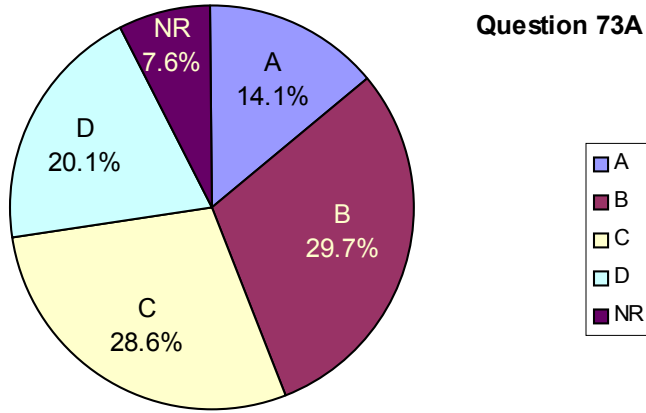
Both groups expressed very similar levels of support for a CHIP expansion, with approximately 2/3 supporting the idea.

**83. Providing a government subsidy to lower-income employees to help them pay their share of the cost of health insurance**



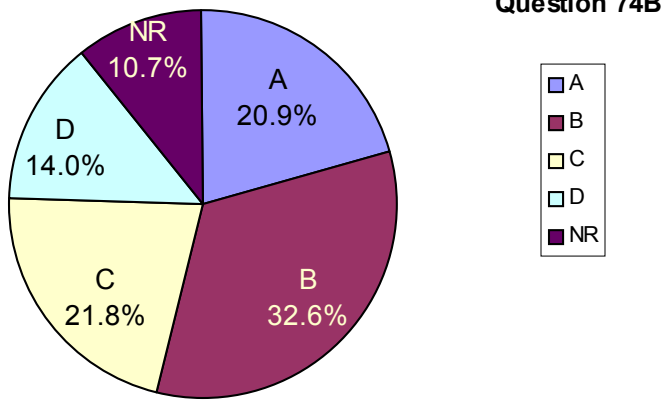
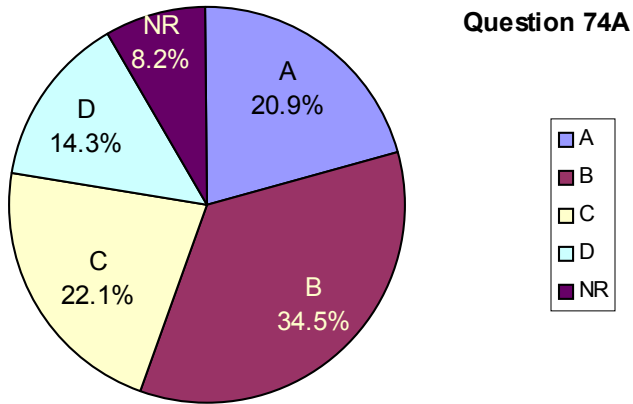
Both groups were split roughly in half with regard to support for subsidies to low-income employees to purchase health insurance.

**84. Expanding the state's Medicaid program to include the low-income parents of children who are already enrolled in Medicaid**



Both groups were split roughly in half with regard to support for Medicaid expansion to parents.

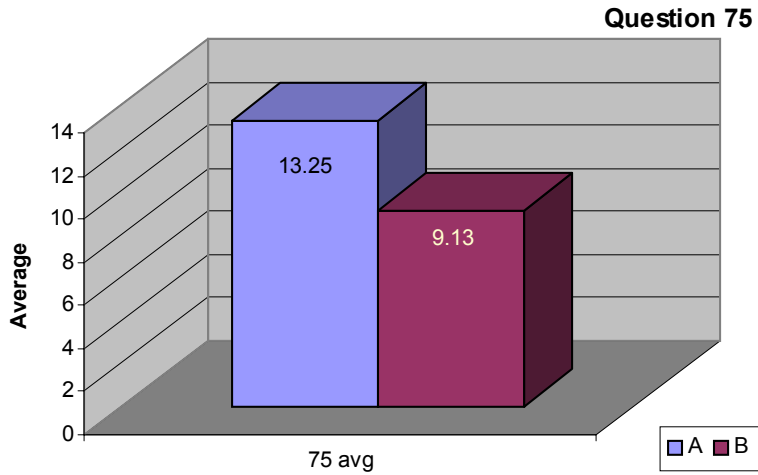
85. Expanding the state's Medicaid program to include more children



Both groups were split roughly in half with regard to support for Medicaid expansion to include more children.

Please bubble in the two-digit number box provided for Questions 75-80.

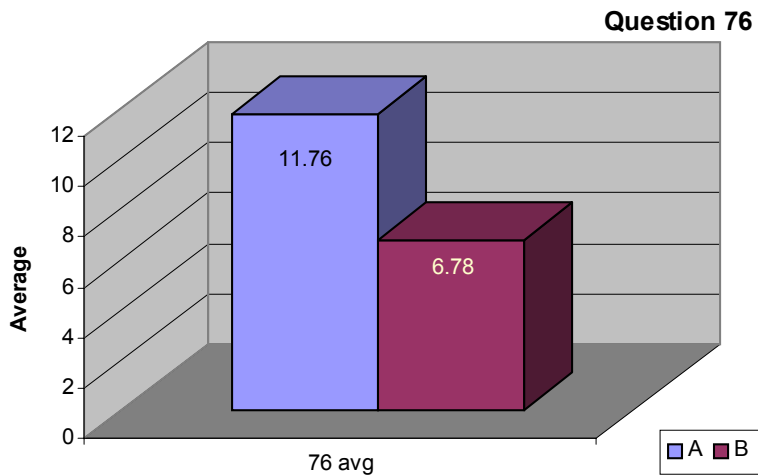
76. Including the owner(s), how many employees work for your company?



Question 75	Mean	Median	Mode
A	13.24509293	9	5
B	9.1275	6	4

On average, employers who offer health insurance had four more employees than employers who did not offer health insurance.

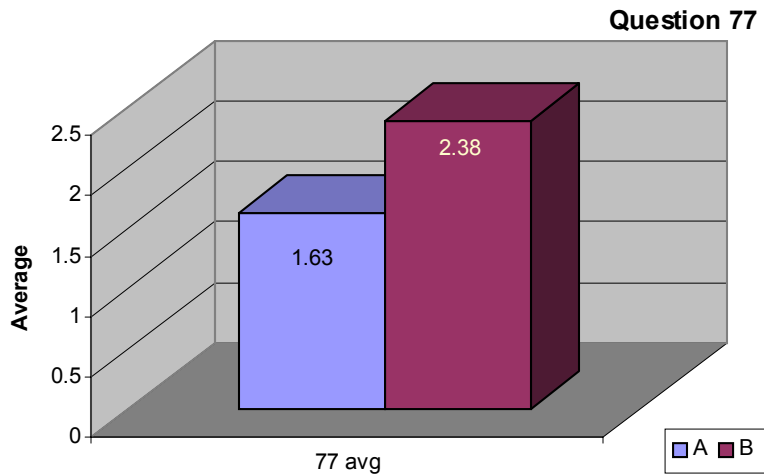
77. How many employees work full-time (36-40 hours per week)?



Question 76	Mean	Median	Mode
A	11.76264118	8	5
B	6.782572441	4	3

On average, employers who offer health insurance had five more full-time employees than employers who did not offer health insurance.

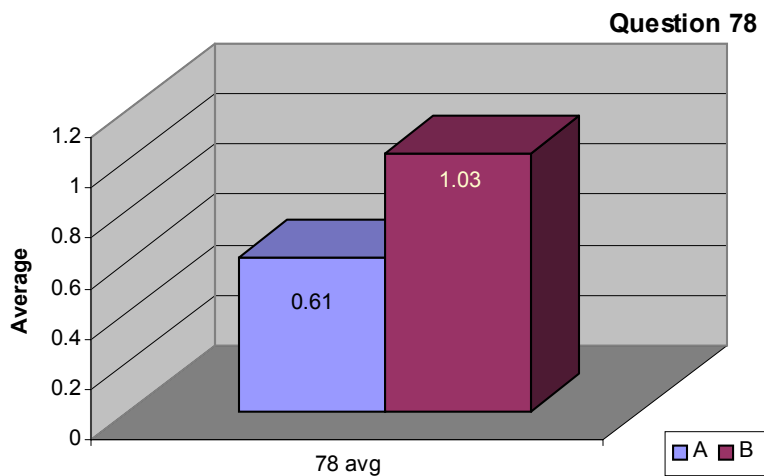
**78. How many employees work part-time?**



Question 77	Mean	Median	Mode
A	1.630077031	1	0
B	2.384373031	1	0

On average, employers who did not offer health insurance employed more part-time employees than employers who did offer health insurance.

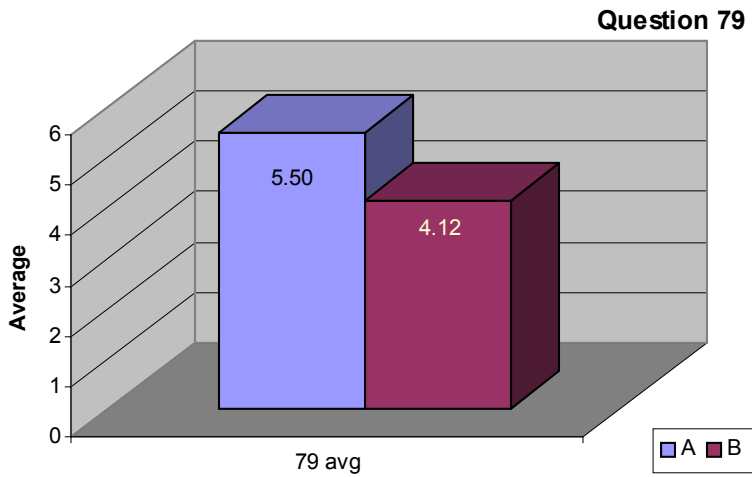
**79. How many employees are contract employees?**



Question 78	Mean	Median	Mode
A	0.614869626	0	0
B	1.028650255	0	0

On average, employers who did not offer health insurance employed slightly more contract employees than employers who did offer health insurance.

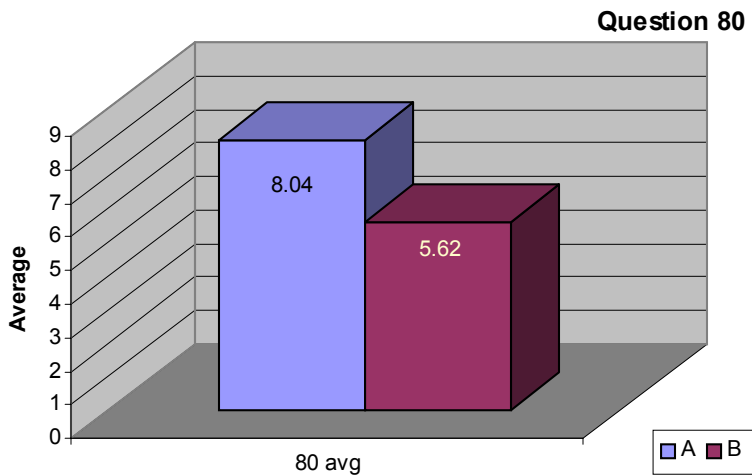
**80. How many employees are female?**



Question 79	Mean	Median	Mode
A	5.49825419	3	2
B	4.123795559	2	1

On average, employers who offered health insurance had a slightly higher number of female employees than those employers who did not offer health insurance.

**81. How many employees are male?**



Question 80	Mean	Median	Mode
A	8.043478261	5	1
B	5.616381112	3	1

On average, employers who offered health insurance had a higher number of male employees than those employers who did not offer health insurance.

## SECTION 7: CROSS-TABULATION OF RESULTS

### SURVEY QUESTION #75

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Included in the Small Employer Survey is Question #75, which asks:

**75. Including the owner(s), how many employees work for your company?**

The following questions have been cross-tabulated with survey question #75. For each question, a chart depicts the average (mean, median, mode) size of the company for each of the answers in the cross-tabulated question. For example, in question #43, companies with 1-5 employees eligible to purchase health insurance through the plan offered by the company (answer “A”) had an average of 5.9 total employees.

**43. How many employees at your company are eligible to purchase health insurance through the plan offered by your company?**

- g. 1-5
- h. 6-10
- i. 11-15
- j. 16-20
- k. 21-30
- l. 31-50

Question 43	Mean	Median	Mode
A	5.929641398	5	5
B	10.18788344	9	10
C	14.60113154	14	12
D	20.71046771	20	20
E	28.0362173	27	30
F	38.96	39	40

**53. Approximately how much is each employee required to contribute towards his/her own insurance coverage each month (not including coverage for children or spouse)?**

- f. Employees do not pay anything for their own coverage
- g. Employees generally pay less than \$50 a month
- h. Employees generally pay \$50 - \$75 a month
- i. Employees generally pay \$76 - \$100 a month
- j. Employees generally pay more than \$100 a month

Question 51	Mean	Median	Mode
A	11.7364652	8	5
B	17.52603471	13	5
C	16.38932806	13	6
D	15.21203438	11	6
E	14.12206573	10	5

54. Approximately what percentage of the total cost of insurance does each employee contribute towards the cost of his/her own coverage each month (not including coverage for children or spouse)?

- a. 0%
- b. 5%
- c. 10%
- d. 15%
- e. 20%
- f. 25%
- g. 30%
- h. More than 30%

Question 52	Mean	Median	Mode
A	11.70578183	8	5
B	18.625	15	5
C	16.29861111	11	4
D	19.37634409	15	7
E	17.90972222	14.5	10
F	16.52083333	13	5
G	13.83673469	10	6
H	14.79214781	11	5

59. Approximately how much has the cost of your health insurance plan increased since 1999?

- i. Does not apply – we have offered health insurance coverage for less than three years
- j. Less than 10%
- k. 10% - 25%
- l. 26% - 50%
- m. 51% - 75%
- n. 76% - 100%
- o. 101% - 150%
- p. More than 150%

Question 59	Mean	Median	Mode
A	11.31415929	7.5	0.5
B	13.26206897	10	4
C	12.84827586	9	2
D	13.86599424	10	5
E	13.38823529	10	5
F	12.69518717	9	4
G	11.31818182	8	5
H	10.78947368	7	6