Section 3: Employer Mail Survey Findings

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Results in Brief

- There does not appear to be a comprehensive or firmly grounded consensus among employers regarding the reasons for either current prices or rising costs for health insurance. But there is a strong sense that something is very, very wrong.

- The lack of detailed knowledge, especially among small firms, reinforces the idea that more education is needed to inform employers about how a program like Wyo-Care would work and how it could benefit them.

- Based on employers' comments regarding cost containment, a significant segment of private sector employers are changing their compensation strategies and searching for alternatives to their current arrangements with health insurance companies.

- The mail survey results, the focus groups, and the analysis of the tabular estimates was that low employee attachment, short tenure with a firm, and higher than average turnover was associated with employers not offering health insurance to employees. For selected industries (e.g., Construction and Leisure & Hospitality), using the Wyo-Care proposal as a strategy to address insurance costs as the primary barrier may have limited appeal.

- More than a third (35.3%) of all employer comments to an open-ended question asking for suggested solutions to the healthcare/coverage problem involve solutions based on greater governmental involvement.

- Employers in industries most likely to offer health insurance (i.e., Wholesale Trade, Transportation, & Utilities and Information) were also most willing to indicate that they would contribute additional funds above their current payrolls to cover their uncovered employees (23.4% and 31.8%, respectively).

- Nearly one-quarter of the employers with 10 to 19 employees indicated they would be willing to contribute additional funds for uncovered employees. In addition, almost 80 percent of employers from firms this size

indicated cost was the primary barrier to offering insurance coverage. Given these firm characteristics, the Wyo-Care proposal appears ideal for firms of this size.

- Among employers willing to contribute additional funds to cover their uncovered employees, nearly half indicated they would be willing to contribute to an individual health savings account if they could use an electronic system housed within the Department of Employment.

Introduction

The Wyoming Health Care Commission (WHCC) contracted with Research & Planning (R&P) to ascertain the feasibility of a proposal to create individual health care accounts. The proposal, referred to as Wyo-Care, would provide health coverage for employed persons without health insurance. This project included three parts; an economic profile of Wyoming's labor market, a focus group study of employers, and a mail survey of a random sample of employers in Wyoming. The first objective (Section 1) described Wyoming's labor market and identified the industries with human resource practices compatible with the Wyo-Care proposal. The second objective was to ascertain employer willingness to support partial funding through employer contributions as a component of the Wyo-Care plan. Two collection strategies, focus group discussions and a mail survey, were used to solicit employer opinions. The focus groups (Section 2) were basically an open forum that allowed the moderator to explain the proposal and then elicit feedback from the participating employers. This Section (Section 3) describes the employer mail survey.

The mail survey was conducted after the focus group discussions, in part to verify the findings of the group sessions. Because both types of research have inherent limitations, using the two together presents a more complete picture of employer attitudes toward the provision of health insurance to their employees and the likelihood of employer participation in a proposal such as Wyo-Care. The survey has the benefit of a more representative sample of employers than was available through focus group analysis.

The sample was drawn to allow the results to identify the proportion of workers affected by employer decisions. Employers were sampled in proportion to their employment. Because of their impact on the market, employers from larger firms had a greater probability of selection. Appendix A, page A9 shows that 47.4 percent of total employment comes from firms with more than 50 employees. The sample of 651 employers was stratified by firm size, industry, and geography to be representative of the state. We attained a 73.1 percent response rate.

The survey was conducted during the summer months of 2004 and represents a snapshot in time. Employer compensation strategies, including the offer of health insurance, are associated with certain phases of the business cycle that may be industry specific. During the survey period, the state's economy was undergoing an overall expansion. When the economy is expanding rapidly, employees are likely to change jobs frequently to maximize their earnings while their labor is in demand. In these cases, insurance may either be denied for lack of tenure or used as a bargaining tool to keep workers.

In addition, seasonality may have a substantial impact on the survey results. Many businesses operate differently over the course of the year. For instance, employment levels drop dramatically during the winter months in many construction firms and firms that rely on summer tourism. In the summer months, construction firms may offer health insurance to only a small percentage of their workers because the other workers are temporary help. However, in the winter months, when only permanent employees remain, the percentage of workers offered health insurance is likely to be much higher. The seasonal nature of the collection appears to offer the most compelling reasons for the differences between offering and participation found in the results in this section and the results published in *Wages and Benefits in Wyoming* (Cowan, Hauf, & Leonard, 2005)

Methodology

Focus Groups and Mail Survey Collection: A Methodological Consideration

While the focus groups and the mail questionnaire asked respondents to address the same questions, focus groups participants knew each other and were part of common communities. Participants were exposed to peer oversight during both the focus group collection and the informal discussion. Focus group settings among individuals with social ties outside of those settings represent an environment where social approval may be a factor in what people say, as well as how they say it. The difference between comments from respondents in focus group settings, in comparison to a mail questionnaire environment where respondent anonymity is guaranteed, probably accounts for some of the differences in the types of solutions offered to the health care problem.

In contrast to the focus groups, the mail questionnaire included a promise of confidentiality. In circumstances of confidential reporting, where peer observation is implicit rather than explicit, respondents may be more likely to explore socially unacceptable ideas. It seems apparent in this situation that mail

questionnaire respondents both reinforced views expressed in the focus groups and were willing to go beyond focus group boundaries.

Focus group membership was drawn from pre-existing social structures in which members are likely to have one or more background elements in common. Association memberships, for example, may well have developed peer skills in the arena of consensus building and participants may have employed these same skills during focus group events. Therefore, it is possible that participants were working towards a group solution, rather than a solution best for themselves. Randomly sampled employers receiving a mail questionnaire may have no social ties to one another that would serve as the basis for identifying issues and developing consensus positions.

Another difference between the focus groups and the mail questionnaire is that in the former, there was an opportunity to explain the Wyo-Care proposal and for the respondent to gain a conversant knowledge of some of the reasons for its proposed design and potential efficacy. This difference is important because the lack of working knowledge is often associated with less openness to unfamiliar ideas.

More than half (57.3%) of responding employers to the mail survey provided written comments to survey question number 31 asking for their suggestions on how to fix the health insurance problem. The 273 commenting employers provided 314 comments. These comments were reviewed for common themes and wording and then grouped into 32 categories. They were then reviewed in an attempt to construct a smaller number of mutually exclusive and exhaustive groupings. The results are found in Table 3.15, page 185.

Collection Strategies

The sample for the survey was comprised of 651 private sector employers selected from the Department of Employment's Unemployment Insurance (UI) file of accounts for the first quarter of 2004. The sample was randomly selected and stratified by firm size, industry, and location. Of these, 476 (73.1%) questionnaires were returned with useable information. Questionnaires were mailed initially on July 1, 2004. Follow-up mailings were conducted on July 23 and September 2. Toward the later stages of the collection period, a small number of employers (n=33) were contacted through a telephone interview to ensure adequate representation in all strata. Telephone collection began on August 16 and ended September 27, the last day of data collection for both methods. When the second quarter 2004 UI records became available it was determined that 18 of the original 671 firms were no longer defined as a firm (i.e., the firm failed to supply

the UI payroll information necessary to support the estimation technique described in the following sub-section).

The reference period for employment and the context within which the employer provided the information is the second quarter of 2004. Tabular estimates of the number of private sector employers represented by the 476 are provided throughout this section and in Appendix G. These tables provide information on employer responses to the closed-ended questions. For most of the analysis, the pertinent numeric values are represented by the percentages while the estimated number of employers is provided to reflect the most likely magnitude of the response for approximately 14,000 private sector employers in the state.

Estimation Methodology

Estimate generation was accomplished by dividing the count of businesses operating in each stratum cell (industry and number of workers) by the number of businesses responding to the survey in each stratum cell. The result is the number of businesses each sample unit represents in the stratum cell. Depending upon the table, the total number of businesses answering a survey question varies because of two factors: 1) question non-response, and 2) nested questions. Question non-response occurs when the person completing the survey form either refuses to answer a question or unintentionally skips the question when it requires an answer. A nested question occurs when a business is required to answer a follow-up question only if a preceding question is answered in a specific manner.

Results and Discussion

Generally, the following discussion adheres to the structure of the questionnaire which can be found in Appendix F. The questionnaire consisted of two types of questions: open- and closed-ended. The closed-ended questions were those where respondents were asked, for example, to mark either "yes" or "no." For some questions respondents wrote in "maybe" or "don't know" instead of selecting one the options given to them. These answers are also included in the tables. The open-ended questions were those where employers were asked to respond in their own words.

Overall, the closed-ended questions were less likely than those revealed in the focus group settings to provide responses that could be viewed as supportive of the Wyo-Care proposal. This finding may be reflective of the varying amount of Wyo-Care knowledge between the two data collection strategies. The focus

group participants were given an overview of the proposal and the chance to ask questions. The survey participants received little background information on the proposal.

The open-ended questions were more likely to elicit ideas that were somewhat less conventional than those recorded in focus group sessions. At the same time, key findings from the survey were consistent with results from the focus groups, the benefits survey estimates, and tabulations presented in the appendixes.

Insurance Information

Employers in Wholesale Trade, Transportation, & Utilities (83.3%) and Information (79.3%) were most likely to offer health insurance to their full-time employees (see Table 3.1, page 159). Employers in Retail Trade (36.1%), Leisure & Hospitality (35.0%), and Manufacturing (29.0%) were least likely to offer health insurance. These results are consistent with findings from the tabular analysis and focus group discussions.

Additionally, employers in smaller firms were less likely than those in larger firms to offer health insurance to their full-time employees. In firms with less than 10 employees, only 41.8 percent of the respondents offered health insurance. In firms with more than 50 employees, 93.4 percent offered health insurance. This distribution is significant because almost 76 percent of employers in Wyoming have fewer than ten employees (see Section 1 and *Wages and Benefits in Wyoming* [Cowan, Hauf, & Leonard, 2005]). Taken together, about half of all firms in the state do not offer health insurance to any of their employees.

While 48.4 percent of all respondents offered health insurance to their full-time employees, only 5.2 percent offered it to their part-time employees (see Table 3.2, page 160). This is consistent with the tabular analysis.

Barriers to Providing Health Benefits

For most employers, it appears that cost was the primary rationale for not offering health insurance to all employees, since 67.7 percent responded "no" when asked in Question 15 if there were barriers other than cost affecting their decision whether to offer health insurance. Table 3.3 (see page 161) shows this finding was especially true for employers in Manufacturing (85.5%), Mining (83.2%), and Wholesale Trade, Transportation, & Utilities (80.6%). Since Wyo-Care could potentially lower costs, these are industries which could possibly benefit significantly from the program.

(Text continued on page 162)

Table 3.1: Summary Estimates of the Number of Employers Offering Health Insurance Coverage to Full-Time Employees

			Question 11. Does firm offer medical insurance to at least some full-time employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	325	333	0	0	658
		Row %	49.4%	50.6%	0.0%	0.0%	100.0%
	Construction	Employers	858	1,426	0	0	2,284
		Row %	37.6%	62.4%	0.0%	0.0%	100.0%
	Manufacturing	Employers	158	387	0	0	545
		Row %	29.0%	71.0%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	1,260	252	0	0	1,512
		Row %	83.3%	16.7%	0.0%	0.0%	100.0%
	Retail Trade	Employers	636	1,125	0	0	1,761
		Row %	36.1%	63.9%	0.0%	0.0%	100.0%
	Information	Employers	156	41	0	0	197
		Row %	79.3%	20.7%	0.0%	0.0%	100.0%
	Financial Activities	Employers	562	649	0	0	1,211
		Row %	46.4%	53.6%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	1,360	769	0	0	2,128
		Row %	63.9%	36.1%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	704	580	0	0	1,284
		Row %	54.8%	45.2%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	487	903	0	0	1,390
		Row %	35.0%	65.0%	0.0%	0.0%	100.0%
	Other Services	Employers	317	812	0	0	1,129
		Row %	28.1%	71.9%	0.0%	0.0%	100.0%
	Total	Employers	6,823	7,278	0	0	14,100
		Row %	48.4%	51.6%	0.0%	0.0%	100.0%
Number of Employees	<10 Workers	Employers	4,389	6,113	0	0	10,502
		Row %	41.8%	58.2%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	1,119	826	0	0	1,944
		Row %	57.5%	42.5%	0.0%	0.0%	100.0%
	20 - 49 Workers	Employers	815	303	0	0	1,118
		Row %	72.9%	27.1%	0.0%	0.0%	100.0%
	50+ Workers	Employers	500	35	0	0	536
		Row %	93.4%	6.6%	0.0%	0.0%	100.0%
	Total	Employers	6,823	7,278	0	0	14,100
		Row %	48.4%	51.6%	0.0%	0.0%	100.0%

Table 3.2: Summary Estimates of the Number of Employers Offering Health Insurance Coverage to Part-Time Employees

			Question 11. Does firm offer medical insurance to at least some part-time employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	37	389	0	0	426
		Row %	8.6%	91.4%	0.0%	0.0%	100.0%
	Construction	Employers	40	1,052	0	0	1,092
		Row %	3.7%	96.3%	0.0%	0.0%	100.0%
	Manufacturing	Employers	12	372	0	0	384
		Row %	3.1%	96.9%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	32	1,364	0	0	1,396
		Row %	2.3%	97.7%	0.0%	0.0%	100.0%
	Retail Trade	Employers	29	1,807	0	0	1,836
		Row %	1.6%	98.4%	0.0%	0.0%	100.0%
	Information	Employers	16	156	0	0	172
		Row %	9.5%	90.5%	0.0%	0.0%	100.0%
	Financial Activities	Employers	158	745	0	0	902
		Row %	17.5%	82.5%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	7	1,520	0	0	1,527
		Row %	0.5%	99.5%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	126	792	0	0	919
		Row %	13.7%	86.3%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	100	1,366	0	0	1,466
		Row %	6.8%	93.2%	0.0%	0.0%	100.0%
	Other Services	Employers	5	654	0	0	659
		Row %	0.8%	99.2%	0.0%	0.0%	100.0%
	Total	Employers	562	10,218	0	0	10,780
		Row %	5.2%	94.8%	0.0%	0.0%	100.0%
Number of Employees	<10 Workers	Employers	302	7,600	0	0	7,902
		Row %	3.8%	96.2%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	74	1,448	0	0	1,522
		Row %	4.9%	95.1%	0.0%	0.0%	100.0%
	20 - 49 Workers	Employers	88	822	0	0	910
		Row %	9.6%	90.4%	0.0%	0.0%	100.0%
	50+ Workers	Employers	98	348	0	0	446
		Row %	22.1%	77.9%	0.0%	0.0%	100.0%
	Total	Employers	562	10,218	0	0	10,780
		Row %	5.2%	94.8%	0.0%	0.0%	100.0%

Table 3.3: Summary Estimates of the Number of Employers Experiencing Barriers Other Than Cost to Offering Health Insurance Coverage to Their Employees

			Question 15. Are there barriers other than cost that factor into your decision whether to offer health insurance to your employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	101	501	0	0	602
		Row %	16.8%	83.2%	0.0%	0.0%	100.0%
	Construction	Employers	1,055	902	0	0	1,957
		Row %	53.9%	46.1%	0.0%	0.0%	100.0%
	Manufacturing	Employers	80	471	0	0	551
		Row %	14.5%	85.5%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	293	1,219	0	0	1,512
		Row %	19.4%	80.6%	0.0%	0.0%	100.0%
	Retail Trade	Employers	526	1,501	0	0	2,027
		Row %	26.0%	74.0%	0.0%	0.0%	100.0%
	Information	Employers	57	154	0	2	213
		Row %	26.8%	72.1%	0.0%	1.1%	100.0%
	Financial Activities	Employers	311	1,017	0	3	1,331
		Row %	23.4%	76.4%	0.0%	0.2%	100.0%
	Professional & Business Services	Employers	784	1,523	0	0	2,307
		Row %	34.0%	66.0%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	363	921	0	0	1,284
		Row %	28.3%	71.7%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	771	763	0	0	1,533
		Row %	50.3%	49.7%	0.0%	0.0%	100.0%
	Other Services	Employers	362	888	0	0	1,249
		Row %	28.9%	71.1%	0.0%	0.0%	100.0%
	Total	Employers	4,703	9,858	0	5	14,566
		Row %	32.3%	67.7%	0.0%	0.0%	100.0%
Number of Employees	<10 Workers	Employers	3,745	7,287	0	0	11,032
		Row %	33.9%	66.1%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	420	1,505	0	0	1,926
		Row %	21.8%	78.2%	0.0%	0.0%	100.0%
	20 - 49 Workers	Employers	390	695	0	0	1,085
		Row %	35.9%	64.1%	0.0%	0.0%	100.0%
	50+ Workers	Employers	148	371	0	5	524
		Row %	28.3%	70.8%	0.0%	1.0%	100.0%
	Total	Employers	4,703	9,858	0	5	14,566
		Row %	32.3%	67.7%	0.0%	0.0%	100.0%

However, about one-third (32.3%) of all employers indicated that there were barriers other than cost affecting their decision to offer health insurance. A common finding in both the focus groups, and the analysis of the tabular estimates in Section 1 was that low employee attachment (i.e., short tenure with a firm, higher than average turnover) was associated with employers not offering health insurance to employees. As the graphics in Section 1 and tabular data in Appendixes A-E reveal, the Construction and Leisure & Hospitality industries are more likely than other industries to rely upon labor that is short tenured, high in turnover, and more likely to be nonresident. These findings may help explain why over half of the employers in Construction (53.9%) and Leisure & Hospitality (50.3%) indicated that non-cost factors were a consideration in not offering health insurance. For these industries, using the Wyo-Care proposal (or similar programs) as a strategy to address insurance costs as the primary barrier may have limited appeal.. Employer responses to the question asking if there were barriers not related to cost that influenced their decision whether or not to offer health insurance tend to support this perspective.

Among Construction and Leisure & Hospitality employers who indicated that factors other than cost affected their decision not to offer health insurance, two out of every five (19 of 49 in Construction and 17 of 44 in Leisure & Hospitality) responded that a low level of employee attachment was the principal reason for not offering insurance. An employer in Leisure & Hospitality with 10-19 employees offered the following list of reasons: "A. Seasonality. B. High employee turnover. C. Skyrocketing costs other than insurance for businesses. D. Misuse of insurance by insured." Although more elaborate than most responses, this employer's list includes a reference not just to turnover as a non-cost barrier to offering health insurance but also identifies a cross section of employer comments.

An additional 25 employers also indicated that high employee turnover was associated with a decision not to offer health insurance. Among these firms were several in the Mining industry. The Mining industry was growing quickly during the collection period (July 1 to September 27, 2004). For example, preliminary estimates for August 2004 indicated that over-the-year employment growth in Mining stood at 10.5 percent [Trends citation, check OTY]. Rapid industrial expansion is often associated with high turnover as employers bid up wages and employees move quickly to the most attractive opportunity. It may be, then, that employer considerations regarding the offering of health insurance are not only associated with certain characteristic ways of coping with human resource needs but it may also mean that employer compensation strategies, including the offer of health insurance, are associated with certain phases of the business cycle that may be industry specific.

Cost Containment

Based on employers' comments regarding cost containment, a significant segment of private sector employers are changing their compensation strategies and searching for alternatives to their current arrangements with health insurance companies. Mail survey research (in contrast to focus groups) provides an opportunity to examine the scale of employer cost containment action in response to higher health insurance costs.

While tabular estimates indicate that nearly half (see Table 3.1, page 159) of Wyoming's private sector firms offer health insurance, the survey results also indicate that more than half of all respondents who offer health insurance (54.9%) indicated they had undertaken or were planning cost containment measures in order to continue offering health insurance coverage to their employees (see Table 3.4, page 164). The structure of the question may introduce some uncertainty over the interpretation of the results, as the question asks about the past and the future simultaneously. The five industries with the largest percentages of employers using cost containment strategies (Wholesale Trade, 97.3%; Retail Trade, 74.4%; Manufacturing, 62.9%; Leisure & Hospitality, 55.7%; and Information, 53.2%) were the same five industries that were either the most or least likely to offer benefits (see Table 3.1, page 159). It may be that the industries most likely to offer benefits have already implemented cost containment strategies while the industries least likely to offer benefits plan to implement them.

Employers in Professional & Business Services (73.3%) and Mining (65.0%) indicated they are not implementing cost containment strategies. Nonresident corporations own many of the Mining firms in Wyoming. Offices outside Wyoming often make decisions regarding which categories of employees are offered insurance and which policies. Therefore, it is possible that the person who completed the survey was not aware of cost containment strategies implemented by corporate headquarters.

The majority of reported cost containment strategies include having employees pay some (or more) of the premium cost, reduce benefits, and increase co-payments. During a telephone survey of a financial firm with 21 employees, the respondent indicated that they increased the deductible from $300 to $2,000 to keep up with the high cost of premiums. The problem, the respondent indicated, is that they "do not know what they'll do if the cost of medical insurance continues to rise." Throughout the questionnaires, where employers provided comments, the issue was not simply recent trends in costs but the absence of clear options for the future.

(Text continued on page 165)

Table 3.4: Summary Estimates of the Number of Employers Utilizing Cost Containment in Order to Offer Health Insurance Coverage to Their Employees

			Question 17. If your company offers health insurance to any employees, has/will your company need to begin cost containment?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	142	265	0	0	407
		Row %	35.0%	65.0%	0.0%	0.0%	100.0%
	Construction	Employers	308	235	152	0	695
		Row %	44.3%	33.8%	21.9%	0.0%	100.0%
	Manufacturing	Employers	123	73	0	0	196
		Row %	62.9%	37.1%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	1,225	30	0	4	1,260
		Row %	97.3%	2.4%	0.0%	0.3%	100.0%
	Retail Trade	Employers	573	197	0	0	769
		Row %	74.4%	25.6%	0.0%	0.0%	100.0%
	Information	Employers	83	71	0	2	156
		Row %	53.2%	45.2%	0.0%	1.5%	100.0%
	Financial Activities	Employers	268	287	0	0	555
		Row %	48.3%	51.7%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	358	984	0	0	1,342
		Row %	26.7%	73.3%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	323	277	0	103	704
		Row %	45.9%	39.4%	0.0%	14.7%	100.0%
	Leisure & Hospitality	Employers	271	187	28	0	487
		Row %	55.7%	38.5%	5.8%	0.0%	100.0%
	Other Services	Employers	167	260	0	0	427
		Row %	39.1%	60.9%	0.0%	0.0%	100.0%
	Total	Employers	3,841	2,865	180	110	6,996
		Row %	54.9%	41.0%	2.6%	1.6%	100.0%
Number of Employees	<10 Workers	Employers	2,166	2,195	152	103	4,616
		Row %	46.9%	47.5%	3.3%	2.2%	100.0%
	10 - 19 Workers	Employers	775	290	28	0	1,093
		Row %	70.9%	26.5%	2.6%	0.0%	100.0%
	20 - 49 Workers	Employers	564	222	0	0	786
		Row %	71.7%	28.3%	0.0%	0.0%	100.0%
	50+ Workers	Employers	335	158	0	6	500
		Row %	67.1%	31.7%	0.0%	1.3%	100.0%
	Total	Employers	3,841	2,865	180	110	6,996
		Row %	54.9%	41.0%	2.6%	1.6%	100.0%

There are also indications that cost containment strategies are associated with firm size. Employers from larger firms occasionally suggested "negotiated pricing" and "bill monitoring." Another employer mentioned self-insurance, the use of mail-in prescriptions, and the possibilities associated with Health Savings and Health Reimbursement Accounts. It is not clear to what extent firm size is associated with the staffing of specialized human resource managers who can effectively explore more health insurance options. However, for small firms, Wyo-Care program participation may depend on the availability of an employer service representative function to assist in assessing how the Wyo-Care program would fit into an overall strategy of compensation.

Cost containment, and other firm behavior, takes place in a broader economic context. A small number of employers mentioned limiting coverage to exclude spouses, no longer hiring anyone, confining the hiring of new workers to those who appeared to have fewer risk characteristics, and making worker eligibility for health insurance a condition of six months to a year of tenure with the firm rather than a more traditional period of three months. One employer indicated dropping a wellness program. These ideas were less frequently expressed, but it is clear that employers are experimenting with a range of cost containment strategies.

Given the complexity of compensation it is not clear that a single question regarding cost containment strategies is sufficient to determine if other benefits such as retirement plans are being limited or wage rates constrained in response to increasing health insurance costs. What does seem apparent, however, is that employees in almost half of the firms that provide health insurance are being asked to shoulder a greater share of health insurance costs and assume greater risk as benefits are reduced.

Vigorous employer cost containment strategies may have unanticipated consequences on the availability of health insurance. More than half of employers offering health insurance plan cost containment strategies. However, it is unclear how extensively limiting demand affects the economic viability of the health insurance industry in the state.

Employer cost containment strategies may serve to exacerbate other problems that were described in the focus groups. Several employers raised the concern that there were not enough insurance carriers in the state. One respondent indicated that the "lack of companies providing health insurance has eliminated competition, which has enabled providers to raise premiums without limitation." Others wanted more flexibility in the coverage and expressed a view that they would like greater choice in plan coverage. A few

employers indicated that benefits are confusing, that insurance companies "fight you when you file for benefits," and that there is a lack of "fairness" in insurance. Employer comments suggest a certain amount of tension surrounding the insurance issue. While the majority of employers who offer insurance are adapting to changing costs within the existing framework, as the analysis of employer proposed solutions suggest, there is a significant minority of employers who are willing to prescribe substantially changing the structure of that framework.

Willingness to Contribute

Questions 19 through 25 of the survey instrument were closed-ended questions asking respondents about their willingness to contribute funds above their current monthly payroll for their uncovered employees. Each question included an opportunity to provide additional comments. The focus group discussions (Section 2) centered around those questions, as they were designed to solicit employers' opinions regarding program features explored by the Wyo-Care proposal.

Based on employers' responses to Questions 19 and 20, an estimated 2,000 (13.8%) private sector employers expressed a willingness to support two important features of the Wyo-Care proposal. As can be seen in Table 3.5 (see page 167), 13.8 percent of respondents (an estimated 1,923 private sector employers) checked the "yes" response to question 19 which asked employers if they would be willing to contribute additional funds for employees not covered by health insurance. An additional 4.6 percent of respondents provided conditional answers suggesting potential positive endorsement under the right conditions. An estimated 379 employer fall into the category of "maybe" while 261 are estimated to fall into the "don't know" category. It is possible, then, that as many as one in five employers are open to providing additional compensation through a program like Wyo-Care.

Employers in industries most likely to offer health insurance (i.e., Wholesale Trade, Transportation, & Utilities and Information) were also most willing to indicate that they would contribute additional funds above their current payrolls to cover their uncovered employees (23.4% and 31.8%, respectively). In addition, employers in industries such as Leisure & Hospitality (21.0%) and Retail Trade (21.8%), which typically employ large numbers of seasonal workers who lack the tenure for health insurance eligibility, were likewise willing to contribute. However, employers in the Construction industry, which also utilizes seasonal workers, were considerably less willing to contribute additional funds to provide coverage (7.5%). Unlike employers in

(Text continued on page 168)

Table 3.5: Summary Estimates of the Number of Employers Willing to Contribute Funds Above Current Payroll to Offer Health Insurance Coverage to Their Uncovered Employees

			Question 19. Is your firm willing to contribute additional funds above your current monthly payroll for your uncovered employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	65	572	0	0	636
		Row %	10.2%	89.8%	0.0%	0.0%	100.0%
	Construction	Employers	135	1,491	152	11	1,790
		Row %	7.5%	83.3%	8.5%	0.6%	100.0%
	Manufacturing	Employers	106	434	5	5	551
		Row %	19.2%	78.9%	0.9%	1.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	295	968	0	0	1,263
		Row %	23.4%	76.6%	0.0%	0.0%	100.0%
	Retail Trade	Employers	441	1,395	185	0	2,021
		Row %	21.8%	69.0%	9.2%	0.0%	100.0%
	Information	Employers	73	145	5	5	229
		Row %	31.8%	63.5%	2.3%	2.3%	100.0%
	Financial Activities	Employers	145	1,168	3	13	1,328
		Row %	10.9%	87.9%	0.2%	1.0%	100.0%
	Professional & Business Services	Employers	40	2,256	4	0	2,300
		Row %	1.7%	98.1%	0.2%	0.0%	100.0%
	Education & Health Care	Employers	169	874	14	5	1,063
		Row %	15.9%	82.2%	1.4%	0.5%	100.0%
	Leisure & Hospitality	Employers	310	1,052	11	100	1,472
		Row %	21.0%	71.5%	0.7%	6.8%	100.0%
	Other Services	Employers	146	981	0	120	1,247
		Row %	11.7%	78.7%	0.0%	9.7%	100.0%
	Total	Employers	1,923	11,336	379	261	13,899
		Row %	13.8%	81.6%	2.7%	1.9%	100.0%
Number of Employees	<10 Workers	Employers	1,271	8,741	302	181	10,495
		Row %	12.1%	83.3%	2.9%	1.7%	100.0%
	10 - 19 Workers	Employers	457	1,332	41	53	1,883
		Row %	24.3%	70.7%	2.2%	2.8%	100.0%
	20 - 49 Workers	Employers	137	872	5	11	1,025
		Row %	13.4%	85.1%	0.5%	1.1%	100.0%
	50+ Workers	Employers	58	391	31	16	496
		Row %	11.8%	78.9%	6.2%	3.1%	100.0%
	Total	Employers	1,923	11,336	379	261	13,899
		Row %	13.8%	81.6%	2.7%	1.9%	100.0%

Information and Wholesale Trade, Transportation, & Utilities, those in Professional & Business Services were the least willing to contribute additional funds (1.7%), even though 63.9 percent of employers in this industry offered health insurance to their full-time employees.

Firm size (located at the bottom of Table 3.5) alone does not initially appear to influence the likelihood of an employer's willingness to contribute additional funds to provide coverage to their uncovered employees, with the exception of firms having 10 to 19 employees. Employers from firms with 10 to 19 employees (24.3%) were the most willing to contribute additional funds, while around 12 percent of employers with firms in other size classes were willing to contribute. However, as discussed in Section 1 and as can be seen in the tabular data in Appendixes A-E, firm size within certain industries may be predictive of firms' willingness to contribute additional funds.

Three-quarters of Wyoming employers have fewer than ten employees. When dealing with very small employers, questions about contributing additional funds may be more personal than they are for larger employers. For instance, an employer with two part-time workers is more likely to have a close relationship with those workers. He or she would know that the workers are high school students who work 10 hours after school per week and would not take insurance even if it were offered. In cases like these, the employers will indicate they are unwilling to contribute additional funds because it is not a hypothetical question, but rather a real question they already know the answer to. The Professional & Business Services industry has more small firms than nearly any other industry; 85.1 percent employ fewer than 10 workers (Section 1). The large representation of small firms in Professional & Business Services could explain why only 1.7 percent of the employers from that industry were willing to contribute additional funds.

Survey findings indicate that not only are small firms with less than 10 employees unwilling to contribute additional funds but large firms with more than 50 employees are just as unwilling. However, recall from Table 3.1 (see page 159) that as firm size increases, so does the likelihood of benefits offering. Therefore, the question of willingness to offer more is less relevant as firm size increases. In addition, for large firms there may be policies in place, often determined by corporate headquarters, about which categories of workers are offered coverage and which are not. In these cases, the employer may not have the latitude to alter company policy to attempt coverage for part-time workers in Wyoming. The Mining industry has the largest share of firms with 50 or more employees than any other industry in Wyoming. The inability of local managers to alter policy could explain why employers in Mining indicated an unwillingness to contribute additional money for their uncovered employees.

Nearly one-quarter of the employers with 10 to 19 employees indicated they would be willing to contribute additional funds for uncovered employees. In addition, almost 80 percent of employers from firms this size indicated cost was the primary barrier to offering insurance coverage (see Table 3.1, page 159). Given these firm characteristics, the Wyo-Care proposal appears ideal for firms of this size.

As can be seen from the Questionnaire in Appendix F, Question 20 was designed to link additional compensation for insuring uncovered employees to the potential advantage of reduced administrative costs for employers. While 14.9 percent of respondents (an estimated 2,020 privates sector employers) provided a positive response, an additional 2.9 percent of employers did not reject the idea (see Table 3.6, page 170). Instead, an estimated 0.3 percent noted "maybe" and 2.6 percent wrote "don't know."

Questionnaire instructions asked respondents who responded negatively to Question 20, those indicating an unfavorable view of exchanging additional compensation for reduced administrative costs, to skip Questions 21 through 25. However, as can be seen in the tables for these subsequent questions, some respondents who answered question 20 negatively, continued to provide comments that appear useful in the current analysis. For example, in Table 3.7 (see page 171), 6.7 percent of employers indicated "maybe" when asked if they were willing to use a secure electronic system to contribute to an individual health benefits account. It may be suggested that some employers find features of the Wyo-Care proposal attractive without viewing it as a requirement that they endorse the basic Wyo-Care principles raised by Questions 19 and 20. It may also be that some employers view some features (e.g., electronic systems) as having the same necessary relationship implied in the structure of the questionnaire. The complexity of the Wyo-Care proposal and response patterns suggest that under some conditions employers would support features of the proposal. The complexity and response patterns also suggest that alternative data collection strategies need to be considered before the next stage of research is developed.

Employers who said they would be willing to contribute additional funds to provide coverage (responded "yes" to Question 20 in Table 3.6 [see page 170]) were asked in Question 21 if they would be willing to use an electronic system to make the contributions to their employees' individual health benefits accounts (see Table 3.7, page 171). Only respondents who answered "yes" to Question 20 were eligible to answer Question 21. Question 21 represented the first time in the questionnaire that health benefits accounts were mentioned. As discussed earlier, respondents were given little background on health benefits accounts. Consequently, their responses may have been based on the ideas implied by the written questionnaire items

(Text continued on page 172)

Table 3.6: Summary Estimates of the Number of Employers Willing to Contribute Funds Above Current Payroll to Offer Health Insurance Coverage to Their Uncovered Employees if Administrative Costs Could be Reduced

			Question 20. Is your firm willing to contribute additional funds above your current monthly payroll for your uncovered employees if you could reduce administrative costs?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	56	527	0	6	589
		Row %	9.5%	89.4%	0.0%	1.1%	100.0%
	Construction	Employers	120	1,649	0	21	1,790
		Row %	6.7%	92.1%	0.0%	1.1%	100.0%
	Manufacturing	Employers	102	390	5	48	545
		Row %	18.8%	71.5%	0.9%	8.8%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	278	964	4	0	1,246
		Row %	22.3%	77.3%	0.3%	0.0%	100.0%
	Retail Trade	Employers	544	1,442	11	0	1,998
		Row %	27.2%	72.2%	0.6%	0.0%	100.0%
	Information	Employers	70	146	8	2	227
		Row %	30.7%	64.5%	3.7%	1.0%	100.0%
	Financial Activities	Employers	26	1,279	3	21	1,328
		Row %	1.9%	96.3%	0.2%	1.6%	100.0%
	Professional & Business Services	Employers	240	1,877	4	0	2,121
		Row %	11.3%	88.5%	0.2%	0.0%	100.0%
	Education & Health Care	Employers	217	840	0	5	1,063
		Row %	20.4%	79.1%	0.0%	0.5%	100.0%
	Leisure & Hospitality	Employers	338	972	0	123	1,433
		Row %	23.6%	67.9%	0.0%	8.6%	100.0%
	Other Services	Employers	28	1,093	0	129	1,249
		Row %	2.2%	87.5%	0.0%	10.3%	100.0%
	Total	Employers	2,020	11,179	35	355	13,589
		Row %	14.9%	82.3%	0.3%	2.6%	100.0%
Number of Employees	<10 Workers	Employers	1,363	8,693	0	219	10,275
		Row %	13.3%	84.6%	0.0%	2.1%	100.0%
	10 - 19 Workers	Employers	418	1,299	6	86	1,809
		Row %	23.1%	71.8%	0.3%	4.8%	100.0%
	20 - 49 Workers	Employers	171	818	5	28	1,021
		Row %	16.7%	80.1%	0.5%	2.7%	100.0%
	50+ Workers	Employers	68	369	24	22	483
		Row %	14.1%	76.3%	5.1%	4.5%	100.0%
	Total	Employers	2,020	11,179	35	355	13,589
		Row %	14.9%	82.3%	0.3%	2.6%	100.0%

Table 3.7: Summary Estimates of the Number of Employers Willing to Use a Secure Electronic System to Contribute Funds Above Current Payroll to Individual Benefit Accounts for Uncovered Employees

			Question 21. Would your firm willing to use a secure electronic system to contribute to an individual health benefits account for each or some of your uncovered employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	17	47	0	0	65
		Row %	26.9%	73.1%	0.0%	0.0%	100.0%
	Construction	Employers	109	184	0	4	297
		Row %	36.7%	62.0%	0.0%	1.3%	100.0%
	Manufacturing	Employers	107	5	0	38	150
		Row %	71.2%	3.6%	0.0%	25.2%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	266	17	0	0	283
		Row %	94.1%	5.9%	0.0%	0.0%	100.0%
	Retail Trade	Employers	82	312	162	0	555
		Row %	14.7%	56.2%	29.1%	0.0%	100.0%
	Information	Employers	70	0	8	2	80
		Row %	86.6%	0.0%	10.4%	3.0%	100.0%
	Financial Activities	Employers	18	15	3	8	44
		Row %	41.2%	35.1%	6.1%	17.6%	100.0%
	Professional & Business Services	Employers	226	18	0	0	244
		Row %	92.6%	7.4%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	87	233	0	5	326
		Row %	26.8%	71.6%	0.0%	1.6%	100.0%
	Leisure & Hospitality	Employers	105	199	0	95	399
		Row %	26.2%	49.9%	0.0%	23.9%	100.0%
	Other Services	Employers	17	11	0	110	137
		Row %	12.2%	8.0%	0.0%	79.8%	100.0%
	Total	Employers	1,103	1,042	173	262	2,580
		Row %	42.8%	40.4%	6.7%	10.2%	100.0%
Number of Employees	<10 Workers	Employers	625	843	150	147	1,766
		Row %	35.4%	47.8%	8.5%	8.4%	100.0%
	10 - 19 Workers	Employers	300	99	6	93	497
		Row %	60.3%	19.9%	1.2%	18.6%	100.0%
	20 - 49 Workers	Employers	130	73	0	0	203
		Row %	64.2%	35.8%	0.0%	0.0%	100.0%
	50+ Workers	Employers	49	27	16	22	115
		Row %	42.5%	23.8%	14.4%	19.3%	100.0%
	Total	Employers	1,103	1,042	173	262	2,580
		Row %	42.8%	40.4%	6.7%	10.2%	100.0%

and their personal knowledge, including rhetoric from the Health Savings Accounts (HSAs) discussions during the then-upcoming election campaigns. The percentage of respondents who indicated a willingness to use an electronic system ranged from 94.1 percent for employers in Wholesale Trade, Transportation, & Utilities to 12.2 percent for those in Other Services. Overall, 42.8 percent of the employers indicated a willingness to use an electronic system for health benefits accounts contributions. Respondents in Professional & Business Services (92.6%) and Information (86.6%), specifically, indicated a high willingness to contribute electronically. Their willingness may be reflective of their familiarity with using personal computers as part of daily business activities.

Employers in Other Services (79.8%) and Manufacturing (25.2%) responded that they did not know whether or not they would use an electronic system to contribute to individual health benefits accounts. An additional 29.1 percent in Retail Trade indicated they would "maybe" contribute in this way. These comments could be in response to a lack of knowledge about health benefits accounts in general or a lack of understanding about electronic payment systems. Regardless, it would appear that additional education might assist these employers in making a decision.

Overall, only 28.6 percent of the respondents willing to contribute additional funds to the accounts of year-round employees were willing to make the same offer to their seasonal and temporary workers (see Table 3.8, page 173). Of employers answering Question 22, 95.2 percent of those in Professional & Business Services were willing to contribute to the health benefits accounts of their seasonal and temporary employees. Employers in the other industries were not nearly as receptive to the idea. None of the employers in either Retail Trade or Financial Activities indicated a willingness to contribute to seasonal or temporary employees' accounts.

Question 22 generated several "don't know" responses, especially from employers in Education & Health Care (56.0%) and Financial Activities (37.4%). The uncertainty could have stemmed from confusion about seasonal and temporary workers compared to "uncovered" workers usually referred to earlier in the questionnaire. It also could have been the result of the level of understanding of the individual health benefits account system in general.

When asked in Question 23 (see Table 3.9, page 174) whether or not they would be willing to contribute to an individual health savings account if they could use an electronic system housed within the

(Text continued on page 175)

Table 3.8: Summary Estimates of the Number of Employers Willing to Contribute Health Benefits Funds Above Current Payroll for Seasonal or Temporary Employees

			Question 22. Is your firm willing to contribute to an individual health benefits account for each or some of your uncovered seasonal and/or temporary employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	9	6	0	0	15
		Row %	57.6%	42.4%	0.0%	0.0%	100.0%
	Construction	Employers	60	68	0	0	128
		Row %	47.1%	52.9%	0.0%	0.0%	100.0%
	Manufacturing	Employers	48	97	0	0	144
		Row %	33.2%	66.8%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	26	262	0	0	288
		Row %	9.1%	90.9%	0.0%	0.0%	100.0%
	Retail Trade	Employers	0	568	11	0	579
		Row %	0.0%	98.0%	2.0%	0.0%	100.0%
	Information	Employers	51	18	6	2	77
		Row %	65.5%	23.6%	7.8%	3.1%	100.0%
	Financial Activities	Employers	0	23	3	15	41
		Row %	0.0%	56.1%	6.5%	37.4%	100.0%
	Professional & Business Services	Employers	222	7	4	0	234
		Row %	95.2%	3.2%	1.7%	0.0%	100.0%
	Education & Health Care	Employers	26	59	0	109	194
		Row %	13.6%	30.4%	0.0%	56.0%	100.0%
	Leisure & Hospitality	Employers	177	166	0	28	371
		Row %	47.6%	44.8%	0.0%	7.6%	100.0%
	Other Services	Employers	8	112	0	0	121
		Row %	6.9%	93.1%	0.0%	0.0%	100.0%
	Total	Employers	628	1,386	24	155	2,192
		Row %	28.6%	63.2%	1.1%	7.1%	100.0%
Number of Employees	<10 Workers	Employers	407	959	0	103	1,470
		Row %	27.7%	65.3%	0.0%	7.0%	100.0%
	10 - 19 Workers	Employers	119	225	6	44	394
		Row %	30.3%	57.1%	1.5%	11.1%	100.0%
	20 - 49 Workers	Employers	70	147	0	0	217
		Row %	32.1%	67.9%	0.0%	0.0%	100.0%
	50+ Workers	Employers	31	55	18	8	112
		Row %	28.1%	48.9%	16.1%	6.9%	100.0%
	Total	Employers	628	1,386	24	155	2,192
		Row %	28.6%	63.2%	1.1%	7.1%	100.0%

Table 3.9: Summary Estimates of the Number of Employers Willing to Utilize an Electronic System Housed in the Department of Employment

			Question 23. Is your firm willing to use an electronic system housed in the Wyoming Department of Employment to manage individual health benefits accounts?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	30	41	0	0	71
		Row %	42.5%	57.5%	0.0%	0.0%	100.0%
	Construction	Employers	94	186	0	4	284
		Row %	33.1%	65.5%	0.0%	1.4%	100.0%
	Manufacturing	Employers	107	5	0	38	150
		Row %	71.2%	3.6%	0.0%	25.2%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	266	245	17	0	528
		Row %	50.4%	46.4%	3.2%	0.0%	100.0%
	Retail Trade	Employers	215	179	185	0	579
		Row %	37.1%	30.9%	32.0%	0.0%	100.0%
	Information	Employers	69	0	9	2	80
		Row %	85.7%	0.0%	11.3%	3.0%	100.0%
	Financial Activities	Employers	26	8	3	8	44
		Row %	58.8%	17.6%	6.1%	17.6%	100.0%
	Professional & Business Services	Employers	226	22	4	0	252
		Row %	89.8%	8.7%	1.5%	0.0%	100.0%
	Education & Health Care	Employers	48	253	14	11	326
		Row %	14.7%	77.6%	4.4%	3.3%	100.0%
	Leisure & Hospitality	Employers	205	105	23	67	399
		Row %	51.3%	26.2%	5.7%	16.8%	100.0%
	Other Services	Employers	25	112	0	110	247
		Row %	10.2%	45.5%	0.0%	44.4%	100.0%
	Total	Employers	1,310	1,156	255	239	2,959
		Row %	44.3%	39.1%	8.6%	8.1%	100.0%
Number of Employees	<10 Workers	Employers	847	966	150	147	2,111
		Row %	40.1%	45.8%	7.1%	7.0%	100.0%
	10 - 19 Workers	Employers	315	60	61	64	500
		Row %	63.0%	12.0%	12.2%	12.9%	100.0%
	20 - 49 Workers	Employers	107	93	26	0	226
		Row %	47.4%	41.2%	11.4%	0.0%	100.0%
	50+ Workers	Employers	41	36	18	27	122
		Row %	33.2%	29.8%	14.7%	22.4%	100.0%
	Total	Employers	1,310	1,156	255	239	2,959
		Row %	44.3%	39.1%	8.6%	8.1%	100.0%

Department of Employment, nearly half of the employers (44.3%) responded favorably. This percentage is slightly higher than the 42.8 percent (Table 3.7, page 171) who were willing to contribute through a generic secure electronic system. The difference in willingness might be the result of employers' experience with using the current electronic systems available through the Department of Employment, such as those used for reporting Unemployment Insurance information.

Question 24 (see Table 3.10, page 176) asks employers about their willingness to pool their contributions with those of other employers to benefit their uncovered employees. The results of Question 24 were considerably different from those of Question 22 (Table 3.8, page 173) asking if employers were willing to contribute to an individual account for their seasonal or temporary workers. Because Question 24 asks about uncovered employees instead of seasonal or temporary workers, and the question includes the phrase "co-mingled with other contributions to benefit uncovered employees & other pool members," it is unclear which of the two issues the employers were responding to in their answers. Despite the ambiguity of the question, 46.9 percent (see Table 3.10, page 176) of employers were willing to contribute to a health benefits pool for their uncovered employees, while only 28.6 percent (see Table 3.8, page 173) were willing to contribute to an individual account for their seasonal or temporary workers.

As shown in Table 3.10 (see page 176), employers in Retail Trade, who indicated an unwillingness to contribute additional funds to the health benefits accounts of seasonal and temporary workers (see Table 3.8, page 173), seemed much more willing to place the funds in a health benefits pool with other employers (60.1%). An additional 32.0 percent answered "maybe," an indication that more education might be required before employers in Retail Trade can make an informed decision. Employers in Financial Activities responded similarly with 55.4 percent responding either "maybe" or "don't know."

Employers from smaller firms were twice as willing to contribute additional funds to a health benefits pool. Nearly half (48.1%) of the employers in firms with less than 10 employees and 56.9 percent of employers from firms with 10 to 19 employees would contribute to a health benefits pool. Again, the percentage of willing employers in firms with 10 to 19 employees might be higher after more education, because almost a quarter wrote in "maybe" or "don't know."

Employers willing to contribute additional funds in health benefit accounts were asked in Question 25 if they would be willing to pay a percentage of their payroll to uncovered employees comparable to the amount

(Text continued on page 177)

Table 3.10: Summary Estimates of the Number of Employers Willing to Contribute to a Health Benefits Pool

			Question 24. Is your firm willing to contribute to a health benefits pool where contributions would be co-mingled with other contributions to benefit uncovered employees & other pool members?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	17	54	0	0	71
		Row %	24.5%	75.5%	0.0%	0.0%	100.0%
	Construction	Employers	107	221	0	0	327
		Row %	32.6%	67.4%	0.0%	0.0%	100.0%
	Manufacturing	Employers	102	43	0	5	150
		Row %	68.0%	28.8%	0.0%	3.2%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	262	262	21	0	544
		Row %	48.1%	48.1%	3.8%	0.0%	100.0%
	Retail Trade	Employers	348	46	185	0	579
		Row %	60.1%	7.9%	32.0%	0.0%	100.0%
	Information	Employers	72	0	6	2	80
		Row %	89.6%	0.0%	7.5%	3.0%	100.0%
	Financial Activities	Employers	13	8	10	15	46
		Row %	28.1%	16.5%	22.3%	33.1%	100.0%
	Professional & Business Services	Employers	218	200	4	0	423
		Row %	51.7%	47.4%	0.9%	0.0%	100.0%
	Education & Health Care	Employers	137	155	29	5	326
		Row %	41.9%	47.6%	8.9%	1.6%	100.0%
	Leisure & Hospitality	Employers	194	154	23	28	399
		Row %	48.6%	38.6%	5.7%	7.1%	100.0%
	Other Services	Employers	28	110	0	110	247
		Row %	11.2%	44.4%	0.0%	44.4%	100.0%
	Total	Employers	1,498	1,252	278	166	3,193
		Row %	46.9%	39.2%	8.7%	5.2%	100.0%
Number of Employees	<10 Workers	Employers	1,100	929	150	110	2,289
		Row %	48.1%	40.6%	6.6%	4.8%	100.0%
	10 - 19 Workers	Employers	306	105	83	44	537
		Row %	56.9%	19.5%	15.4%	8.1%	100.0%
	20 - 49 Workers	Employers	71	143	23	5	242
		Row %	29.3%	59.3%	9.4%	2.0%	100.0%
	50+ Workers	Employers	21	74	22	8	125
		Row %	16.6%	59.6%	17.6%	6.1%	100.0%
	Total	Employers	1,498	1,252	278	166	3,193
		Row %	46.9%	39.2%	8.7%	5.2%	100.0%

paid for covered employees. More than half of the respondents (57.6%) indicated a willingness to pay a comparable percentage (see Table 3.11, page 178). Employers from small firms were the most willing to make comparable contributions (62.1% in firms with less than 10 employees and 59.7% in firms with 10-19 employees). Employers with more than 50 employees expressed the least interest (6.2%).

Employers in Professional & Business Services (93.9%), Information (82.4%), and Retail Trade (81.1%), who were willing to contribute additional funds, indicated the most willingness to contribute comparable amounts for their uncovered employees. Additionally, those who are willing to contribute seem very receptive to nearly all of the options presented to them.

In Question 25, employers in Construction indicated they were the least willing to make a contribution with 76.7 percent answering "no." This response may be another indication of the human resource strategies used by the Construction industry. Because most building projects are done in the summer months, Construction employers hire the most workers during the summer, often in response to specific jobs. It would be nearly impossible for an employer to maintain a health care policy that would cover a varying number of employees, for a varying amount of time. The investment involved in contributing additional funds for a temporary laborer might not be feasible for an employer who has extremely high turnover.

Awareness and Understanding of Recent Developments

The results from survey Questions 26 and 27 regarding awareness and understanding of HSAs temper all the other results from this survey. Questions 21-24 asked whether or not the employer would be willing to contribute money toward an individual health benefits account. The results ranged from about 28 to 47 percent of the employers who were willing to contribute additional funds were also willing to contribute toward an individual health savings account. However, as shown in Table 3.12 (see page 179), only 43.9 percent of all employers, including those unwilling to contribute additional funds, were even aware of the HSA legislation. Question 27 asked if respondents had any detailed knowledge of HSAs (see Table 3.13, page 180). Only 26.0 percent of the employers answered "yes."

Employers in Professional & Business Services (63.4%), at the high end of the range, were more informed about the new laws, while those in Construction (23.0%), at the low end, were less informed. Again,

(Text continued on page 181)

Table 3.11: Summary Estimates of the Number of Employers Willing to Pay a Comparable Percentage of Payroll to Uncovered Employees Similar to Covered Employees

			Question 25. Is your firm willing to pay a comparable percentage of payroll to uncovered employees as you do for covered employees?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	9	13	0	0	22
		Row %	40.5%	59.5%	0.0%	0.0%	100.0%
	Construction	Employers	64	211	0	0	274
		Row %	23.3%	76.7%	0.0%	0.0%	100.0%
	Manufacturing	Employers	59	16	38	38	150
		Row %	39.2%	10.4%	25.2%	25.2%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	283	262	0	0	544
		Row %	51.9%	48.1%	0.0%	0.0%	100.0%
	Retail Trade	Employers	348	69	11	0	429
		Row %	81.1%	16.2%	2.7%	0.0%	100.0%
	Information	Employers	51	0	5	5	62
		Row %	82.4%	0.0%	8.9%	8.7%	100.0%
	Financial Activities	Employers	10	26	3	8	46
		Row %	22.3%	55.4%	5.8%	16.5%	100.0%
	Professional & Business Services	Employers	393	26	0	0	419
		Row %	93.9%	6.1%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	139	182	0	5	326
		Row %	42.6%	55.8%	0.0%	1.6%	100.0%
	Leisure & Hospitality	Employers	223	103	23	28	377
		Row %	59.1%	27.4%	6.0%	7.5%	100.0%
	Other Services	Employers	28	0	0	110	137
		Row %	20.2%	0.0%	0.0%	79.8%	100.0%
	Total	Employers	1,605	907	80	194	2,785
		Row %	57.6%	32.5%	2.9%	7.0%	100.0%
Number of Employees	<10 Workers	Employers	1,225	562	38	147	1,973
		Row %	62.1%	28.5%	1.9%	7.5%	100.0%
	10 - 19 Workers	Employers	289	156	0	39	484
		Row %	59.7%	32.2%	0.0%	8.0%	100.0%
	20 - 49 Workers	Employers	83	110	26	0	219
		Row %	38.1%	50.1%	11.8%	0.0%	100.0%
	50+ Workers	Employers	7	78	16	8	109
		Row %	6.2%	71.7%	15.1%	7.0%	100.0%
	Total	Employers	1,605	907	80	194	2,785
		Row %	57.6%	32.5%	2.9%	7.0%	100.0%

Table 3.12: Summary Estimates of the Number of Employers Aware of Health Savings Accounts

			Question 26. Are you aware of the new Health Savings Accounts (HSAs) that were inacted into law in 2004?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	196	462	0	0	658
		Row %	29.8%	70.2%	0.0%	0.0%	100.0%
	Construction	Employers	526	1,758	0	0	2,284
		Row %	23.0%	77.0%	0.0%	0.0%	100.0%
	Manufacturing	Employers	266	284	0	0	551
		Row %	48.4%	51.6%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	666	846	0	0	1,512
		Row %	44.0%	56.0%	0.0%	0.0%	100.0%
	Retail Trade	Employers	678	1,384	0	0	2,062
		Row %	32.9%	67.1%	0.0%	0.0%	100.0%
	Information	Employers	102	127	0	0	229
		Row %	44.4%	55.6%	0.0%	0.0%	100.0%
	Financial Activities	Employers	622	716	0	0	1,338
		Row %	46.5%	53.5%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	1,458	841	0	0	2,300
		Row %	63.4%	36.6%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	549	730	0	0	1,279
		Row %	42.9%	57.1%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	752	782	0	0	1,533
		Row %	49.0%	51.0%	0.0%	0.0%	100.0%
	Other Services	Employers	821	538	0	0	1,359
		Row %	60.4%	39.6%	0.0%	0.0%	100.0%
	Total	Employers	6,635	8,469	0	0	15,104
		Row %	43.9%	56.1%	0.0%	0.0%	100.0%
Number of Employees	<10 Workers	Employers	4,477	7,026	0	0	11,502
		Row %	38.9%	61.1%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	1,024	934	0	0	1,958
		Row %	52.3%	47.7%	0.0%	0.0%	100.0%
	20 - 49 Workers	Employers	759	355	0	0	1,114
		Row %	68.1%	31.9%	0.0%	0.0%	100.0%
	50+ Workers	Employers	376	155	0	0	530
		Row %	70.8%	29.2%	0.0%	0.0%	100.0%
	Total	Employers	6,635	8,469	0	0	15,104
		Row %	43.9%	56.1%	0.0%	0.0%	100.0%

Table 3.13: Summary Estimates of the Number of Employers With Detailed Knowledge of Health Savings Accounts

			Question 27. Do you have any detailed knowledge of HSAs?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	101	548	0	9	658
		Row %	15.3%	83.3%	0.0%	1.3%	100.0%
	Construction	Employers	459	1,825	0	0	2,284
		Row %	20.1%	79.9%	0.0%	0.0%	100.0%
	Manufacturing	Employers	122	429	0	0	551
		Row %	22.1%	77.9%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	561	934	0	0	1,495
		Row %	37.5%	62.5%	0.0%	0.0%	100.0%
	Retail Trade	Employers	341	1,721	0	0	2,062
		Row %	16.5%	83.5%	0.0%	0.0%	100.0%
	Information	Employers	47	182	0	0	229
		Row %	20.5%	79.5%	0.0%	0.0%	100.0%
	Financial Activities	Employers	198	1,140	0	0	1,338
		Row %	14.8%	85.2%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	1,029	1,271	0	0	2,300
		Row %	44.7%	55.3%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	308	970	0	0	1,279
		Row %	24.1%	75.9%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	394	1,111	0	28	1,533
		Row %	25.7%	72.5%	0.0%	1.8%	100.0%
	Other Services	Employers	364	993	0	0	1,356
		Row %	26.8%	73.2%	0.0%	0.0%	100.0%
	Total	Employers	3,924	11,124	0	37	15,085
		Row %	26.0%	73.7%	0.0%	0.2%	100.0%
Number of Employees	<10 Workers	Employers	2,727	8,775	0	0	11,502
		Row %	23.7%	76.3%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	452	1,453	0	37	1,941
		Row %	23.3%	74.8%	0.0%	1.9%	100.0%
	20 - 49 Workers	Employers	468	643	0	0	1,111
		Row %	42.1%	57.9%	0.0%	0.0%	100.0%
	50+ Workers	Employers	277	253	0	0	530
		Row %	52.2%	47.8%	0.0%	0.0%	100.0%
	Total	Employers	3,924	11,124	0	37	15,085
		Row %	26.0%	73.7%	0.0%	0.2%	100.0%

Professional & Business Services (44.7%) had the largest percentage of employers with detailed information about HSAs, which could explain their consistent interest in the individual health benefit option throughout the survey.

Awareness of HSAs appears to increase as firm size grows from 38.9 percent of employers in firms with less than 10 employees to 70.8 percent of employers in firms with more than 50 employees. However, employers in firms with 20 to 49 workers (68.1%) appear almost as informed as those from firms with 50 or more employees. As with general awareness, detailed knowledge of HSAs rises with increases in firm size. In larger firms (20-49 and 50+ employees), 42.1 and 52.2 percent, respectively, of employers had detailed knowledge as opposed to about 23 percent in smaller firms. The lack of detailed knowledge, especially among small firms, reinforces the idea that more education is needed to inform employers about how a program like Wyo-Care would work and how it could benefit them.

Overall, 31.9 percent of the respondents to Question 29 had heard of using the Internet to access health records and claims information (see Table 3.14, page 182). Employers from large firms (57.6% in firms with more than 50 employees) had heard of using the Internet to access personal health records and health insurance claims information more frequently than those from smaller firms (29.5% in firms with less than 10 employees). Employers in Education & Health Care (54.6%) had heard of using the Internet for health care information most frequently. It is likely that some firms in health care industries are already using electronic means to store and access patient information.

The fact that only about a third of the employers had heard of using the Internet to access health records does not necessarily mean they are opposed to the idea. It could be they had never heard of the Internet being used in that manner before. The issues of privacy and security that may have kept personal health records off the Internet, thus far, are likely the same concerns voiced about using the Internet for the now-common practice of personal banking.

Open-Ended Questions

Question 30 asked employers if they believed there is a healthcare/health coverage problem. Question 31 sought suggestions on how to fix it. Judging from the responses to these two questions and the additional comments provided by the employers, there does not appear to be a comprehensive or firmly grounded

(Text continued on page 183)

Table 3.14: Summary Estimates of the Number of Employers With Knowledge of Internet Use for Health Information and Claims Management

			Question 29. Have you heard of using the Internet for accessing personal health records and health care claims information?				
			Yes	No	Maybe	Don't know	Total
Industry	Mining	Employers	170	488	0	0	658
		Row %	25.8%	74.2%	0.0%	0.0%	100.0%
	Construction	Employers	878	1,406	0	0	2,284
		Row %	38.4%	61.6%	0.0%	0.0%	100.0%
	Manufacturing	Employers	199	352	0	0	551
		Row %	36.1%	63.9%	0.0%	0.0%	100.0%
	Wholesale Trade, Transportation, & Utilities	Employers	416	1,096	0	0	1,512
		Row %	27.5%	72.5%	0.0%	0.0%	100.0%
	Retail Trade	Employers	509	1,553	0	0	2,062
		Row %	24.7%	75.3%	0.0%	0.0%	100.0%
	Information	Employers	103	126	0	0	229
		Row %	44.9%	55.1%	0.0%	0.0%	100.0%
	Financial Activities	Employers	629	709	0	0	1,338
		Row %	47.0%	53.0%	0.0%	0.0%	100.0%
	Professional & Business Services	Employers	704	1,603	0	0	2,307
		Row %	30.5%	69.5%	0.0%	0.0%	100.0%
	Education & Health Care	Employers	698	581	0	0	1,279
		Row %	54.6%	45.4%	0.0%	0.0%	100.0%
	Leisure & Hospitality	Employers	317	1,165	0	28	1,511
		Row %	21.0%	77.1%	0.0%	1.9%	100.0%
	Other Services	Employers	153	1,085	0	3	1,241
		Row %	12.4%	87.4%	0.0%	0.2%	100.0%
	Total	Employers	4,776	10,164	0	31	14,971
		Row %	31.9%	67.9%	0.0%	0.2%	100.0%
Number of Employees	<10 Workers	Employers	3,366	8,026	0	0	11,393
		Row %	29.5%	70.5%	0.0%	0.0%	100.0%
	10 - 19 Workers	Employers	615	1,306	0	28	1,950
		Row %	31.6%	67.0%	0.0%	1.5%	100.0%
	20 - 49 Workers	Employers	488	607	0	3	1,098
		Row %	44.5%	55.3%	0.0%	0.2%	100.0%
	50+ Workers	Employers	306	225	0	0	530
		Row %	57.6%	42.4%	0.0%	0.0%	100.0%
	Total	Employers	4,776	10,164	0	31	14,971
		Row %	31.9%	67.9%	0.0%	0.2%	100.0%

consensus among employers regarding the reasons for either current prices or rising costs for health insurance. But there is a strong sense that something is very, very wrong. It is this sense of wrongness that appears to serve as the rationale for many proposed solutions that may seem inconsistent with the dominant cultural perception of acceptable solutions. Some solutions may enjoy greater support than would be voiced in public.

The dominant theme among employers is that the system is not behaving in the best interests of the consumer and that something needs to be done about it. Precisely what needs to be done ranges from highly interventionist to mildly intrusive strategies. Although there are exceptions, employers focus primarily on the major institutions that make up the health care complex (i.e., insurance, providers, regulators, and communities using health care delivery systems as a competitive economic development tool) often viewed in a broad context. For example, one large manufacturer said, "Each community tries to maximize the services it provides. It may not make sense for Cody, Powell, and Worland to have [the] latest technology for testing. It may not make sense to have an outpatient surgical center when a hospital exists in the same area." There is an expressed sense in employer comments that the health care complex is not behaving rationally. Consequently, in their view this complex is not serving the best interests of the purchasers of health care and insurance. Defining the situation as one in which the system is not behaving rationally appears to serve as the justification for recommending substantial interventions.

Secondly, and in contrast to the focus group findings, employers were more likely to provide support for prescriptive governmental intervention including the adoption of health care systems from other countries, universal coverage, subsidies, and proposing a more expansive regulatory role for the state or federal government. These comments were made in response to an open-ended question where the employer was asked to provide written suggestions to solve the problem of health care insurance coverage. Given the open-ended nature of the question it is difficult to identify the extent to which employers are willing to follow through with action in support of governmental intervention. However, we may interpret the frequency and extent of employer endorsement of governmental interventions as representing another expression of the extent to which health insurance has become problematic.

Summary of Remedies and Solutions

More than half (57.3%) of responding employers to the mail survey provided written comments to survey Question 31 asking for their suggestions on how to fix the health insurance problem. The 273 commenting employers provided 314 comments. These comments were reviewed for common themes and wording and

then grouped into 32 categories. They were then reviewed in an attempt to construct a smaller number of mutually exclusive and exhaustive groupings (Response Categories). Descriptions of the Response Categories are located in the Technical Notes on page ?. The descriptions are excerpts from the employer comments submitted as part of the mail survey.

The first response in Table 3.15 (see page 185) shows that 46 employers (14.6% of the comments) advocate establishing cost controls and caps. These 46 employers represent 9.7 percent of the 476 responding employers. However, when we include employer comments suggesting solutions in the form of insurance subsidies, tax reductions, or governmental cost sharing, and we include the comments of those proposing large-scale governmental intervention, more than a third (35.3%) of all comments involve solutions that are based on greater governmental involvement. Further, if we include those comments proposing tort reform, the share of comments involving governmental intervention grows to 48 percent. Of course, employers may have been sensitized to the issue of tort reform because it was considered in a legislative session that preceded the survey and the tort reform campaign, which took place in advance of the November 2004 election ("Small Firms," 2004).

Many of the remaining comments imply some level of governmental intervention aimed at a specific juncture in the health care complex. In some cases, comments were directed at what to do, leaving the mechanism for accomplishing the task unresolved. For example, 24 employers advised that an expanded pool of health care consumers (Response Category 5) would be beneficial, but as can be seen from the response categories, only a few strategies were offered to expand on the suggested means of addressing the problem. Similarly, nine employers suggested bringing in more insurance carriers (Response Category 10) but offered no strategy to accomplish the task.

Finally, 7.0 percent of employer comments insisted that in some unspecified manner the system needs to be "fixed" and 12.4 percent of comments conveyed the idea that they did not know what to suggest and took the time to point it out. These two answers may be indicative a mixture of frustration and uncertainty associated with proposals for large-scale intervention that have a low probability of implementation (e.g., Response Category 3).

Employers appear willing to listen to and advance a broader range of proposals in private than they are in public. This suggests that venues for public discussion need to be developed which foster free exchanges of information. It is critical to encourage the dialogue and advance its character. It is also crucial to make

Table 3.15: Distribution of Response Categories for Open-Ended Question Regarding Remedies and Suggestions to Fix the Health Care/Coverage Problem

Response Category Number and Title	Comments Number	Comments Col. %
1. Limits, Regulations, Requirements, Constraints	46	14.6
2. Intermediate Role for Government, Excluding Limits	38	12.1
3. Large Scale Federal and/or State Intervention	27	8.6
4. Tort Reform	40	12.7
5. Expand the Pool to Increase Access	24	7.6
6. Just Fix It! - No Means Specified	22	7.0
7. Do Not Know of a Remedy	39	12.4
8. Address Corruption, Fraud, and Abuse	12	3.8
9. High Deductibles, Health Savings Accounts	9	2.9
10. Bring in More Carriers	9	2.9
11. Emphasize Prevention/Consumer Education	8	2.5
12. Segment the Product	7	2.2
13. Segment the Consumer	6	1.9
14. More Drug Company Competition	5	1.6
15. Study Other Countries	5	1.6
16. Other Comments	17	5.4
Total	**314[a]**	**100.0**

[a]273 employers provided 314 comments.

knowledge regarding the health care system complex, its history, and development available for public discussions and the design of solutions.

One employer offered the idea that the survey represented an attempt to begin a longer-term public dialogue and educational function. Given the proportion of employers who do not express views regarding

solutions grounded in current research and the proportion offering solutions unlikely to have a high probability of widespread public acceptance, it appears there is a need for an ongoing educational effort directed towards employers (and available to the public, generally). The availability of health insurance and the cost of health care is a complicated topic, as are the solutions offered to address it. Without the intellectual tools to diagnose the problem, a viable solution seems even more remote.

Health insurance represents a form of compensation central to employer strategies to obtain and retain human resources. It is also central to employee well-being. Moreover, the magnitude of employer insurance purchases impacts the balance of health care customers, meaning the population of the state as a whole is affected by decisions which revolve around employer/employee relationships. Therefore, it appears ongoing access to information regarding the likely causes of current and future levels of cost, major strategies deployed or under development in other states, the role of technology, demographic change, and related issues would facilitate a more effective employer (and public) understanding of and participation in the design of solutions.

Limitations

Some variation in the estimates of the number of employers responding occurs because of item non-response. In other situations (as can be seen from the questionnaire in Appendix F), the survey instrument included a screening question, which had a substantial impact on the number of responses following question 20.

It is unclear why there was an increase in the number of respondents either writing in or verbally answering "don't know" or "maybe" to questions 21 through 25. For example, nearly 80 percent of employers in Other Services who were willing to contribute additional funds to provide health insurance to their uncovered employees responded "don't know" when asked if they would be willing to use an electronic system to place the funds in individual health benefits accounts. The increase may be a result of the respondent not having a clear understanding of the question or that the respondent was not in a position to dictate policy.

Future Research

Given the complexity of the issues surrounding health insurance, future collections should consider highly focused mail questionnaires. Additionally, personal interviews, where the interviewer can provide

education, answer questions, and evaluate the respondents' understanding of the issue, may improve the quality of the responses and the researchers' understanding. In either case, guarantees of respondent anonymity are crucial to the integrity of the responses.

One area of future research would be to re-survey employers regarding Question 24 because of the possible confusion the question wording may have caused. Similarly, the question mentioned pooling contributions with those of other employers to provide health insurance to uncovered employees. Several comments were received from employers asking about pooling all of their employees with those from other firms, not just the uncovered employees.

Survey results would seem to indicate that providing some form of education to employers, and possibly employees, about health savings accounts and proposals such as Wyo-Care might be beneficial. In addition, future research might also include the impact the training had on employers' opinions and whether the training might cause them to change their initial answers to any of the mail survey questions.

Conclusion

The mail survey of employers modeled on the focus group experience confirms the proposition that there is a niche for the proposed Wyo-Care program. Favorable employer responses to opinion questions for selected industries and employment size classes gathered during the survey tend to be consistent with the analysis of the most likely market segments presented in Section 1. Employers in Manufacturing; Wholesale Trade, Transportation, & Utilities; Information; and Financial Activities indicate a greater willingness to contribute additional funds above their current payroll for their employees not covered by health insurance.

However, we also find that a significant minority of employers appear willing to go beyond contributing more to pay for coverage or introducing new technical mechanisms to expand health care coverage for uninsured workers. They advocate cost controls including caps, subsidies, and more intrusive proposals. How actively they would support these proposals is unclear. What is clear is the non-traditional ideas regarding solutions to the problem of rising cost are more likely to be expressed in confidential questionnaires than in focus group settings. Employers may be more open to substantive change than is acknowledged in public. A review of employer comments reveals most refer to or imply government intervention to some degree as part of the solution to the healthcare/health coverage problem. Abandoning initiatives to expand coverage, and more importantly, to relate coverage expansion to cost control would probably be unsatisfactory for the majority of employers.

References

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Technical Notes

Detailed Descriptions of Response Categories

1. Limits, Regulations, Requirements, Constraints: Limit or contain provider charges to insurance companies. Government should put ceilings on hospital, medicine, and insurance costs. There needs to be premium caps. Limits and boundaries have to be set and followed in both the courtroom and office. Cost controls both at the provider and legal system level. Tighten regulation. Health insurance companies have no cost controls. Require insurance companies to provide insurance. Increased regulation of insurance companies.

2. Intermediate Role for Government, Excluding Limits: Expanded role for government, excluding caps and controls. Subsidies. A workman's comp or other health insurance availability. Government assistance. If funds were matched 50/50 by the government or a matching tax break, the total burden wouldn't be on small companies. Lessen the tax burden on small businesses so that we can afford to offer health insurance. State coverage for employees.

3. Large Scale Federal and/or State Intervention: Nationalize healthcare. Uniform health insurance for everyone paid by our government. Universal health care that requires a co-pay so it isn't free, not tied to employment, one system for all. Universal policy that anyone can insure through, with backing through the states or federal government. Socialize medicine. Raise the Medicaid income brackets. Offer free health coverage for kids until they are out of the home. State coverage for employees. Need to make it affordable by setting up a government controlled plan where everybody would contribute. Have the state take out payroll taxes for health insurance.

4. Tort Reform: Cap lawsuits and reduce premiums. Get rid of attorneys and frivolous claims. Tort reform.

5. Expand the Pool to Increase Access: Create a larger pool of employers/employees. Some kind of employer cooperative. Include interstate pools, requiring all employers to participate.

6. Just Fix it! - No Means Specified: Costs need to be cut in all areas of the medical field (doctors, medicine, hospitals,...). Lower premiums - most people can't afford them. We need affordable insurance that we as employers can provide.

7. Do Not Know of a Remedy: Need to go after what is causing medical prices to go so far out of line. Don't know what is causing this. Don't know, unsure, at a loss.

8. Address Corruption, Fraud, and Abuse: Investigate insurance fraud and obscene insurance company profits. Get the corrupt people (Senators, Congress) out of office and there would be better decisions and affordable health care. Get rid of doctors who continually get sued for malpractice.

9. High Deductibles, Health Savings Accounts: Employees need to contribute to their own health insurance and use vehicles such as HSAs in combination with high deductibles. HSAs are a step in the right direction, it would be nice to see a simplification of the programs/tools that are available. Ideally, there would be only contributions to an employee owned account that could be used to purchase insurance, pay deductibles, buy drugs, etc. Tying the availability of health care to employment is a bad practice that encourages the wrong behavior from employers and employees. Individual accounts will foster employee accountability and allow business to do the right thing (contribute $), while removing the burden of plan design and administration. Allow medical savings accounts and permit carry over from year to year.

10. Bring in More Carriers: Lack of carriers...lack of competition. No choice of insurance companies in Wyoming.

11. Emphasize Prevention/Consumer Education.

12. Segment the Product: The legislature should approve letting employees get a basic major medical plan to cover catastrophic illnesses. It is cheaper for each employee to get insurance than for their company to get it as a group. It is mandatory to have a certain amount of coverage and a lot of this is legislated (e.g., now we have to cover insulin and before you didn't).

13. Segment the Consumer: Everyone should be responsible for their own costs. We need insurance that if you don't use it you don't pay for someone that over uses it. Segment the high risk employees, put them in a separate category for special treatment.

14. More Drug Company Competition: Allow FREE competition to lower drug prices through internet purchases and out-of-country purchases.

15. Study Other Countries: See what other countries are doing, they seem to make it work.

16. Other Comments