

CONNECTICUT RANKS AMONG THE NATION'S MOST EXPENSIVE FOR EMPLOYEE HEALTHCARE. MASSACHUSETTS MODEL SCRUTINIZED FOR WIDESPREAD USE

Danbury, CT - Presidential candidates, federal and state politicians, the healthcare industry and voters will all be watching closely over the next year to gauge the success – or failure – of major healthcare reform efforts, especially in states like Massachusetts.

In place since 2005 and unique in the nation, the Massachusetts healthcare model requires nearly every resident to buy health insurance. The plan is certain to garner more attention this spring as penalties for companies and employees who have not yet signed up go into effect in April.

Massachusetts employers are continuing to spend more a year than other U.S. states for health insurance on a per employee basis. While the plan is being scrutinized as a potential model upon which to build a universal healthcare solution in the U.S. and appeals to many residents because of its comprehensiveness and relatively low cost, employers are struggling to pay for the high healthcare plan costs, according to United Benefit Advisors (UBA), one of the nation's leading independent employee benefits advisory organizations.

“The Massachusetts model is the closest concept to a national healthcare plan that we have today, and some presidential candidates in various ways have historically touted that model as the foundation of their healthcare solutions,” said Paul Kuveke, President of Kuveke Benefits, an employee benefits consulting and insurance brokerage firm located in Danbury. “Plans offered by employers in Massachusetts are in reality costing a fortune. During this time when presidential candidates are debating best practices to solve the nation's healthcare crisis, Americans must carefully contemplate what is being proposed and weigh their decisions extremely carefully.”

UBA has recently released results of its latest national benchmarking survey, the *2007 UBA Health Plan Survey*, a far-reaching industry analysis of employer healthcare plan design and cost. Collecting data from 11,723 employers throughout the nation who combined extend health benefits to nearly 4.5 million employees and family members, the survey emphasized small- to mid-sized employers, who represent the majority of the nation's 3 million-plus employers. The survey's primary purpose is to provide accurate, relevant health plan benchmarks that employers can use to help them make critical benefits decisions.

“UBA's survey is the nation's largest comprehensive benchmark survey of health plan design and costs,” said William Stafford, vice president of member services. “The survey reveals critical statistics about hundreds of health plan factors, including enrollment specifics, plan design and cost and employee premium cost-sharing options, including consumer-driven health plans. Results also yield important statistics about prescription drug plans, retirement benefits and flexible spending accounts.”

Nationwide, based on 16,485 health plans included in the 2007 survey, the average annual total cost per employee, which includes both employer and employee contributions, was \$6,881.

According to UBA's survey, the five states that had the highest average total annual cost per employee in 2007 were (2006 survey results are included for comparison):

<u>2007</u>		<u>2006</u>	
Massachusetts	\$9,304	Massachusetts	\$8,631
Connecticut	\$8,865	Connecticut	\$8,457
New Jersey	\$8,758	New Jersey	\$8,437

New Hampshire	\$8,601	Michigan	\$7,916
Michigan	\$8,520	Rhode Island	\$7,725

According to the 2007 UBA Health Plan Survey, the five states that had the lowest average annual total cost per employee were (2006 survey results are included for comparison):

<u>2007</u>		<u>2006</u>	
Arkansas	\$5,169	Mississippi	\$4,533
Idaho	\$5,564	Arkansas	\$4,835
Mississippi	\$5,624	Kentucky	\$5,405
Kentucky	\$5,640	Idaho	\$5,444
Arizona	\$5,813	Arizona	\$5,523

“According to the UBA survey, our area’s total plan cost per employee for 2007 was \$8,865” said Paul Kuveke. Copies of UBA’s *2007 Health Plan Survey* are available through local UBA-member firms. To find local UBA-member firms, visit www.benefits.com.

In the spring, UBA plans to release its *2008 Employer Opinion Survey*, a companion survey to the Health Plan survey which delineates employers’ specific healthcare strategies, cost-containment efforts, opinions and future expectations regarding their health plans. Those interested in participating in this survey may contact Christine Tracey at ctracey@kuveke.com.

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ABOUT KUYEKE BENEFITS

Kuveke Benefits, LLC is an employee benefits consulting and insurance brokerage firm dedicated to providing strategies and solutions to help successful companies attract, motivate and retain the talent they need to achieve their business goals. Kuveke offers solutions that serve management, human resources, and employees. Visit Kuveke online at www.kuveke.com.

ABOUT UNITED BENEFIT ADVISORS

United Benefit Advisors is one of the nation’s largest employee benefit advisory organizations with more than 1,900 experienced benefits professionals located in more than 165 offices throughout the United States and Canada. As an alliance of the nation’s premier independent benefit advisory firms, UBA members are better positioned to help employers and their employees respond more efficiently and effectively to the challenges of an ever-changing employee benefit marketplace. Visit UBA online at www.benefits.com