

2023 Employer Health Benefits

Annual Survey Summary

Each year, the Kaiser Family Foundation conducts a survey to examine employer-sponsored health benefits trends.

This flipbook summarizes the main takeaways of the 2023 Employer Health Benefits Survey.



Health Insurance Premiums

In 2023, the average premiums for employer-sponsored health insurance were **\$8,435** for single coverage and **\$23,968** for family coverage. The average single and family premiums increased by **7%** over the last year, which was faster than the previous year (2% and 1%, respectively). Premiums for 2023 were expected to increase more in recent years since many 2022 premiums were locked in months before inflation became a significant concern.

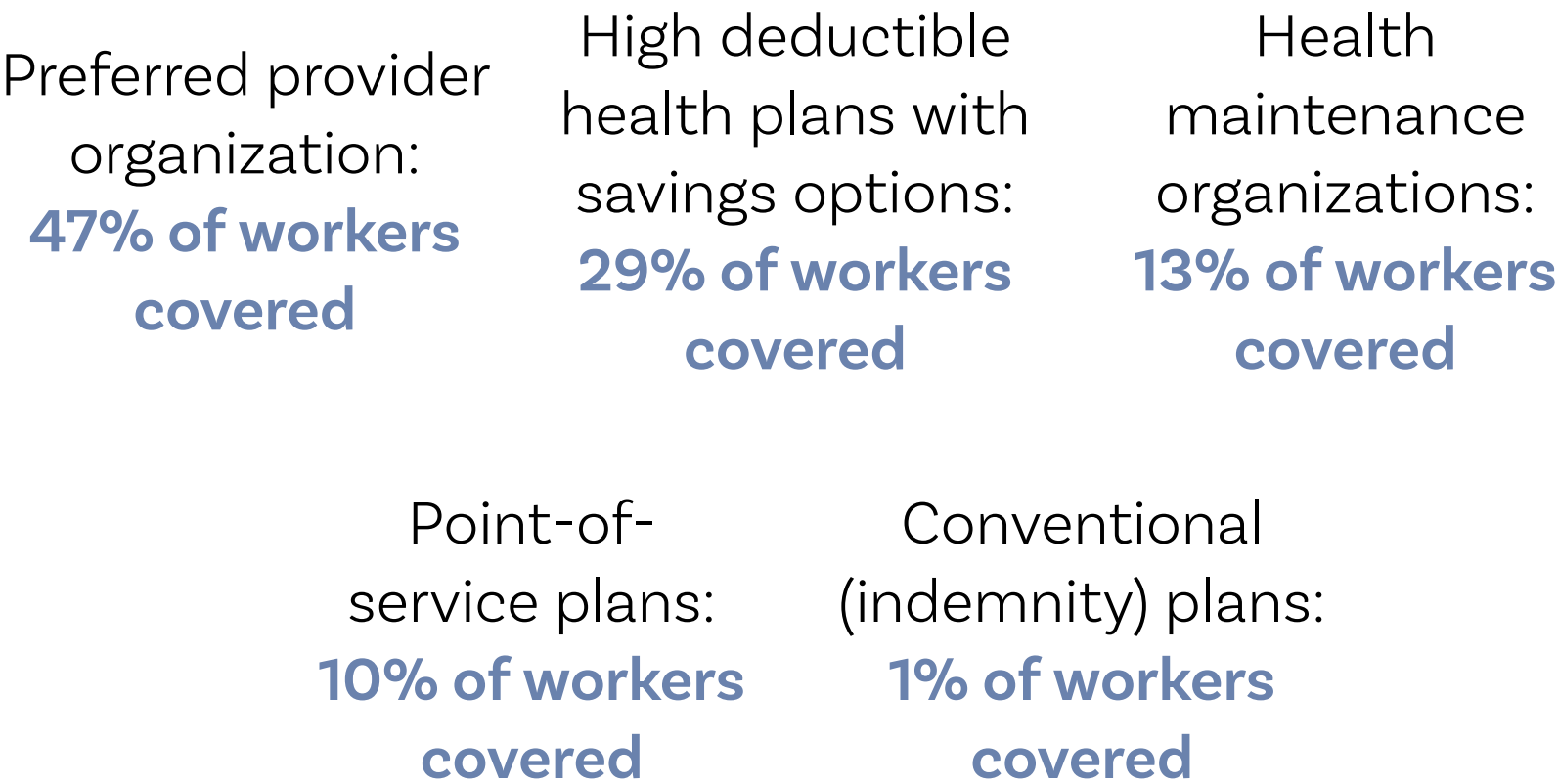
Additionally, the Kaiser report noted an increase of **5.2%** in workers' wages and inflation of **5.8%**. The average premium for family coverage has risen **22%** over the last five years, compared with a **27%** increase in workers' wages and **21%** inflation.

Worker Contributions

The average worker contribution toward the premium in 2023 was **17%** for single coverage and **29%** for family coverage, similar to 2022 percentages. In terms of dollar amounts, workers contributed **\$1,401** and **\$6,575** toward their premiums for single coverage and family coverage in 2023, respectively. These numbers were similar to 2022 figures but greater than five years ago.

Plan Enrollment

Enrollment figures were reasonably similar to 2022. In 2023, the following were the most common plan types:



Self-funding

In the past few years, self-funded plans have become more popular. Many large organizations self-fund or pay for some or all health services for their workers directly from their own funds rather than purchase health insurance. In 2023, **65%** of covered workers—including **18%** at small firms and **83%** in large firms—were enrolled in self-funded plans.

Employee Cost Sharing

Most workers must pay a share of their health care costs, and the average deductible for single coverage was **\$1,735** in 2023, similar to 2022. The average annual deductible has increased **10%** over the past five years and **53%** over the past decade. The percentage of covered workers with a general deductible of **\$2,000** or greater for single coverage has increased by **5%** over the last five years.

Beyond deductibles, most workers cover some portion of the costs of their health care services. For example, **63%** of covered workers had coinsurance, and **10%** had a copay for hospital admissions. The average hospital admission coinsurance rate was **20%** in 2023; the average payment amount was **\$404**.

Availability of Employer-sponsored Coverage

While nearly all large firms (those with 200 or more workers) offer health benefits to at least some workers, small firms (three to 199 workers) are significantly less likely to do so. In 2023, **53%** of all firms offered some health benefits, which was similar to last year's percentage (51%).

Although the vast majority of workers are employed by firms offering health benefits (**53%**), many aren't covered by their employers. Overall, **79%** of workers are eligible for health benefits at firms that offer coverage, and **75%** of eligible workers take up the organization's offer. That works out to be **59%** of workers at firms that offer health benefits enrolling in coverage.

Health Promotion and Wellness Programs

Many firms have programs such as the following that help workers identify health issues and manage chronic conditions:

Health risk assessments—Among organizations offering health benefits, **36%** of small firms and **54%** of large firms provided workers the opportunity to complete a health risk assessment in 2023. Among large firms that offer a health risk assessment, **59%** used incentives or penalties to encourage workers to complete the assessment, higher than the percentage (50%) in 2022.

Biometric screenings—In 2023, workers at **15%** of small firms and **42%** of large firms were given the opportunity to complete a biometric screening. Among large firms with a biometric screening program, **67%** use incentives or penalties to encourage workers to complete the assessment.

Health Promotion and Wellness Programs (continued)

Health and wellness

promotion programs—Most employers, including **62%** of small and **80%** of large, offered a program in at least one of these areas: smoking cessation, weight management, and behavioral or lifestyle coaching.

Disease management

programs—Among organizations that offer health benefits, **36%** of small firms and **64%** of large firms offer disease management programs to improve employee health and reduce enrollees' costs for certain chronic illnesses.

Telemedicine

Large firms are more likely than small firms to cover telemedicine services. In 2023, **91%** of large employers with 50 or more workers covered health care services through telemedicine in their largest health plan, similar to 2022. While small firms are more likely than large firms to provide telemedicine services only through their health plan, large firms are more likely to provide telemedicine services through a specialized telemedicine provider.

Abortion Services

The U.S. Supreme Court decision in *Dobbs v. Jackson*, overturning *Roe v. Wade*, and subsequent state activity to regulate abortion has increased interest in coverage for abortion services in employer plans. In the 2023 survey, **32%** of large firms (those with 200 or more workers) offering health benefits said that legally provided abortions are covered in most or all circumstances, and **18%** said legally provided abortions are only covered under limited circumstances (e.g., rape, incest, or health or life endangerment of the pregnant enrollee). The majority of employers (**40%**) answered “Don’t know” to the prompt, perhaps reflecting the complexity of the issue and the changing landscape of state laws.

Abortion Services (continued)

A small percentage (**7%**) of large firms offering health benefits provide or plan to provide financial assistance for travel expenses for enrollees who travel out of state to obtain an abortion if they do not have access near their homes.

Employer Takeaway

As expected, the average annual premiums for both single and family coverage significantly increased in 2023 as the economy impacts health benefits. Looking ahead, inflation and wages are projected to moderate over the next two years. Employers should begin identifying tools and resources to offset higher premiums and offer robust mental health support.

Contact us today for more information and to request additional resources on benefits offerings.