

How Much U.S. Households with Employer Insurance Spend on Premiums and Out-of-Pocket Costs

A State-by-State Look

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In the years since the Affordable Care Act (ACA) took effect, public debate over the cost and quality of insurance has focused primarily on health plans sold through the marketplaces established by the law. There has been less attention on the 158 million Americans who have employer-based coverage.¹

Faced with rising premiums, U.S. employers are sharing more of their costs with their workers, particularly through higher deductibles, copayments, and coinsurance. Recent research indicates that employer plan premium contributions and out-of-pocket costs, like those for prescription drugs, are eating up an increasing portion of household budgets.²

In this brief, we use findings from the Current Population Survey (CPS), a federal survey of households, to report on the amounts that workers under age 65 and their dependents spent on premium contributions for their employer coverage and on out-of-pocket costs for health care. We also report on the percentage of people in each state who faced premium contributions or out-of-pocket expenses that were high relative to their income in 2016–2017 (see “[Definitions](#)” box).

This brief complements an earlier Commonwealth Fund state-level analysis of the size of employee premium contributions and deductibles reported by employers. The previous report looked at what workers were at risk of spending out of pocket to meet their deductibles when they used their insurance.³ This brief examines what workers report actually spending on care for themselves and their families.



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DEFINITIONS

This brief focuses on U.S. households in which all members are under age 65 and have employer coverage.

Households have **high premium contributions relative to income** if the total annual amount they pay for their employer plan premiums equals 10 percent or more of annual household income.

Households have **high out-of-pocket costs relative to income** if the total annual amount they pay out of pocket for medical expenditures not covered by their employer plan — such as payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items) — is 10 percent or more of annual household income, or 5 percent or more for families earning less than 200 percent of the federal poverty level.

Households have **high premium contributions and high out-of-pocket costs relative to income** if their household expenditures meet both of the above definitions.

HIGHLIGHTS

Premium Contributions

- ▶ The median, or midpoint, of annual household spending on employer insurance premium contributions ranged from \$500 (Hawaii) to \$3,400 (South Dakota) in 2016–2017. In 11 states, households in the top 10 percent of spending on premium contributions paid \$9,000 or more.
- ▶ Across states, 6 percent to 17 percent of people with employer coverage had household premium contributions that were high relative to their income. High premium contributions relative to income were common across the South.

Out-of-Pocket Costs

- ▶ Median annual out-of-pocket spending on medical care ranged from \$360 (Hawaii) to \$1,500 (Nebraska). In four states, households in the top 10 percent of out-of-pocket expenses spent \$7,000 or more on these items.
- ▶ Across states, 4 percent to 11 percent of people with employer coverage had high out-of-pocket costs relative to household income.

High Cost Burdens

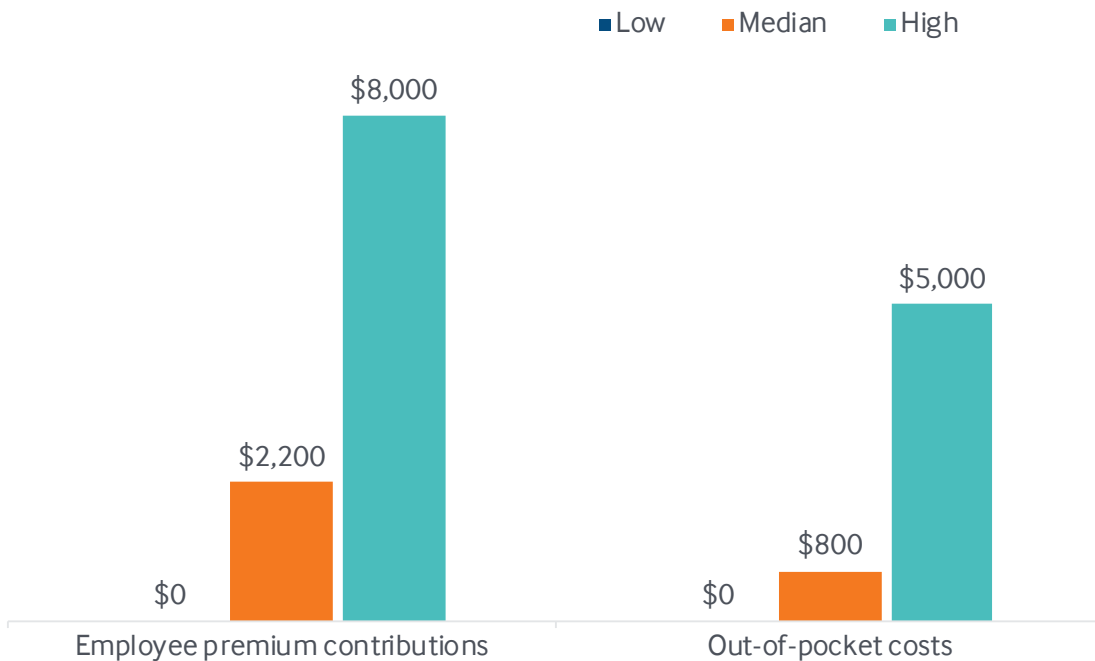
- ▶ An estimated 23.6 million Americans with employer coverage had high premium contributions or high out-of-pocket costs relative to income, or both.

Total Household Spending

- ▶ The median amount spent on both premiums and out-of-pocket costs ranged from \$1,500 (Hawaii) to \$5,540 (South Dakota).

Households with employer coverage can spend thousands of dollars on premiums and out-of-pocket costs.

Distribution of spending on premiums and out-of-pocket costs by nonelderly households with employer coverage, 2016–2017



Notes: Low refers to the 10th percentile, and High to the 90th percentile, of the spending distribution. Premium contributions are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported that their household paid toward the cost of premiums for employer-sponsored insurance. Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the CPS reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items).

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

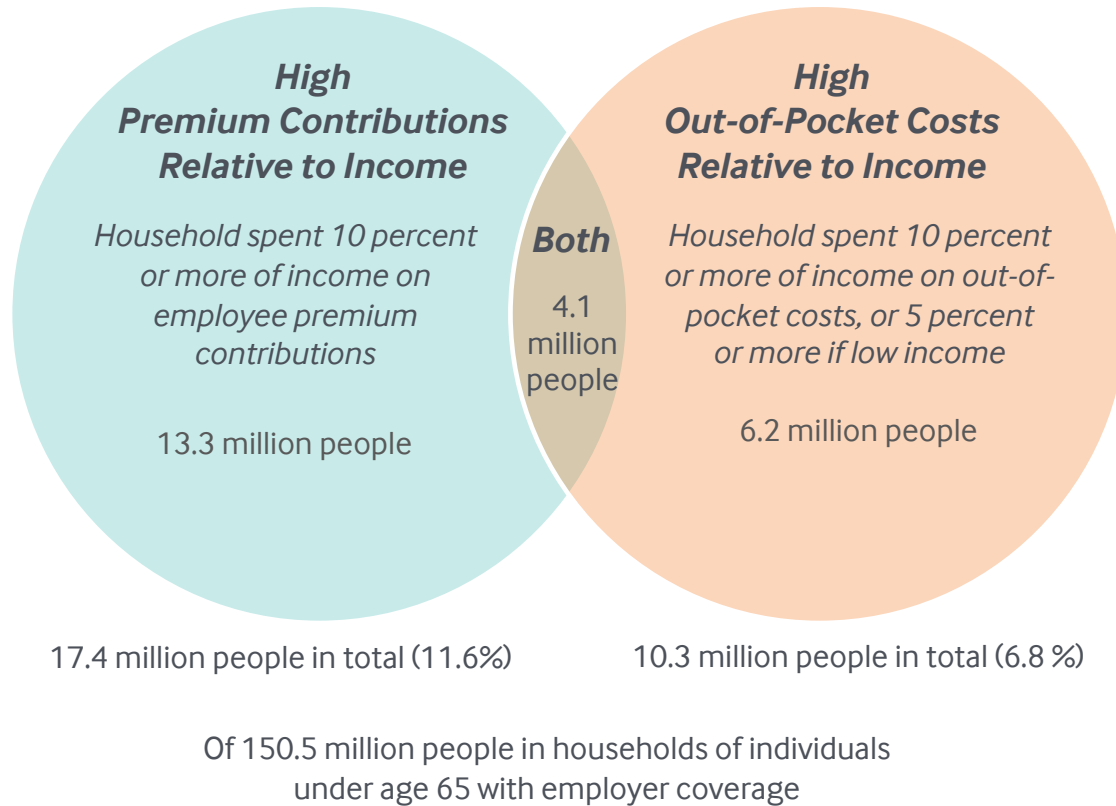
Spending on premium contributions and out-of-pocket costs among households covered by employer plans can range widely. Households in the midrange (median) spent \$2,200 annually in health plan premium contributions in 2016–2017 (Table 1). But there are households that contribute nothing toward their employer premiums, since some firms cover 100 percent of their employees' premiums.

At the high end of the spending range, households spent \$8,000 on premiums, nearly four times the median. Households with high premium contributions, however, may have plans that require little cost-sharing — like no deductible. But others have coverage with both high premiums and high deductibles.⁴

Some households reported spending nothing on medical care, but most households incurred at least some out-of-pocket costs, which in our analysis includes spending on payments for doctor or dental visits, prescriptions, eyeglasses and contacts, and medical supplies (excluding over-the-counter items). Median spending on out-of-pocket costs over the course of a year was \$800, but at the high end, households spent \$5,000 (Table 2).

While household size affects both premium contributions and out-of-pocket expenses, the health status of family members can cause out-of-pocket spending to vary dramatically from year to year, not only between households but within the same household.

An estimated 23.6 million Americans with employer coverage spend a large share of their income on premiums or out-of-pocket costs, or both.



Note: Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items).

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

Premium contributions for job-based insurance, out-of-pocket health expenses — or both — place a weighty financial burden on an estimated 23.6 million Americans.

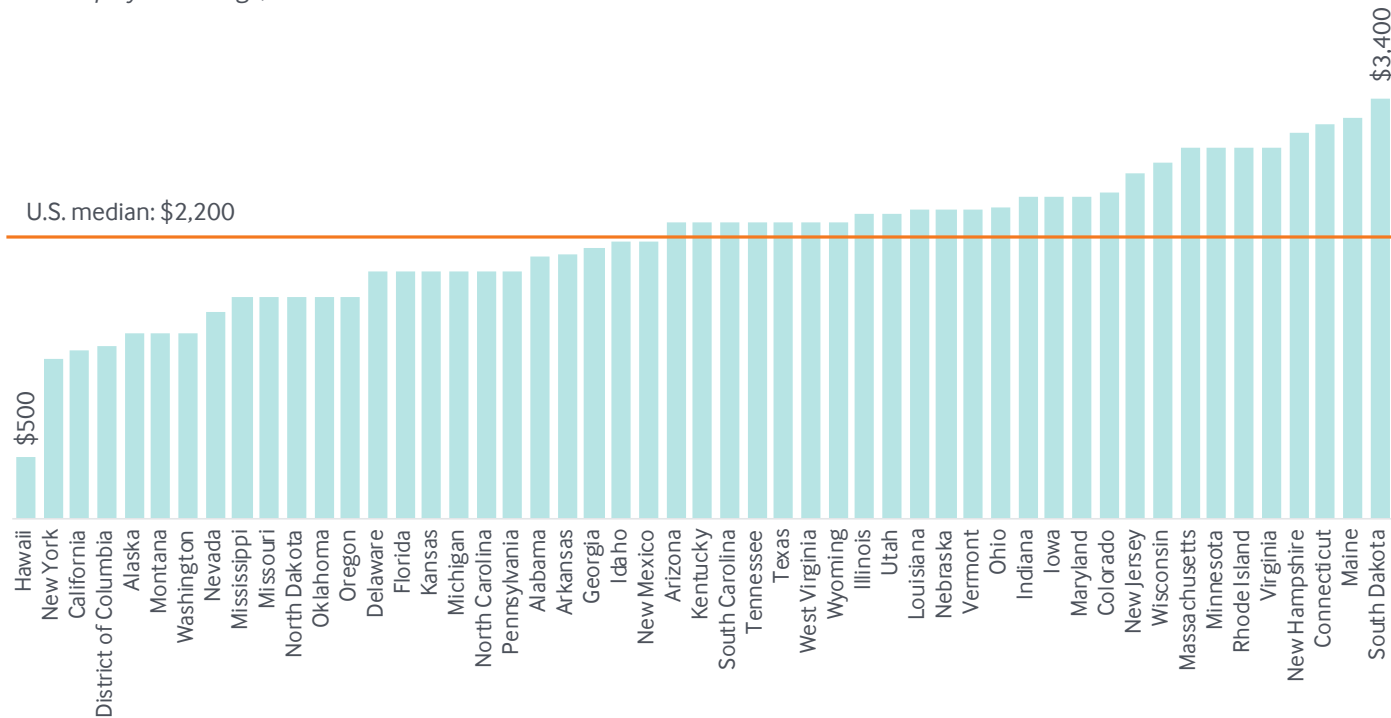
We find an estimated 17.4 million working-age adults and children — 11.6 percent of those living in nonelderly households with employer coverage — had high premium contributions relative to income. This means household spending on plan premiums equaled or exceeded 10 percent of income.

Aside from premiums, an estimated 10.3 million working-age adults and children — 6.8 percent of those in nonelderly households with employer coverage — had high out-of-pocket costs relative to income. Our study considered such spending to be high if it accounted for 10 percent or more of household income, or 5 percent or more for households below 200 percent of the federal poverty level (about \$24,000 for a single person in 2016).⁵

Four million adults and children were counted in both groups. They lived in households that were saddled with high premium contributions and high health-related out-of-pocket expenses relative to income ([Tables 3 and 4](#)).

In eight states, median household spending on premium contributions for employer coverage was \$3,000 or more.

Median annual spending on premium contributions by nonelderly households with employer coverage, 2016–2017



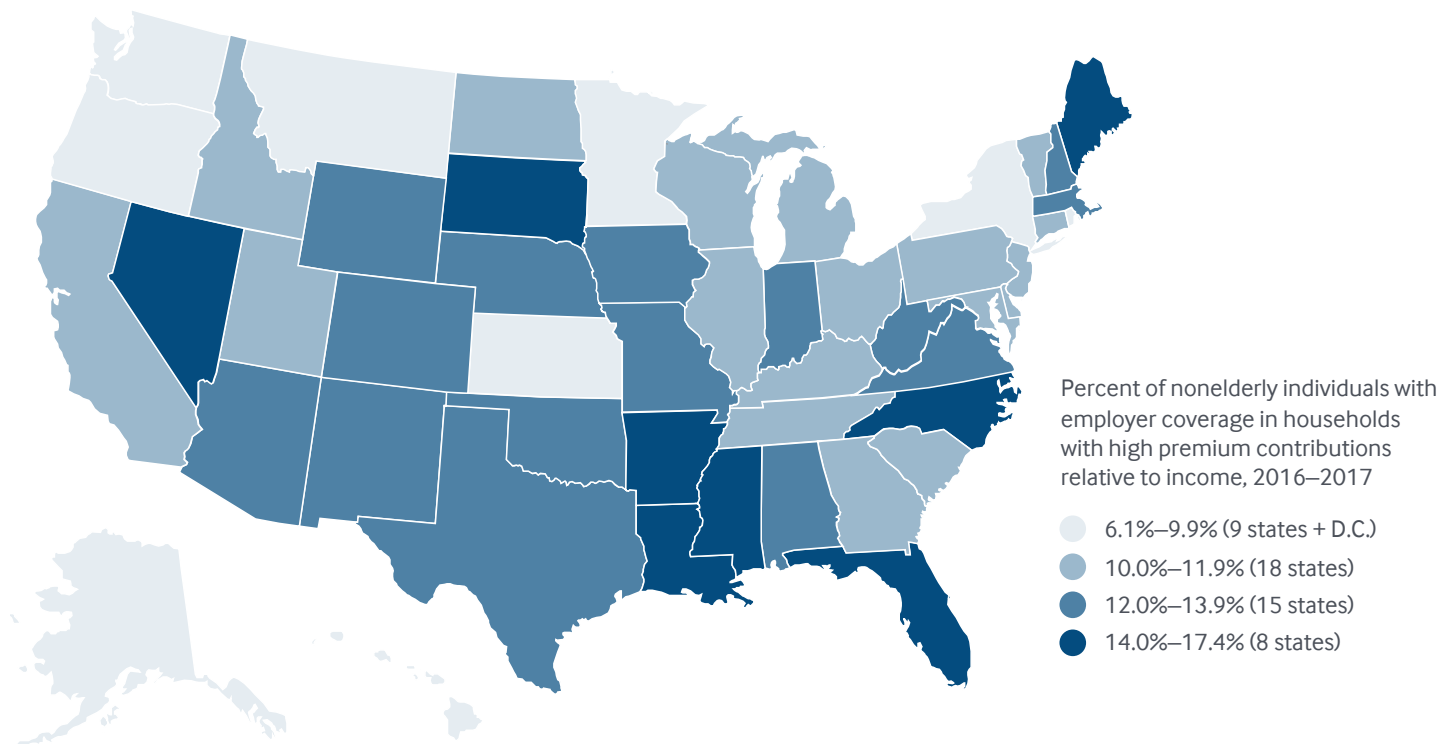
The median annual amount households with employer coverage spent on premiums alone varied widely across states, ranging from \$500 in Hawaii to nearly seven times that — \$3,400 — in South Dakota in 2016–2017 (Table 1). In eight states, the median amount spent was \$3,000 or more. Five of the states with the highest median premium contributions were in New England, though three of these (Connecticut, Massachusetts, and New Hampshire) also had the highest median incomes of any state in the country.⁶

In 11 states, households in the top 10 percent of spending on premiums paid \$9,000 or more (Table 1). In about half these states (Louisiana, Maine, North Carolina, South Dakota, and Texas), median income was below the U.S. median of \$62,000.⁷

Note: Premium contributions are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported that their household paid toward the cost of premiums for employer-sponsored insurance.

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

In the South, large premium contributions relative to household income are common.



Across the U.S., the proportion of residents under age 65 with employer coverage who had high premiums relative to income ranged from 6.1 percent in the District of Columbia to 17.4 percent in Louisiana (Table 1). These households spent at least 10 percent of household income on premium contributions.

In nearly half of states, at least 12 percent of working-age adults and children were in households that had high premium contributions relative to income. Five of the eight states with the greatest percentages of people who had high premiums relative to income were in the South.

Note: Individuals defined as having high premium contributions relative to income if they were living in households that spent 10 percent or more of annual income on premium contributions.

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

In half of states, median out-of-pocket spending on medical care among people with employer coverage was \$1,000 or more.

Median annual spending on out-of-pocket costs by nonelderly households with employer coverage, 2016–2017



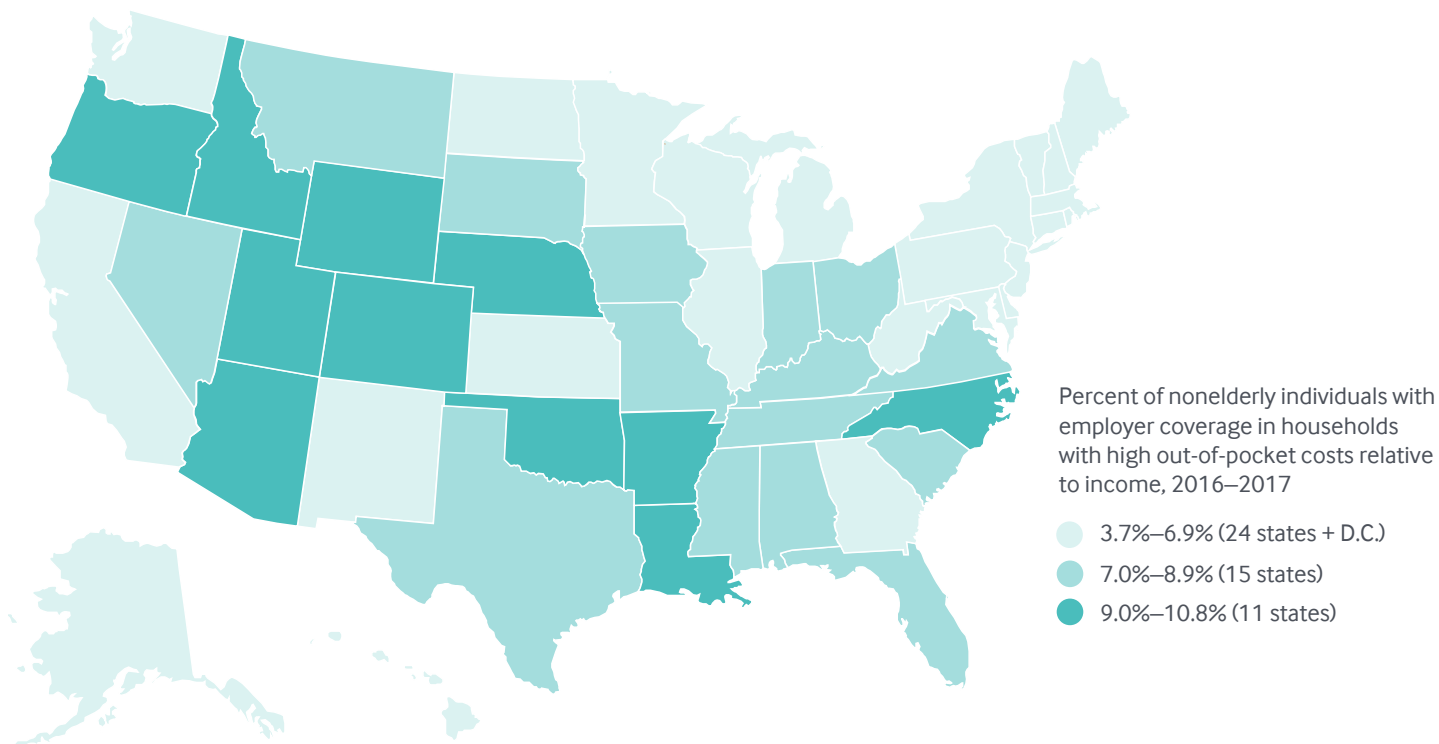
In only one state, Hawaii, was the median amount spent on out-of-pocket costs less than \$500. In half of states, households at the midpoint, or median, of spending on out-of-pocket costs had at least \$1,000 worth of medical expenses. Nebraskans had the highest median household spending on out-of-pocket costs: \$1,500.

In four states, households in the top 10 percent of spending on out-of-pocket costs paid \$7,000 or more (Table 2).

Note: Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items).

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

People in the South and West were the most likely to have high out-of-pocket costs relative to income.



Looking at how much these out-of-pocket expenses are relative to income, between 3.7 percent (the District of Columbia and Rhode Island) and 10.8 percent (Utah) of under-65 adults and children with employer coverage were in households that had high out-of-pocket expenses relative to income.

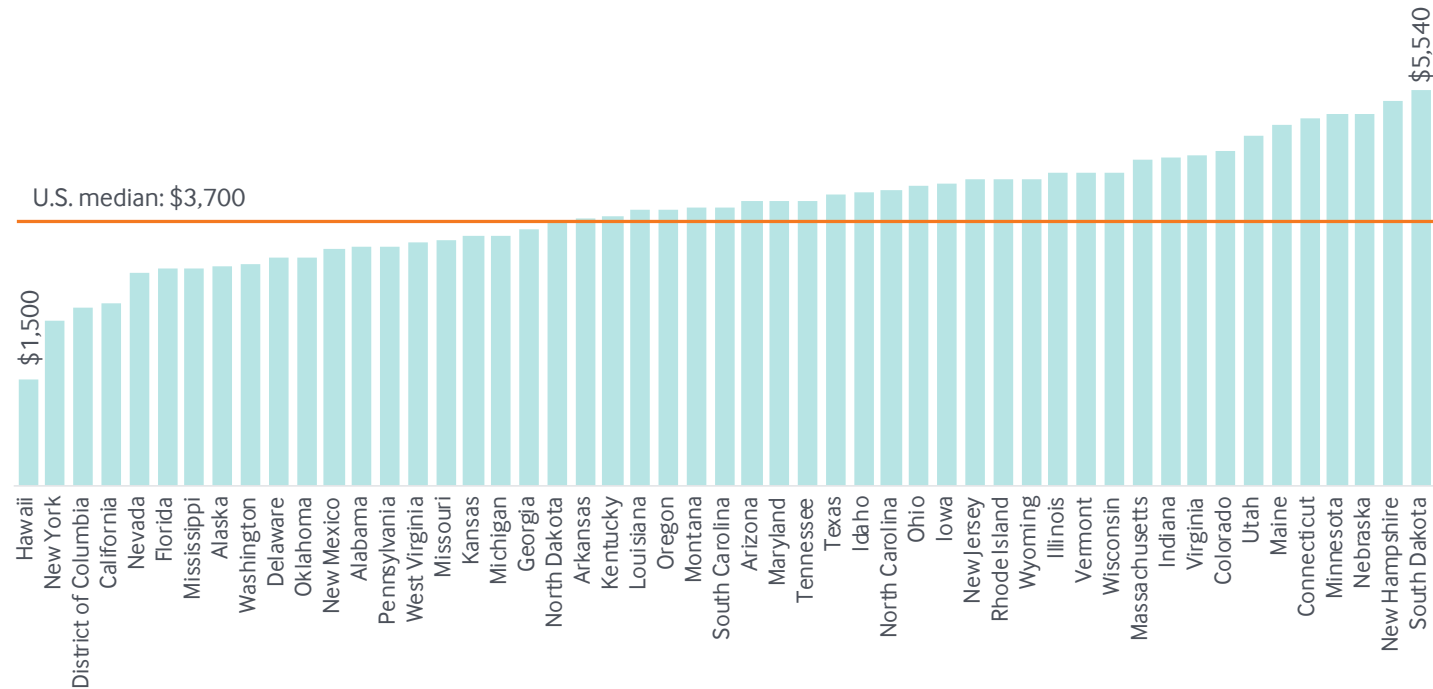
In eight states, about one in 10 people with employer coverage lived in households with high out-of-pocket expenses relative to income (Table 2).⁸ States in the South and West had the highest rates — 9 percent to nearly 11 percent.

Notes: Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items). Individuals defined as having high out-of-pocket costs relative to income if they were living in households that spent 10 percent or more of annual income on these expenses or those who spent 5 percent or more, if the household's annual income was below 200 percent of the federal poverty level.

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

In six states, median combined household spending on premium contributions and out-of-pocket costs was more than \$5,000.

Median annual spending on premium contributions and out-of-pocket costs combined by nonelderly households with employer coverage, 2016–2017



Generally, health plans with lower premiums tend to have higher deductibles and more cost-sharing, and vice versa. And some people just don't use much health care during the year, regardless of how much they spend on premiums.

At the national level, combined household spending on both premium contributions and out-of-pocket costs ranged from \$300 at the low end to \$12,080 at the high end. The spending midpoint, or median, was \$3,700 (Table 3). Across states, median spending on premium and out-of-pocket costs combined ranged from \$1,500 in Hawaii to \$5,540 in South Dakota. The share of people in households with both high premiums and high out-of-pocket costs relative to income was small — 2.7 percent nationally.

Notes: Premium contributions are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported that their household paid toward the cost of premiums for employer-sponsored insurance. Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the CPS reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items).

Data: Analysis of Current Population Survey, Annual Social and Economic Supplement, Sept. 2017 and 2018 data releases.

POLICY IMPLICATIONS

Many U.S. households with employer-based health coverage are burdened by high premium costs, high out-of-pocket expenses, or both.

There are several policy options that could reduce this increasing cost burden. To lower households' premium contributions to employer plans, Congress could:

- Fix the so-called family coverage glitch by pegging affordability and access to marketplace subsidies to the cost of family coverage rather than single coverage. Currently, under the Affordable Care Act, a worker with employer premium expenses for a single-person plan that exceed 9.9 percent of income may be eligible for subsidized marketplace coverage. But families that spend that much for a family plan are not eligible, creating the family coverage glitch.⁹
- Raise the “minimum value standard,” or the percentage of medical costs that employer plans must cover, on average. When a plan fails to meet this standard, the employer is subject to a penalty, and enrollees may be eligible for tax credits to buy marketplace coverage.

To improve the financial protectiveness of employer plans, Congress could:

- Require plans to expand and standardize the set of services that are exempt from the deductible. The ACA requires all health plans to cover a range of preventive care services before the deductible kicks in, and many employer plans already voluntarily exclude additional services from the deductible. But the number and type of additional excluded services varies considerably.¹⁰

- Make a refundable tax credit available to people with employer coverage whose out-of-pocket spending for health care exceeds a certain percentage of income.¹¹

If enacted, these policies could help reduce the health care cost burdens of millions of people with employer coverage. But they must be paired with systemwide efforts to rein in the cost of health care — the main driver of growth in private insurance premiums and the trend toward greater consumer cost-sharing.

There is growing evidence that the primary driver of per capita costs in private insurance are prices paid to providers.¹² These prices vary across states and even within the same markets since they are the consequence of private negotiations between providers and insurers. Hospitals with more leverage in their markets are able to negotiate higher prices with insurers and employers. To arrest the growth in premiums and deductibles, more attention needs to be paid to what we pay hospitals and physicians.

HOW WE CONDUCTED THIS STUDY

This analysis uses data from the U.S. Census Bureau's Current Population Survey (CPS), Annual Social and Economic Supplement, specifically the September 2017 and 2018 data releases reflecting health insurance costs in 2016 and 2017. Our estimates are based on an average of two years of survey data to ensure adequate sample size at the state level.

Based on these data, we estimated the dollar amount that households (including single-person households) comprising people under age 65 with employer coverage spent on premium contributions and, separately, on out-of-pocket costs.

We chose to report the median dollar amount spent rather than the average because in some states there were a very small number of households that had much higher spending than all the others. These outliers pull up the average, making spending on premiums and on out-of-pocket costs appear higher than it actually is for the typical household. The median, which is the midpoint of all the values, is not affected by these outliers, and therefore provides a better representation of what households in the middle of the range are spending. To be consistent, we report the median amount (as opposed to the average) spent at the national level as well. We also report the dollar amounts that represent

the 10th and 90th percentiles of the spending distribution for premium contributions and out-of-pocket expenses in each state and at the national level. This helps illustrate the wide range in household spending for employer coverage that exists within states and across the country.

CPS respondents were grouped to ensure that individuals residing in the same household were likely to purchase health insurance together (referred to as a health insurance unit, or HIU).

Out-of-pocket expenses included cost-sharing payments (copayments or coinsurance) to health care providers (doctors, dentists, hospitals) or direct payment for services that fall within plan deductibles; payments for diagnostic tests, prescription medicines, glasses and contacts, and medical supplies. Out-of-pocket expenses did not include the cost of insurance premiums or over-the-counter health care items.

Annual household premium contributions were considered high relative to income if they totaled 10 percent or more of a household's annual income.

Out-of-pocket costs were considered high relative to income if they totaled 10 percent or more of a respondent's annual household income, or 5 percent or more if the respondent's household income was less than 200 percent of the federal poverty level (\$23,760 for a single person in 2016).

Table 1. Annual Household Spending on Premium Contributions by Nonelderly People with Employer-Sponsored Insurance, by State, 2016–2017

	State range			Percent of individuals with high premium contributions relative to income
	Median	10th percentile, spending	90th percentile, spending	
United States	\$2,200	\$0	\$8,000	11.6%
Alabama	\$2,124	\$0	\$8,000	12.6
Alaska	\$1,500	\$0	\$6,616	7.4
Arizona	\$2,400	\$0	\$7,280	13.3
Arkansas	\$2,136	\$0	\$8,000	15.5
California	\$1,365	\$0	\$7,200	10.1
Colorado	\$2,640	\$0	\$8,988	12.1
Connecticut	\$3,200	\$0	\$10,000	10.4
Delaware	\$2,000	\$0	\$7,500	11.3
District of Columbia	\$1,400	\$0	\$6,000	6.1
Florida	\$2,000	\$0	\$8,400	14.0
Georgia	\$2,200	\$0	\$7,200	11.0
Hawaii	\$500	\$0	\$5,000	9.5
Idaho	\$2,250	\$0	\$7,960	10.6
Illinois	\$2,470	\$0	\$8,808	11.0
Indiana	\$2,600	\$0	\$8,300	12.6
Iowa	\$2,600	\$0	\$8,280	12.3
Kansas	\$2,000	\$0	\$7,000	9.1
Kentucky	\$2,400	\$0	\$6,400	11.1
Louisiana	\$2,500	\$0	\$9,000	17.4
Maine	\$3,250	\$0	\$9,800	15.6
Maryland	\$2,600	\$0	\$8,000	10.1
Massachusetts	\$3,000	\$0	\$10,500	12.9
Michigan	\$2,000	\$0	\$7,200	10.6
Minnesota	\$3,000	\$0	\$8,400	9.7
Mississippi	\$1,800	\$0	\$7,800	14.4
Missouri	\$1,800	\$0	\$8,000	12.6
Montana	\$1,500	\$0	\$7,000	9.7
Nebraska	\$2,500	\$0	\$9,000	13.8
Nevada	\$1,680	\$0	\$7,000	14.0
New Hampshire	\$3,120	\$0	\$10,000	12.4
New Jersey	\$2,800	\$0	\$9,592	11.5
New Mexico	\$2,250	\$0	\$7,200	12.7
New York	\$1,300	\$0	\$6,812	9.6
North Carolina	\$2,000	\$0	\$9,000	14.8
North Dakota	\$1,800	\$0	\$7,600	11.0
Ohio	\$2,520	\$0	\$7,800	11.3
Oklahoma	\$1,800	\$0	\$7,920	12.7
Oregon	\$1,800	\$0	\$7,300	9.5
Pennsylvania	\$2,000	\$0	\$7,536	10.9
Rhode Island	\$3,000	\$0	\$7,200	9.9
South Carolina	\$2,400	\$0	\$7,700	10.9
South Dakota	\$3,400	\$0	\$9,600	14.6
Tennessee	\$2,400	\$0	\$7,200	11.5
Texas	\$2,400	\$0	\$9,100	12.9
Utah	\$2,470	\$0	\$7,300	10.9
Vermont	\$2,500	\$0	\$7,200	10.7
Virginia	\$3,000	\$0	\$9,000	12.6
Washington	\$1,500	\$0	\$6,500	6.6
West Virginia	\$2,400	\$0	\$7,020	12.3
Wisconsin	\$2,880	\$0	\$7,300	10.8
Wyoming	\$2,400	\$0	\$8,000	12.7

NOTES

Premium contributions are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid toward the cost of premiums for employer-sponsored insurance. We defined individuals under age 65 with employer-sponsored insurance as having high premium contributions relative to income if they were living in households that spent 10 percent or more of annual income on premium contributions.

DATA

Analysis of Current Population Survey, Annual Social and Economic Supplement, September 2017 and 2018 data releases.

Table 2. Annual Household Spending on Out-of-Pocket Costs by Nonelderly People with Employer-Sponsored Insurance, by State, 2016–2017

	State range			Percent of individuals with high out-of-pocket costs relative to income
	Median	10th percentile, spending	90th percentile, spending	
United States	\$800	\$0	\$5,000	6.8%
Alabama	\$700	\$0	\$4,400	7.4
Alaska	\$1,000	\$0	\$6,498	6.4
Arizona	\$1,000	\$0	\$6,000	9.5
Arkansas	\$825	\$0	\$5,500	9.8
California	\$500	\$0	\$4,000	5.0
Colorado	\$1,150	\$35	\$7,090	9.3
Connecticut	\$1,000	\$0	\$6,200	6.6
Delaware	\$600	\$0	\$3,600	5.0
District of Columbia	\$500	\$0	\$4,000	3.7
Florida	\$500	\$0	\$4,600	7.4
Georgia	\$600	\$0	\$5,000	6.5
Hawaii	\$360	\$0	\$2,300	5.7
Idaho	\$1,000	\$0	\$6,000	9.9
Illinois	\$1,000	\$0	\$5,400	6.0
Indiana	\$1,150	\$0	\$6,000	7.6
Iowa	\$1,000	\$2	\$5,300	8.8
Kansas	\$1,000	\$0	\$5,000	6.9
Kentucky	\$800	\$0	\$5,000	7.0
Louisiana	\$600	\$0	\$5,000	9.1
Maine	\$900	\$50	\$5,000	5.8
Maryland	\$750	\$0	\$5,000	5.6
Massachusetts	\$1,000	\$35	\$4,200	5.4
Michigan	\$850	\$0	\$4,800	6.6
Minnesota	\$1,250	\$50	\$6,000	5.1
Mississippi	\$675	\$0	\$4,800	7.3
Missouri	\$700	\$0	\$5,000	8.0
Montana	\$1,000	\$0	\$6,500	8.9
Nebraska	\$1,500	\$50	\$7,000	9.9
Nevada	\$600	\$0	\$4,200	7.5
New Hampshire	\$1,200	\$100	\$6,000	6.8
New Jersey	\$700	\$0	\$5,000	5.4
New Mexico	\$560	\$0	\$4,500	6.6
New York	\$500	\$0	\$4,000	4.8
North Carolina	\$1,000	\$30	\$6,500	10.2
North Dakota	\$1,000	\$0	\$6,000	6.5
Ohio	\$1,000	\$0	\$6,000	7.3
Oklahoma	\$800	\$0	\$5,500	9.2
Oregon	\$1,000	\$0	\$6,500	9.9
Pennsylvania	\$800	\$20	\$4,100	5.6
Rhode Island	\$700	\$20	\$4,000	3.7
South Carolina	\$750	\$0	\$5,100	7.5
South Dakota	\$1,170	\$0	\$6,600	8.1
Tennessee	\$1,000	\$0	\$5,400	7.6
Texas	\$900	\$0	\$5,500	8.1
Utah	\$1,250	\$50	\$7,000	10.8
Vermont	\$1,000	\$50	\$5,000	6.7
Virginia	\$1,000	\$0	\$5,430	8.0
Washington	\$800	\$0	\$5,000	5.0
West Virginia	\$500	\$0	\$3,680	6.3
Wisconsin	\$1,020	\$0	\$5,010	5.1
Wyoming	\$1,100	\$26	\$7,000	10.2

NOTES

Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items). We used two thresholds to identify individuals under age 65 with employer-sponsored insurance who had high out-of-pocket costs relative to income: those living in households that spent 10 percent or more of annual income on out-of-pocket costs, or those who spent 5 percent or more, if the household's annual income was below 200 percent of the federal poverty level.

DATA

Analysis of Current Population Survey, Annual Social and Economic Supplement, September 2017 and 2018 data releases.

Table 3. Annual Household Spending on Premium Contributions and Out-of-Pocket Costs by Nonelderly People with Employer-Sponsored Insurance, 2016–2017

	State range			Percent of individuals with both high premium contributions and high out-of-pocket costs relative to income
	Median	10th percentile, spending	90th percentile, spending	
United States	\$3,700	\$300	\$12,080	2.7%
Alabama	\$3,340	\$250	\$11,740	3.3
Alaska	\$3,080	\$200	\$12,000	1.8
Arizona	\$4,000	\$300	\$12,300	4.0
Arkansas	\$3,750	\$500	\$12,400	4.3
California	\$2,550	\$100	\$10,500	2.4
Colorado	\$4,700	\$600	\$15,000	3.2
Connecticut	\$5,140	\$600	\$14,520	2.8
Delaware	\$3,200	\$300	\$10,300	2.3
District of Columbia	\$2,500	\$140	\$9,700	1.3
Florida	\$3,050	\$200	\$12,000	3.0
Georgia	\$3,600	\$400	\$11,600	2.1
Hawaii	\$1,500	\$40	\$6,740	2.1
Idaho	\$4,120	\$500	\$13,200	2.5
Illinois	\$4,400	\$500	\$12,447	2.5
Indiana	\$4,600	\$750	\$12,400	2.6
Iowa	\$4,250	\$550	\$12,400	2.8
Kansas	\$3,500	\$300	\$11,200	2.0
Kentucky	\$3,780	\$400	\$10,800	2.7
Louisiana	\$3,860	\$250	\$12,500	5.4
Maine	\$5,050	\$650	\$12,800	3.4
Maryland	\$4,000	\$400	\$12,700	2.7
Massachusetts	\$4,578	\$350	\$13,700	2.6
Michigan	\$3,500	\$300	\$11,000	2.4
Minnesota	\$5,200	\$800	\$12,900	1.3
Mississippi	\$3,050	\$190	\$11,112	3.2
Missouri	\$3,450	\$250	\$12,000	3.4
Montana	\$3,900	\$200	\$12,300	1.9
Nebraska	\$5,200	\$600	\$14,070	3.7
Nevada	\$3,000	\$200	\$10,300	3.0
New Hampshire	\$5,400	\$900	\$14,400	2.4
New Jersey	\$4,300	\$400	\$12,830	2.6
New Mexico	\$3,325	\$170	\$10,900	3.0
New York	\$2,320	\$75	\$10,389	1.9
North Carolina	\$4,160	\$390	\$13,696	3.5
North Dakota	\$3,700	\$300	\$11,992	2.5
Ohio	\$4,200	\$580	\$12,200	2.3
Oklahoma	\$3,200	\$200	\$12,600	3.5
Oregon	\$3,880	\$300	\$12,500	2.5
Pennsylvania	\$3,364	\$450	\$10,900	2.1
Rhode Island	\$4,300	\$625	\$9,800	1.8
South Carolina	\$3,900	\$400	\$11,550	2.6
South Dakota	\$5,540	\$600	\$14,200	2.7
Tennessee	\$4,000	\$500	\$11,900	3.1
Texas	\$4,100	\$340	\$13,400	3.3
Utah	\$4,900	\$600	\$13,600	3.7
Vermont	\$4,400	\$635	\$11,450	2.0
Virginia	\$4,620	\$600	\$12,900	3.7
Washington	\$3,120	\$300	\$10,420	2.0
West Virginia	\$3,400	\$250	\$10,000	2.4
Wisconsin	\$4,400	\$900	\$11,500	1.8
Wyoming	\$4,300	\$500	\$14,000	4.1

NOTES

Premium contributions are the total annual dollar amount that respondents to the Current Population Survey (CPS) reported their household paid toward the cost of premiums for employer-sponsored insurance. Out-of-pocket costs exclude premiums and are the total annual dollar amount that respondents to the CPS reported their household paid for medical expenditures that were not covered by their employer plan, including payments for doctor or dental visits, prescription medicine, eyeglasses and contacts, and medical supplies (excluding over-the-counter items). We defined individuals under age 65 with employer-sponsored insurance as having high premium contributions relative to income if they were living in households that spent 10 percent or more of annual income on premium contributions. We used two thresholds to identify individuals under age 65 with employer-sponsored insurance who had high out-of-pocket costs relative to income: those living in households that spent 10 percent or more of annual income on out-of-pocket costs, or those who spent 5 percent or more, if the household's annual income was below 200 percent of the federal poverty level.

DATA

Analysis of Current Population Survey, Annual Social and Economic Supplement, September 2017 and 2018 data releases.

Table 4. Demographics of Nonelderly Population with Employer-Sponsored Health Insurance and High Cost Burdens, 2016–2017

	Population in households where all individuals are under age 65 and have employer-sponsored insurance	Percent by demographic characteristics			Percent distribution by demographic characteristics		
		High premium contributions relative to income	High out-of-pocket costs relative to income	High premium contributions and high out-of-pocket costs relative to income	High premium contributions relative to income	High out-of-pocket costs relative to income	High premium contributions and high out-of-pocket costs relative to income
Total (millions)	150.5	17.4	10.3	4.1	17.4	10.3	4.1
Percent distribution (row percents)	100%	12%	7%	3%	100%	100%	100%
Income							
Less than 200% FPL	15%	34%	30%	14%	45%	66%	81%
200%–399% FPL	31%	14%	5%	1%	37%	23%	15%
400% FPL and higher	54%	4%	1%	<1%	18%	11%	4%
Race							
White, Non-Hispanic	65%	11%	6%	2%	59%	61%	57%
Black	11%	14%	8%	3%	13%	13%	13%
Hispanic	15%	15%	9%	4%	20%	19%	21%
Other	10%	11%	5%	2%	9%	7%	8%

NOTES

We define people living in households where all members are under age 65 and have employer-sponsored insurance as having: *high premium contributions relative to income* if the total annual dollar amount paid by their household for premiums for employer-sponsored insurance is 10 percent or more of their annual household income; *high out-of-pocket costs relative to income* if the total annual dollar amount paid by their household for out-of-pocket costs, not including premiums, was 10 percent or more of annual household income, or 5 percent or more, if household income was less than 200 percent of the federal poverty level; *high premium contributions and high out-of-pocket costs relative to income* if they were in both groups, meaning their household expenditures met both of the above definitions.

DATA

Analysis of Current Population Survey, Annual Social and Economic Supplement, September 2017 and 2018 data releases.

NOTES

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2. Ibid.
3. Sara R. Collins and David C. Radley, *The Cost of Employer Insurance Is a Growing Burden for Middle-Income Families* (Commonwealth Fund, Dec. 2018).
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7. Ibid.
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