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**FOR IMMEDIATE RELEASE**

**MRA Survey Shows Healthcare Premiums Climbed Slightly in 2007: Wellness Interest Soars**  
*Employers Embracing Higher Healthcare Cost-Sharing to Reduce Costs*

December 6, 2007 Waukesha, WI – MRA – The Management Association (MRA) recently released the results of their annual *Insurance Plans Survey* of more than 400 Wisconsin companies. Survey results show that healthcare premiums climbed slightly in 2007, compared to last year's rates.

<b>Year</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Average Increase in Healthcare Premiums</b>	18.6%	14.2%	10.5%	10.3%	9.8%	10.7%

To foster health consumerism in employees, the survey shows employers are embracing cost-sharing initiatives. This year, 33 percent (134 companies) reported offering a high-deductible health plan (HDHP) to employees. Among these companies 44 percent (59 companies) offered health reimbursement accounts (HRA) and 57 percent (76 companies) offered health savings accounts (HSA) qualified plans.

Going forward, companies continue to show strong interest in implementing HRAs and HSA-qualified HDHPs with contributions. When asked the likelihood of offering a consumer-driven healthcare arrangement in the next 18 months, 33.6 percent (126 companies) said they are “very” or “somewhat” likely to offer an HRA, which is very similar to the 34.1 percent (144 companies) reported in 2006. This is notably higher than the 24.4 percent (110 companies) in 2005 that were “considering” offering an HRA. Likewise, over the next 18 months, 28.0 percent (108 companies) said they are “very” or “somewhat” likely to offer an HSA-qualified HDHP with contributions compared to 24.9 percent (105 companies) in 2006, and 31.3 percent (141 companies) who were “considering” contributing to an HSA in 2005.

In addition, interest in implementing wellness programs continues to be exceptionally strong. When asked what actions were taken to address high health costs, survey data shows 14.4 percent (56 companies) implemented wellness programs in 2006; 5.6 percent (25 companies) implemented wellness programs in 2005; and 11.9 percent (55 companies) implemented wellness programs in 2004. This interest in wellness programs takes a significant jump in 2008 where 54.2 percent (174 companies) said they are “very” or “somewhat” likely to implement a wellness program.

“As employers continue to implement cost-sharing initiatives to rein in high health care costs, it’s important that they also provide incentives that engage employees in the healthcare decision-making process and encourage them to proactively manage their health,” said Vicki Vought, MRA’s Vice President of Human Resource Information and Solutions. “From implementing comprehensive wellness programs, to offering smoking cessation programs, even providing discounts on the flu shot, we know companies are finding unique ways to help employees address their physical and emotional health.”

As a way to promote consumerism, the survey also indicates that companies continue to increase employee contributions to premiums and other out-of-pocket costs as a primary cost sharing strategy.

<b>Top Actions Taken to Address Rising Costs</b>	<b>2005</b>	<b>2006</b>
Increased employee out-of-pocket	11%	27%
Increased co-pays for doctor visits	12%	22%
Increased employee contributions to premiums	46%	42%
Increased employee paid deductibles	36%	34%
Increased prescription drug co-pay	7%	18%

“Finding the right talent when you need it is difficult in today’s tight job market. To attract and retain top talent, employers need to continuously evaluate options in the healthcare arena to ensure their benefit packages are competitive,” said Mary Hunter, MRA’s Senior Human Resource Director. “Beyond healthcare benefits, offering recognition plans, flexible schedules/paid time off, and other incentives can help your company build a strong total rewards program that motivates your workforce.”

**Survey Information**

MRA's data reflects Wisconsin conditions. MRA surveyed 407 companies: 58 percent were from manufacturing, and 42 percent from service, financial, health and other industries. The survey also represents all sizes of companies, from 1-99 employees (47.2 percent), 100-499 (43.2 percent), 500-999 (5.4 percent), and over 1,000 (3.9 percent).

MRA members can obtain detailed breakouts at [www.mranet.org](http://www.mranet.org) in the Members Only section. The survey is available for purchase by contacting MRA at [surveys@mranet.org](mailto:surveys@mranet.org) or (800) 488-4845.

Founded in 1901, MRA is a not-for-profit employers' organization serving more than 4,000 employers throughout Wisconsin, Illinois, and Iowa, covering close to a half million employees. An expert in the optimization of human resources, MRA applies its talent, tools and training to help organizations achieve their business objectives. For more information on MRA visit [www.mranet.org](http://www.mranet.org) or call 800.488.4845.

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