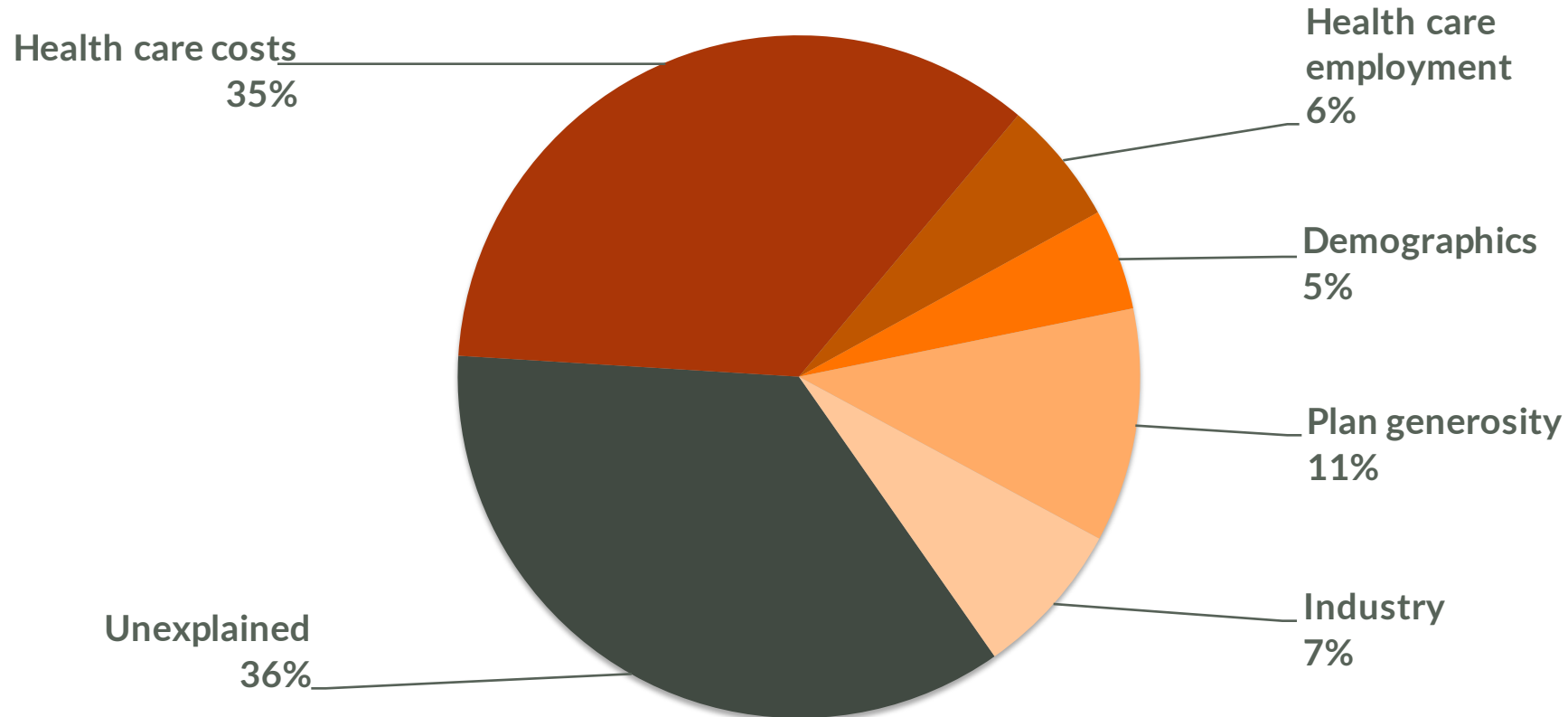


Exhibit 1

Share of State Variation in 2014 Employer Premiums Explained by Various Factors

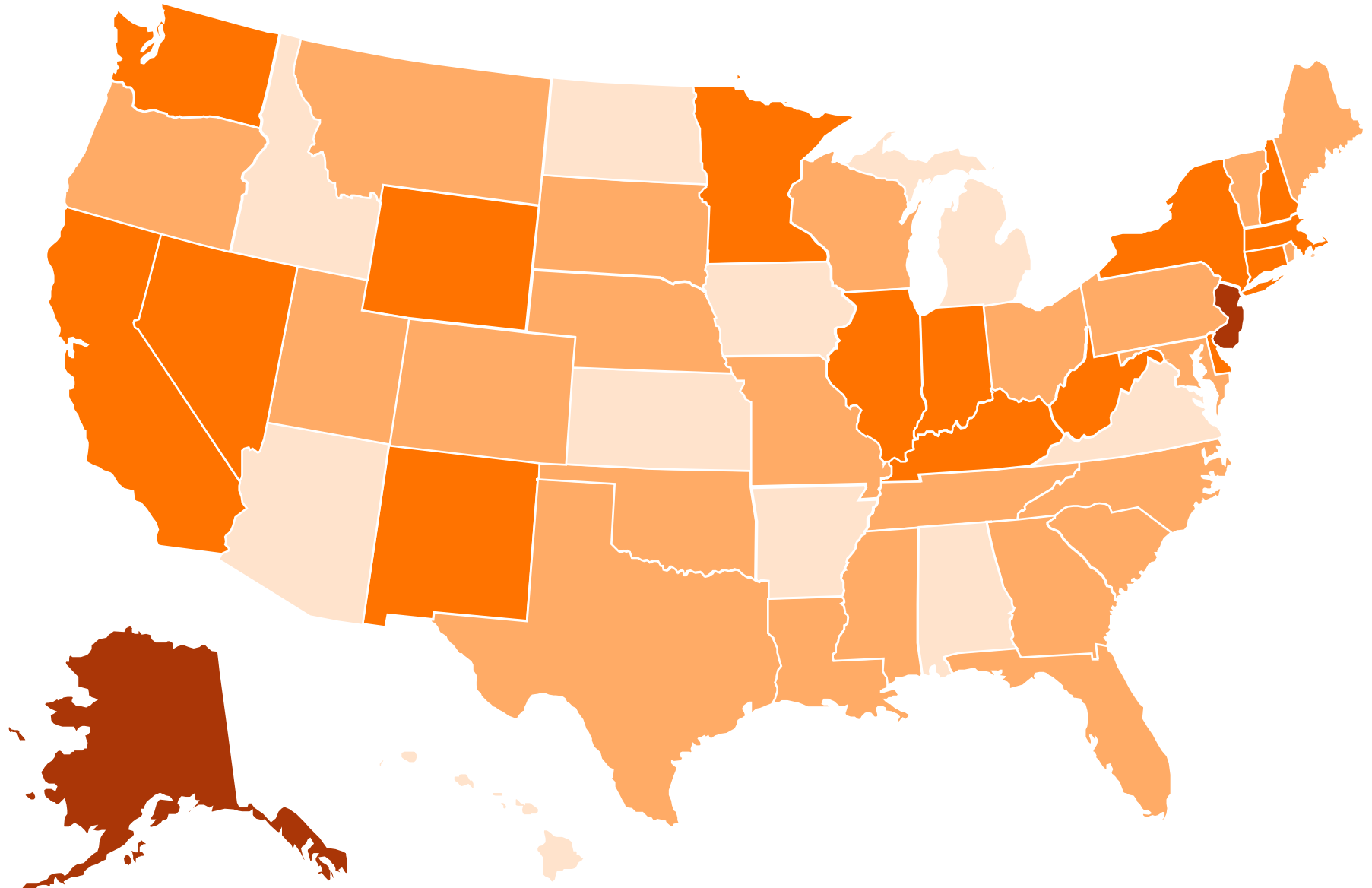


Notes: We conducted this analysis by regressing median premiums from the Medical Expenditure Panel Survey-Insurance Component (MEPS-IC) on state measures of health care costs, plan characteristics, workforce composition, and demographics from a variety of sources. Full details on the approach can be found in our separate technical appendix. “Demographics” include age, sex, and health status of workers. “Plan generosity” reflects HMO status and deductibles. “Health care employment” measures state variation in health care employment that is not explained by the demographic composition of state residents. “Industry” includes the percent of workers in mining and hospitality; these industries have the highest and lowest health insurance premiums, respectively. “Health care costs” are measured using a Medicare price index that captures state-level variation in medical prices after netting out variation due to practice patterns, patient and provider choice of care setting, and patients’ willingness and ability to use care. The “Unexplained” component reflects variations that we were unable to explain with available data.

Exhibit 2

First Year in Which at Least 10 Percent of Workers with Employer Coverage Are Affected by the Cadillac Tax

- Before 2020
- 2020-2022
- 2023-2025
- After 2025



Source: Authors' estimates based on data from the Medical Expenditure Panel Survey-Insurance Component (MEPS-IC).

