

**Maine Small
Business
Health
Insurance:
A 2004 Survey**

MECEP

Maine
Center for
Economic
Policy

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MECEP

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Acknowledgments

MECEP would like to thank the Bingham Program for support of this project and also the Governor's Office of Health Policy and Finance, which funded the survey with a grant from the Maine Health Access Foundation. We appreciate helpful comments provided by Ellen Schneider, Adam Thompson, Wendy Wolf, Kim Crichton, Gino Nalli, Joseph Ditré and Laurie Lachance.

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July 2005

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Executive Summary

Most businesses in Maine are small. Half of Maine workers are employed in a business with fewer than 100 employees. As health insurance is provided to Maine families chiefly through insurance at work, the ability of Maine small businesses to provide health insurance is key to achieving state goals for increased coverage.

That ability is under stress from recent health insurance cost increases. Of working-age adults without health insurance in Maine, 8 in 10 have jobs, and most of these are working in small business.

The Maine Center for Economic Policy contracted with a survey research firm to conduct a telephone recruitment survey of a random sample of 400 Maine businesses with 2-49 employees in 2004. Willing participants were mailed a survey and then telephone follow-ups were conducted. This report analyzes the results of this survey and other readily available state and national data to indicate what was happening with Maine small businesses and health coverage in 2004.

Comparing the 2004 survey data with a similar mailout survey in 1999, it appears that the rate of coverage for small businesses with two to ten employees has dropped from 62% to 43% in the course of five years. Other survey data from national and state sources support this picture.

Key MECEP 2004 Survey Findings

- 53% of small businesses (2-49 employees) were offering any employee health coverage in 2004.
- 8% dropped coverage between 2002-2004.
- The smallest businesses (2-10 employees) had a significant decline in rate of coverage between 1999-2004, from 62%-43%.
- The higher the Maine worker's salary, the more likely he or she is to receive health benefits.
- Small businesses that offered health insurance paid an average of 84% of the premium for their employees, with one out of three paying 60% or less.
- On average these firms paid less than half of the premium for their employees' families.

There has been some fall-off, but less, among employers with 10 to 50 employees.

Respondents to the 2004 survey indicated that 8% had dropped the health insurance benefit between 2002 and 2004. Businesses with fewer than 10 employees and sales under \$500,000 a year were the most likely to drop insurance; and those in the manufacturing and health/social services sector also showed a disproportionately large decline in health insurance coverage.

Respondents report median health insurance increases in double digits the last three years. The good news is that the rates of increase are declining, from 20% to 16% to 11%. The bad news is that even 11% is well over the general rate of inflation.

Maine small business respondents have adopted a variety of strategies to cope with the continuing health insurance inflation. Half have raised deductibles for their employees in the past three years. Over one quarter have increased co-pays or reduced benefit coverage. As was mentioned above, 8% have dropped the health benefit entirely. A quarter have delayed pay raises; this is where the state's goal that more people should be paid livable wages is being hurt by health insurance costs. Between health insurance and other benefits, 45% of small business respondents reported paying over 20% of payroll costs for benefits.

Key MECEP 2004 Survey Findings

- Employee out-of-pocket costs are increasing. A worker who wants family insurance has an average monthly premium cost of over \$400 a month.
- 30% of small businesses would cut back further on coverage with an insurance rate increase of 10% or less.
- 25% of small businesses delayed raises to their employees to pay for health insurance at their last insurance renewal and 25% did so within the last three years.
- Small businesses want to provide health benefits as a matter of principle (85%), and in order to attract and retain employees (76%).
- Health insurance costs are a moderate to major concern for 95% of Maine small businesses.

Maine small business respondents providing health insurance typically offered it to full-time employees only. Less than half also covered workers' families, and only one in nine offer it to part-time workers. The higher the Maine worker's salary, the more likely he or she is to receive health benefits. Over 4 in 5 workers with an annual income over \$20,000 are offered health benefits in the respondent small businesses; but only 1 in 4 full-time workers earning under \$13,000 are offered health benefits.

These survey respondents want to provide health benefits as a matter of principle (85%), and in order to attract and retain employees (76%). It appears that if these employers could afford to continue to provide health insurance to their workers, they would. But many have dropped coverage because of cost. Only 53% of respondents were offering health insurance in 2004, and a future increase of up to 10% could result in one out of three respondents cutting back on coverage.

The 2004 Maine Center for Economic Policy survey paints a picture of Maine small businesses under stress from persistent health insurance inflation. The need for intervention is apparent if the state wants to keep small business employees insured.

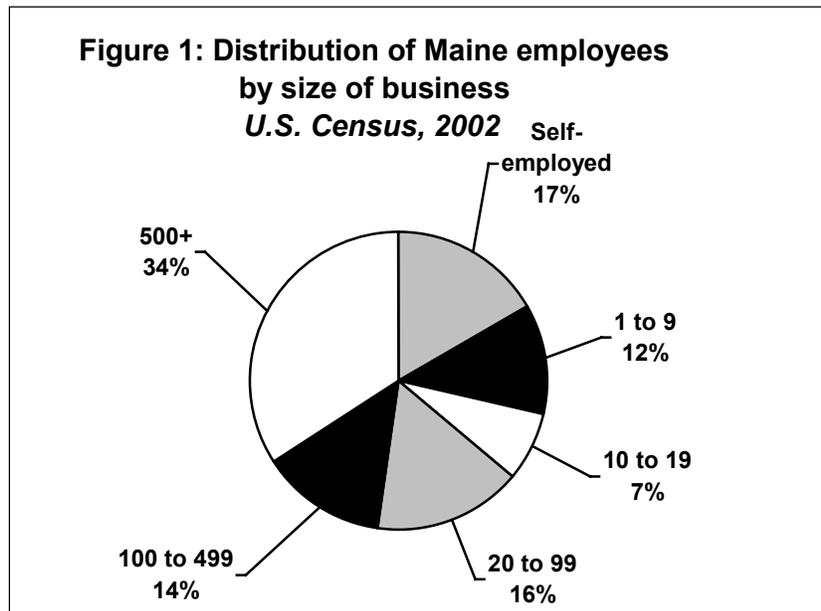
It should be noted that this survey preceded the implementation of Maine's Dirigo Health program and can serve as a baseline to evaluate the impact Dirigo Health and other policy initiatives have on employee health coverage among Maine's small businesses.

Results of the MECEP 2004 Small Business Survey

Background and Methodology

One out of every eight Maine residents under the age of 65 does not have health insurance.¹ Of these uninsured adults, roughly 8 in 10 are employed, mostly in small businesses. Helping small businesses provide health insurance is therefore critical to reaching the goal of universal health coverage in Maine.

Maine is a state of small businesses. Three out of four businesses employ fewer than ten people.² Half of all Maine workers work for firms with fewer than 100 employees. In 2004, there were 43,000 Maine businesses with less than 50 employees, including sole proprietors.³ Thus, helping small businesses prosper is critical to the state's broader economic development success.



Small businesses are at the very center of the health care crisis and the economic development challenge facing Maine. They are the major providers of health insurance for Maine's working families. On the other hand, they are essential contributors to Maine's economic health – and the rise in health care costs is putting a drag on their growth and the growth of the overall Maine economy.

To understand what is happening with small businesses and health care in Maine, the Maine Center for Economic Policy commissioned Market Decisions of South Portland to conduct a survey of Maine owners of businesses with 2-49 employees to find out their recent experience with health care costs and coverage. Market Decisions did a “telephone recruitment” survey in which randomly-selected small business employers were contacted by phone to see if they were interested in participating in the survey. Those who were interested were mailed a survey and then follow-up phone calls were made to encourage completion. From a sample of 1,692 businesses, 1,254 turned out to fit the parameters of the study. Calls were made until there were 400 completed surveys in hand for a response rate of 32%. The sample was weighted by county and size.

This is the second survey of small businesses on health issues that the Maine Center for Economic Policy has conducted. In 1999 MECEP sent out a mail survey to randomly-selected small businesses, but without initial or follow-up calls. Of 4,000 surveys mailed out that year, there were 381 eligible responses from 3,809 that fit the parameters of the study, for a response rate of 10%.⁴

Because of the telephone recruitment strategy employed, the 2004 survey was less susceptible to self-selection bias than the 1999 survey and had a higher response rate. There are potentially systematic differences between the types of business owner who responded to this mail survey and those who did not, although there was no apparent difference in their characteristics. Comparisons are made between the two surveys in this report; however, the results of this comparison are less reliable than they would be if the methods had been identical in both years. Statistical tests of significance were conducted in some but not all cases. Differences in findings between the two surveys should not be assumed to be statistically significant except where noted.

An overall comparison of the distribution of the universe of small businesses in Maine with the results of the 2004 sample and 1999 sample show that 2-4 person businesses are slightly underrepresented in both years, most likely because they have the least time to complete surveys. This limitation should be kept in mind in reviewing the data on subsequent pages.

Table 1: MECEP 2004 Survey Sample Compared to Total Population

Employer size (for businesses with fewer than 50 employees)	1 to 4 employees	5 to 9 employees	10 to 19 employees	20 to 49 employees
2002 Census	60.2%	20.0%	12.5%	7.3%
2004 sample	41.2%	26.3%	20.1%	12.4%
1999 sample	31.3%	28.6%	18.5%	10.3%

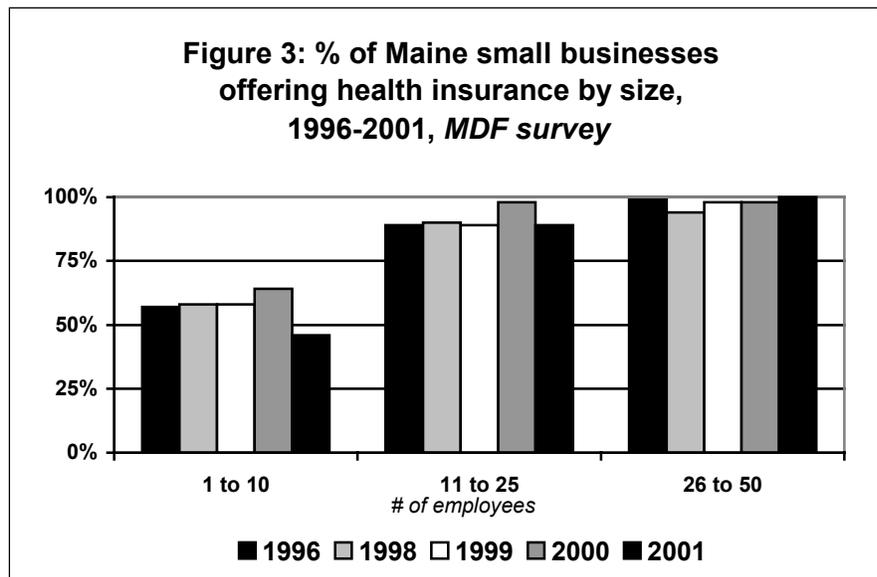
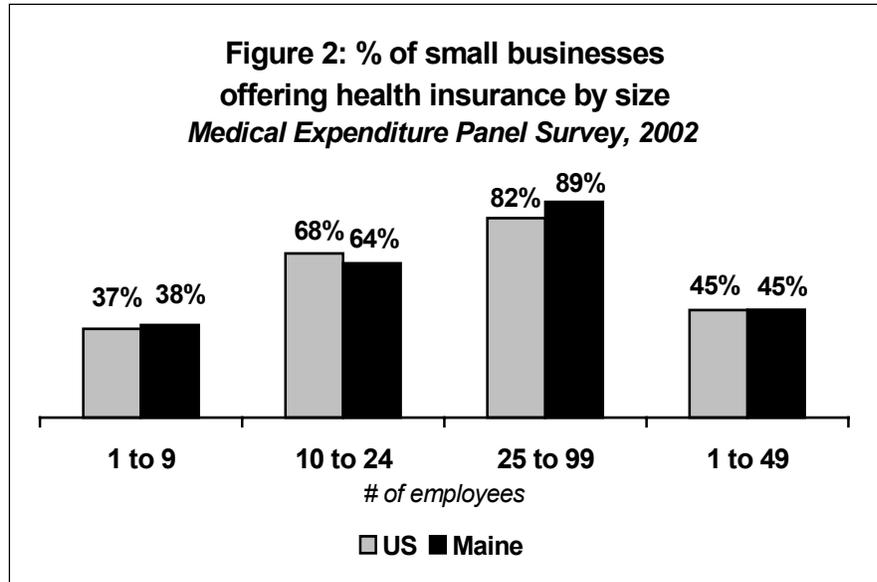
In addition to the Maine Center for Economic Policy surveys, this report utilizes two other surveys of small businesses in Maine. The first is a periodic survey of Maine businesses conducted by the Maine Development Foundation for the Maine Economic Growth Council.⁵ The survey was conducted annually between 1995 and 2001 (and is scheduled for a repeat in 2005), and though the data are now old, it has the advantage of showing change over time. The second is the Henry Kaiser Foundation's website on state health facts, which includes data from the U.S. Census Bureau Current Population Survey and employer surveys.⁶ This is a major source for national data on employer health insurance patterns.

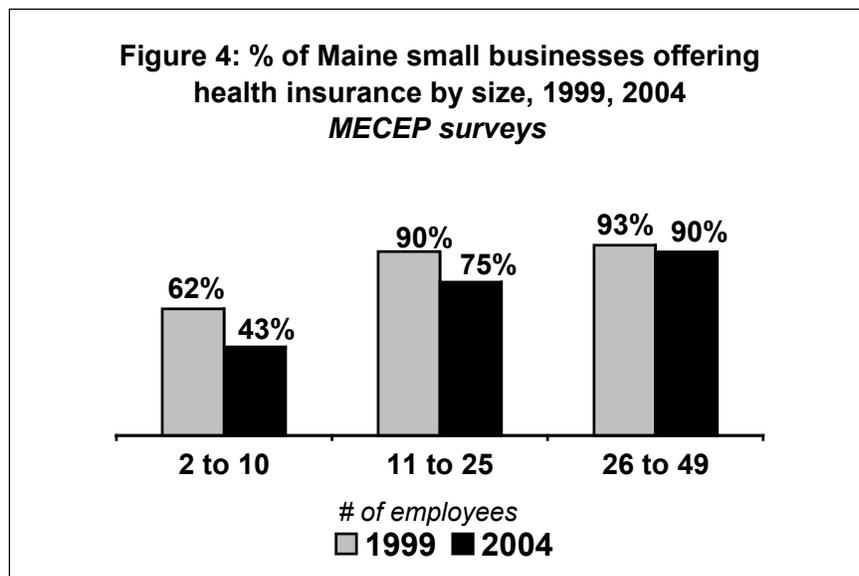
Maine Small Businesses are Reducing Health Insurance Coverage

Maine small businesses follow the same general pattern as other businesses around the country with regard to health insurance. Less than half of small businesses with under 50 employees offer health insurance to their workers, both in Maine and nationally (however, slightly more than half of such businesses in New Hampshire, Massachusetts, and Connecticut do offer health insurance). Looking at national data from the Medical Expenditure Panel Survey, only 4 of 10 Maine employers with 2-10 employees offer health insurance (See Figure 2).⁷ It appears that once firms hit a critical mass in the area of 25 employees, they are much more likely to offer health insurance as a benefit.

The gap in health insurance coverage between very small businesses and other small businesses appears to be widening. A Maine Development Foundation business survey shows that from 1996 to 2001, the proportion of Maine small businesses with 10 or fewer employees who offered health insurance to workers dropped by 11% (See Figure 3). During this period, health insurance availability for firms of larger sizes did not vary much.

This forms a backdrop for indications of an even more dramatic decline after 2001 shown by the 2004 Maine Center for Economic Policy survey. These survey data indicate that between 1999 and 2004, the rate of offering employee health insurance among very small businesses dropped significantly – from 62% to 43% for those with 2 to 10 employees. The rate of coverage for businesses with





11-25 employees was 90% in 1999 and 75% in 2004. For businesses with 26 to 49 employees, the rate of coverage was 93% in 1999 and 90% in 2004. (See Figure 4 and statistical endnote.⁸)

A comment on the data is in order. The observant reader will notice that the proportion of very small business respondents offering health insurance in 2004 (43% - from Figure 4) is slightly higher than the

figure reported by the national Medical Panel Expenditure Survey in 2002 (38% - from Figure 2). The 1999 numbers in Figure 4, in turn, are slightly different than those reported by the Maine Development Foundation (Figure 3) for that same year. These variations are to be expected in a population as volatile and difficult to survey as small business owners.

The important point is that in surveys that use similar methodologies from year to year (Maine Development Foundation and Maine Center for Economic Policy), the same trends can be observed. The same trends are that health coverage for Maine workers appears to be declining in all Maine small businesses, but fastest in the smallest businesses.

This is also national trend. The Kaiser Family Foundation and the Health Research and Educational Trust conduct an annual employer health benefits survey for the U.S. as a whole. This survey found that between 1999 and 2004 employee health insurance dropped from 56% to 52% in firms with 3-9 workers, but remained flat at 74% in firms with 10-24 workers, and around 87% in firms with 25-49 workers. The Kaiser/HRET survey finds that the rate of coverage among larger firms in the U.S. has remained above 90% since 1999. Ninety-seven

percent of firms with 50-199 workers offered coverage in 1999 compared to 92% in 2004, while coverage among firms with 200 or more employees remained around 99% for the period.⁹

The number of employees is not the only important indicator of whether a Maine small business is likely to offer health insurance. The MECEP 2004 survey also provides other key indicators:

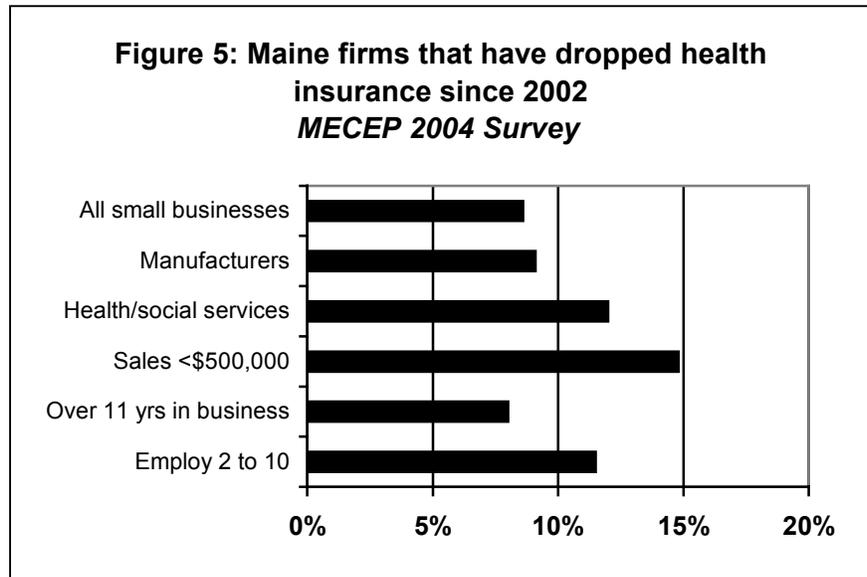
- Volume of sales – small business respondents with over \$500,000 in annual sales are twice as likely to offer health insurance to employers as those under \$500,000;
- Length of time in business – 6 in 10 small business respondents that have been open for 11 years or longer offer health insurance, while only 4 in 10 small businesses open for 10 years or less offer health insurance;
- Type of business – 8 in 10 construction firms, 7 in 10 health/social service businesses, 5 in 10 finance/insurance/real estate firms, 6 in 10 small manufacturers offer health insurance to their employees– while only 4 in 10 small retailers and 3 in 10 small restaurant/lodging business respondents offer employee health insurance.

The MECEP 2004 survey shows that the decline in coverage is beginning to affect types of businesses that have traditionally been strong providers of health insurance, as well as businesses who have been open for a long time.

The survey indicates that of the small business respondents offering health insurance in 2002, 1 in 12 have since dropped their coverage. Unsurprisingly, the rate of decline is greatest in firms with the lowest sales (15% reduction) and the fewest employees (firms with 2-10 employees have a 12% reduction). But the decline is also noticeable in sectors of the small business community that have traditionally been able to provide health insurance, such as manufacturing (down 9%), health and social services (down 12%), and firms 11 or more years old (down 8%). (See Figure 5 below)

All of these are indicators that the health cost crisis is starting to have effects not just on the most vulnerable small businesses (smallest and newest), but also on *all* small businesses.

The firms that are dropping health insurance coverage are not necessarily doing so because they think that health insurance has lost its importance for their success. They are doing so reluctantly.



Of the survey respondent managers who have dropped health insurance coverage for their employees in the last three years:

- 76% still believe that health insurance benefits are important to their firm for attracting and retaining workers;
- 85% still feel health insurance should be provided as a matter of principle and employer philosophy;
- 75% report that health insurance costs are a major concern for their companies;
- 29% are dissatisfied with the quality of health care available to their employees;
- 89% are dissatisfied with the cost of health insurance available for their employees;

It appears that if these employers could afford to continue to provide health insurance to their workers, they would.

Health Insurance Costs are the Major Reason Employers Drop Coverage

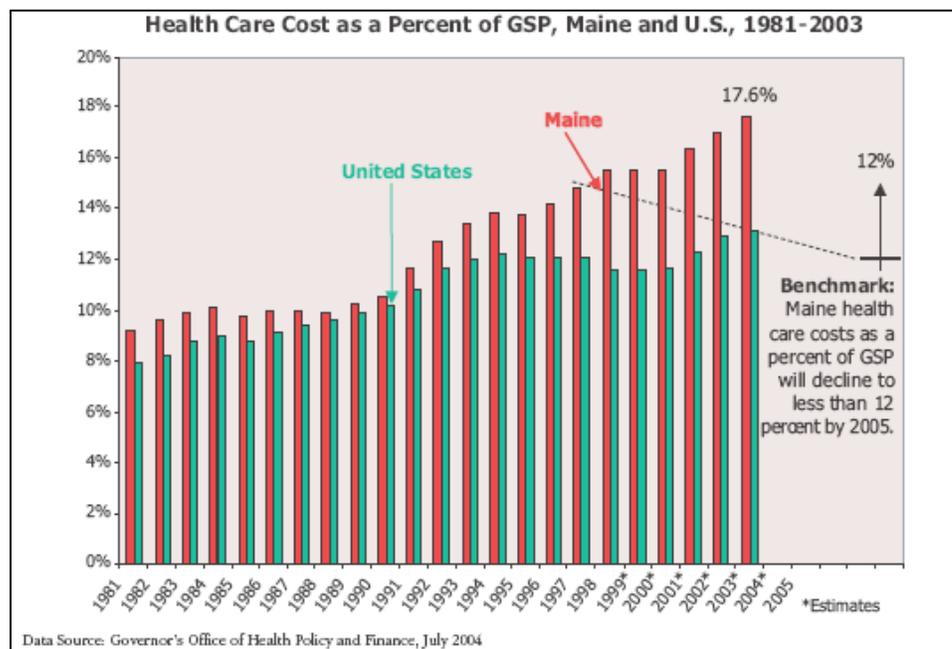
The recently released Maine Development Foundation report *Measures of Growth 2005*¹⁰ reports that health care costs are continuing a “dramatic rise” in Maine. The report goes on to say:

“In 2003, personal health care costs for Maine’s people and businesses amounted to an estimated 17.6 percent of Maine’s Gross State Product, up from 17 percent in 2002. For the United States as a whole in 2003, health care costs mounted to an estimated 13.2 percent of gross national product, up from 12.9 percent in 2002. Maine’s health care costs continue to rise each year, and are moving away from the benchmark. Because health care costs are a major concern for Maine’s people and businesses, and continue to rise, this measure again earns a Red Flag this year. The cost of health care in Maine is an important consideration for businesses considering moving to or expanding in Maine.”

“Rising costs represent increasing health insurance premiums for businesses and increasing deductibles and out-of-pocket expenses for employees. Rising health care costs are also consuming a large portion of state and local government expenditures, placing added pressure on tax burden.”

Maine small businesses experience this health cost

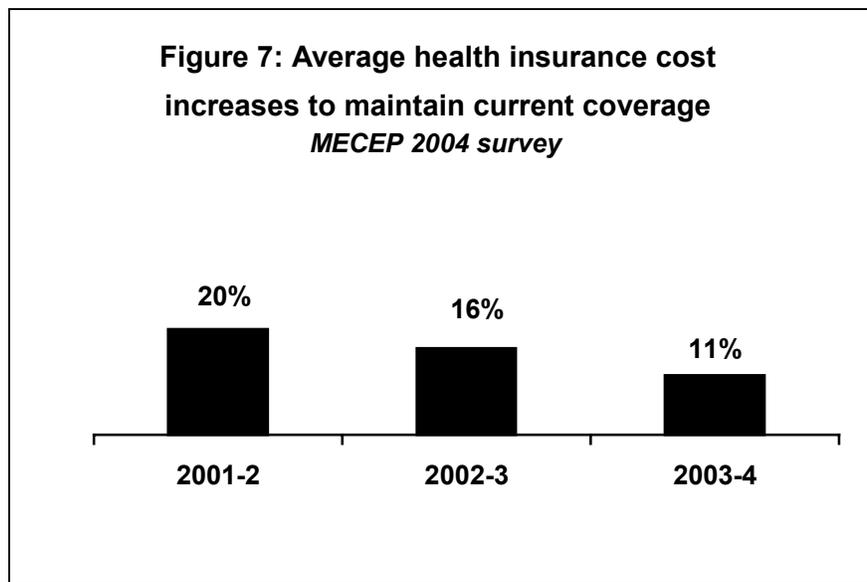
Figure 6: Health Care Costs in Maine, *Measures of Growth*



increase through their insurance premiums. The Kaiser Foundation indicates that Maine businesses pay premiums roughly 15% higher than their competitors across the nation, whether the policy is for the employee, the employee plus one family member, or general family coverage.¹¹ These costs are driven by high rates of chronic illness, high rates of uninsurance, high rates of hospital utilization (particularly costly emergency room visits), excess capacity in service delivery, and increasing pharmaceuticals costs.¹²

Premiums are high and are increasing each year. Maine small business respondents report an average annual increase of 15% per year in the last three years. (See Figure 7) The “good news,” if there is any in this situation, is that the rate of increase in the last two years (2002-4) is reported to be decreasing. Even an 11% increase, however, remains well over the general rate of inflation, and is a burden for small businesses.

The higher premium costs are experienced by workers as well as by small businesses. Survey respondents that offered health insurance paid an average of 84% of the premium for their employees, with one out of three paying 60% or less. On average these firms paid less than half of the premium for their employees’ families, (See Table 2 below)



By comparison, the Medical Expenditure Panel Survey for 2002 showed an average employer share of 80% for Maine. Thus a worker who wants to insure his or her entire family, spouse and children, has an average monthly premium cost of over \$400 a month. These premium payments are only part of

the story. To reduce costs, many small businesses have gone to plans with higher deductibles and coinsurance, which means that employees are experiencing much higher out-of-pocket costs.

Table 2: Mean Premium Payments for Maine Small Businesses, *MECEP 2004 Survey*

	Mean employer % share of premium	Mean employer annual premium	Mean worker annual premium	Mean total annual premium
Employee only	84%	\$3,000	\$571	\$3,571
Employee and spouse	46%	\$3,816	\$4,480	\$8,296
Employee and children	41%	\$2,736	\$3,937	\$6,673
Employee and entire family	41%	\$3,468	\$4,991	\$8,459

Beyond Dropping Coverage, Maine Small Businesses Have Adopted a Variety of Strategies to Cope with Health Insurance Inflation

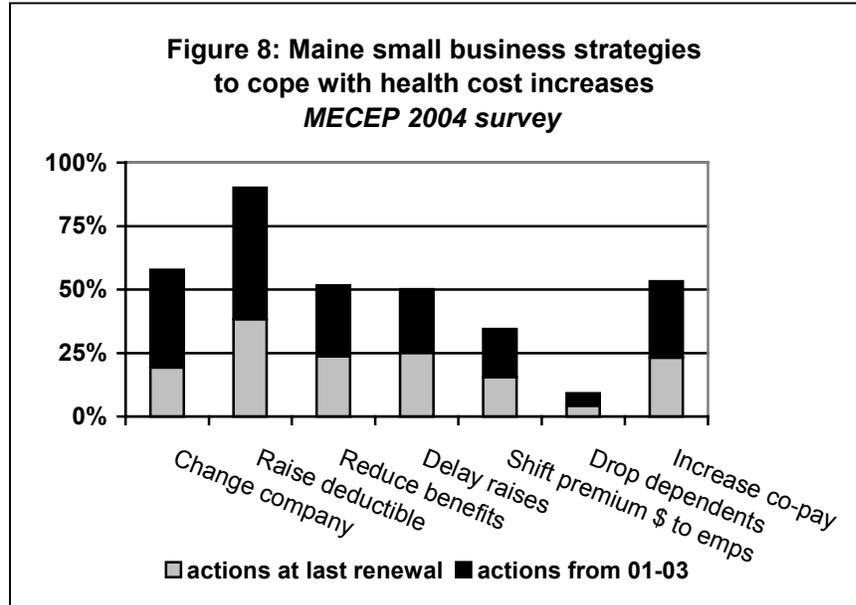
Small businesses are biting the bullet with health cost increases in much more dramatic ways than in 1999. The cost is really starting to pinch. In 1999, 15% of business respondents reported reducing benefits in the last three years; in 2004, 28% reported reducing benefits within the last three years. Similarly, more businesses in 2004 reported shifting part of the premium cost to employees, raising the deductible, and increasing co-payments. (See Figure 8 below) Interestingly, fewer in 2004 reported changing their insurance company than in 1999, perhaps because there are fewer choices for small businesses available.

Of particular concern for the economy is the fact that 25% of small business respondents delayed raises to their employees to pay for health insurance at their last insurance renewal and 25% did so within the last three years. This is where the health cost crisis intersects with the problem of livable wages; Maine businesses cannot afford to raise worker incomes to the degree they should, so long as health costs keep rising at the current rate.

The point about wage increases can be extended to other employee reimbursement-related expenditures. From a small business's point of view, salary and benefits can be considered part of the same expenditure.¹³ Thus, health care costs have an effect on all other benefits.

To put this in context, a little more than half of the small businesses surveyed provided health insurance to its workers. But many offered other benefits as well:

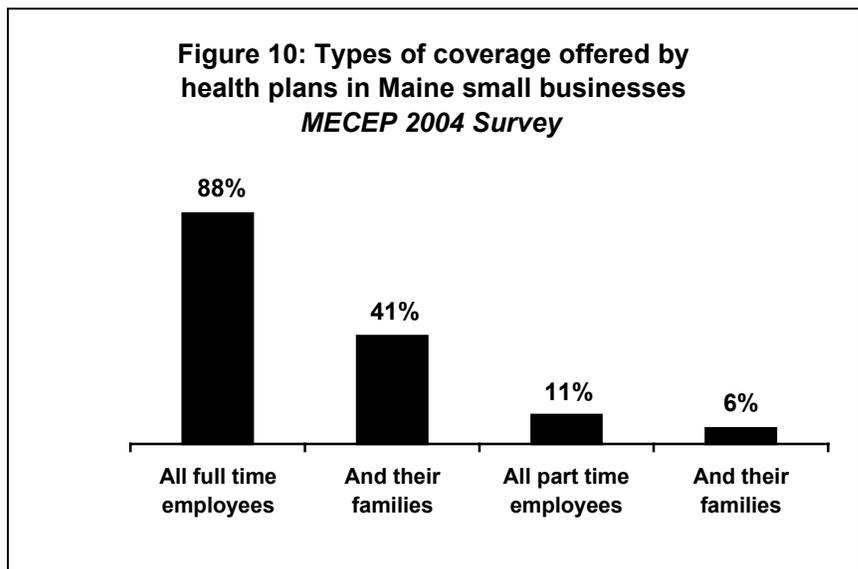
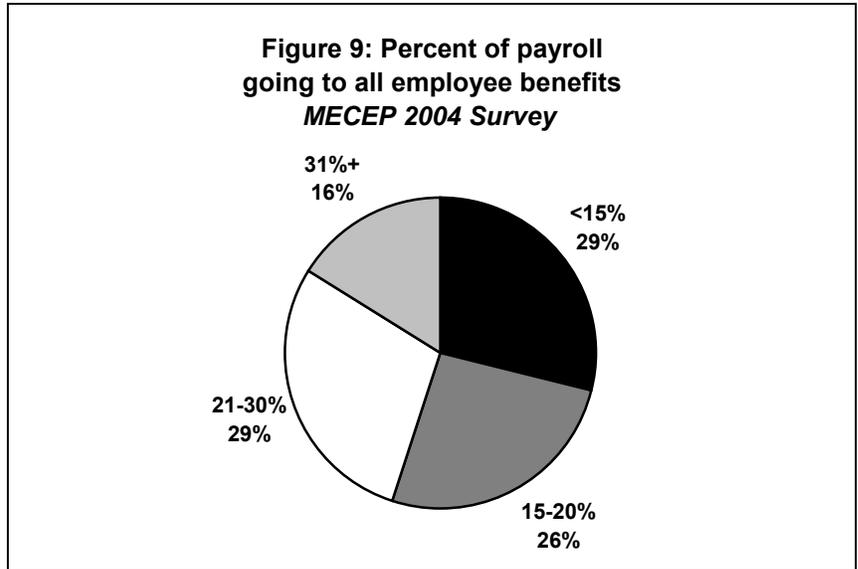
- 53% offer health insurance
- 31% offer company-paid tuition or training by third parties
- 32% offer a pension plan other than social security
- 23% offer life insurance
- 22% offer paid family medical leave
- 17% offer dental benefits
- 15% offer disability benefits



In all, two-thirds of the small business respondents reported paying over 16% of payroll costs for benefits for their full-time workers. One in six businesses paid over 30% of payroll costs for benefits for these workers. (See Figure 9) The continued increase of health insurance costs will likely cause small businesses to consider cutbacks to other important benefits, such as paid family leave or job training and education.

Types of Health Insurance Offered by Small Business Employers

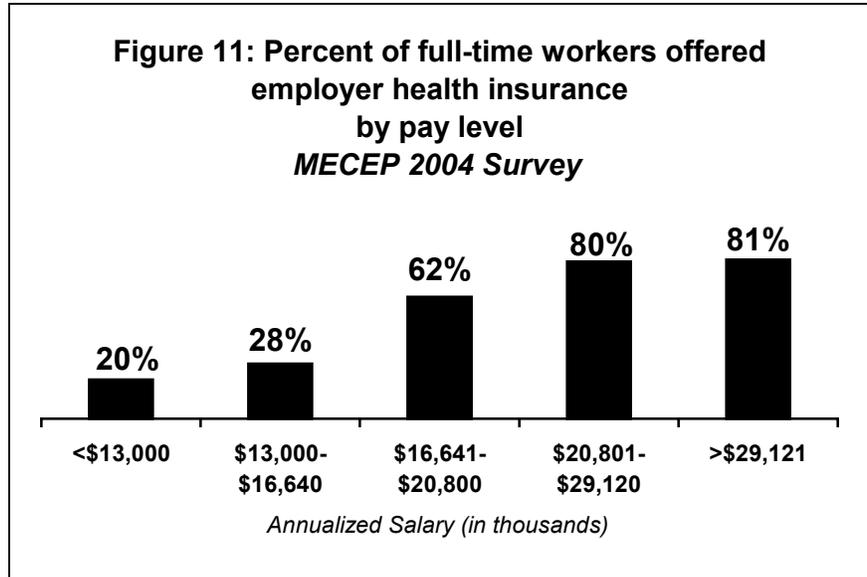
Of the small business respondents providing health insurance, most offer the benefit to all full-time employees. The respondents' definition of "full-time" varied -- 42% saying 40 hours or more, 47% saying 30 to 39 hours, and the rest ranging between 10 and 29 hours a week.



Only 1 in 9 small business respondents providing health insurance offer it to part-time employees. As 23% of the total workers employed by these small businesses work part-time, a substantial population of working people may not have access to health insurance at work.

Older full-time workers tend to have more access to employee health insurance than younger workers.

About 64% of full-time male workers aged 18 to 25 and 75% of full-time male workers over age 40 represented in this survey worked for firms offering health coverage to all full-time workers. Only half of full-time female workers aged 18-25 and 66% of full-time female workers over age 40 worked for firms offering health coverage to all full-time workers. There appears to be a gender gap in coverage.



When it comes to the pay level of jobs, the differences are even more pronounced. Here the likelihood of receiving health insurance for any type of job is directly related to the pay level of the job. Those full-time workers making under \$8 an hour – or \$16,640 per year – have less than a 1 in 3 chance of getting health insurance. Those over \$20,800 in income have a 4 in 5 chance of receiving health coverage. (See Figure 11)

Of the small businesses who offered coverage, two-thirds (68%) had Anthem coverage and 25% Aetna, with the remainder scattered among a number of providers.

Increasingly, policies restrict the freedom of consumer choice. The once-prevalent “fee-for-service” plan that reimburses at the same rate for services from any doctor or hospital now

constitutes only 7% of policies. Over half of policies provide memberships in health maintenance organizations. Another 34% guide consumers through preferred provider or point of service arrangements. The remainder comprises a mix of choice policies and self-insurance.

Most policies offer coverage for preventive care. Small business respondents who offer coverage report the following level of coverage:

- 90% offer preventive care (routine physicals)
- 92% offer prescription drugs
- 79% offer well baby checks
- 79% offer screening checks

At one time it was common for health insurance plans to offer “first dollar coverage”, meaning the entire bill was paid by the insurance company. Now, many policies require deductibles for individual services and have out-of-pocket annual maximums, both of which are rising each year. Forty-two percent of these survey respondents have deductibles of \$1,000 or more for individual services for employees. The typical out-of-pocket maximum for a policy is in the \$1,000 to \$2,500 range, but many go higher, particularly for family coverage. (See Table 3)

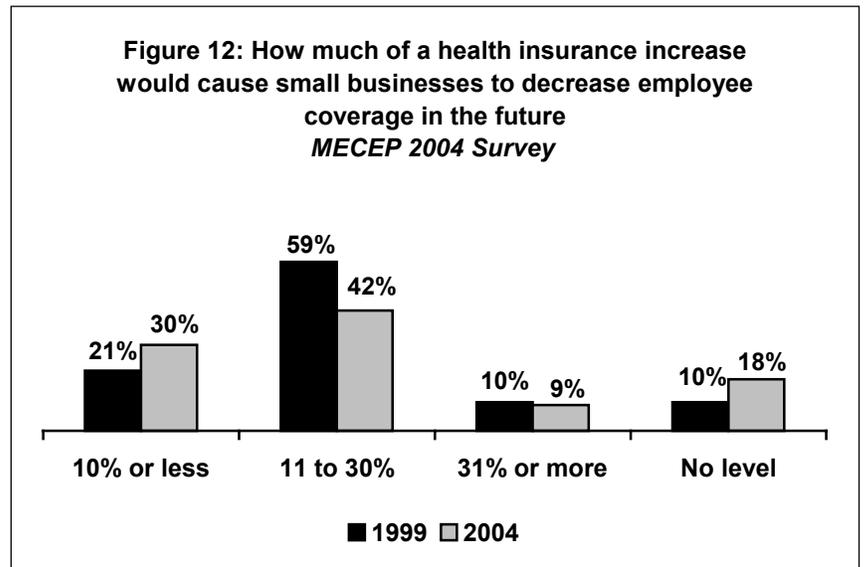
Table 3: Percentage of Maine Small Businesses Offering Various Health Insurance Deductibles and Out-of-Pocket Maximums, *MECEP 2004 Survey*

	Deductible		Out-of-pocket annual maximum	
	Employee	Family	Employee	Family
Zero	21%	23%	12%	10%
\$1 to \$999	36%	20%	8%	5%
\$1,000 to \$2,499	22%	36%	54%	35%
\$2,500 to \$4,999	10%	7%	17%	27%
\$5,000 to \$9,999	11%	11%	9%	17%
\$10,000 or more		3%		6%

Summary

Based on the results of the MECEP 2004 survey, it appears that Maine small business owners continue to think it is important that they provide health insurance to their employees. For the vast majority it is not only important for attracting and retaining employees (76%); it is also part of being a responsible employer, a matter of principle (85%). Yet even with these beliefs, only 53% offered health insurance in 2004.

Year after year of health insurance increases are taking a toll. One in 12 small business respondents dropped their health insurance benefit between 2002 and 2004. Of those who kept the benefit, the majority raised deductibles, and others reduced benefits, increased co-pays or delayed company raises. Looking ahead, more are planning cutbacks. Nearly one in three (30%) of these small businesses reported that a health insurance increase of up to 10% would cause them to reduce employee coverage. And 42% said they would decrease if increases were between 11 and 30%. (See Figure 12) Since the average increase they have experienced across the last three years is 15% per year, further decline in employer coverage seems likely.



The MECEP 2004 small business survey paints a picture of small business people under severe financial duress because of their health care costs. For 95% of these respondents, health insurance costs are an area of moderate to major financial concern. Without intervention in these costs in the next few years, the proportion of small businesses offering health insurance will continue to fall, and the cost of the coverage to the worker will continue to grow.

Endnotes

¹ Ziller, Erika and Elizabeth Kilbreth, *Health Insurance Coverage Among Maine Residents*, May, 2003; Edmund S. Muskie School of Public Service, University of Southern Maine, p. 1. <http://muskie.usm.maine.edu/Publications/hpi/HealthInsuranceCoverageMaine2003.pdf>

² United States Census, *County Business Patterns, Maine, 2002*, Table 2 <http://www.census.gov/prod/2004pubs/02cbp/cbp02-21.pdf>

³ Maine Department of Labor.

⁴ St. John, Christopher, J. Ditre, L. Pohlmann, *At Risk: Small Business Health Coverage in Maine*, Maine Center for Economic Policy. August 2000. p. 39. http://www.mecep.org/affhealthcare/ahealth_index.htm

⁵ Maine Development Foundation. http://www.mdf.org/megc/survey/business_survey.html

⁶ Kaiser Family Foundation. State Health Facts. <http://www.statehealthfacts.org/>

⁷ 2002 Medical Expenditure Panel Survey, http://www.meps.ahrq.gov/MEPSDATA/ic/2002/Tables_II/TIIA2.pdf

⁸ Confidence intervals are a statistical test used to see if two point estimates for the same question are significantly different from year to year or for different groups of respondents. Market Decisions constructed confidence intervals (see below) for the response estimates in Figure 4 at the 95% confidence level. That means that if the sampling and interviewing process were repeated 100 times using the same methods and procedures, 95 times out of the 100, the responses will fall within the confidence interval range. We can say with 95% confidence, that the proportion of small businesses with 2-10 employees in Maine that offered any employee health insurance in 2004, reported here as 43%, likely fell somewhere between 37% and 49% (43% +/- 6%). Similarly we can say that the proportion in 1999, reported here at 62%, likely fell between 56% and 68% (62% +/- 6%). Since these confidence intervals do not overlap we can say with 95% confidence, that the percentage of companies with 2 to 10 employees who offer health insurance to employees was lower in 2004 than in 1999. However, for businesses with 11 to 25 employees, and those with 26-49 employees, the confidence intervals overlap. As a result, we cannot say with 95% confidence that those percentages are different.

Confidence Intervals for Figure 4, "Maine small businesses offering health insurance by size, 1999, 2004," Calculations by Market Decisions				
2004	%	Standard Error	Upper Confidence Interval	Lower Confidence Interval
Yes				
2-10	43%	3%	49%	37%
11-25	75%	5%	85%	66%
26-49	90%	6%	100%	79%
No				
2-10	57%	3%	63%	51%
11-25	25%	5%	34%	15%
26-49	10%	6%	21%	0%
1999	%	Standard Error	Upper Confidence Interval	Lower Confidence Interval
Yes				
2-10	62%	3%	68%	56%
11-25	90%	4%	97%	83%
26-49	93%	5%	100%	83%
No				
2-10	38%	3%	44%	32%
11-25	10%	4%	17%	3%
26-49	7%	5%	17%	0%

95% confidence intervals are calculated by multiplying the standard error by 1.96

⁹ Kaiser Family Foundation and Health Research and Educational Trust, Employer Health Benefits 2004 Survey, <http://www.kff.org/insurance/7148/summary/ehbs04-summary-g.cfm>

¹⁰ Maine Development Foundation, Measures of Growth, www.mdf.org/megc/measures/megc2005.pdf

¹¹ Kaiser Family Foundation, State Health Facts, <http://www.statehealthfacts.org/>

¹² Maine State Health Plan. Governor's Office of Health Policy and Finance. July 24, 2004.

¹³ Pauly, Mark V. *Health Benefits at Work: An Economic and Political Analysis of Employment-based Health Insurance*. Ann Arbor: University of Michigan Press, 1997.