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Realizing Health Reform's Potential

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State Trends in Premiums and Deductibles, 2003–2009: How Building on the Affordable Care Act Will Help Stem the Tide of Rising Costs and Eroding Benefits

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Abstract: Rapidly rising health insurance costs have strained U.S. families and employers in recent years. This issue brief examines data for all states on changes in private employer premiums and deductibles for 2003 and 2009. The analysis finds that premiums for businesses and their employees increased 41 percent across states from 2003 to 2009, while per-person deductibles jumped 77 percent in large as well as small firms. If these trends continue at the rate prior to enactment of the Affordable Care Act, the average premium for family coverage will rise 79 percent by 2020, to more than $23,000. The authors describe how health reform offers the potential to reduce insurance cost growth while improving value and protection. If reforms succeed in slowing premium growth by 1 percentage point annually in all states, by 2020 employers and families together will save $2,323 annually for family coverage, compared with projected trends.

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OVERVIEW

Across the United States, middle-income individuals and families have been losing ground as the cost of health insurance continues to grow faster than incomes.[1] Rising employer insurance premiums have meant that many working families have been forced to trade off increases in their wages just to hold onto their health benefits.[2] The expanding share of premiums paid by workers themselves has also taken a greater cut out of paychecks.[3] In state after state, premiums are up as a share of median household income, making it difficult for many U.S. families to save for education or retirement—or simply to meet day-to-day living expenses.[4] At the same time, job-based insurance affords less protection than before—per person deductibles are up sharply in almost all states, especially for health plans offered by small firms.

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Fortunately, the Affordable Care Act (ACA) contains a number of significant coverage and delivery system reform provisions designed to reduce cost growth and provide financial protection, while improving the quality of health care. The creation of state-based health insurance exchanges, the introduction of new market rules and consumer protections, and the expansion of state and federal oversight of industry practices will begin to increase value in U.S. health insurance markets.[5] Further analysis suggests that the incentives for administrative efficiency and modernization included in the ACA have the potential to save businesses and families $2,000 or more in premium costs by 2019.[6]

Such savings, however, are not guaranteed. While the ACA provides a platform for change, the overall success of reform is contingent on a diverse set of stakeholders, both public and private, working together to ensure that markets operate in the public interest. Concerted action by private insurers and multipayer initiatives will be essential to spread reforms that provide incentives to clinicians and hospitals to improve care and use resources prudently. The multitude of payment and delivery system innovations included in the new law have the potential to slow cost growth for private insurance as well as public programs, but to succeed as a whole they will need to undergo rapid testing, be highly coordinated, and receive ongoing oversight.

This issue brief examines recent trends in private employer–based health insurance premiums and projects future premium increases, state by state, if the nation fails to implement, build on, and spread reforms. It also projects the potential savings for families and employers—money on the table—if public and private sector payers working together succeed in reducing annual growth in health care costs by 1 to 1.5 percentage points per year in each state while maintaining or improving benefits.[7]

As of 2009, the average premium was $13,027 a year for family coverage for private sector employers, ranging from $11,000 to over $14,000 across states. If insurance premiums for employer-sponsored health plans in each state continued to grow at the same average annual rate seen from 2003 to 2009, the average premium for family coverage would rise to $23,342 by 2020—an increase of 79 percent.

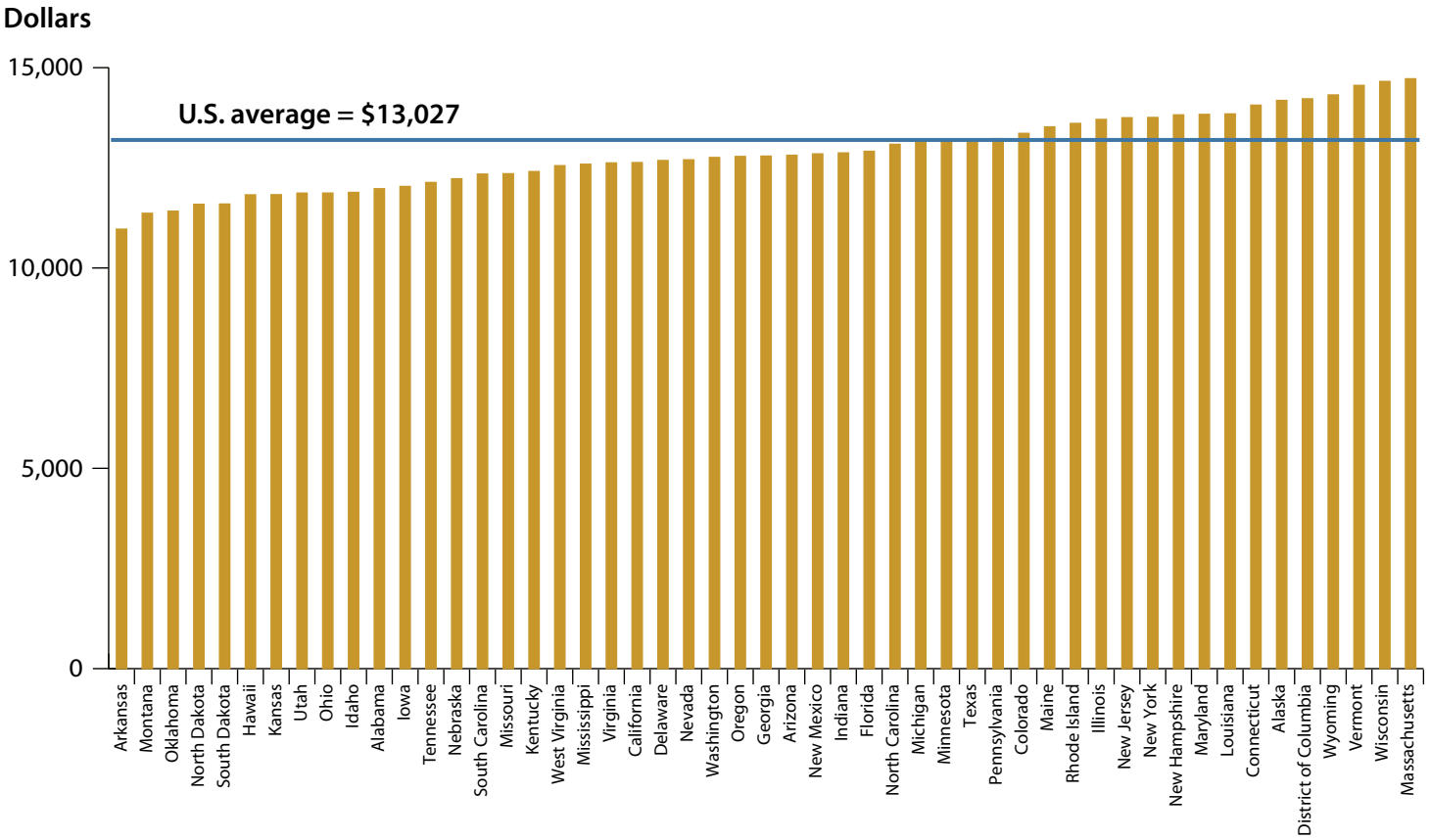
On the other hand, if reform succeeds in slowing the annual rate of growth by 1 percentage point in all states, by 2020 annual savings on family health coverage could average $2,323, compared with projected rates if trends over the past six years continue. If growth could be slowed by 1.5 percentage points, the savings would be even larger—$3,403 per year.

The past two decades provide strong evidence that cost pressures will continue absent a significant change in the way private insurance and markets function. The ACA lays a foundation for such change and provides a platform for further reform.

HOW THIS STUDY WAS CONDUCTED

This issue brief first presents recent premium and income trends by state for the under-65 population. The data for these trends come from the federal government's most recent annual surveys of employers—conducted for the insurance component of the Medical Expenditure Panel Survey (MEPS)—and from the U.S. Census Current Population Surveys of households. The premiums presented represent the total costs of the average private group health insurance premium for employer-sponsored coverage, including both the employer and employee shares. We also present average deductibles for employer-sponsored plans, with trends for small as well as larger firms. To assess the affordability of coverage for middle-income families, for each state we compared the total premium with median household income for the under-65 population, utilizing a weighted average of single and family premiums compared with single and family household incomes.

Exhibit 1. Premiums for Family Coverage, by State, 2009



Data source: 2009 Medical Expenditure Panel Survey–Insurance Component.

To calculate potential costs over the next decade if trends over 2003–09 continue, we estimated the size of insurance premiums by 2015 and 2020 if all states experienced annual increases equal to the average national increase seen from 2003 to 2009 (assuming the same inflation rate for all states). Next, we estimated the potential savings in the cost of family premiums if reforms spread to private and public insurers alike and succeed in slowing annual increases by 1 or 1.5 percentage points in each state. The tables at the end of this brief provide state-specific data. It is important to note that these estimates are presented for illustrative purposes only; we did not attempt to model the impact of reform at the state level, nor did we vary estimates for relatively higher- or lower-cost states.

This study updates and expands on a previous Commonwealth Fund analysis of health insurance premium trends and projections for the next decade.[8]

FINDINGS

Recent Trends

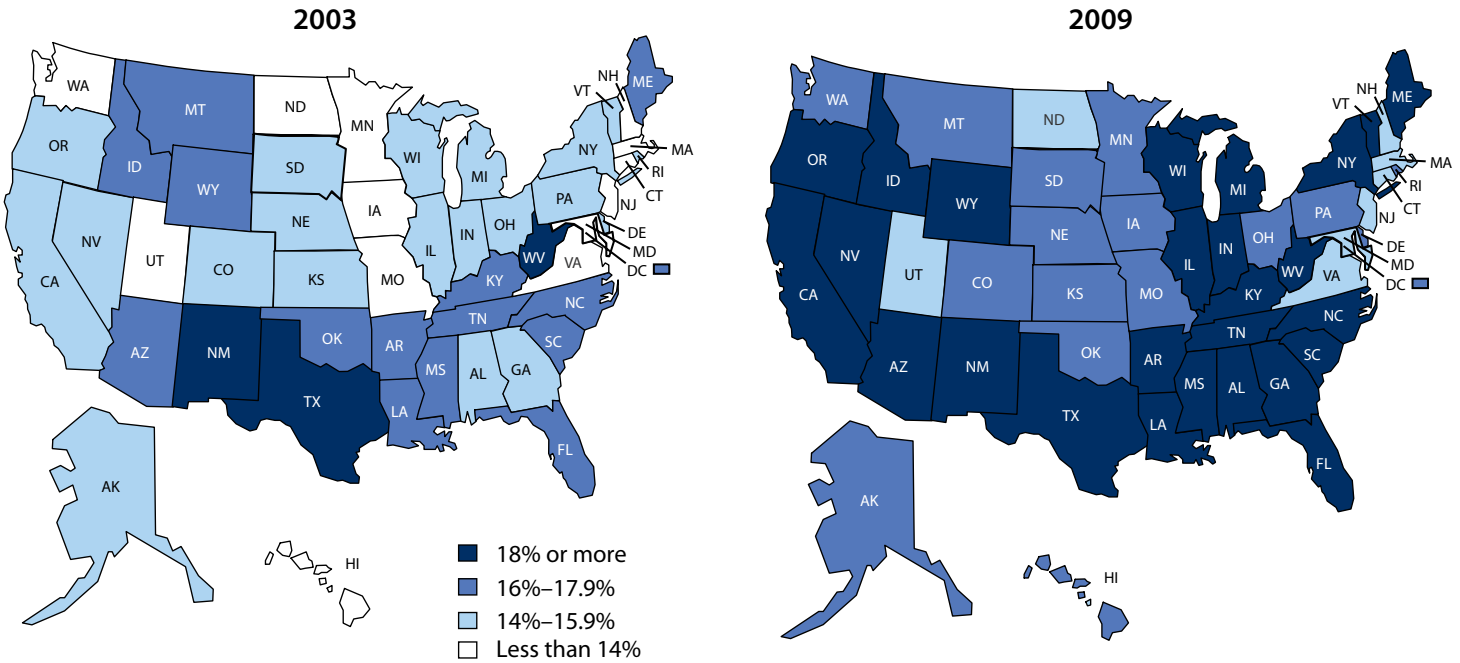
National surveys have found that family premiums for employer-sponsored health coverages increased 52 percent from 2003 to 2009, while median family income rose 13 percent.[9] Such a rapid increase in the cost of employer-sponsored health benefits has forced difficult choices at workplaces across the country. Studies indicate that slower growth in wages and lower savings for retirement (worker and employer contributions) have been part of the trade-off to preserve health benefits.[10] Despite such trade-offs, the monthly cost of premiums paid by workers and their families is up, consuming an ever-greater share of any wage increases they might receive.[11]

At the state level, health insurance premiums for private firms have also risen rapidly, and far faster than wage increases for the middle-income under-65 population. In the six years from 2003 to 2009, total family premiums for employer-sponsored plans rose a cumulative average of 41 percent (Table 1). The six-year increase in family premiums ranged from about 21 percent in the lowest-growth state (Delaware) to 59 percent in the highest-growth state (Louisiana). Seven states saw increases of 50 percent or more, and 23 states saw increases of 40 percent or more, well above the rate of income growth.

By 2009, the average employer-sponsored family premium across all states was $13,027, ranging from $14,000 to $14,700 in the six highest states (Alaska, Connecticut, Massachusetts, Vermont, Wisconsin, and Wyoming) and the District of Columbia to $11,000 to $12,000 in the 11 states with the lowest average private-employer family premium costs (Exhibit 1 and Table 1).[12] Average family premiums in the highest-premium-cost states were about 23 percent above those of the lowest-cost states.

Workers with employer-sponsored health insurance typically do not see the total annual cost of

Exhibit 2. Employer Premiums as Percentage of Median Household Income for Under-65 Population, 2003 and 2009



Data sources: 2003 and 2009 Medical Expenditure Panel Survey–Insurance Component (for total average premiums for employer-based health insurance plans, weighted by single and family household distribution); 2003–04 and 2009–2010 Current Population Surveys (for median household incomes for under-65 population).

the premium, since most employers pay a substantial share of it—on average, 70 percent for family coverage and 81 percent for single coverage in 2010.[13] Nevertheless, the steady increase in premiums has been consuming resources that employers might otherwise have earmarked for salary or wage increases, or for other benefits. When viewed relative to employees' income, total premiums (including both the employer and employee shares) are up for middle-income families across the country. By 2009, there were 15 states in which the average annual premium for family coverage equaled 20 percent or more of median household income for the under-65 population, compared with just three states in 2003 (Table 2). In 28 states, family premiums relative to incomes averaged 18 percent or more for middle-income, under-65 households.

By 2009, average premiums, including both single and family coverage, were at or above 18 percent of median income in 26 states. And no states had premiums averaging less than 14 percent of median income, down from 13 states in 2003. As illustrated in Exhibit 2, cost pressures are particularly acute in the South and the South-Central United States, where premium costs are high relative to incomes. The high ratio of premiums to income often reflects the rise in premiums, as well as median incomes that are below the national average (see Table 2 for median incomes). Notably, many states with premiums above the national average have family incomes below the national average.

With premiums increasing faster than incomes in all states—whether low-income or higher-income—health insurance is becoming less and less affordable. Premiums have gone up even while employers have asked workers to pay a greater share of health care costs—in the form of deductibles and copayments—or have reduced the generosity of benefits in an effort to moderate annual premium growth.

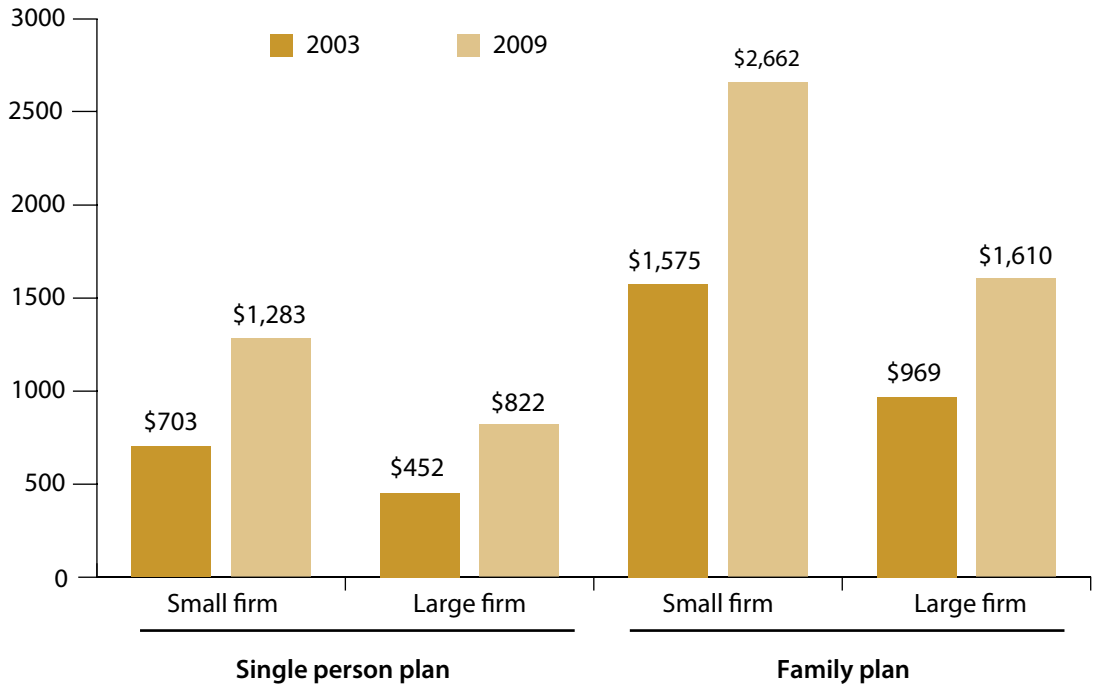
By 2009, premiums were paying for less in terms of financial protection than they had been at the start of the decade, and families were paying not only higher premiums but higher out-of-pocket costs for medical bills.[14] Not only do 74 percent of workers now have a deductible, compared with 52 percent in 2003, but per-person deductibles for private-employer health plans increased 77 percent on average from 2003 to 2009 (Table 3).

Notably, deductibles are up for people working in larger firms (50 employees or more) as well as small firms (under 50 employees). In both sectors, the increase in deductibles per person averaged 80 percent (Table 4). Workers in small firms, however, are more likely to face high deductibles: in small firms across the states, the average health plan deductible was $1,283 by 2009. In all but seven states and the District of Columbia, the small-firm deductible averaged $1,000 or more; in nine states, the deductible averaged $1,500 or more (Table 4). In contrast, although deductibles have been increasing in larger firms, in most states the average deductible for single coverage was below $1,000 for firms with 50 or more employees; similarly, family deductibles were lower for those insured through larger firms than in small firms. Thus, although deductibles are up sharply on average, there continues to be a wide spread between small and large firms in the size of deductibles (Exhibit 3).

Heading into the recession that began in December 2007, middle- and lower-income working families were in a precarious position. Those with coverage through an employer faced a rising premium share and higher cost-sharing when they needed medical care. At the same time, millions of workers who lost their job, or were otherwise no longer able to afford coverage, joined the ranks of the uninsured. From 2008 to 2009, the number of people with employment-based insurance fell by 6.6 million.[15]

Underscoring the consequences of higher premiums for living standards, median incomes have generally failed to keep up with the costs of living, not counting health care costs. From 2003 to 2009, median family incomes increased by less than 12.6 percent, on average—not enough to keep up with the general inflation rate in 29 states (Table 2).[16] Stagnant incomes have left workers and their families with less money available for rent, mortgage payments, education, or daily living expenses.[17]

Exhibit 3. Private Health Insurance Deductibles: State Averages by Firm Size and Household Type, 2003–2009



Data source: Medical Expenditure Panel Survey–Insurance Component, 2003 and 2009. Small is less than 50 employees.

Projected Increases over the Next Decade

Absent successful implementation of the Affordable Care Act and the spread of reforms to private insurance markets and to other public payers, we project that, if historical trends continue, national per-person spending on health insurance premiums will increase 79 percent from 2010 to 2020, or an average of 5.4 percent annually. In recent years, per-person spending increases in most states have followed national trends.

Using these national projections, and applying the same rate of increase to all states, average total family premiums would reach $17,906 by 2015 and $23,342 by 2020 (Exhibit 4 and Table 5). Projections for family premiums in 2020 range from $19,654 in Arkansas to $26,380 in Massachusetts.

Realizing the Potential of Reform

Fortunately, several significant coverage and delivery system reform provisions in the ACA could help moderate premium growth, help make premiums more affordable, and provide improved financial protection for insured individuals and families who now have benefit gaps, high deductibles, or limits on the medical care expenses their policies will cover.[18] The new law further provides a platform on which to build and spread reforms to address concerns over the value and rising costs of coverage and medical care.

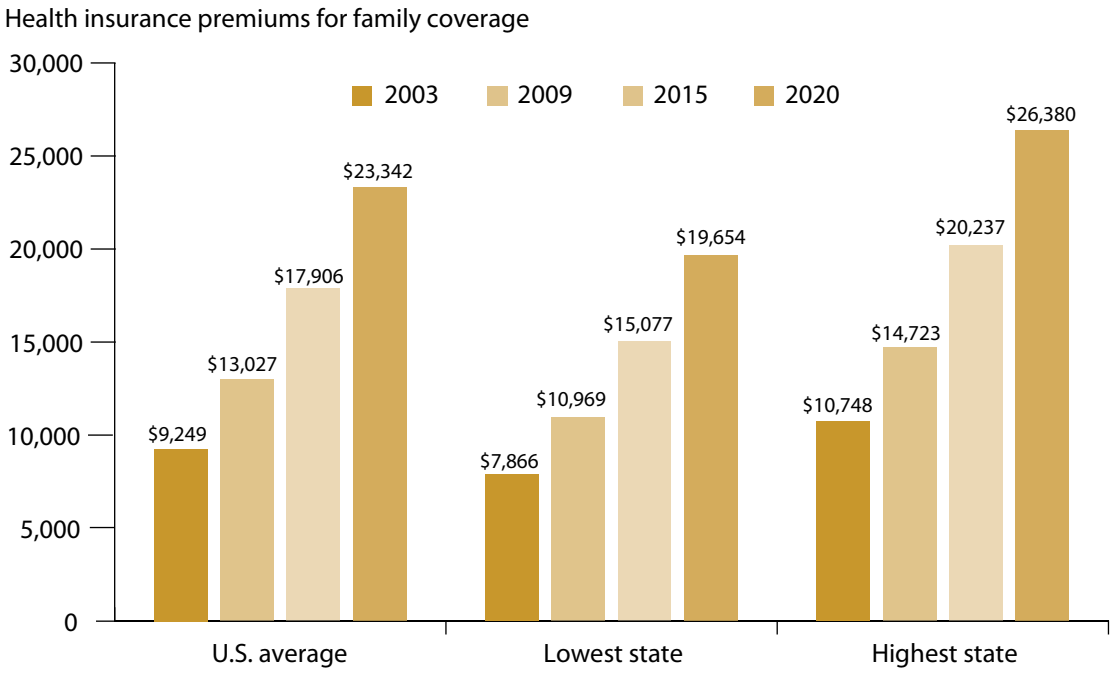
New restrictions on insurer administrative costs. The ACA places new standards on what health plans must spend on medical care, as opposed to administration and profits. Beginning in 2010, health plans are required to report the proportion of premiums spent on items other than medical care—generally, clinical services, activities to improve quality of care, and all other nonadministrative costs. These reports will be publicly available online. The Department of Health and Human Services (HHS) will issue regulations that

explicitly define medical care, especially in the area of quality improvement activities, in addition to standardized methodologies for calculating the share of premiums spent on medical care. Beginning in January 2011, health plans in the large-group market that spend less than 85 percent of their premiums on medical care, as well as health plans in the small-group and individual markets that spend less than 80 percent on medical care, will be required to offer rebates to enrollees.

State review of premium increases. Beginning in 2010 the ACA requires the HHS secretary and the states to establish a process for annually reviewing "unreasonable" premium increases. A health insurer will be required to submit to the secretary and the relevant state a justification for any such increase prior to implementation, with the information to be posted on the insurer's Web site. The law appropriates $250 million to HHS for state grants from 2010 to 2014 to review and approve premium increases; in August, HHS awarded grants of $1 million each to 45 states and the District of Columbia to begin implementing the review process.[19] The review process includes making recommendations to the new state insurance exchanges about whether particular carriers should be excluded from participating based on an observed pattern of excessive premium increases.

Medicaid expansion and premium and cost-sharing credits for comprehensive benefits. Beginning in 2014, low- and moderate-income households will benefit from new and affordable coverage options. Members of households with incomes up to $29,327 (for a family of four) will be eligible to enroll in Medicaid, while those in households earning up to $88,000 who lack employer coverage will for the first time be eligible for a federal subsidy to defray premium costs for plans sold through the new insurance exchanges (more on them below). Premium credits will cap the contributions required of individuals and families at 3 percent of income for those earning just above $29,327 for a family of four; the cap will gradually increase to 9.5 percent, for households with income of $88,200. In addition, people in this income range will benefit from cost-sharing credits and caps on out-of-pocket

Exhibit 4. Premiums for Family Coverage, 2003, 2009, 2015, and 2020



Data sources: Medical Expenditure Panel Survey–Insurance Component (premiums for 2003 and 2009); Premium estimates for 2015 and 2020 using 2003–09 historic average national growth rate.

spending. Benefit standards will limit out-of-pocket costs for insured individuals and families of all income levels.

State health insurance exchanges. The ACA requires each state to have a new health insurance exchange for individuals and for small employers, or a single exchange for both individuals and small employers. In states that decline to establish the exchange themselves, the federal government will establish an exchange. It will be possible to buy coverage outside exchanges. However, whether sold inside or outside an exchange, plans will have to follow new insurance market rules that prohibit them from turning down anyone for coverage or from increasing premiums because of poor health. Insurance exchanges will offer a standardized choice of health plans that must meet essential benefit standards, helping to put small businesses on a more equal footing with larger employers when buying coverage. In 2014, states will open exchanges to companies with 50 or fewer employees and may in addition allow firms with up to 100 employees to participate.[20] By 2016, all states must allow companies with 100 or fewer workers to buy coverage in the exchanges, and in 2017, states may open them to firms with more than 100 employees.

Health plans qualified to participate in the exchanges must provide the essential benefit package and offer plans at multiple coverage levels. In addition, qualified health plans are required to report on implementation of new provider payment incentives or arrangements aimed at improving quality and health outcomes, improving patient safety, wellness programs, and reducing costs.

The broad guidelines that the ACA sets for the exchanges will be further defined by regulations issued later in 2010. But states will have considerable flexibility in designing their exchanges in ways that may help lower premiums and improve health care quality. For example, one of the risks to the exchanges is that they will attract a sicker-than-average group of people—a phenomenon known as adverse selection—which might eventually raise premiums for plans sold through the exchanges.[21] The law contains a number of provisions designed to prevent this from happening, however, including market regulations that are the same inside the exchanges as they are for existing individual and small-group markets. In addition, the law enables so-called "risk adjustment" mechanisms to compensate insurance carriers with sicker-than-average enrollees. States may further reduce the potential for adverse selection by preventing the sale of plans outside the exchange.[22]

States will also have the flexibility to create other incentives for plans to increase value, which could help lower premiums offered through the exchanges. For example, states can restrict participation in the exchange to plans that offer innovative care systems and better value for the premium paid.[23] And because there is likely to be considerable variation in plan deductibles and coinsurance—owing to the ACA's four tiers of cost-sharing—states may choose to standardize health plans beyond the law's requirements, in order to reduce complexity and make it easier for families to compare and select plans.[24]

Other provisions could also have some moderating influence on insurance premiums. These include the ACA requirement that each state exchange offer two multistate health plans, one of which must be nonprofit, and an allocation of $6 billion in grant funding to encourage the creation of nonprofit consumer-operated and -oriented plans (CO-OPs).

Payment and system reforms. The ACA includes a variety of reforms that will provide incentives and support for physicians and hospitals to join together to provide better care and use resources more prudently. These include new support for primary care physicians and community-based care to ensure timely access to care, with special emphasis on preventive care and improving health outcomes for people with chronic diseases. Payment incentives will also place a premium on safety of care and on avoidance of hospital readmissions resulting from care complications or a failure to follow up with discharged patients. Additional reforms include investment in electronic medical records and other forms of health information technology, as well as testing new payment methods capable of stimulating

Exhibit 5. Projected Annual Savings in Family Premiums, 2015 and 2020

	2015	2020	2015	2020
U.S. average premium at historic rate	$17,906	$23,342	$17,906	$23,342
	1% slower growth		**1.5% slower growth**	
U.S. average premium with savings	$16,911	$21,019	$16,431	$19,938
U.S. average savings	–$995	–$2,323	–$1,475	–$3,403
Average savings for lowest 10 premium states (AR, MT, OK, ND, SD, HI, KS, UT, OH, ID)	–$888	–$2,072	–$1,316	–$3,036
Average savings for highest 10 premium states (MA, WI, VT, WY, DC, AK, CT, LA, MD, NH)	–$1,086	–$2,536	–$1,610	–$3,716

Data sources: 2009 Medical Expenditure Panel Survey–Insurance Component; Premium estimates for 2015 and 2020 using 2003–09 historic average national growth rate.

and supporting care systems that provide more accessible, safer care, deliver better outcomes, and moderate cost growth.

Looking Ahead

The ACA opens the way for private insurers to lower overhead costs, innovate, and partner with health providers to improve quality and value. But the overall success of the law will be contingent on public and private stakeholders working together to ensure that markets operate in the public interest, striving to improve population health, enhance patient experience, and slow cost growth. Achieving this "triple aim" will require the rapid testing and spread of innovative payment and delivery system reforms.

Previous estimates suggest that, if widely adopted, a combination of insurance market reforms, payment incentives, and delivery system changes could reduce national costs by an average of 1 to 1.5 percentage points per year over the next decade—a target similar to one adopted by an industry coalition in 2009.[25] If the ACA succeeds in "bending the cost curve" within this range, the result would be much-lower premium increases and potentially substantial increases in incomes, if savings accrued to families in the form of higher wages or salaries.

To project potential savings in each state, we calculated the differences in premiums under two scenarios: 1) if premium growth slowed to 1 percentage point lower than projected annual rates of increase if historical trends continue; and 2) if premium growth slowed to 1.5 percentage points lower than historical rates of increase. Rather than estimating the premium savings to households and employers that might be possible in each state given its particular starting point, savings in each state were projected for both 2015 and 2020 using the same slower growth rates for all states.

In all states, reducing the rate of premium increase to either target would yield substantial savings compared with projected trends. If premium growth were to slow to 1 percentage point below the projected national growth rate, the cost of family coverage would drop an average of $995 annually by 2015 (Exhibit 5 and Table 7). Annual savings for families and employers would increase to $2,323 by 2020. Average savings on family coverage premiums would range from $1,956 in Arkansas in 2020 to $2,625 in Massachusetts. Employers could use these savings to increase wages, contribute to retirement savings plans, or add jobs.

Even greater amounts could be saved if the annual premium growth rates were to slow by 1.5 percentage points. An average of $1,475 could be

saved annually on family coverage by 2015. The savings would more than double to $3,403 annually by 2020. Savings from family coverage premiums would range from $2,866 in Arkansas in 2020 to $3,847 in Massachusetts.

Because this analysis did not model the impact of potential reforms at the state level, the projected savings for each state must be viewed with caution. To the extent that there might be further room to achieve savings from delivering more cost-effective care in higher-cost states, the potential gains might be greater compared with those states that started the decade with relatively lower costs. Regardless of the starting point, however, the findings presented here illustrate the high risk the nation faces if current premium cost trends persist, as well as the potential gains for families and employers in all states if the promise of reform is realized.

For state-specific data: See Tables 1 and 2, starting on page 14, for average premiums for single and family coverage and premiums as a percentage of median household income for nonelderly households, by state, for 2003 and 2009. See Tables 3 and 4 for average single and family deductibles by firm size in 2003 and 2009. Projected premium increases by state are included in Table 5. Tables 6 and 7 show potential savings if reforms successfully moderate cost growth.

CONCLUSIONS AND POLICY IMPLICATIONS

Over the last several years, the combination of rising health care costs and slow growth in real incomes has left individuals and working families spending a greater percentage of their income and total compensation from work on health insurance premiums, often with greater out-of-pocket cost-sharing and less-comprehensive benefits. With rising costs and eroding coverage, much is at stake for the insured and uninsured alike as the nation begins to implement health care reform.

Insurance premiums have been rising far more rapidly that wages for decades, a pattern that continued from 2003 to 2009. Recent analysis of the individual and small-group market suggests that such trends continued in 2010. The ACA's passage, however, has the potential to bring substantial change to U.S. insurance markets. The law will begin to spur plans to provide greater value by requiring insurers to justify cost increases and lower wasteful overhead in all states. And it provides states with new tools and authority, coupled with federal oversight, and establishes essential benefit standards that offer protection to all, regardless of state of residence. With its comprehensive reforms aimed at better access to care, higher quality, and slower cost growth, the ACA provides a platform for further actions across the country. If reforms are implemented well and creatively and eventually spread to private as well as public payers, they may help propel the country along the path to rising family income, higher savings for education and retirement, and greater health security.

Notes

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Table 1. Single and Family Average Health Insurance Premiums, by State, 2003 and 2009

	2003		2009		Percent increase, 2003–2009	
State	**Single**	**Family**	**Single**	**Family**	**Single**	**Family**
United States	**$3,481**	**$9,249**	**$4,669**	**$13,027**	**34%**	**41%**
Alabama	3,156	8,045	4,647	11,978	47%	49%
Alaska	4,011	10,564	6,047	14,182	51%	34%
Arizona	3,209	8,972	4,358	12,813	36%	43%
Arkansas	3,127	7,977	3,717	10,969	19%	38%
California	3,293	9,091	4,631	12,631	41%	39%
Colorado	3,645	9,522	4,570	13,360	25%	40%
Connecticut	3,676	10,119	4,909	14,064	34%	39%
Delaware	3,854	10,499	4,955	12,682	29%	21%
District of Columbia	3,740	10,748	5,082	14,222	36%	32%
Florida	3,592	9,331	4,488	12,912	25%	38%
Georgia	3,624	8,641	4,692	12,792	29%	48%
Hawaii	3,020	7,887	4,116	11,826	36%	50%
Idaho	3,331	8,563	4,248	11,887	28%	39%
Illinois	3,692	9,693	4,725	13,708	28%	41%
Indiana	3,493	9,315	4,849	12,872	39%	38%
Iowa	3,270	8,436	4,453	12,036	36%	43%
Kansas	3,401	8,907	4,236	11,829	25%	33%
Kentucky	3,437	9,118	4,336	12,407	26%	36%
Louisiana	3,317	8,735	4,861	13,846	47%	59%
Maine	3,852	10,308	5,119	13,522	33%	31%
Maryland	3,427	9,217	4,870	13,833	42%	50%
Massachusetts	3,496	9,867	5,268	14,723	51%	49%
Michigan	3,671	9,449	4,916	13,160	34%	39%
Minnesota	3,679	10,066	4,600	13,202	25%	31%
Mississippi	3,305	8,075	4,469	12,590	35%	56%
Missouri	3,305	8,984	4,393	12,353	33%	38%
Montana	3,506	8,542	4,546	11,365	30%	33%
Nebraska	3,506	9,139	4,315	12,227	23%	34%
Nevada	3,578	8,831	4,627	12,700	29%	44%
New Hampshire	3,563	9,776	5,227	13,822	47%	41%
New Jersey	3,814	10,168	4,901	13,750	29%	35%
New Mexico	3,361	9,299	4,535	12,848	35%	38%
New York	3,592	9,439	5,121	13,757	43%	46%
North Carolina	3,411	8,463	4,676	13,087	37%	55%
North Dakota	2,999	7,866	4,127	11,590	38%	47%
Ohio	3,416	9,136	4,261	11,870	25%	30%
Oklahoma	3,285	8,739	4,243	11,417	29%	31%
Oregon	3,362	8,861	4,680	12,783	39%	44%
Pennsylvania	3,449	9,133	4,749	13,229	38%	45%
Rhode Island	3,725	9,460	5,059	13,608	36%	44%
South Carolina	3,371	8,918	4,503	12,343	34%	38%
South Dakota	3,361	8,499	4,262	11,596	27%	36%

	2003		2009		Percent increase, 2003–2009	
State	Single	Family	Single	Family	Single	Family
Tennessee	3,597	9,261	4,549	12,134	26%	31%
Texas	3,400	9,575	4,499	13,221	32%	38%
Utah	3,352	8,349	4,257	11,869	27%	42%
Vermont	3,596	9,483	5,001	14,558	39%	54%
Virginia	3,322	9,176	4,590	12,622	38%	38%
Washington	3,520	9,212	4,923	12,758	40%	38%
West Virginia	3,809	9,164	4,700	12,554	23%	37%
Wisconsin	3,749	9,562	5,132	14,656	37%	53%
Wyoming	3,706	9,612	4,703	14,319	27%	49%

Note: Premiums are for insurance policies offered by private-sector employers in the United States.
Data: Agency for Healthcare Research and Quality, 2003 and 2009 Medical Expenditure Panel Survey–Insurance Component.

Table 1a. Single and Family Average Premium by Firm Size and State, 2003 and 2009

	Small firms (<50 employees)				Large firms (50 or more employees)							
	2003		2009		2003		2009		Small firm increase, 2003–09		Large firm increase, 2003–09	
State	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family
United States	**$3,623**	**$9,321**	**$4,652**	**$12,041**	**$3,438**	**$9,235**	**$4,674**	**$13,210**	**28%**	**29%**	**36%**	**43%**
Alabama	3,257	7,442	4,105	10,260	3,123	8,189	4,799	12,415	26	38	54	52
Alaska	4,286	10,461	6,569	14,975	3,847	10,583	5,881	14,039	53	43	53	33
Arizona	3,390	9,208	3,892	11,605	3,156	8,943	4,446	12,943	15	26	41	45
Arkansas	3,338	8,484	3,713	9,673	3,078	7,929	3,718	11,100	11	14	21	40
California	3,237	8,716	4,337	11,009	3,310	9,172	4,719	12,941	34	26	43	41
Colorado	3,933	10,349	4,592	11,895	3,558	9,358	4,562	13,715	17	15	28	47
Connecticut	3,944	10,086	5,019	13,685	3,585	10,128	4,880	14,137	27	36	36	40
Delaware	3,810	10,242	5,360	13,733	3,869	10,538	4,829	12,494	41	34	25	19
District of Columbia	3,877	11,380	5,277	13,389	3,699	10,572	5,026	14,347	36	18	36	36
Florida	3,967	9,732	4,800	11,766	3,483	9,266	4,409	13,096	21	21	27	41
Georgia	3,367	8,529	4,731	10,818	3,680	8,654	4,685	13,019	41	27	27	50
Hawaii	3,440	8,423	4,248	11,238	2,809	7,759	4,058	11,984	23	33	44	54
Idaho	3,210	8,246	4,339	10,739	3,375	8,671	4,208	12,194	35	30	25	41
Illinois	3,652	9,488	5,052	12,857	3,702	9,727	4,646	13,828	38	36	25	42
Indiana	3,467	9,062	4,586	11,682	3,500	9,353	4,891	13,064	32	29	40	40
Iowa	3,114	7,216	4,220	10,476	3,310	8,690	4,504	12,347	36	45	36	42
Kansas	3,503	8,580	4,331	10,793	3,371	8,982	4,208	12,097	24	26	25	35
Kentucky	3,260	9,073	3,841	9,874	3,492	9,127	4,468	12,778	18	9	28	40
Louisiana	3,427	8,567	4,600	12,093	3,275	8,777	4,947	14,076	34	41	51	60
Maine	4,093	10,066	4,698	12,054	3,727	10,362	5,279	13,924	15	20	42	34
Maryland	3,703	8,871	4,797	13,325	3,329	9,292	4,891	13,930	30	50	47	50
Massachusetts	3,678	10,129	5,250	14,203	3,439	9,804	5,274	14,871	43	40	53	52
Michigan	3,944	9,534	5,033	12,456	3,588	9,430	4,881	13,305	28	31	36	41
Minnesota	3,125	9,285	4,957	11,637	3,844	10,246	4,511	13,522	59	25	17	32
Mississippi	3,555	9,061	4,610	11,160	3,231	7,932	4,438	12,800	30	23	37	61
Missouri	3,202	8,241	4,457	10,449	3,339	9,137	4,377	12,698	39	27	31	39
Montana	3,297	7,381	4,493	9,510	3,611	9,125	4,571	12,095	36	29	27	33

	Small firms (<50 employees)				Large firms (50 or more employees)							
	2003		2009		2003		2009		Small firm increase, 2003–09		Large firm increase, 2003–09	
State	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family
Nebraska	3,560	9,137	4,316	11,487	3,486	9,140	4,315	12,361	21	26	24	35
Nevada	3,610	10,246	4,892	11,427	3,569	8,583	4,567	12,835	36	12	28	50
New Hampshire	3,831	11,078	5,494	14,577	3,424	9,333	5,144	13,672	43	32	50	46
New Jersey	3,972	10,956	5,129	13,394	3,754	9,983	4,822	13,834	29	22	28	39
New Mexico	3,525	8,376	4,907	11,400	3,293	9,555	4,407	13,107	39	36	34	37
New York	4,103	10,115	5,140	12,582	3,448	9,286	5,116	14,020	25	24	48	51
North Carolina	3,801	9,384	4,966	12,401	3,293	8,336	4,608	13,169	31	32	40	58
North Dakota	2,945	7,539	3,894	10,838	3,020	7,979	4,217	11,776	32	44	40	48
Ohio	3,399	8,600	4,095	11,332	3,420	9,227	4,299	11,984	20	32	26	30
Oklahoma	3,772	8,875	4,081	11,774	3,136	8,717	4,296	11,345	8	33	37	30
Oregon	3,671	8,597	4,709	11,319	3,226	8,922	4,670	13,091	28	32	45	47
Pennsylvania	3,818	10,195	4,581	12,250	3,327	8,879	4,794	13,431	20	20	44	51
Rhode Island	3,946	10,159	5,337	13,716	3,618	9,220	4,962	13,579	35	35	37	47
South Carolina	3,461	9,634	4,565	11,045	3,340	8,833	4,485	12,542	32	15	34	42
South Dakota	3,546	8,476	4,195	10,325	3,289	8,506	4,287	12,093	18	22	30	42
Tennessee	3,857	9,332	4,439	11,809	3,540	9,255	4,572	12,186	15	27	29	32
Texas	3,793	9,831	4,391	12,674	3,310	9,545	4,523	13,288	16	29	37	39
Utah	3,054	7,861	4,502	11,300	3,411	8,515	4,213	12,014	47	44	24	41
Vermont	3,739	9,398	4,948	12,918	3,512	9,508	5,030	15,104	32	37	43	59
Virginia	3,251	8,678	4,891	12,468	3,348	9,312	4,509	12,646	50	44	35	36
Washington	3,453	8,880	4,555	11,487	3,548	9,299	5,036	13,063	32	29	42	40
West Virginia	3,477	8,803	4,568	11,808	3,906	9,233	4,735	12,661	31	34	21	37
Wisconsin	3,941	9,854	4,753	14,127	3,693	9,492	5,222	14,758	21	43	41	55
Wyoming	3,654	10,255	4,598	12,865	3,734	9,396	4,752	14,787	26	25	27	57

Data: Agency for Healthcare Research and Quality, 2003 and 2009 Medical Expenditure Panel Survey–Insurance Component.

Table 2. Average Health Insurance Premiums as Percent of Median Household Income, by State, 2003 and 2009

	Median income for single person household (under age 65)		Median income for family household (all under age 65)		Single premiums as percent of median income for single person household (under age 65)		Family premiums as percent of median income for family household (all under age 65)		Average premiums as percent of median household income for under-65 population*	
State	**2002–03**	**2008–09**	**2002–03**	**2008–09**	**2003**	**2009**	**2003**	**2009**	**2003**	**2009**
United States	**$24,400**	**$25,997**	**$61,000**	**$68,683**	**14.3%**	**18.0%**	**15.2%**	**19.0%**	**14.9%**	**18.7%**
Alabama	20,952	23,500	58,000	57,189	15.1%	19.8%	13.9%	20.9%	14.2%	20.6%
Alaska	25,082	30,000	66,634	83,548	16.0%	20.2%	15.9%	17.0%	15.9%	17.8%
Arizona	20,800	25,000	55,536	59,787	15.4%	17.4%	16.2%	21.4%	16.0%	20.4%
Arkansas	19,788	22,000	45,000	52,500	15.8%	16.9%	17.7%	20.9%	17.3%	19.9%
California	25,400	25,868	58,548	65,788	13.0%	17.9%	15.5%	19.2%	14.9%	18.8%
Colorado	27,540	30,000	65,797	81,700	13.2%	15.2%	14.5%	16.4%	14.1%	16.0%
Connecticut	26,520	30,000	80,450	101,103	13.9%	16.4%	12.6%	13.9%	12.9%	14.6%
Delaware	26,520	28,669	68,340	72,965	14.5%	17.3%	15.4%	17.4%	15.1%	17.4%
District of Columbia	32,464	39,002	50,811	66,000	11.5%	13.0%	21.2%	21.5%	16.5%	17.2%
Florida	23,529	25,000	56,770	65,000	15.3%	18.0%	16.4%	19.9%	16.1%	19.3%
Georgia	24,024	25,000	58,707	67,500	15.1%	18.8%	14.7%	19.0%	14.8%	18.9%
Hawaii	25,000	29,000	63,638	68,000	12.1%	14.2%	12.4%	17.4%	12.3%	16.3%
Idaho	21,442	24,000	52,577	65,460	15.5%	17.7%	16.3%	18.2%	16.1%	18.1%
Illinois	24,960	27,000	64,276	71,002	14.8%	17.5%	15.1%	19.3%	15.0%	18.8%
Indiana	24,000	24,175	65,001	64,749	14.6%	20.1%	14.3%	19.9%	14.4%	19.9%
Iowa	24,480	25,011	64,480	72,306	13.4%	17.8%	13.1%	16.6%	13.1%	16.9%
Kansas	23,912	26,030	63,775	70,200	14.2%	16.3%	14.0%	16.9%	14.0%	16.7%
Kentucky	21,425	22,304	54,078	58,010	16.0%	19.4%	16.9%	21.4%	16.7%	20.9%
Louisiana	23,500	24,552	46,257	62,500	14.1%	19.8%	18.9%	22.2%	17.7%	21.6%
Maine	23,000	25,000	56,886	71,720	16.7%	20.5%	18.1%	18.9%	17.8%	19.3%
Maryland	28,560	32,000	78,044	93,221	12.0%	15.2%	11.8%	14.8%	11.9%	15.0%
Massachusetts	28,000	31,300	77,750	96,800	12.5%	16.8%	12.7%	15.2%	12.6%	15.7%
Michigan	24,391	25,000	65,514	70,670	15.1%	19.7%	14.4%	18.6%	14.6%	18.9%
Minnesota	27,040	29,000	79,272	79,016	13.6%	15.9%	12.7%	16.7%	12.9%	16.5%
Mississippi	20,000	18,724	45,103	50,630	16.5%	23.9%	17.9%	24.9%	17.6%	24.6%
Missouri	24,480	24,576	64,273	69,000	13.5%	17.9%	14.0%	17.9%	13.9%	17.9%
Montana	20,000	25,010	49,552	66,514	17.5%	18.2%	17.2%	17.1%	17.3%	17.4%

	Median income for single person household (under age 65)		Median income for family household (all under age 65)		Single premiums as percent of median income for single person household (under age 65)		Family premiums as percent of median income for family household (all under age 65)		Average premiums as percent of median household income for under-65 population*	
State	**2002–03**	**2008–09**	**2002–03**	**2008–09**	**2003**	**2009**	**2003**	**2009**	**2003**	**2009**
Nebraska	23,582	26,138	65,607	71,050	14.9%	16.5%	13.9%	17.2%	14.1%	17.0%
Nevada	25,000	28,750	55,029	63,301	14.3%	16.1%	16.0%	20.1%	15.6%	18.9%
New Hampshire	26,849	32,000	80,910	95,000	13.3%	16.3%	12.1%	14.5%	12.4%	15.0%
New Jersey	29,355	30,100	85,000	98,000	13.0%	16.3%	12.0%	14.0%	12.2%	14.7%
New Mexico	18,972	23,757	45,000	57,490	17.7%	19.1%	20.7%	22.3%	19.9%	21.5%
New York	25,013	28,885	61,380	67,546	14.4%	17.7%	15.4%	20.4%	15.1%	19.5%
North Carolina	20,565	23,016	53,043	61,000	16.6%	20.3%	16.0%	21.5%	16.1%	21.2%
North Dakota	22,524	30,000	57,144	71,841	13.3%	13.8%	13.8%	16.1%	13.7%	15.5%
Ohio	23,970	25,000	63,397	68,064	14.3%	17.0%	14.4%	17.4%	14.4%	17.3%
Oklahoma	20,420	25,000	50,150	62,605	16.1%	17.0%	17.4%	18.2%	17.1%	17.9%
Oregon	21,846	24,800	57,477	67,400	15.4%	18.9%	15.4%	19.0%	15.4%	18.9%
Pennsylvania	24,000	26,241	66,111	74,000	14.4%	18.1%	13.8%	17.9%	14.0%	17.9%
Rhode Island	26,000	27,500	65,280	80,065	14.3%	18.4%	14.5%	17.0%	14.4%	17.4%
South Carolina	21,000	23,573	55,200	61,373	16.1%	19.1%	16.2%	20.1%	16.1%	19.8%
South Dakota	20,617	25,006	58,855	68,000	16.3%	17.0%	14.4%	17.1%	14.9%	17.1%
Tennessee	21,624	22,000	52,000	60,000	16.6%	20.7%	17.8%	20.2%	17.5%	20.3%
Texas	22,112	24,000	48,000	57,500	15.4%	18.7%	19.9%	23.0%	18.9%	21.9%
Utah	22,710	28,518	61,200	76,675	14.8%	14.9%	13.6%	15.5%	13.9%	15.4%
Vermont	24,480	28,760	65,740	74,908	14.7%	17.4%	14.4%	19.4%	14.5%	18.9%
Virginia	25,149	30,000	75,000	85,000	13.2%	15.3%	12.2%	14.8%	12.5%	15.0%
Washington	25,000	28,982	66,788	80,400	14.1%	17.0%	13.8%	15.9%	13.9%	16.2%
West Virginia	19,992	23,000	43,860	60,100	19.1%	20.4%	20.9%	20.9%	20.5%	20.8%
Wisconsin	25,500	27,111	64,016	74,500	14.7%	18.9%	14.9%	19.7%	14.9%	19.5%
Wyoming	23,002	28,000	57,002	75,000	16.1%	16.8%	16.9%	19.1%	16.7%	18.5%

* Weighted by single and family household distribution in state.

Data: Median household incomes—2003, 2004, 2009, and 2010 Current Population Surveys; Total average premiums for employer-based single and family health insurance plans—2003 and 2009 Medical Expenditure Panel Survey–Insurance Component.

Table 3. Single and Family Average Deductible, 2003 and 2009

	2003			2009			Percent increase, 2003–2009	
State	% with deductible	Single	Family	% with deductible	Single	Family	Single	Family
United States	**52%**	**$518**	**$1,079**	**74%**	**$917**	**$1,761**	**77%**	**63%**
Alabama	71	386	929	76	469	1,095	22%	18%
Alaska	85	463	974	95	943	1,761	104%	81%
Arizona	46	484	976	83	861	1,588	78%	63%
Arkansas	84	619	1,377	87	925	1,616	49%	17%
California	39	517	1,093	58	816	1,705	58%	56%
Colorado	54	549	1,108	78	1,018	1,870	85%	69%
Connecticut	32	412	995	58	1,138	1,839	176%	85%
Delaware	38	356	768	59	786	1,386	121%	80%
District of Columbia	32	408	874	61	644	1,203	58%	38%
Florida	44	576	1,218	77	983	1,949	71%	60%
Georgia	57	457	1,042	77	913	1,778	100%	71%
Hawaii	16	674	1,188	31	529	1,400	-22%	18%
Idaho	78	620	1,337	91	1,112	1,881	79%	41%
Illinois	61	542	1,102	84	851	1,541	57%	40%
Indiana	75	569	1,067	85	1,146	2,015	101%	89%
Iowa	75	581	1,039	94	1,144	2,271	97%	119%
Kansas	66	601	1,315	85	831	1,680	38%	28%
Kentucky	70	499	973	85	1,024	2,020	105%	108%
Louisiana	69	623	1,348	75	896	1,817	44%	35%
Maine	49	824	1,393	84	1,181	1,957	43%	40%
Maryland	45	389	885	56	772	1,437	98%	62%
Massachusetts	26	555	1,067	43	718	1,508	29%	41%
Michigan	42	365	744	73	795	1,558	118%	109%
Minnesota	53	473	1,191	88	1,060	1,988	124%	67%
Mississippi	86	619	1,343	85	1,051	1,746	70%	30%
Missouri	58	494	922	74	993	1,683	101%	83%
Montana	76	629	1,322	94	1,182	1,906	88%	44%

	2003			2009			Percent increase, 2003–2009	
State	% with deductible	Single	Family	% with deductible	Single	Family	Single	Family
Nebraska	80	531	1,155	92	974	1,803	83%	56%
Nevada	55	479	1,145	74	804	1,753	68%	53%
New Hampshire	41	515	1,217	82	934	1,932	81%	59%
New Jersey	48	538	1,004	61	920	1,917	71%	91%
New Mexico	45	511	1,396	79	842	1,912	65%	37%
New York	33	485	1,048	51	771	1,439	59%	37%
North Carolina	66	618	1,265	88	1,035	1,736	67%	37%
North Dakota	73	437	981	91	719	1,340	65%	37%
Ohio	58	399	879	86	946	1,912	137%	118%
Oklahoma	75	486	1,074	88	812	1,720	67%	60%
Oregon	52	430	906	81	823	1,760	91%	94%
Pennsylvania	36	375	854	64	741	1,549	98%	81%
Rhode Island	32	368	885	61	856	1,628	133%	84%
South Carolina	71	584	1,153	90	1,064	2,116	82%	84%
South Dakota	87	662	1,287	93	1,093	1,902	65%	48%
Tennessee	69	532	1,140	88	974	1,854	83%	63%
Texas	63	624	1,294	86	1,115	2,042	79%	58%
Utah	65	371	958	86	854	1,729	130%	80%
Vermont	58	562	1,184	71	1,393	2,508	148%	112%
Virginia	41	500	1,078	67	835	1,486	67%	38%
Washington	63	389	983	89	766	1,733	97%	76%
West Virginia	73	423	740	88	826	1,363	95%	84%
Wisconsin	75	490	1,012	93	947	1,893	93%	87%
Wyoming	80	643	1,221	90	1,024	1,749	59%	43%

Note: Deductibles are for insurance policies offered by private-sector employers in the United States that had a deductible.
Data: Agency for Healthcare Research and Quality, 2003 and 2009 Medical Expenditure Panel Survey–Insurance Component.

Table 4. Single and Family Average Deductible, by Firm Size and State, 2003 and 2009

	Small firms (<50 employees)						Large firms (50 or more employees)									
	2003			2009			2003			2009			Small firm increase, 2003–09		Large firm increase: 2003–09	
State	% with deductible	Single	Family	% with deductible	Single	Family	% with deductible	Single	Family	% with deductible	Single	Family	Single	Family	Single	Family
United States	**60%**	**$703**	**$1,575**	**74%**	**$1,283**	**$2,652**	**50%**	**$452**	**$969**	**74%**	**$822**	**$1,610**	**83%**	**68%**	**82%**	**66%**
Alabama	83	258	851	77	507	1,215	68	433	949	76	458	1,072	97	43	6	13
Alaska	94	536	1,377	97	1,336	3,332	82	412	889	95	817	1,473	149	142	98	66
Arizona	66	579	1,330	90	1,432	3,214	42	443	902	82	741	1,408	147	142	67	56
Arkansas	92	742	2,008	94	1,289	2,615	83	587	1,308	86	843	1,500	74	30	44	15
California	43	698	1,790	62	1,147	2,681	38	452	949	58	708	1,529	64	50	57	61
Colorado	64	803	2,345	86	1,485	2,961	51	453	812	76	826	1,626	85	26	82	100
Connecticut	28	741	1,600	60	1,748	3,482	33	319	873	58	964	1,579	136	118	202	81
Delaware	27	535	1,622	66	1,120	2,292	41	314	683	57	681	1,179	109	41	117	73
District of Columbia	29	437	669	42	813	1,550	33	398	904	65	613	1,170	86	132	54	29
Florida	57	801	2,050	79	1,319	2,619	41	492	1,050	76	898	1,838	65	28	83	75
Georgia	61	657	1,571	89	1,157	2,632	56	414	970	75	864	1,653	76	68	109	70
Hawaii	17	540	804	19	565	1,677	15	743	1,319	35	519	1,370	5	109	-30	4
Idaho	96	804	2,008	96	1,477	3,089	73	531	1,082	89	950	1,581	84	54	79	46
Illinois	84	792	1,756	82	1,226	2,854	56	456	930	84	761	1,368	55	63	67	47
Indiana	91	913	1,356	90	1,556	3,207	72	456	1,013	85	1,076	1,838	70	137	136	81
Iowa	86	851	1,630	95	1,309	2,256	72	494	909	93	1,107	2,274	54	38	124	150
Kansas	80	721	1,581	89	1,262	2,662	62	555	1,242	84	696	1,424	75	68	25	15
Kentucky	83	595	1,147	93	1,339	2,970	67	462	934	83	934	1,855	125	159	102	99
Louisiana	71	824	1,664	83	1,092	2,302	69	545	1,257	73	825	1,734	33	38	51	38
Maine	63	1,323	2,310	94	1,612	2,932	43	487	1,059	81	994	1,652	22	27	104	56
Maryland	44	443	649	60	1,215	2,242	45	371	939	55	629	1,273	174	245	70	36
Massachusetts	23	773	1,343	50	954	2,003	26	493	1,020	41	635	1,358	23	49	29	33
Michigan	55	515	884	72	1,163	2,259	38	303	696	73	689	1,431	126	156	127	106
Minnesota	51	586	1,471	83	1,204	3,026	53	443	1,131	89	1,027	1,824	105	106	132	61
Mississippi	95	777	2,220	98	1,406	2,666	84	567	1,202	83	958	1,604	81	20	69	33
Missouri	67	775	1,453	85	1,446	2,449	56	384	789	72	860	1,528	87	69	124	94
Montana	91	741	1,666	97	1,552	2,273	69	557	1,117	93	998	1,793	109	36	79	61

	Small firms (<50 employees)						Large firms (50 or more employees)									
	2003			2009			2003			2009			Small firm increase, 2003–09		Large firm increase: 2003–09	
State	% with deductible	Single	Family	% with deductible	Single	Family	% with deductible	Single	Family	% with deductible	Single	Family	Single	Family	Single	Family
Nebraska	95	690	1,346	97	1,470	2,923	75	459	1,080	91	863	1,605	113	117	88	49
Nevada	70	615	1,228	87	1,059	2,434	52	434	1,128	72	733	1,661	72	98	69	47
New Hampshire	59	567	1,335	85	1,448	3,112	34	474	1,138	81	771	1,668	155	133	63	47
New Jersey	47	723	1,367	52	1,539	3,023	48	458	946	64	752	1,698	113	121	64	79
New Mexico	53	680	2,054	66	1,006	2,468	42	439	1,158	82	797	1,838	48	20	82	59
New York	33	638	1,289	41	1,330	2,158	33	439	1,003	54	654	1,328	108	67	49	32
North Carolina	70	875	2,427	86	1,470	3,417	65	532	1,096	88	939	1,548	68	41	77	41
North Dakota	81	598	1,326	84	958	1,669	70	368	859	93	632	1,275	60	26	72	48
Ohio	78	570	1,205	84	1,357	2,952	54	340	793	86	856	1,708	138	145	152	115
Oklahoma	82	772	2,304	95	1,031	2,453	73	391	859	86	731	1,558	34	6	87	81
Oregon	65	598	1,512	86	1,212	3,031	48	324	716	80	684	1,478	103	100	111	106
Pennsylvania	37	422	987	58	946	2,125	35	359	823	66	694	1,445	124	115	93	76
Rhode Island	31	393	903	63	860	1,703	32	358	879	60	855	1,609	119	89	139	83
South Carolina	82	772	1,781	96	1,464	3,136	69	506	1,060	88	936	1,951	90	76	85	84
South Dakota	96	875	2,311	91	1,564	2,920	85	570	955	94	913	1,621	79	26	60	70
Tennessee	86	904	2,364	84	1,368	2,554	67	430	978	89	900	1,744	51	8	109	78
Texas	78	890	2,165	93	1,634	3,210	60	547	1,157	85	990	1,883	84	48	81	63
Utah	80	491	1,305	92	1,120	2,181	61	340	821	85	803	1,633	128	67	136	99
Vermont	67	832	1,875	86	1,882	3,821	54	362	892	65	1,071	1,998	126	104	196	124
Virginia	49	574	1,643	57	1,001	1,769	38	461	910	70	800	1,450	74	8	74	59
Washington	75	421	1,321	87	935	1,909	59	373	862	89	717	1,697	122	45	92	97
West Virginia	87	627	1,152	95	1,194	1,977	69	346	648	87	719	1,262	90	72	108	95
Wisconsin	83	704	1,638	85	1,543	2,967	73	420	840	94	824	1,706	119	81	96	103
Wyoming	95	799	1,689	95	1,288	2,562	74	533	1,043	89	899	1,505	61	52	69	44

Note: Deductibles are for insurance policies offered by private-sector employers in the United States that had a deductible.
Data: Agency for Healthcare Research and Quality, 2003 and 2009 Medical Expenditure Panel Survey–Insurance Component.

Table 5. Average Total Premium (in dollars) for Employer-Sponsored Health Insurance by State, at Current Growth Rate, 1 Percent Below Current Growth Rate, and 1.5 Percent Below Current Growth Rate, 2015 and 2020

	At current growth rate				At 1% below current growth rate				At 1.5% below current growth rate			
	Single		Family		Single		Family		Single		Family	
State	2015	2020	2015	2020	2015	2020	2015	2020	2015	2020	2015	2020
United States	**$6,418**	**$8,366**	**$17,906**	**$23,342**	**$6,061**	**$7,533**	**$16,911**	**$21,019**	**$5,889**	**$7,146**	**$16,431**	**$19,938**
Alabama	6,387	8,326	16,464	21,462	6,033	7,498	15,549	19,326	5,861	7,112	15,108	18,333
Alaska	8,312	10,835	19,494	25,411	7,850	9,757	18,410	22,882	7,627	9,255	17,888	21,706
Arizona	5,990	7,809	17,612	22,958	5,657	7,032	16,633	20,674	5,497	6,670	16,161	19,611
Arkansas	5,109	6,660	15,077	19,654	4,825	5,997	14,239	17,698	4,688	5,689	13,835	16,788
California	6,365	8,298	17,362	22,632	6,012	7,472	16,397	20,380	5,841	7,088	15,932	19,332
Colorado	6,282	8,188	18,364	23,938	5,933	7,374	17,343	21,556	5,764	6,994	16,851	20,448
Connecticut	6,748	8,796	19,331	25,200	6,373	7,921	18,257	22,692	6,192	7,513	17,739	21,525
Delaware	6,811	8,878	17,432	22,723	6,432	7,995	16,463	20,462	6,250	7,584	15,996	19,410
District of Columbia	6,985	9,106	19,549	25,483	6,597	8,200	18,462	22,947	6,410	7,778	17,938	21,767
Florida	6,169	8,042	17,748	23,136	5,826	7,241	16,762	20,833	5,661	6,869	16,286	19,762
Georgia	6,449	8,407	17,583	22,921	6,091	7,570	16,606	20,640	5,918	7,181	16,135	19,578
Hawaii	5,658	7,375	16,255	21,190	5,343	6,641	15,352	19,081	5,192	6,300	14,916	18,100
Idaho	5,839	7,612	16,339	21,299	5,515	6,854	15,431	19,179	5,358	6,502	14,993	18,193
Illinois	6,495	8,466	18,842	24,562	6,134	7,624	17,795	22,118	5,960	7,232	17,290	20,980
Indiana	6,665	8,688	17,693	23,064	6,295	7,824	16,710	20,769	6,116	7,422	16,236	19,701
Iowa	6,121	7,979	16,544	21,566	5,781	7,185	15,625	19,420	5,617	6,815	15,181	18,421
Kansas	5,823	7,590	16,259	21,195	5,499	6,835	15,356	19,086	5,343	6,483	14,920	18,105
Kentucky	5,960	7,769	17,054	22,231	5,629	6,996	16,106	20,019	5,469	6,636	15,649	18,989
Louisiana	6,682	8,710	19,032	24,809	6,310	7,843	17,974	22,340	6,131	7,440	17,464	21,192
Maine	7,036	9,172	18,586	24,229	6,645	8,259	17,554	21,818	6,457	7,835	17,055	20,696
Maryland	6,694	8,726	19,014	24,786	6,322	7,858	17,957	22,319	6,143	7,454	17,448	21,172
Massachusetts	7,241	9,439	20,237	26,380	6,839	8,500	19,113	23,755	6,645	8,063	18,570	22,534
Michigan	6,757	8,808	18,089	23,580	6,382	7,932	17,084	21,233	6,201	7,524	16,599	20,142
Minnesota	6,323	8,242	18,147	23,655	5,972	7,422	17,138	21,301	5,802	7,040	16,652	20,206
Mississippi	6,143	8,008	17,305	22,559	5,801	7,211	16,344	20,314	5,637	6,840	15,880	19,269
Missouri	6,038	7,871	16,980	22,134	5,703	7,088	16,036	19,931	5,541	6,724	15,581	18,907
Montana	6,249	8,145	15,622	20,364	5,901	7,335	14,754	18,337	5,734	6,958	14,335	17,394

	At current growth rate				At 1% below current growth rate				At 1.5% below current growth rate			
	Single		Family		Single		Family		Single		Family	
State	2015	2020	2015	2020	2015	2020	2015	2020	2015	2020	2015	2020
Nebraska	5,931	7,732	16,806	21,908	5,602	6,962	15,873	19,728	5,443	6,604	15,422	18,714
Nevada	6,360	8,291	17,457	22,756	6,007	7,466	16,487	20,491	5,836	7,082	16,019	19,438
New Hampshire	7,185	9,366	18,999	24,766	6,785	8,434	17,943	22,302	6,593	8,000	17,434	21,155
New Jersey	6,737	8,782	18,900	24,637	6,362	7,908	17,850	22,185	6,182	7,501	17,343	21,045
New Mexico	6,234	8,126	17,660	23,021	5,887	7,317	16,679	20,730	5,720	6,941	16,205	19,664
New York	7,039	9,176	18,910	24,650	6,648	8,263	17,859	22,197	6,459	7,838	17,352	21,055
North Carolina	6,427	8,378	17,989	23,449	6,070	7,545	16,989	21,116	5,898	7,157	16,507	20,030
North Dakota	5,673	7,395	15,931	20,767	5,357	6,659	15,046	18,700	5,205	6,316	14,619	17,739
Ohio	5,857	7,635	16,316	21,269	5,531	6,875	15,409	19,152	5,374	6,522	14,972	18,167
Oklahoma	5,832	7,603	15,693	20,457	5,508	6,846	14,821	18,421	5,352	6,494	14,400	17,474
Oregon	6,433	8,386	17,571	22,904	6,075	7,551	16,594	20,625	5,903	7,163	16,123	19,565
Pennsylvania	6,528	8,509	18,184	23,704	6,165	7,662	17,173	21,345	5,990	7,268	16,686	20,247
Rhode Island	6,954	9,065	18,705	24,383	6,567	8,163	17,665	21,956	6,381	7,743	17,164	20,827
South Carolina	6,190	8,068	16,966	22,116	5,846	7,266	16,023	19,915	5,680	6,892	15,568	18,891
South Dakota	5,858	7,637	15,939	20,778	5,533	6,877	15,053	18,710	5,376	6,523	14,626	17,748
Tennessee	6,253	8,151	16,679	21,742	5,905	7,340	15,752	19,578	5,738	6,962	15,305	18,571
Texas	6,184	8,061	18,173	23,689	5,840	7,259	17,163	21,332	5,675	6,886	16,676	20,235
Utah	5,851	7,628	16,314	21,267	5,526	6,869	15,408	19,150	5,369	6,515	14,970	18,166
Vermont	6,874	8,961	20,011	26,085	6,492	8,069	18,899	23,489	6,308	7,654	18,362	22,281
Virginia	6,309	8,224	17,349	22,616	5,959	7,406	16,385	20,365	5,789	7,025	15,920	19,318
Washington	6,767	8,821	17,536	22,860	6,391	7,943	16,562	20,585	6,209	7,535	16,092	19,526
West Virginia	6,460	8,421	17,256	22,494	6,101	7,583	16,297	20,256	5,928	7,193	15,834	19,214
Wisconsin	7,054	9,195	20,145	26,260	6,662	8,280	19,026	23,647	6,473	7,855	18,486	22,431
Wyoming	6,464	8,427	19,682	25,657	6,105	7,588	18,588	23,103	5,932	7,198	18,061	21,916

Data: Calculated based on 2009 premium data from Agency for Healthcare Research and Quality, 2009 Medical Expenditure Panel Survey–Insurance Component; Premium estimates for 2015 and 2020 based on Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group, national health expenditures per capita annual growth rate.

Table 6. Annual Amount Saved on Single Premiums, at 1 Percent and 1.5 Percent Below Current Growth Rate, 2015 and 2020

	Amount saved annually with 1% savings			Amount saved annually with 1.5% savings	
State	**2015**	**2020**		**2015**	**2020**
United States	**$357**	**$832**		**$529**	**$1,220**
Alabama	$355	$829		$526	$1,214
Alaska	462	1,078		685	1,580
Arizona	333	777		493	1,139
Arkansas	284	663		421	971
California	354	826		524	1,210
Colorado	349	815		517	1,194
Connecticut	375	875		556	1,283
Delaware	378	883		561	1,295
District of Columbia	388	906		575	1,328
Florida	343	800		508	1,173
Georgia	358	837		531	1,226
Hawaii	314	734		466	1,075
Idaho	324	757		481	1,110
Illinois	361	842		535	1,234
Indiana	370	865		549	1,267
Iowa	340	794		504	1,163
Kansas	324	755		480	1,107
Kentucky	331	773		491	1,133
Louisiana	371	867		550	1,270
Maine	391	913		580	1,337
Maryland	372	868		551	1,272
Massachusetts	402	939		596	1,376
Michigan	375	877		557	1,284
Minnesota	351	820		521	1,202
Mississippi	341	797		506	1,168
Missouri	336	783		497	1,148
Montana	347	811		515	1,188
Nebraska	330	769		489	1,127
Nevada	353	825		524	1,209
New Hampshire	399	932		592	1,366
New Jersey	374	874		555	1,280
New Mexico	346	809		513	1,185
New York	391	913		580	1,338
North Carolina	357	834		529	1,222
North Dakota	315	736		467	1,078
Ohio	325	760		482	1,113
Oklahoma	324	757		480	1,109
Oregon	357	834		530	1,223

	Amount saved annually with 1% savings			Amount saved annually with 1.5% savings	
State	**2015**	**2020**		**2015**	**2020**
Pennsylvania	363	847		538	1,241
Rhode Island	386	902		573	1,322
South Carolina	344	803		510	1,176
South Dakota	326	760		483	1,114
Tennessee	347	811		515	1,188
Texas	344	802		509	1,175
Utah	325	759		482	1,112
Vermont	382	892		566	1,307
Virginia	351	818		520	1,199
Washington	376	878		557	1,286
West Virginia	359	838		532	1,228
Wisconsin	392	915		581	1,341
Wyoming	359	839		533	1,229

Data: Authors' calculations.

Table 7. Annual Amount Saved on Family Premiums, at 1 Percent and 1.5 Percent Below Current Growth Rate, 2015 and 2020

	Amount saved annually with 1% savings		Amount saved annually with 1.5% savings	
State	**2015**	**2020**	**2015**	**2020**
United States	**$995**	**$2,323**	**$1,475**	**$3,403**
Alabama	915	2,136	1,356	3,129
Alaska	1,083	2,529	1,606	3,705
Arizona	979	2,285	1,451	3,348
Arkansas	838	1,956	1,242	2,866
California	965	2,252	1,430	3,300
Colorado	1,020	2,382	1,513	3,490
Connecticut	1,074	2,508	1,592	3,674
Delaware	969	2,261	1,436	3,313
District of Columbia	1,086	2,536	1,610	3,716
Florida	986	2,302	1,462	3,373
Georgia	977	2,281	1,448	3,342
Hawaii	903	2,109	1,339	3,090
Idaho	908	2,119	1,346	3,106
Illinois	1,047	2,444	1,552	3,581
Indiana	983	2,295	1,457	3,363
Iowa	919	2,146	1,363	3,145
Kansas	904	2,109	1,339	3,090
Kentucky	948	2,212	1,405	3,241
Louisiana	1,058	2,469	1,568	3,617
Maine	1,033	2,411	1,531	3,533
Maryland	1,057	2,466	1,566	3,614
Massachusetts	1,125	2,625	1,667	3,847
Michigan	1,005	2,346	1,490	3,438
Minnesota	1,008	2,354	1,495	3,449
Mississippi	962	2,245	1,426	3,289
Missouri	944	2,203	1,399	3,227
Montana	868	2,026	1,287	2,969
Nebraska	934	2,180	1,384	3,194
Nevada	970	2,264	1,438	3,318
New Hampshire	1,056	2,465	1,565	3,611
New Jersey	1,050	2,452	1,557	3,592
New Mexico	981	2,291	1,455	3,357
New York	1,051	2,453	1,558	3,594
North Carolina	1,000	2,333	1,482	3,419
North Dakota	885	2,067	1,312	3,028
Ohio	907	2,116	1,344	3,101
Oklahoma	872	2,036	1,293	2,983
Oregon	976	2,279	1,447	3,340

	Amount saved annually with 1% savings		Amount saved annually with 1.5% savings	
State	**2015**	**2020**	**2015**	**2020**
Pennsylvania	1,010	2,359	1,498	3,456
Rhode Island	1,039	2,426	1,541	3,555
South Carolina	943	2,201	1,398	3,225
South Dakota	886	2,068	1,313	3,030
Tennessee	927	2,164	1,374	3,170
Texas	1,010	2,357	1,497	3,454
Utah	907	2,116	1,344	3,101
Vermont	1,112	2,596	1,648	3,803
Virginia	964	2,251	1,429	3,298
Washington	974	2,275	1,445	3,333
West Virginia	959	2,238	1,421	3,280
Wisconsin	1,119	2,613	1,659	3,829
Wyoming	1,094	2,553	1,621	3,741

Data: Authors' calculations.

Methodology

Data for single and family premiums for 2003 and 2009 by state are from the Medical Expenditure Panel Survey–Insurance Component, which is reported by private and public sector employers and is representative by state. State median incomes for 2002–03 and 2008–09 are from the Current Population Survey for single and family households. We estimated average premiums from 2010 to 2020 for each state using the average national growth rate between 2003 and 2009 and projecting it forward. We then estimated potential savings with slower growth by projecting annual growth rates minus 1 percentage point and minus 1.5 percentage points for each year through 2020.

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