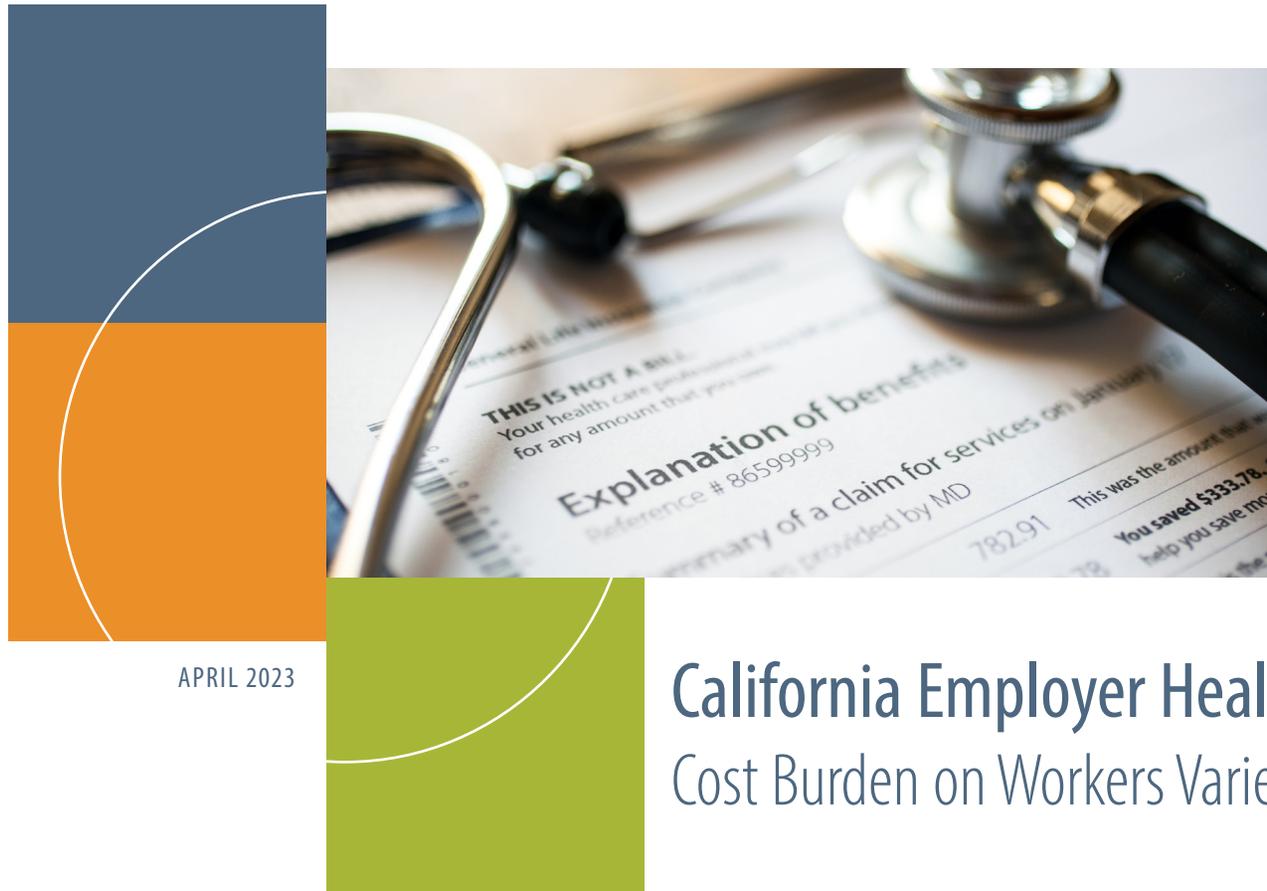


CALIFORNIA Health Care Almanac



APRIL 2023

California Employer Health Benefits Cost Burden on Workers Varies

California Employer Health Benefits Survey, 2022

In 2022, 64% of firms in California offered health benefits to at least some of their employees. Sixty percent of workers at those firms were covered by their firm’s health benefits. Premium costs are typically shared between employers and workers.

California Health Benefits: Cost Burden on Workers Varies presents data compiled from the 2022 KFF Employer Health Benefits Survey.

KEY FINDINGS FROM THE 2022 SURVEY:

- Annual premiums for covered workers in California averaged \$8,083 for single coverage and \$22,818 for family coverage.
- On average, workers paid 15% of the cost for single coverage (\$1,167 annually) and 30% for family coverage (\$6,680 annually).
- One in five covered workers with family coverage paid more than half of the premium.
- The average deductible for covered workers with single coverage and a deductible was \$1,464. Single coverage deductibles were higher at firms with fewer than 200 workers than at larger firms (\$1,850 vs. \$1,354).
- Fewer covered workers in California had a deductible of \$1,000 or more than workers nationally (42% vs. 61%) in 2022. However, nearly one in four covered workers at small firms in California had a deductible of \$2,000 or more.

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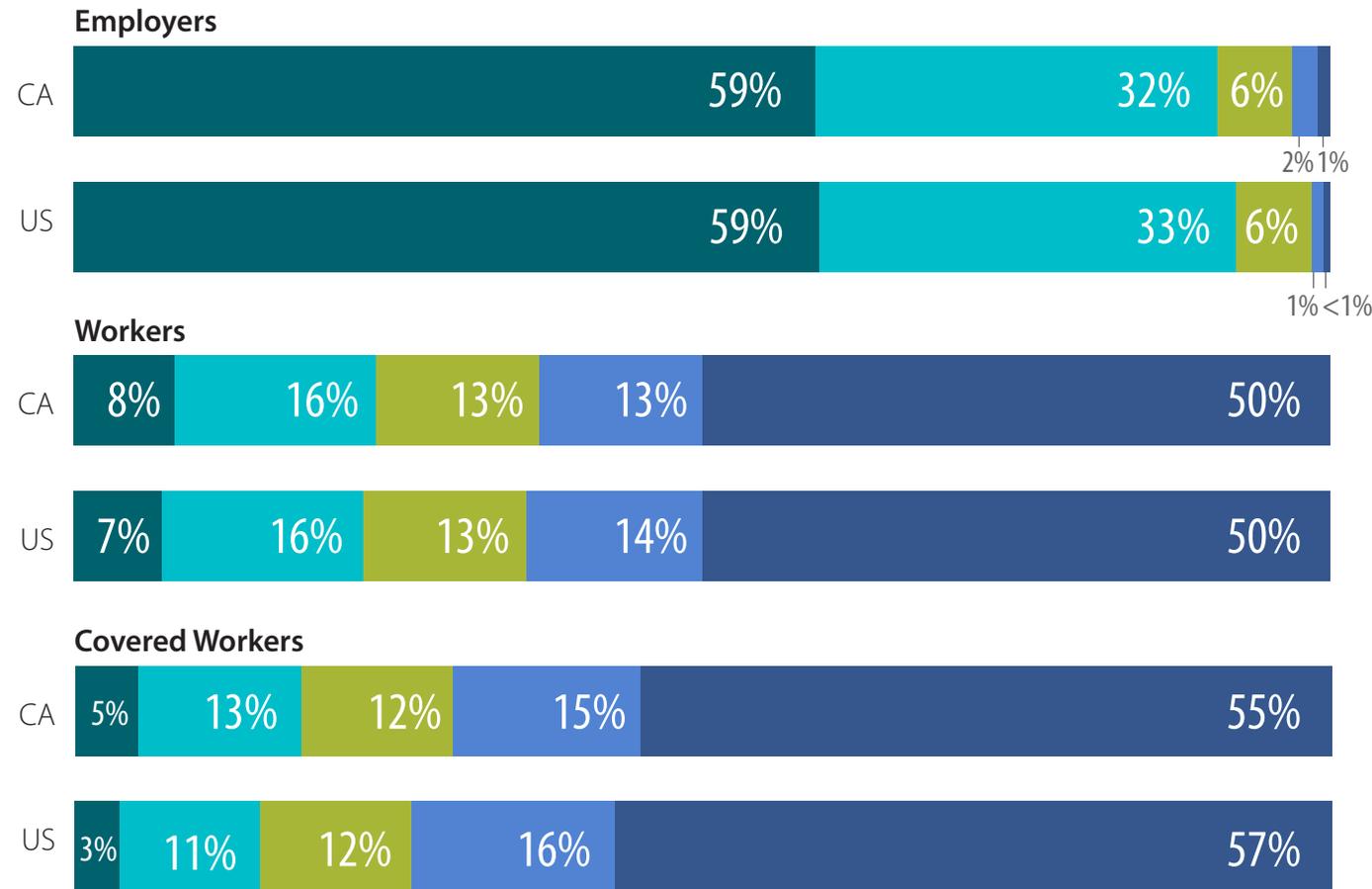
Note: See the current and past editions of California Employer Health Benefits at www.chcf.org/collection/california-employer-health-benefits-almanac.

Employers, Workers, and Covered Workers, by Firm Size

California vs. United States, 2022

NUMBER OF WORKERS

■ 3–9 ■ 10–49 ■ 50–199 ■ 200–999 ■ 1,000+



In 2022, California firms with three to nine workers accounted for 59% of all employers. However, only 8% of workers and 5% of workers with health coverage were employed by those firms.

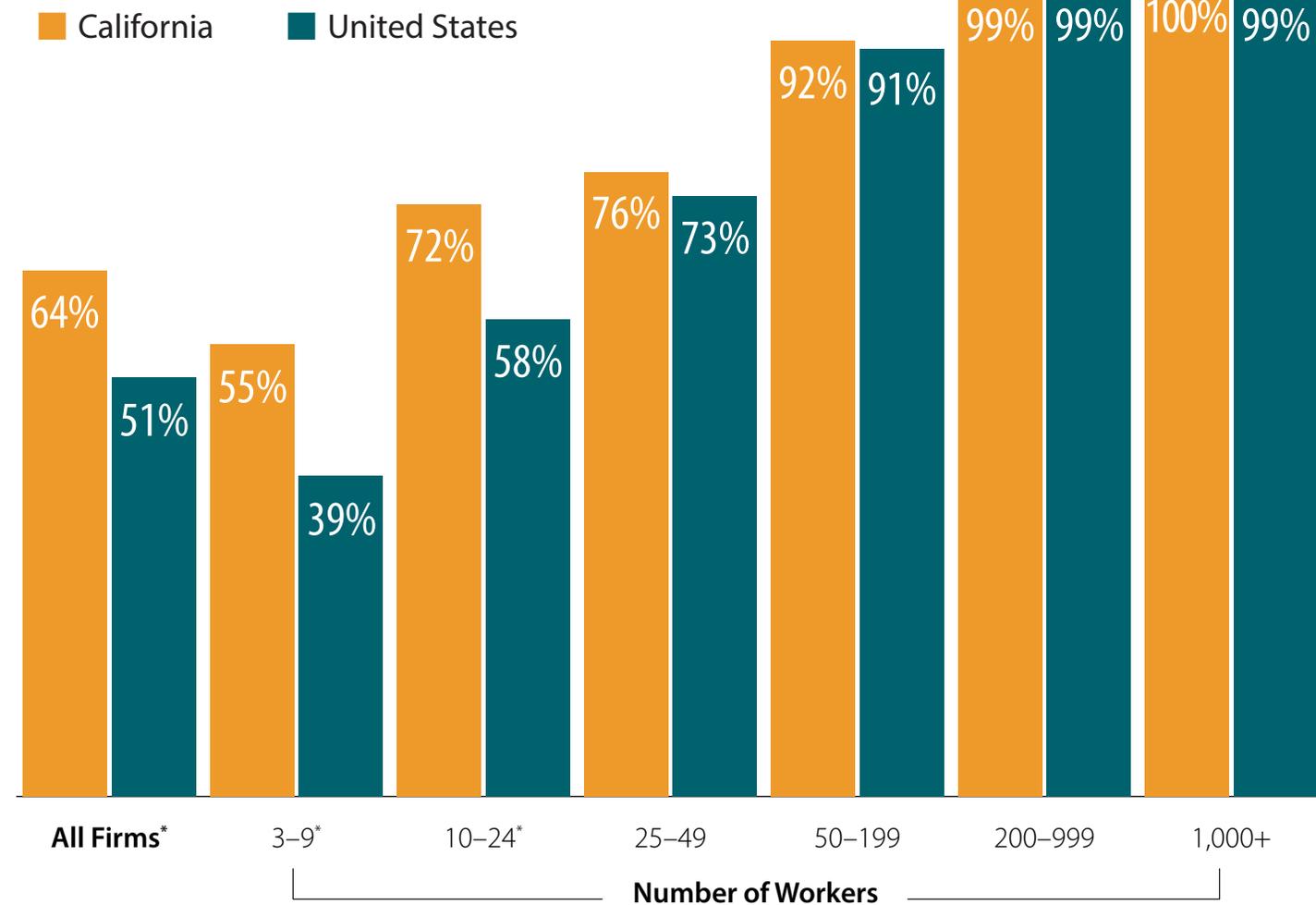
Note: Figures may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Employers Offering Health Benefits, by Firm Size

California vs. United States, 2022

PERCENTAGE OF FIRMS OFFERING HEALTH BENEFITS



California Employer Health Benefits

Coverage

In 2022, 64% of all California employers offered health benefits to at least some of their employees, higher than the national average. Virtually all firms with 200 or more employees offered health benefits to at least some of their workers.

* Estimate is statistically different between firms with workers in California and all firms nationwide within group ($p < .05$).

Note: Estimates are based on both the sample of firms that completed the entire survey and those that answered just one question about whether they offer health benefits.

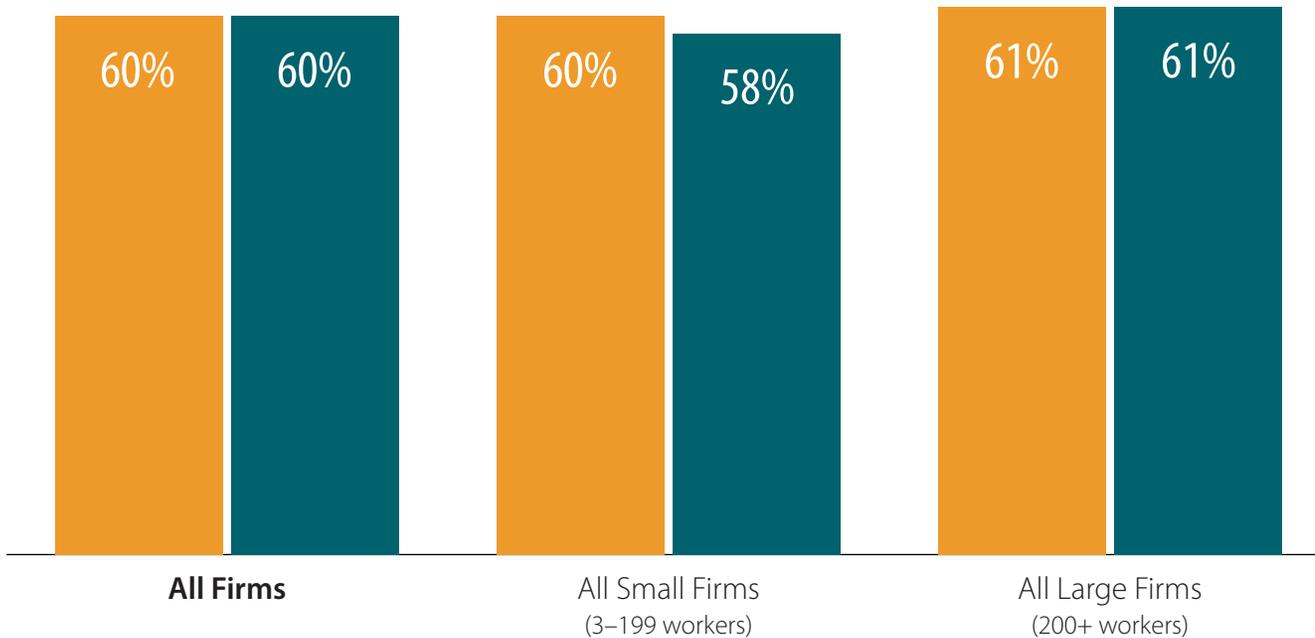
Source: KFF Employer Health Benefits Survey (2022), KFF.

Worker Coverage Rates, by Firm Size

California vs. United States, 2022

PERCENTAGE OF WORKERS COVERED AT FIRMS OFFERING HEALTH BENEFITS

■ California ■ United States



California Employer Health Benefits

Coverage

At firms that offer health benefits, 60% of workers were covered by their firm's health benefits, in California and nationally. The 40% of workers at these firms who were not covered by their firm's benefits may not have been eligible, declined coverage, or were covered on another plan.

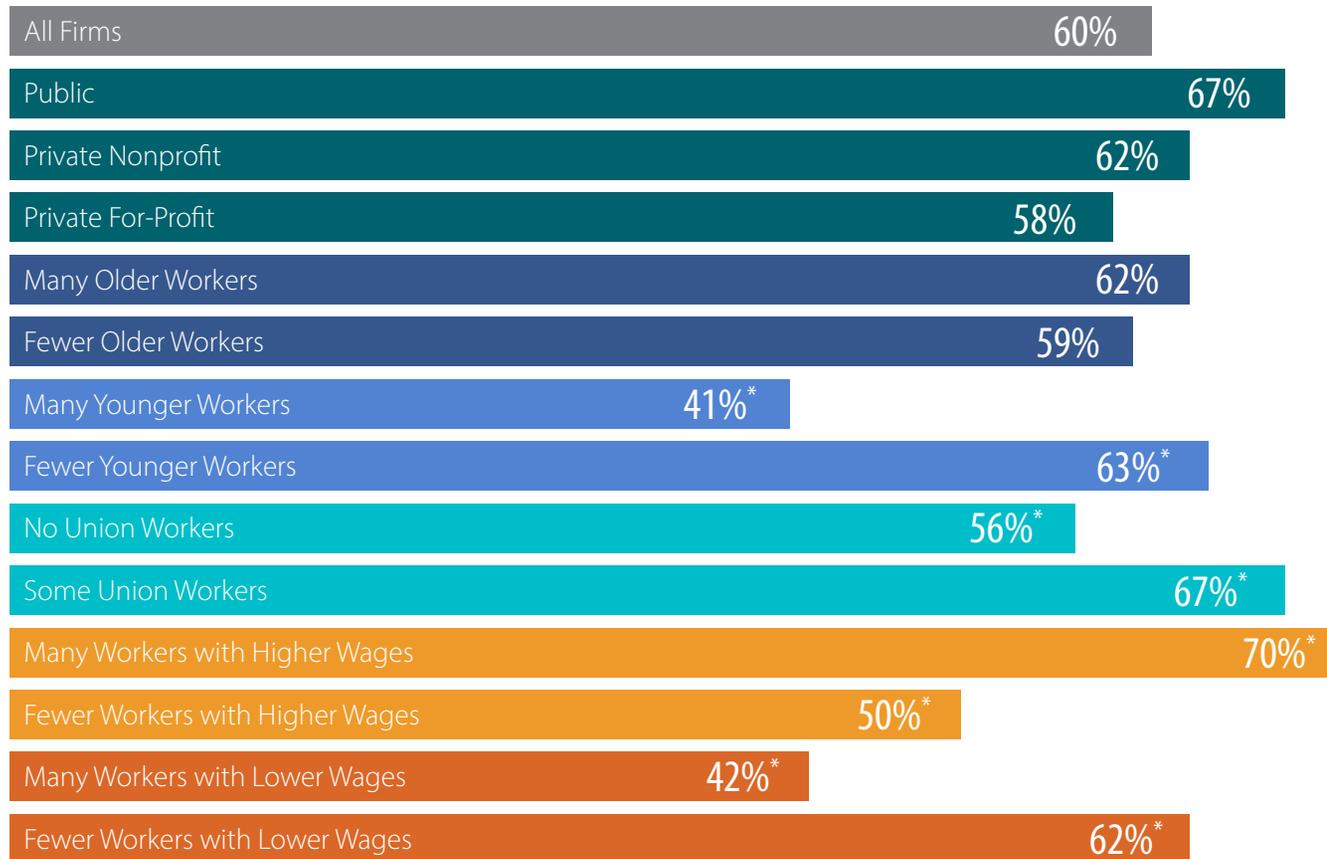
Note: *Worker coverage rate* is the share of workers covered by their firm's health benefits. Tests found no statistical difference between firms with workers in California and all firms nationwide within group ($p < .05$).

Source: KFF Employer Health Benefits Survey (2022), KFF.

Worker Coverage Rates, by Firm Characteristics

California, 2022

PERCENTAGE OF WORKERS COVERED AT FIRMS OFFERING HEALTH BENEFITS



* Estimates are statistically different from each other within category ($p < .05$).

Notes: *Worker coverage rate* is the share of workers covered by their own firm's health benefits. Firms with *many workers with lower wages* are those with 35% or more of workers earning \$30,000 or less per year. Firms with *fewer workers with lower wages* are those with less than 35% of workers earning that amount. Firms with *many workers with higher wages* are those with 35% or more of workers earning \$70,000 or more per year. Firms with *fewer workers with higher wages* are those with less than 35% of workers earning that amount. Firms with *many older workers* are those with at least 35% of workers age 50 or older. Firms with *many younger workers* are those with at least 35% of workers age 26 or younger.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Workers in firms with many workers with higher wages were more likely to be covered by their firm's health benefits than those in firms with fewer workers with higher wages. Workers in firms with union workers were more likely to be covered than those in firms without union workers.

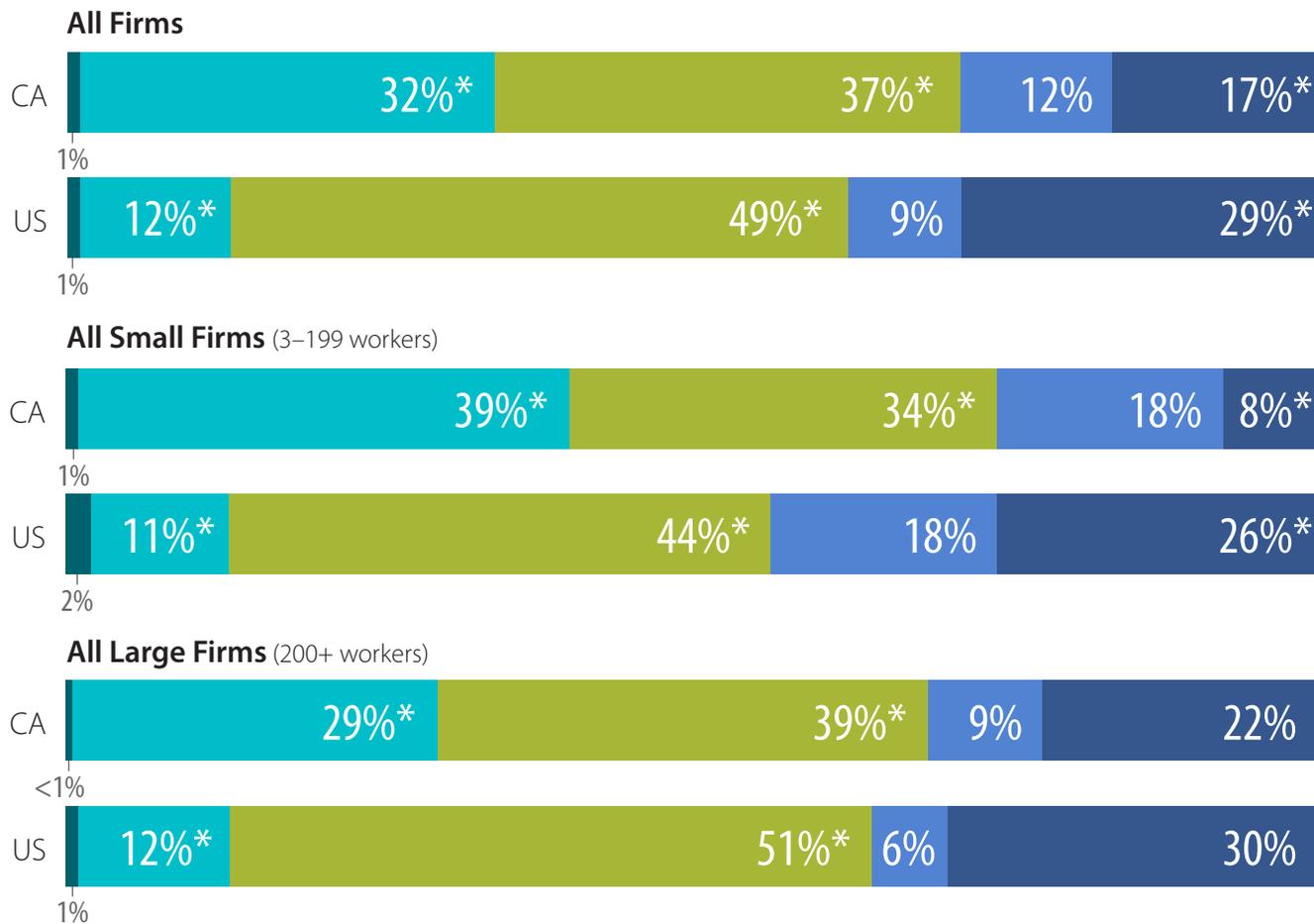
Enrollment of Covered Workers, by Plan Type

California vs. United States, 2022

Compared to their national counterparts, covered workers in California were more likely to enroll in HMO plans and less likely to enroll in a PPO plan or an HDHP/SO plan.

DISTRIBUTION OF COVERED WORKERS

■ Conventional
 ■ HMO
 ■ PPO
 ■ POS
 ■ HDHP/SO



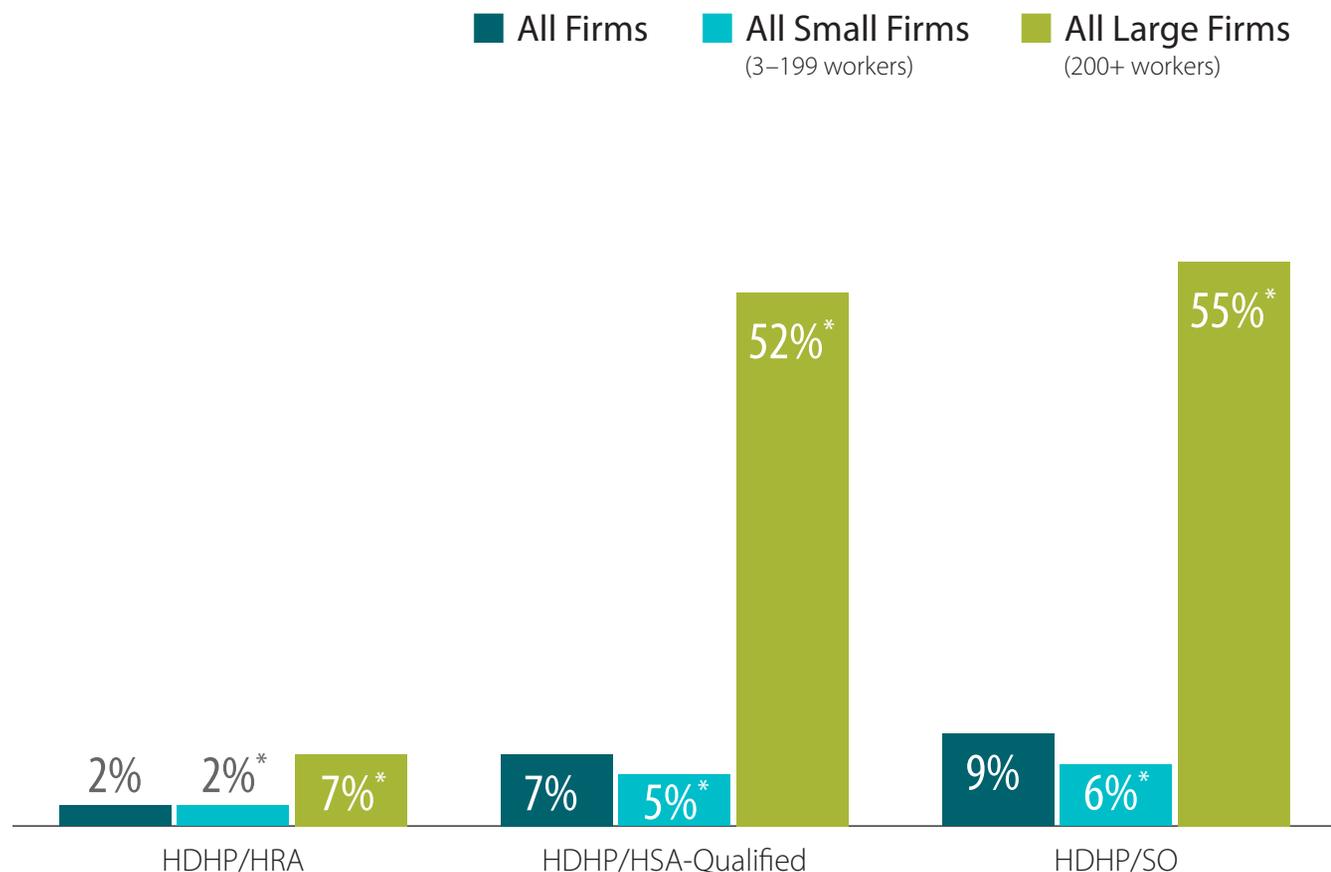
* Estimate is statistically different between firms with workers in California and all firms nationwide within coverage type ($p < .05$).

Notes: HMO is health maintenance organization. PPO is preferred provider organization. POS is point-of-service plan. HDHP/SO is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Figures may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Firms Offering a High-Deductible Health Plan with a Savings Option, by Firm Size, California, 2022

PERCENTAGE AMONG FIRMS THAT OFFER HEALTH BENEFITS



* Estimate is statistically different between small and large firms ($p < .05$).

Notes: An *HDHP/SO* is a high-deductible health plan with a savings option, and is defined as (1) a health plan with a deductible of at least \$1,000 for single coverage and \$2,000 for family coverage and offered with a health reimbursement arrangement (HDHP/HRA), or (2) a high-deductible health plan that meets the federal legal requirements to permit an enrollee to establish and contribute to a health savings account (HDHP/HSA-qualified). Adding the percentage of firms offering HDHP/HRAs and HDHP/HSA-qualified plans may not sum to the percentage of firms offering HDHP/SOs because some firms offer both. Among all firms that offer health benefits, 0.9% offered both an HDHP/HRA and an HDHP/HSA-qualified plan.

Source: KFF Employer Health Benefits Survey (2022), KFF.

California Employer Health Benefits

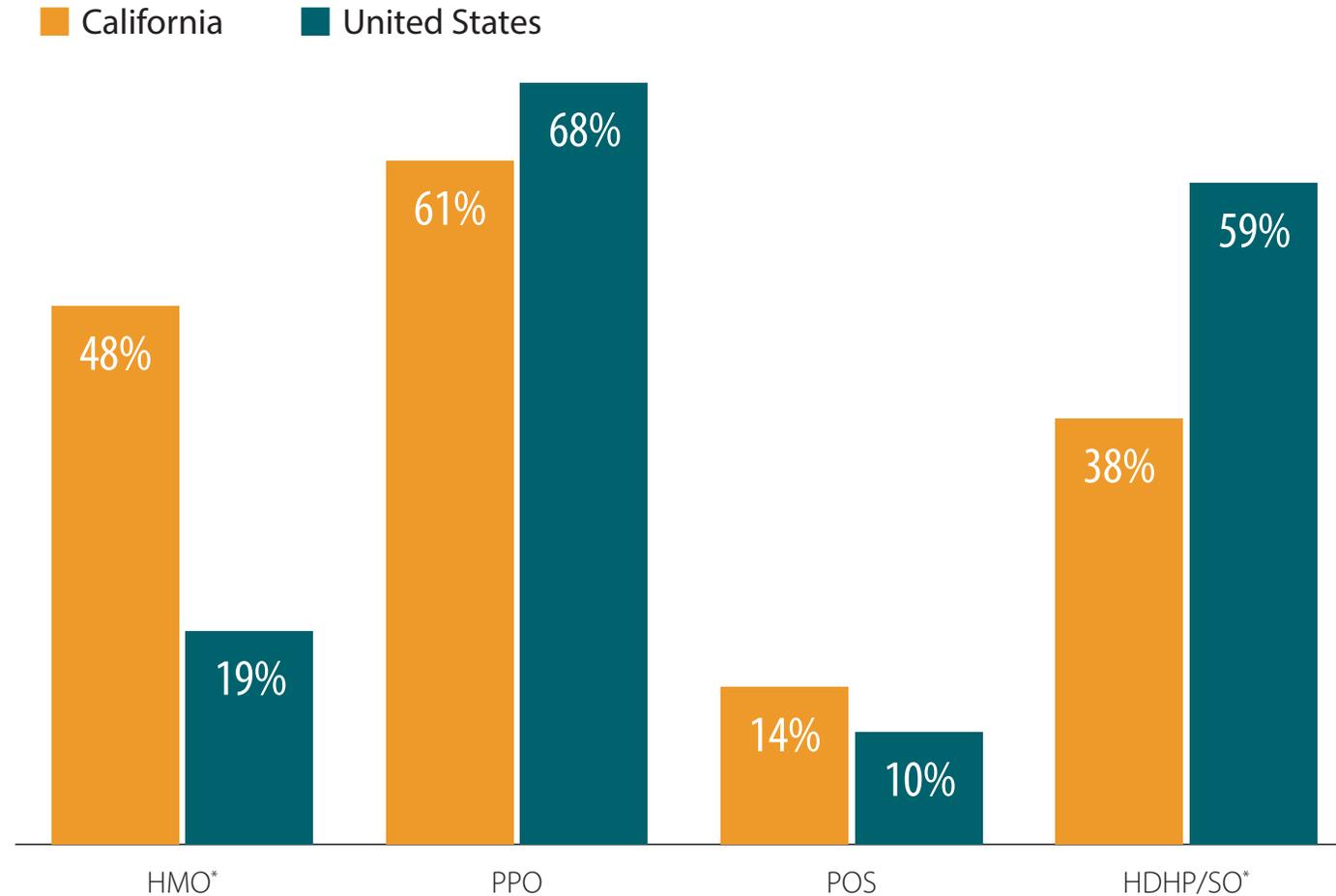
Coverage

Compared to other plan types, HDHP/SOs have higher deductibles on average but typically have lower premiums and a savings option. Over half of large firms (55%) offering health benefits offered a high-deductible health plan (HDHP) with a health reimbursement arrangement (HRA), a health savings account (HSA), or both.

Offer Rates, by Plan Type

California vs. United States, 2022

PERCENTAGE AMONG COVERED WORKERS AT A FIRM THAT OFFERS HEALTH BENEFITS



* Estimate is statistically different between firms with workers in California and all firms nationwide within coverage type ($p < .05$).

Notes: *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Firms may offer different types of plans to different workers; for example, different plan options at different locations or to different classes of workers.

Source: KFF Employer Health Benefits Survey (2022), KFF.

California Employer Health Benefits

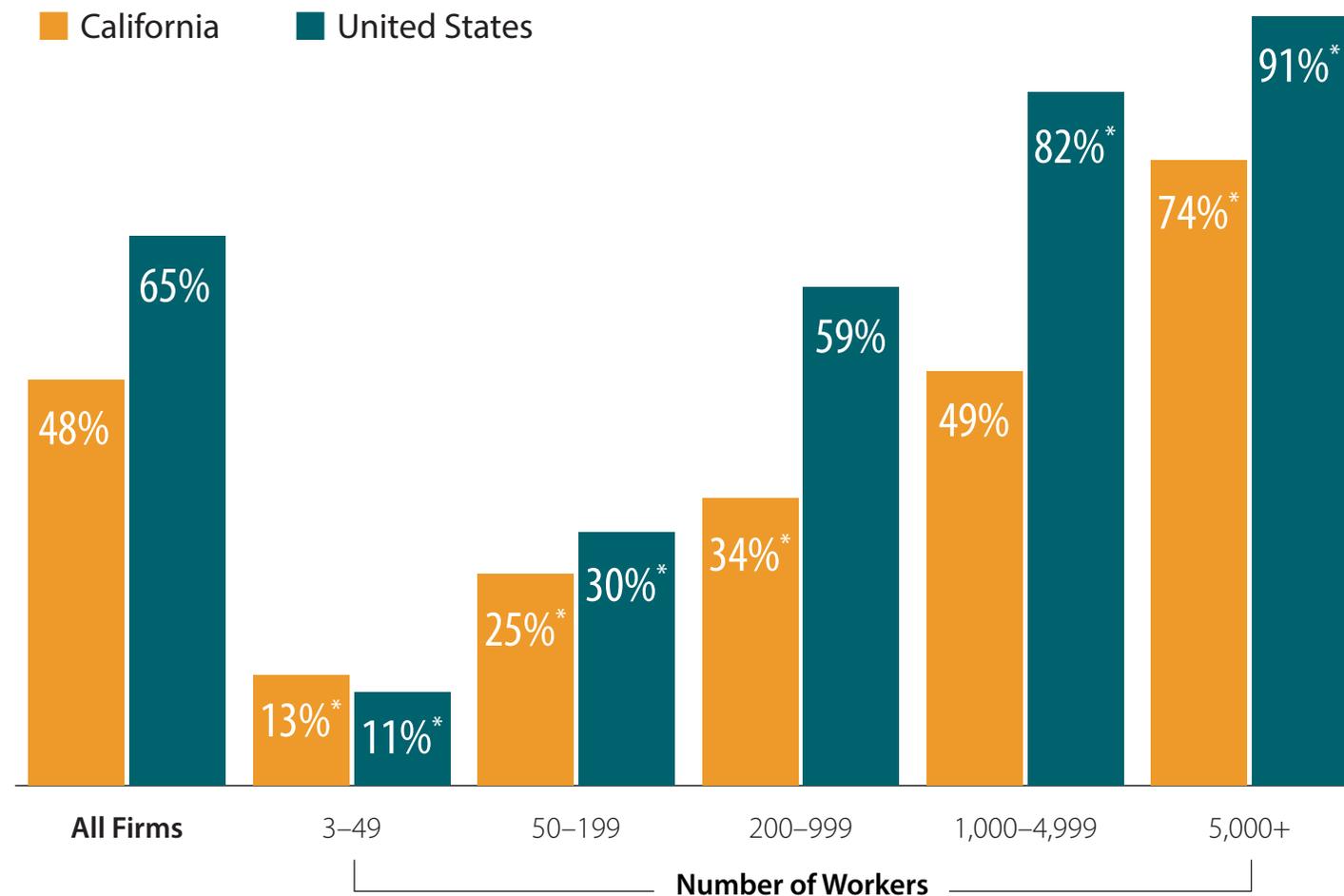
Coverage

Covered workers in California were more likely to work at a firm that offered an HMO and less likely to work at a firm that offered an HDHP/SO, compared to covered workers nationally.

Covered Workers in Self-Insured Plans, by Firm Size

California vs. United States, 2022

PERCENTAGE OF COVERED WORKERS



* Estimate is statistically different from estimate for all other firms not in the indicated size category ($p < .05$).

Notes: *Self-insured plans* are plans in which the employer assumes direct financial responsibility for the costs of enrollees' medical claims. Employers with self-insured plans typically contract with a third-party administrator or insurer to provide administrative services. Self-insured employers may buy stop-loss coverage from an insurer to protect themselves against very large claims.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Many firms, particularly larger firms, choose to pay for some or all of their workers' health services directly from their own funds rather than by purchasing health insurance. In California, about three-quarters of covered workers in firms with 5,000 or more workers were in self-insured plans.

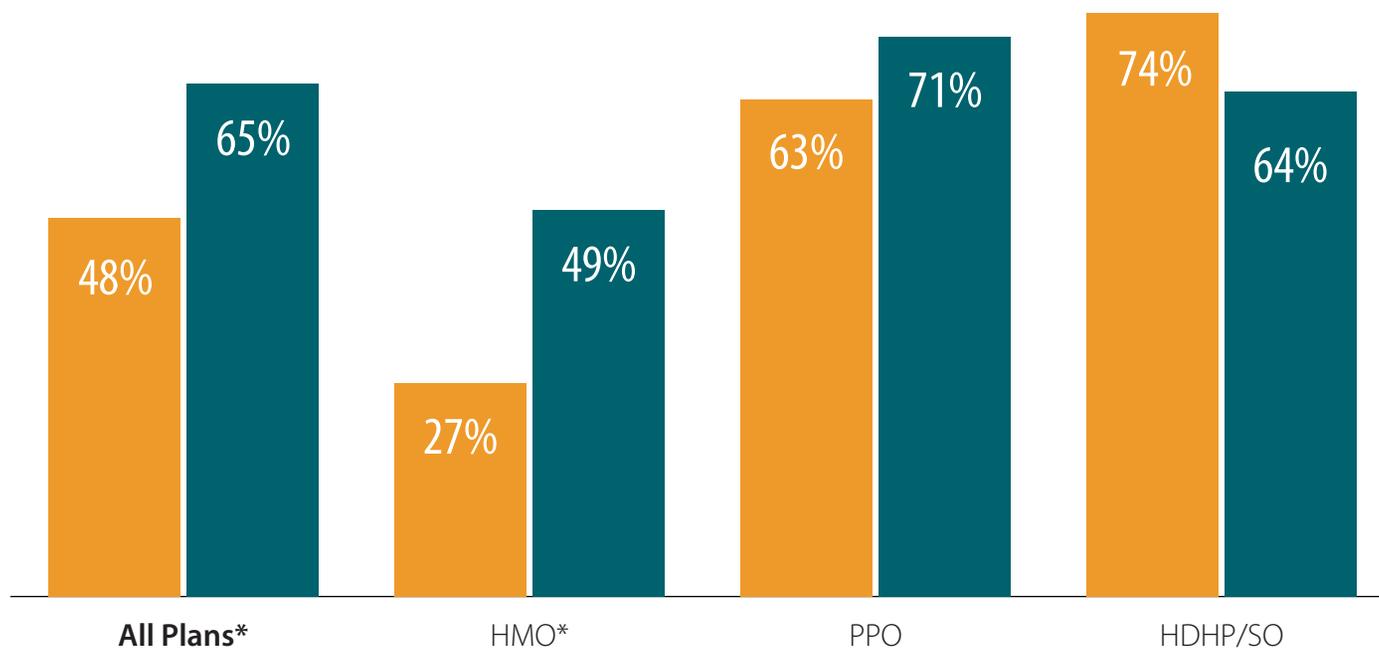
Covered Workers in Self-Insured Plans, by Plan Type

California vs. United States, 2022

PERCENTAGE OF COVERED WORKERS

California

United States



* Estimate is statistically different between firms with workers in California and all firms nationwide within group ($p < .05$).

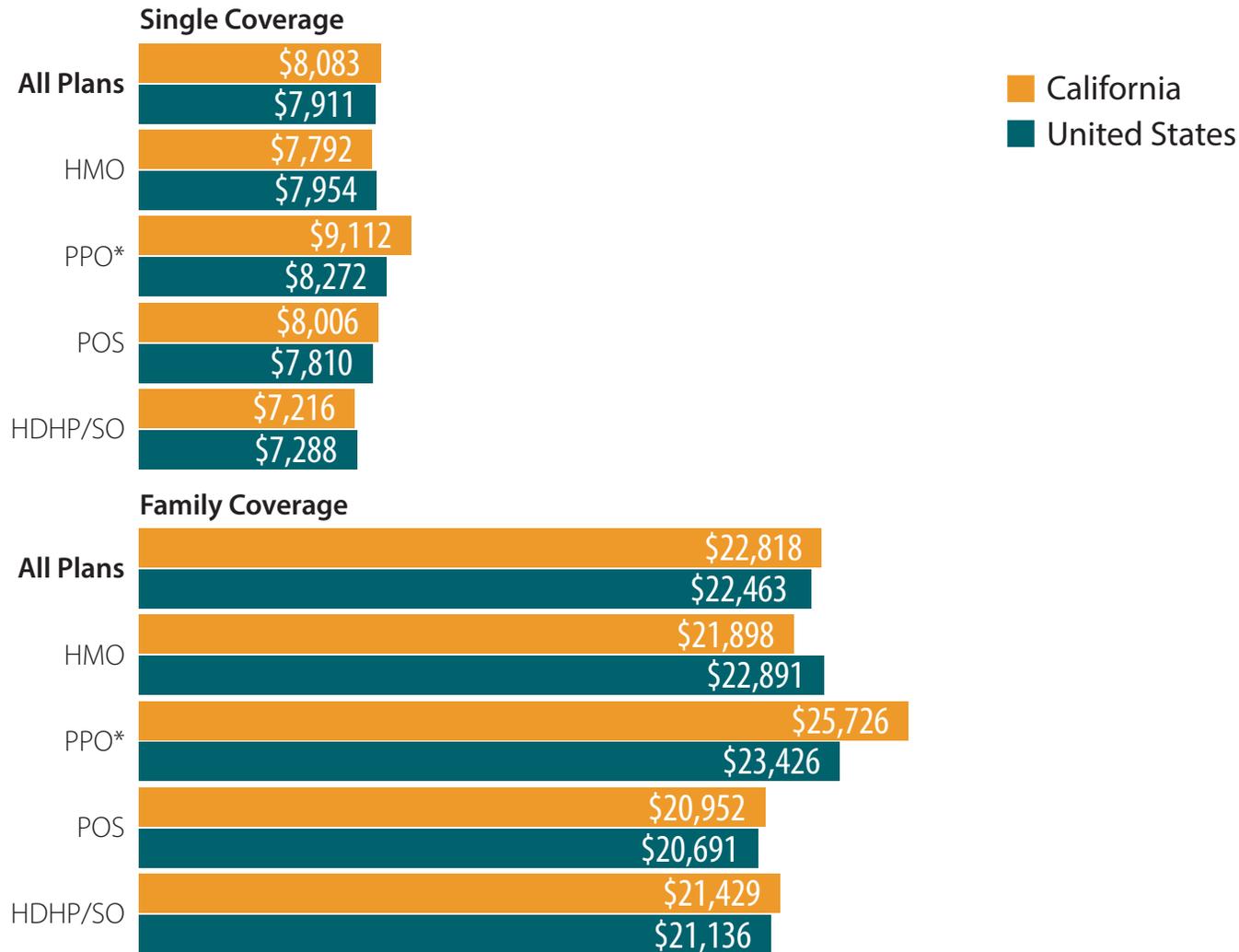
Notes: *HMO* is health maintenance organization. *PPO* is preferred provider organization. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Includes covered workers enrolled in self-insured plans in which the firm's liability is limited through stop-loss coverage. POS (point-of-service) plans not reported due to small sample size. All-plan average includes POS plans. *Self-insured plans* are plans in which the employer assumes direct financial responsibility for the costs of enrollees' medical claims. Employers with self-insured plans typically contract with a third-party administrator or insurer to provide administrative services. Self-insured employers may buy stop-loss coverage from an insurer to protect themselves against very large claims.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Both in California and nationally, covered workers enrolled in HMOs were less likely to be in self-insured plans than workers in other plan types. Overall, self-insured plans were less common in California, with 48% of covered workers covered by such an arrangement, compared to 65% nationally.

Average Annual Premiums, by Plan Type

California vs. United States, 2022



In 2022, the average premiums for covered workers in California were \$8,083 for single coverage and \$22,818 for family coverage, similar to the averages nationally. The average premiums for single and family coverage in PPO plans in California were higher than those in PPO plans nationally.

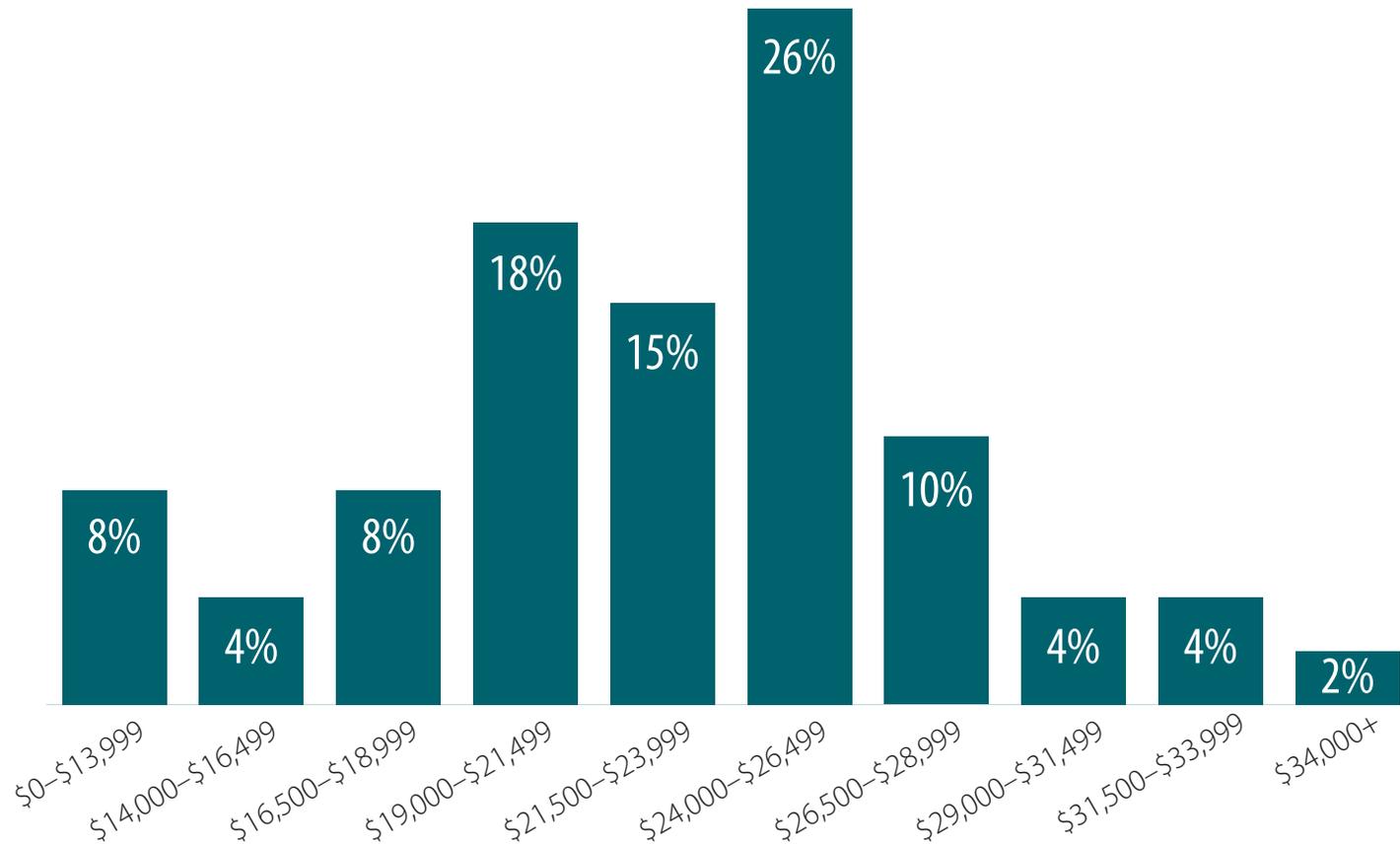
* Estimate is statistically different between firms with workers in California and all firms nationwide within coverage type ($p < .05$).

Notes: *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point of service plan. *HDHP/SO* is high-deductible plan with savings option, such as a health reimbursement arrangement or health savings account. HDHPs have a deductible of at least \$1,000 for single coverage and at least \$2,000 for family coverage. *Family* is a family of four.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Annual Premiums for Covered Workers, Family Coverage California, 2022

Premiums for family coverage varied significantly. Ten percent of workers with family coverage in California had a premium of \$29,000 or more. Eight percent had premiums of less than \$14,000.



Note: Annual premiums are for a family of four. Includes both the worker and employer contributions.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Annual Worker and Employer Premium Contributions

California vs. United States, 2022

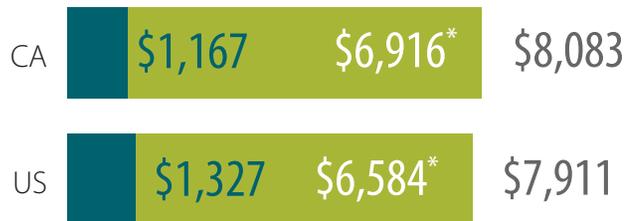
California Employer Health Benefits

Cost of Health Insurance

The average worker contributions for covered workers in California in 2022 were \$1,167 for single coverage and \$6,680 for family coverage. Employer contributions for single coverage were higher for covered workers in California than for covered workers nationally.

■ Worker ■ Employer

Single Coverage



Family Coverage



* Estimate is statistically different between firms with workers in California and all firms nationwide within group ($p < .05$).

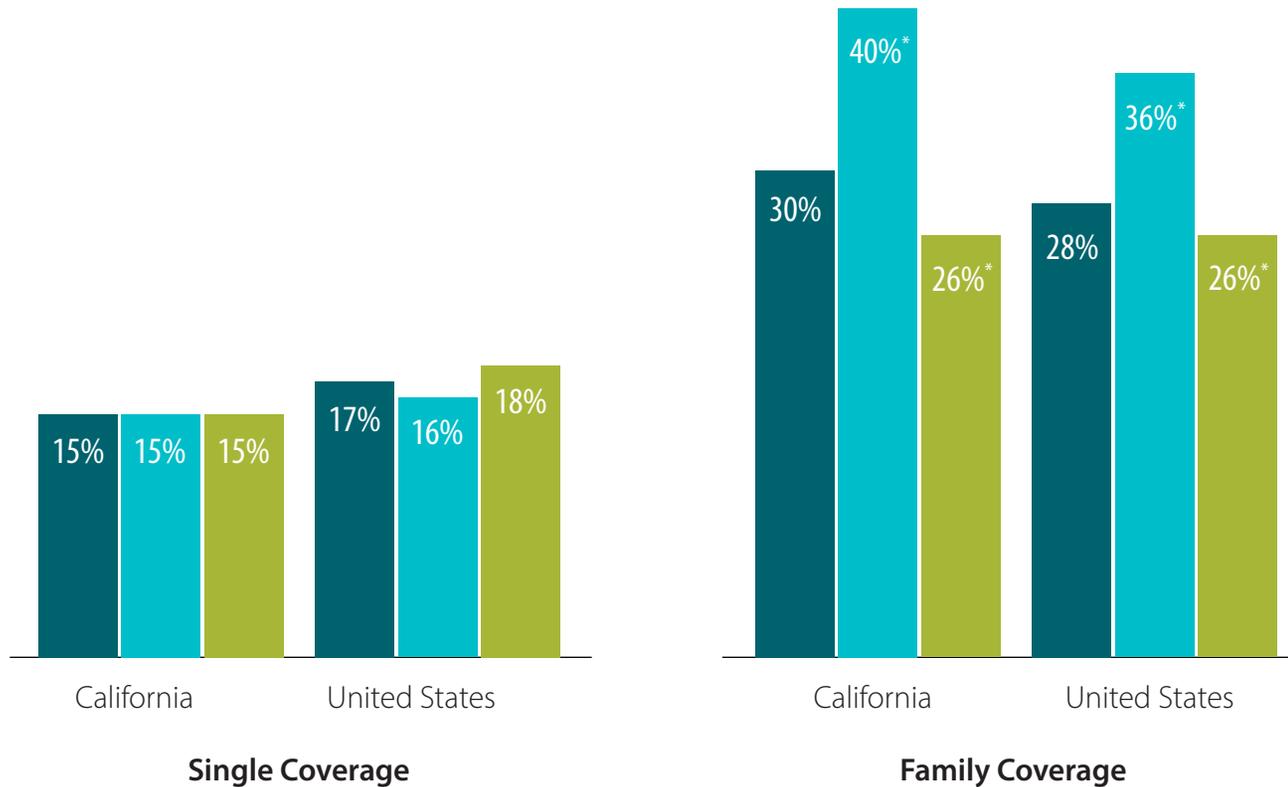
Note: *Family* is a family of four.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Average Workers' Share of Premium, by Firm Size

California vs. United States, 2022

- All Firms
- All Small Firms (3–199 workers)
- All Large Firms (200+ workers)



Covered workers in California on average paid 15% of the premium for single coverage and 30% of the premium for family coverage, similar to the national average. Covered workers in small firms paid a higher share of the family premium than those in larger firms (40% vs. 26%).

* Estimate is statistically different between small and large firms within coverage type ($p < .05$).

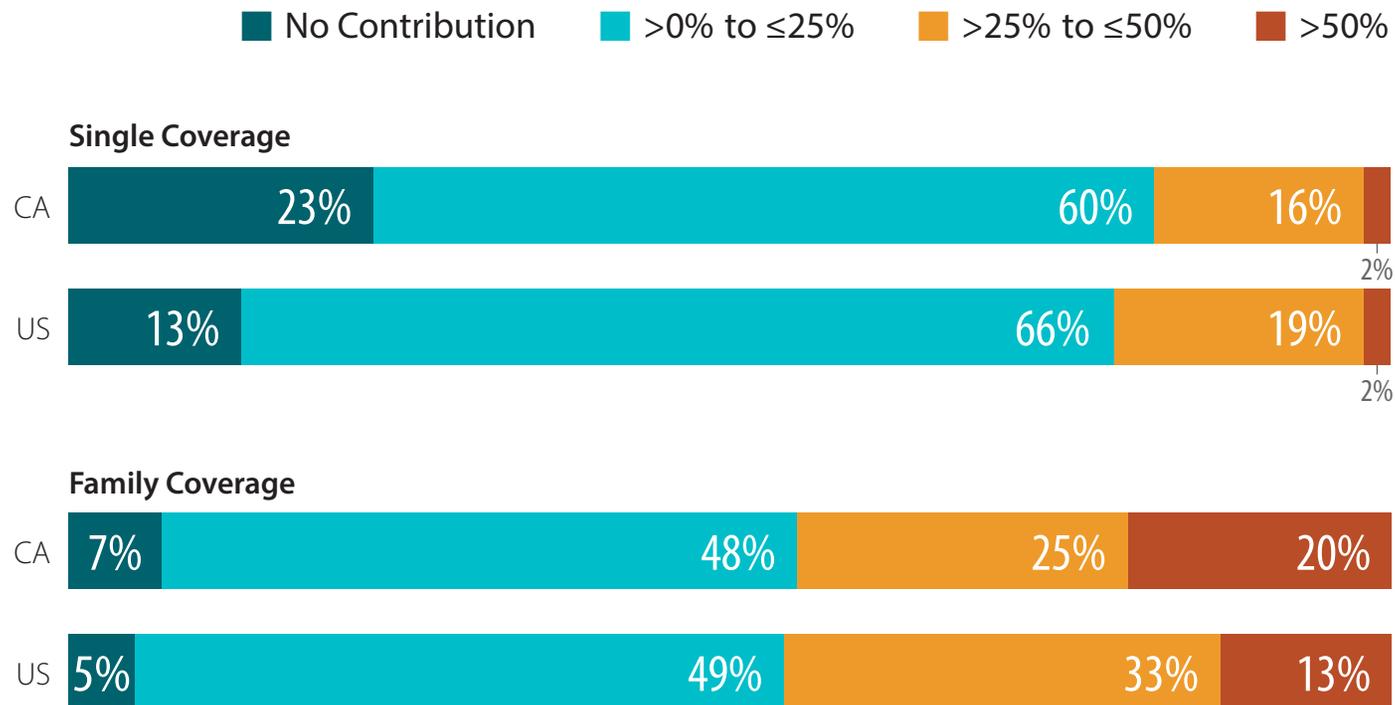
Note: *Family* is a family of four.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Workers' Share of Premium

California vs. United States, 2022

DISTRIBUTION OF COVERED WORKERS



Almost a quarter of covered workers in California paid no premium for their single coverage in 2022. One in five covered workers in California contributed more than half the premium for family coverage.

Notes: *Family* is a family of four. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

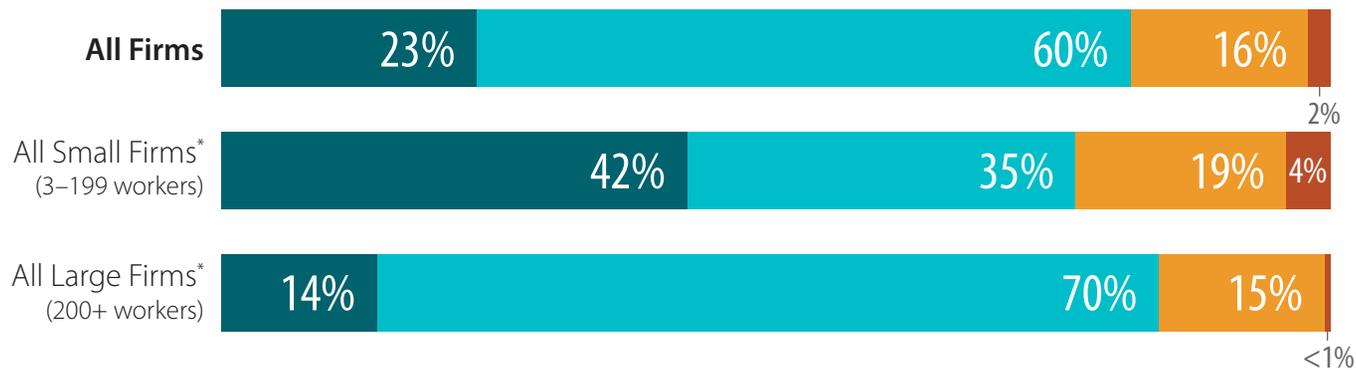
Workers' Share of Premium, by Firm Size

California, 2022

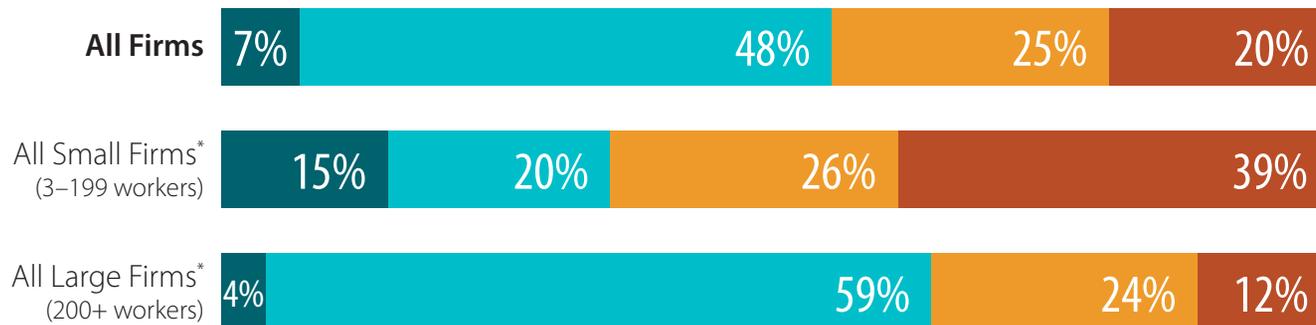
DISTRIBUTION OF COVERED WORKERS

■ No Contribution
 ■ >0% to ≤25%
 ■ >25% to ≤50%
 ■ >50%

Single Coverage



Family Coverage



* Distributions are statistically different between small and large firms within coverage type ($p < .05$).

Notes: Figures may not sum due to rounding. *Family* is a family of four.

Source: KFF Employer Health Benefits Survey (2022), KFF.

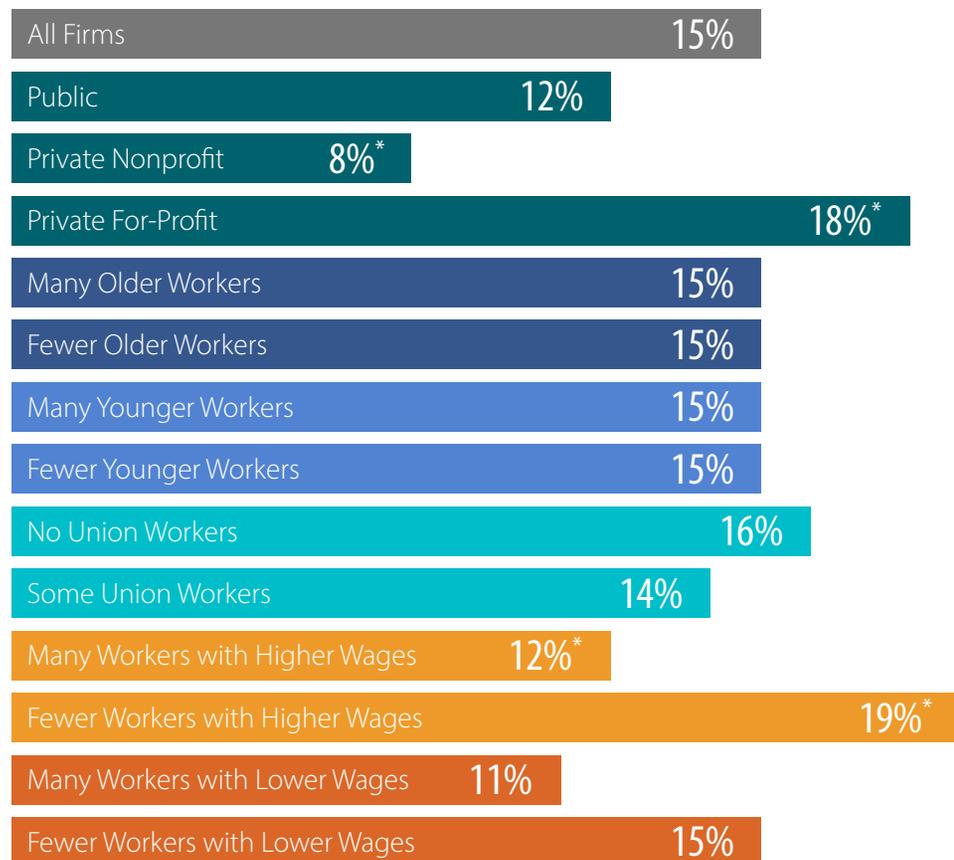
California Employer Health Benefits

Cost of Health Insurance

Forty-two percent of covered workers in small firms that had single coverage were enrolled in a plan with no worker premium contribution, compared to 14% of covered workers in large firms. Thirty-nine percent of covered workers in small firms with family coverage were enrolled in a plan where they contribute more than half of the premium.

Workers' Share of Premium, Single Coverage by Firm Characteristics, California, 2022

AMONG COVERED WORKERS



* Estimates are statistically different from each other within category ($p < .05$).

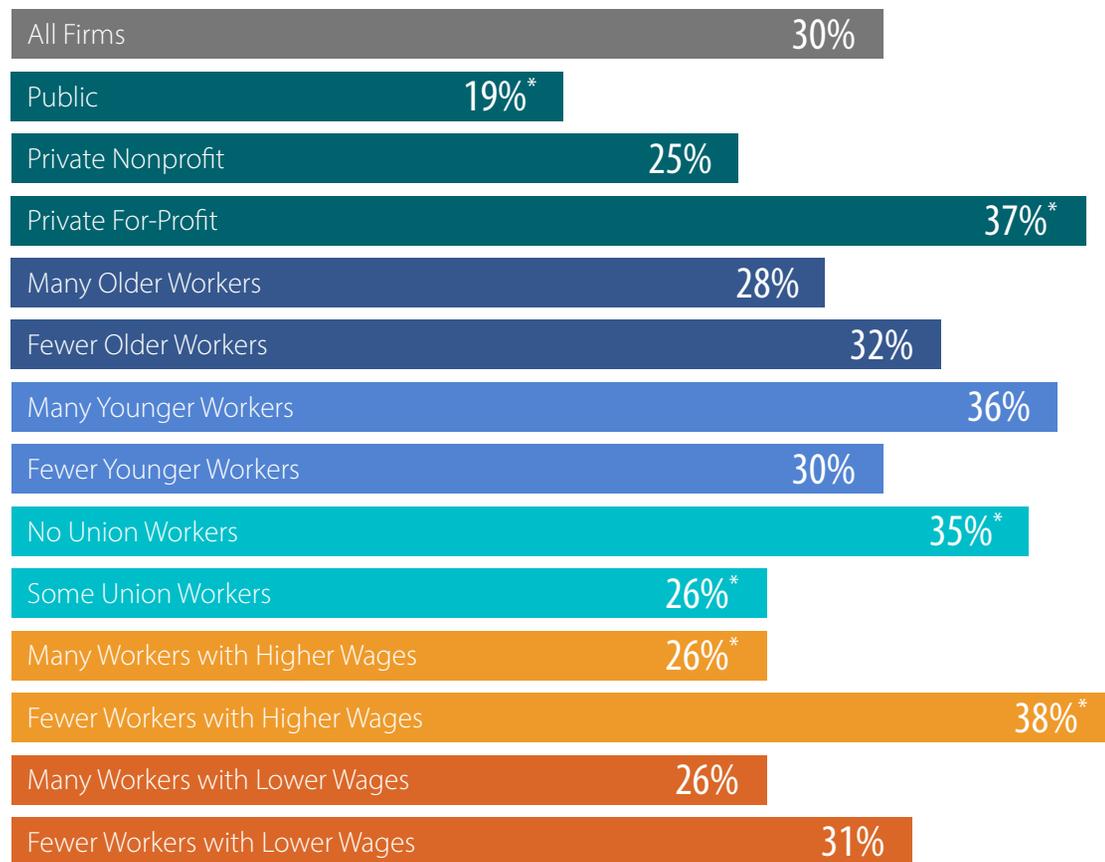
Notes: Average percentage of single premium paid by covered workers. Firms with *many workers with lower wages* are those with 35% or more of workers earning \$30,000 or less per year. Firms with *fewer workers with lower wages* are those with less than 35% of workers earning that amount. Firms with *many workers with higher wages* are those with 35% or more of workers earning \$70,000 or more per year. Firms with *fewer workers with higher wages* are those with less than 35% of workers earning that amount. Firms with *many older workers* are those with at least 35% of workers age 50 or older. Firms with *many younger workers* are those with at least 35% of workers age 26 or younger.

Source: KFF Employer Health Benefits Survey (2022), KFF.

On average, covered workers in firms with many workers with higher wages were asked to pay a smaller share of the premium for single coverage than those in firms with fewer workers with higher wages.

Workers' Share of Premium, Family Coverage by Firm Characteristics, California, 2022

AMONG COVERED WORKERS



* Estimates are statistically different from each other within category ($p < .05$).

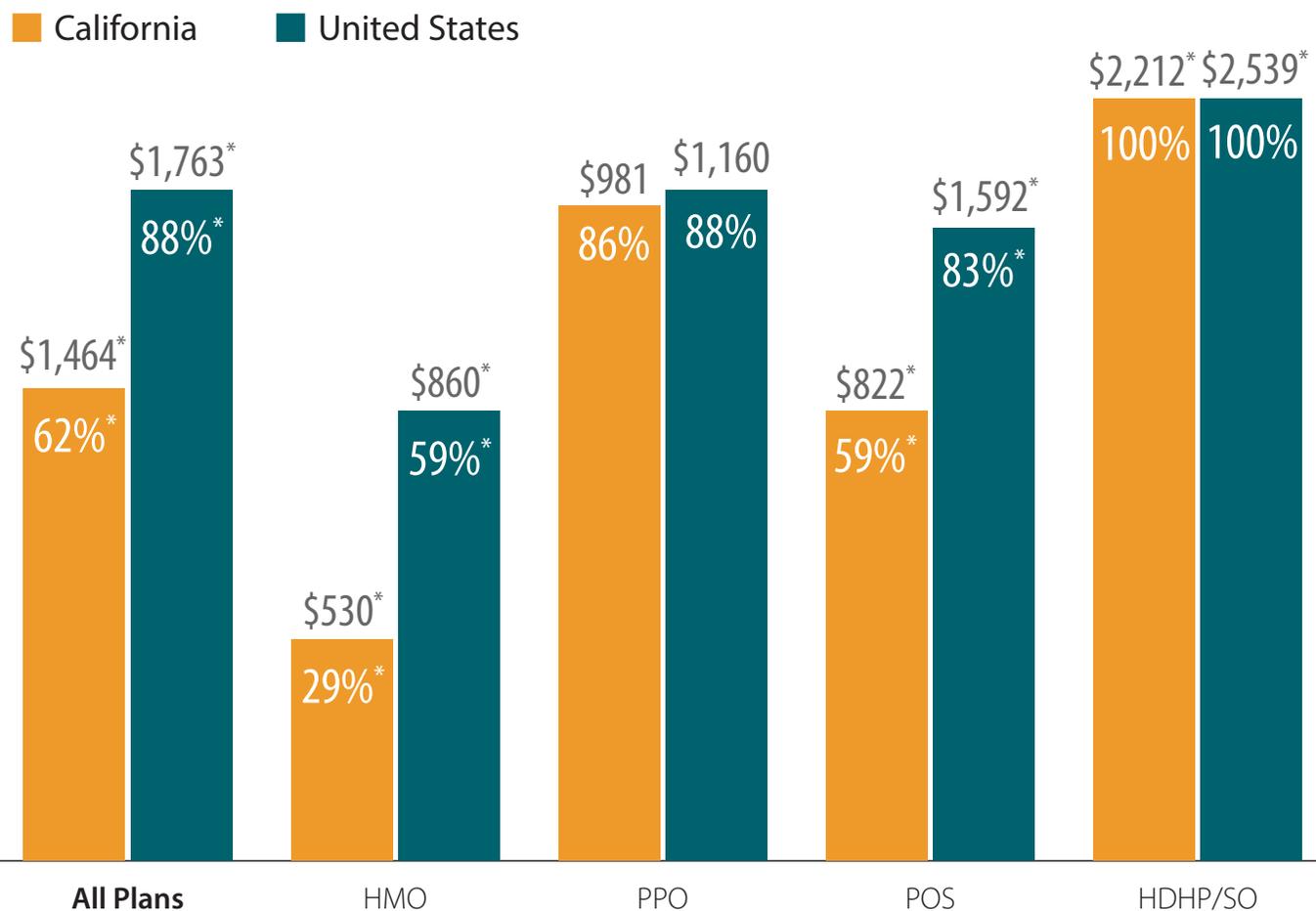
Notes: Average percentage of family premium paid by covered workers. *Family* is a family of four. Firms with *many workers with lower wages* are those with 35% or more of workers earning \$30,000 or less per year. Firms with *fewer workers with lower wages* are those with less than 35% of workers earning that amount. Firms with *many workers with higher wages* are those with 35% or more of workers earning \$70,000 or more per year. Firms with *fewer workers with higher wages* are those with less than 35% of workers earning that amount. Firms with *many older workers* are those with at least 35% of workers age 50 or older. Firms with *many younger workers* are those with at least 35% of workers age 26 or younger.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Covered workers in firms with many workers with higher wages paid a smaller share of the premium for family coverage than those in firms with fewer workers with higher wages. Covered workers in firms with union workers and in public organizations paid a smaller share of the premium than those in firms with no union workers and in private, for-profit firms, respectively.

Workers with Annual Deductible, Single Coverage by Plan Type, California vs. United States, 2022

PERCENTAGE OF COVERED WORKERS AND AVERAGE ANNUAL DEDUCTIBLE



* Estimate is statistically different between firms with workers in California and all firms nationwide within coverage type ($p < .05$).

Notes: *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account.

Source: KFF Employer Health Benefits Survey (2022), KFF.

California Employer Health Benefits

Benefits and Cost Sharing

In 2022, 62% of covered workers in California with single coverage had a general annual deductible, compared to 88% nationwide. Those enrolled in HMO and POS plans in California were less likely to have a deductible than enrollees nationwide. Among covered workers with a deductible, the average deductible was lower in California (\$1,464 vs. \$1,763).

Workers with Annual Deductible, Single Coverage by Plan Type and Firm Size, California, 2022

AMONG COVERED WORKERS WITH A GENERAL ANNUAL DEDUCTIBLE



In 2022, the average deductible for covered workers with single coverage and a deductible was \$1,464. Covered workers with a deductible at small firms had higher annual deductibles than those at larger firms.

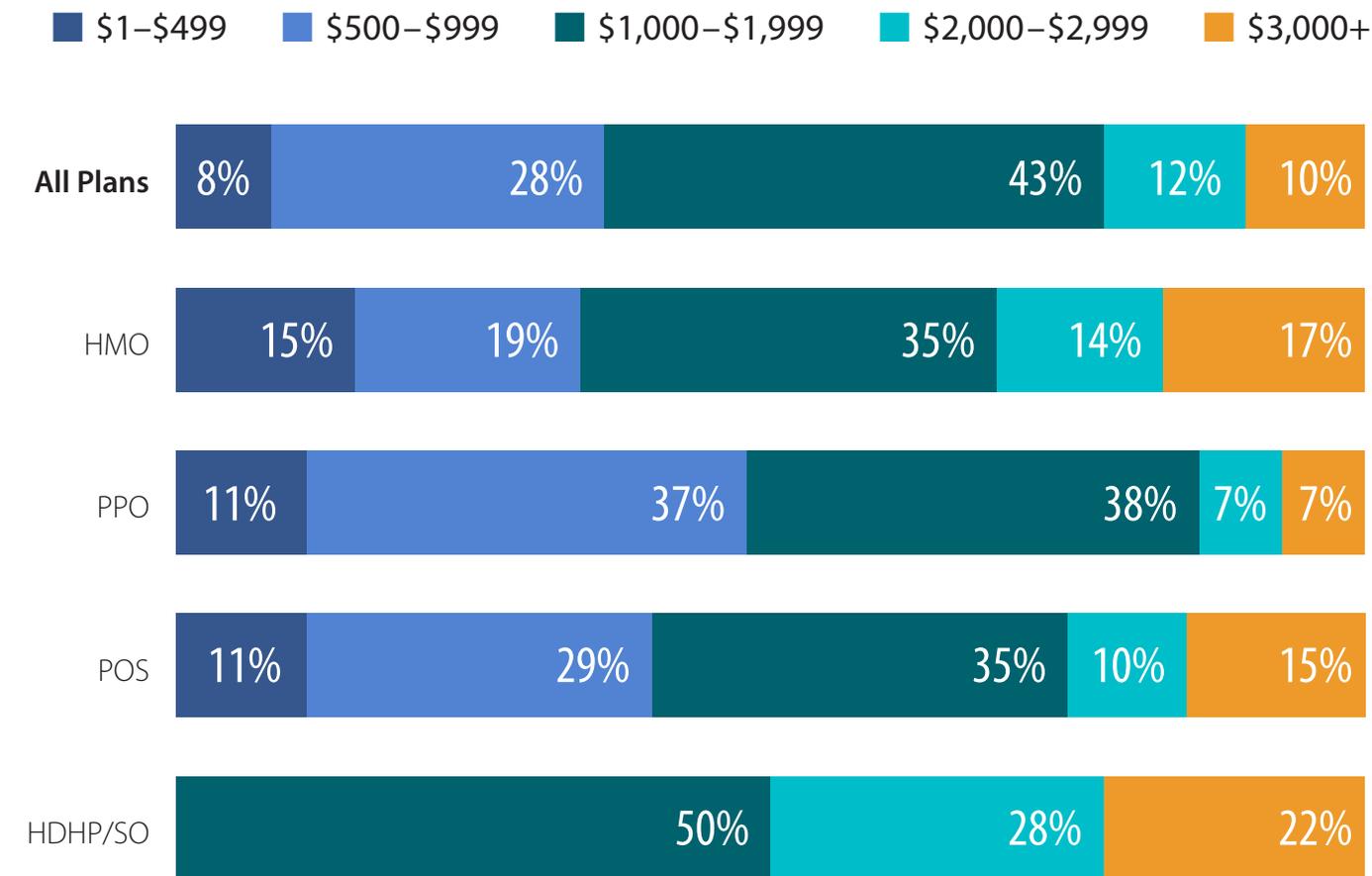
* Estimate is statistically different between small and large firms within plan type ($p < .05$).

Notes: Data based on workers with a deductible. *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Average general annual deductibles are for in-network providers. POS and HDHP/SO estimates for small firms are not reported due to small sample size.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Workers with Annual Deductible, Single Coverage

by Plan Type, California, 2022



California Employer Health Benefits

Benefits and Cost Sharing

Among covered workers with an annual deductible for single coverage, 10% had a deductible of \$3,000 or more.

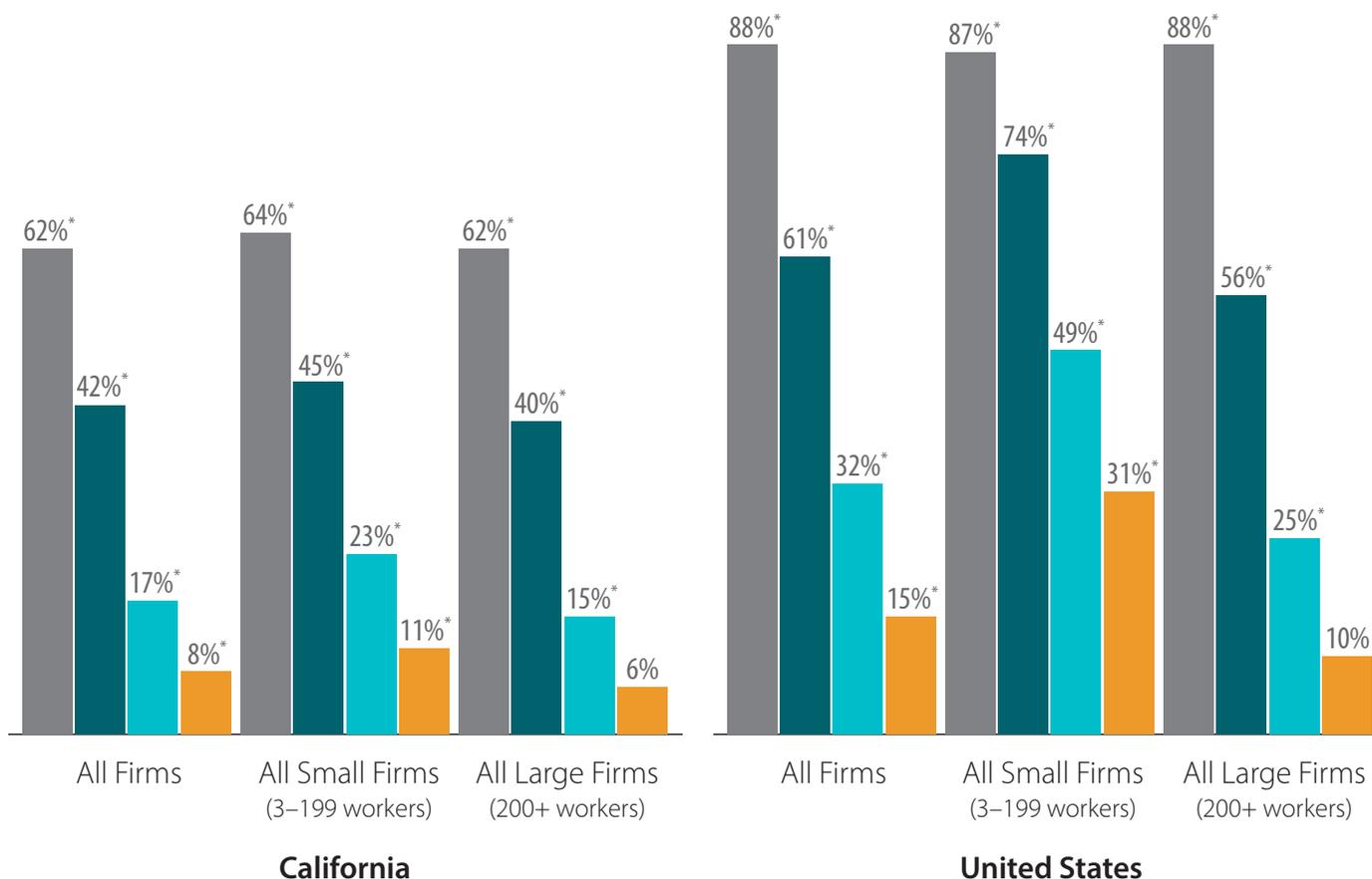
Notes: Data based on workers with a deductible. *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Average general annual deductibles are for in-network providers. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Workers with a Large Deductible (\$1,000+), Single Coverage by Firm Size, California vs. United States, 2022

PERCENTAGE OF COVERED WORKERS

■ Has a Deductible ■ \$1,000+ Deductible
■ \$2,000+ Deductible ■ \$3,000+ Deductible



In California, covered workers at small firms were slightly more likely to have a deductible of \$1,000 or more than those at large firms. On average, workers in both small and large firms in California were less likely to have a deductible than their counterparts nationally.

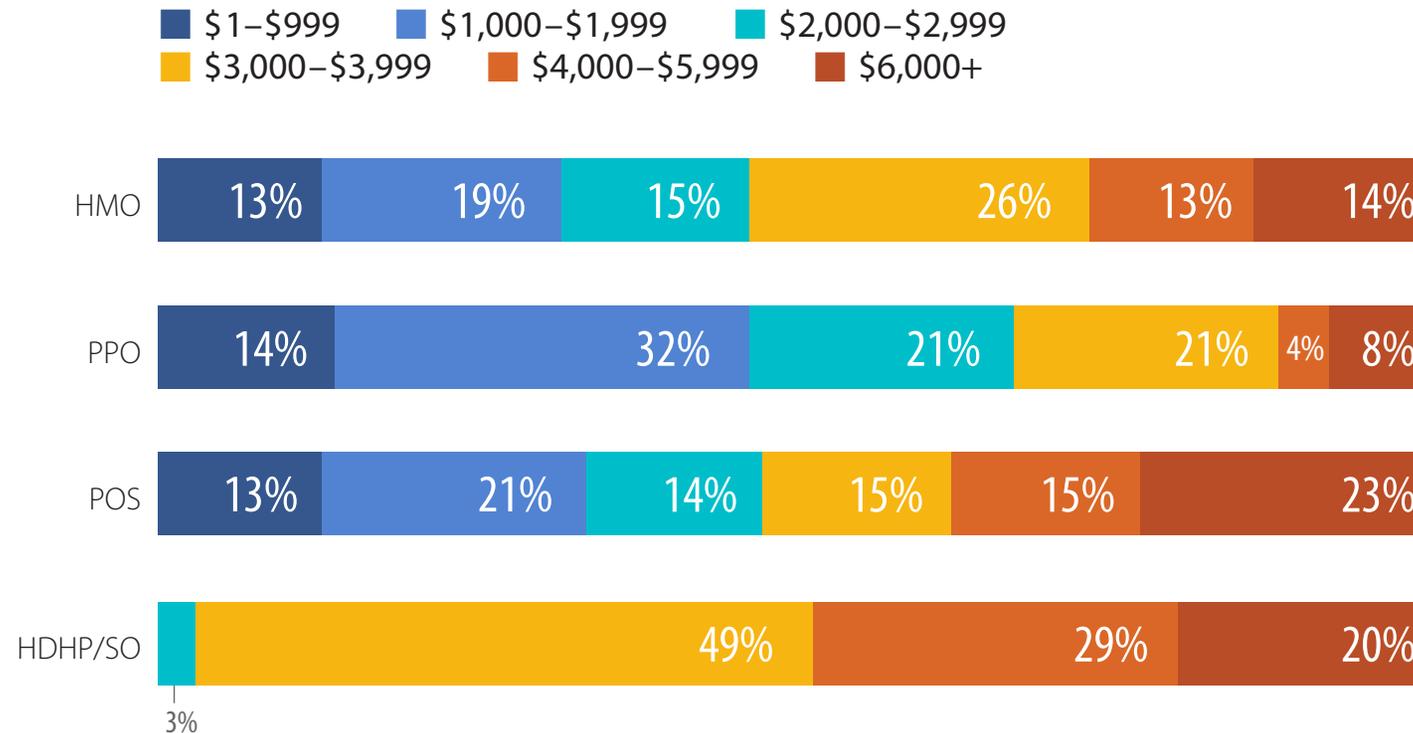
* Estimate is statistically different between firms with workers in California and all firms nationwide within group ($p < .05$).

Notes: Percentages are based on all covered workers and include workers enrolled in high-deductible health plans with a savings option (HDHP/SO) and other plan types. Average general annual health plan deductibles for PPOs, POS plans, and HDHP/SOs are for in-network services.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Aggregate Family Deductibles, Family Coverage by Plan Type, California, 2022

COVERED WORKERS WITH AN AGGREGATE DEDUCTIBLE FOR FAMILY COVERAGE



Among covered workers with an aggregate family deductible, about 20% of those enrolled in an HDHP/SO or POS plan had a deductible of \$6,000 or more.

Notes: *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. *Family* is a family of four. Average general annual deductibles are for in-network providers. The survey distinguishes between plans that have an aggregate family deductible and plans that have per person deductibles, typically with a limit on the number of family members required to reach that amount. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Cost Sharing for Physician Office Visits, by Plan Type

California, 2022

AMONG COVERED WORKERS

■ Copayment
 ■ Coinsurance
 ■ No Cost Sharing
 ■ None of the Above

Primary Care Office Visit



Specialty Care Office Visit



* Estimate is statistically different from all plans estimate ($p < .05$).

Notes: *Copayment* is a fixed dollar amount per visit. *Coinsurance* is a fixed percentage of the cost of the visit. *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Cost sharing amounts are for in-network providers. Segments may not sum due to rounding. Cost sharing may be in addition to any general annual deductible required under the plan.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Most covered workers enrolled in an HMO had a copay for a physician office visits. Covered workers enrolled in HDHP/SO plans were more likely to have a coinsurance requirement in addition to any annual deductible.

Workers with Office Visit Copayments

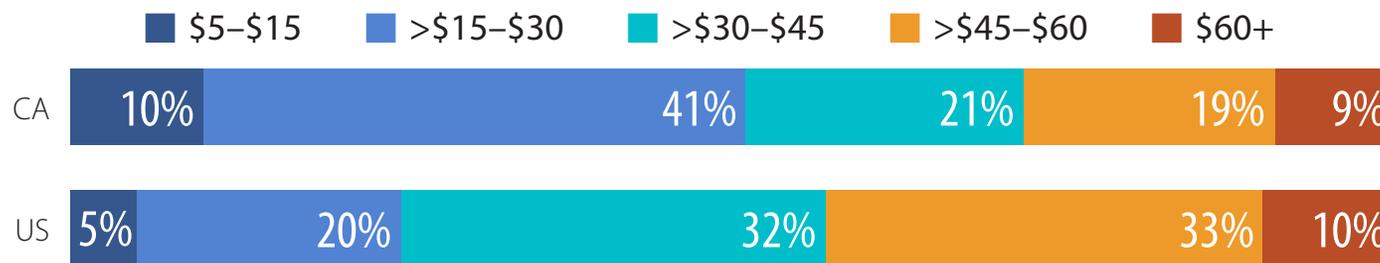
California vs. United States, 2022

Among California workers with a primary or specialty care office visit copay, 7% faced a primary care copayment of \$40 or more per visit, and 9% faced a copayment for a specialist office visit of \$60 or more.

Primary Care Office Visit



Specialty Care Office Visit



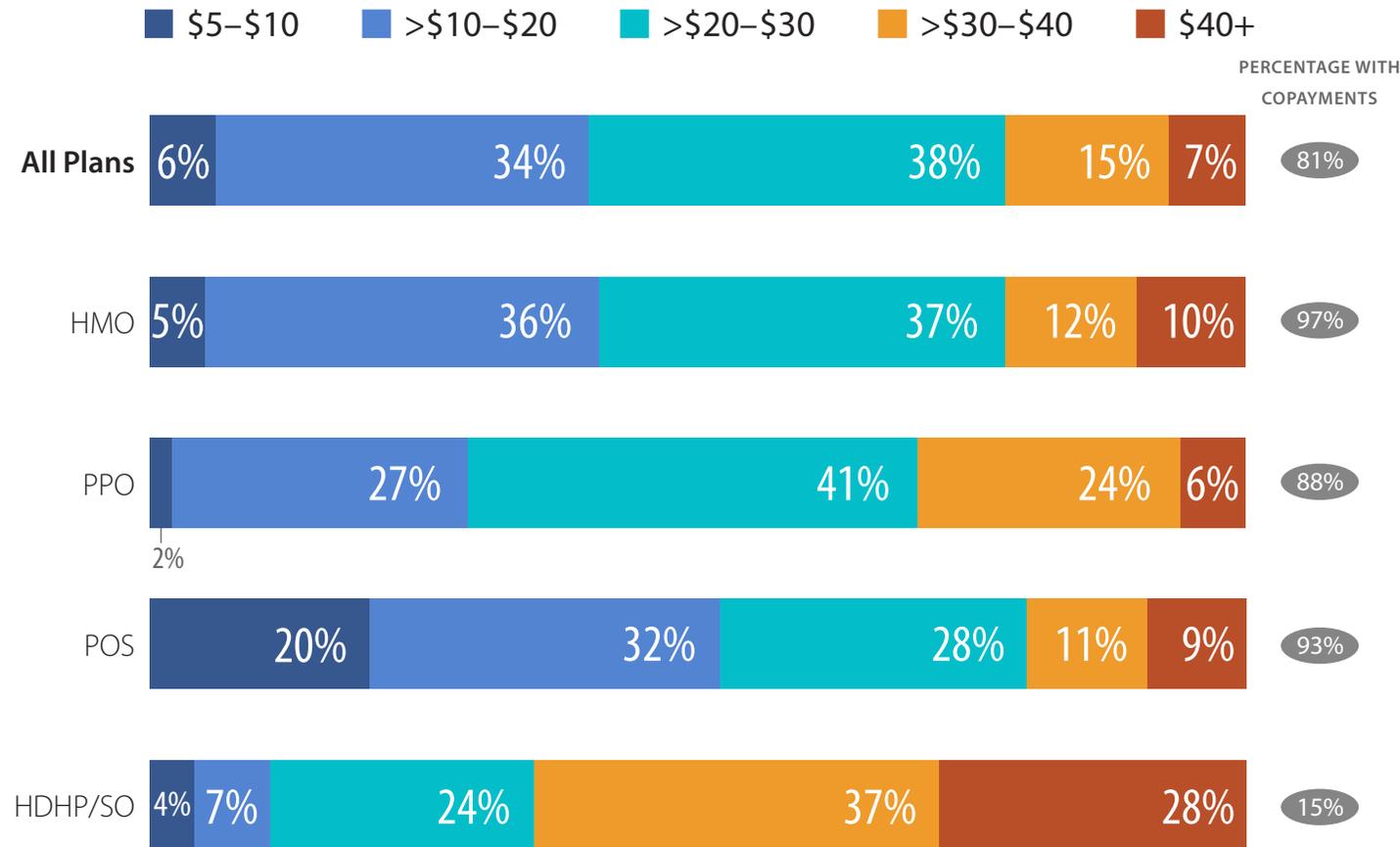
Notes: Averages are for covered workers with an office visit copayment. Copayment amounts are for in-network providers and may be in addition to any general annual deductible required under the plan. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Primary Care Office Visit Average Copayments, by Plan Type

California, 2022

COVERED WORKERS WITH A COPAYMENT FOR A PRIMARY CARE OFFICE VISIT



Notes: *Copayment* is a fixed dollar amount per visit. *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Copayments are for in-network providers and may be in addition to any general annual deductible required under the plan. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Overall, 81% of covered workers had a copayment for primary care office visits. Workers in HDHP/SOs were less likely to have a primary visit copayment than those in other plan types. Among covered workers with an office visit copayment for in-network providers, the average copayment for a primary care office visits was \$27 (not shown).

Cost-Sharing for Prescription Drugs

California vs. United States, 2022

■ Four or More Tiers ■ Three Tiers ■ Two Tiers ■ One Tier
■ No Cost Sharing After Deductible Is Met ■ Other

California



United States



California Employer Health Benefits

Benefits and Cost Sharing

In 2022, 71% of covered workers with prescription drug coverage in California were in a plan with three or more tiers of cost sharing for prescription drugs, compared to about 78% nationally.

Notes: A tier is a grouping on the formulary list (list of drugs with preferred cost sharing), which describes what cost sharing is applied to particular drugs and excludes tiers covering only specialty drugs. For example, one payment for generic drugs, another for preferred drugs, a third for nonpreferred drugs, and additional tiers for specialty, lifestyle, or other expensive drugs. Figures may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Average Prescription Drug Copayments, by Drug Type

California, 2022

AMONG COVERED WORKERS WITH A FOUR OR MORE TIER FORMULARY FOR PRESCRIPTION DRUG COST SHARING

First Tier

\$14

Second Tier

\$37

Third Tier

\$62

Fourth Tier

\$78

California Employer Health Benefits

Benefits and Cost Sharing

Among covered workers with four or more tiers of prescription drug cost sharing, the average copayment for generic drugs was one-fifth the cost of fourth-tier drugs.

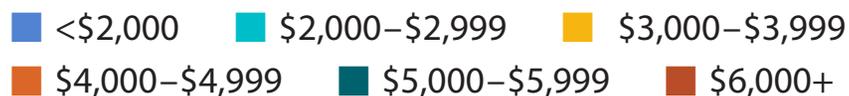
Notes: Data are shown for workers with four or more tiers and excludes tiers covering only specialty drugs. Averages are among covered workers who have a copayment requirement. First-tier drugs are often called generic drugs. Second-tier drugs are often called preferred drugs. Third-tier drugs are often called nonpreferred drugs. Fourth-tier drugs include specialty, lifestyle, or other expensive drugs.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Annual Out-of-Pocket Limits, Single Coverage

by Plan Type, California, 2022

COVERED WORKERS WITH AN OUT-OF-POCKET LIMIT FOR SINGLE COVERAGE



All Plans



HMO



PPO*



POS



HDHP/SO*



* Estimate is statistically different from all plans estimate ($p < .05$).

Notes: Out-of-pocket limits are for in-network services. *HMO* is health maintenance organization. *PPO* is preferred provider organization. *POS* is point-of-service plan. *HDHP/SO* is high-deductible health plan with a savings option, such as a health reimbursement arrangement or health savings account. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Out-of-pocket limits varied considerably across plan types. About one in four covered workers with single coverage and an out-of-pocket limit had an out-of-pocket limit of \$6,000 or more in 2022.

Firms Offering Various Wellness and Health Promotion Programs

Large Firms, California, 2022

Incentive for Participating In or Completing Wellness Programs

33%

Offers Specific Wellness Programs

86%

Incentive for Meeting Biometric Outcomes

6%

Incentive for Completing Biometric Screening

21%

Offers Biometric Screening

49%

Incentive for Completing Health Risk Assessment

23%

Offers Health Risk Assessment

52%

California Employer Health Benefits

Employer Views and Practices

Most large firms offered specific wellness programs (86%), and 33% offered employees incentives to participate in or to complete wellness activities. Six percent of firms offered workers incentives to meet biometric outcomes, such as maintaining a certain cholesterol level or body weight.

Notes: *Specific wellness programs* include programs to help workers stop smoking or lose weight, or other lifestyle or behavioral coaching. *Large firms* have 200 or more workers.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Employer Satisfaction with Firm's Health Plans, Large Firms California, 2022

■ Very Satisfied ■ Satisfied ■ Dissatisfied ■ Very Dissatisfied ■ Don't Know

Employee Engagement with Plan and Providers



Ability to Get Information About Cost and Quality of Options Beforehand



Access to Behavioral Health Care



Timely Access to Services



Quality of In-Network Providers



Overall Cost of Care



Notes: Includes large firms (200 or more workers) offering health benefits. Segments may not sum due to rounding.

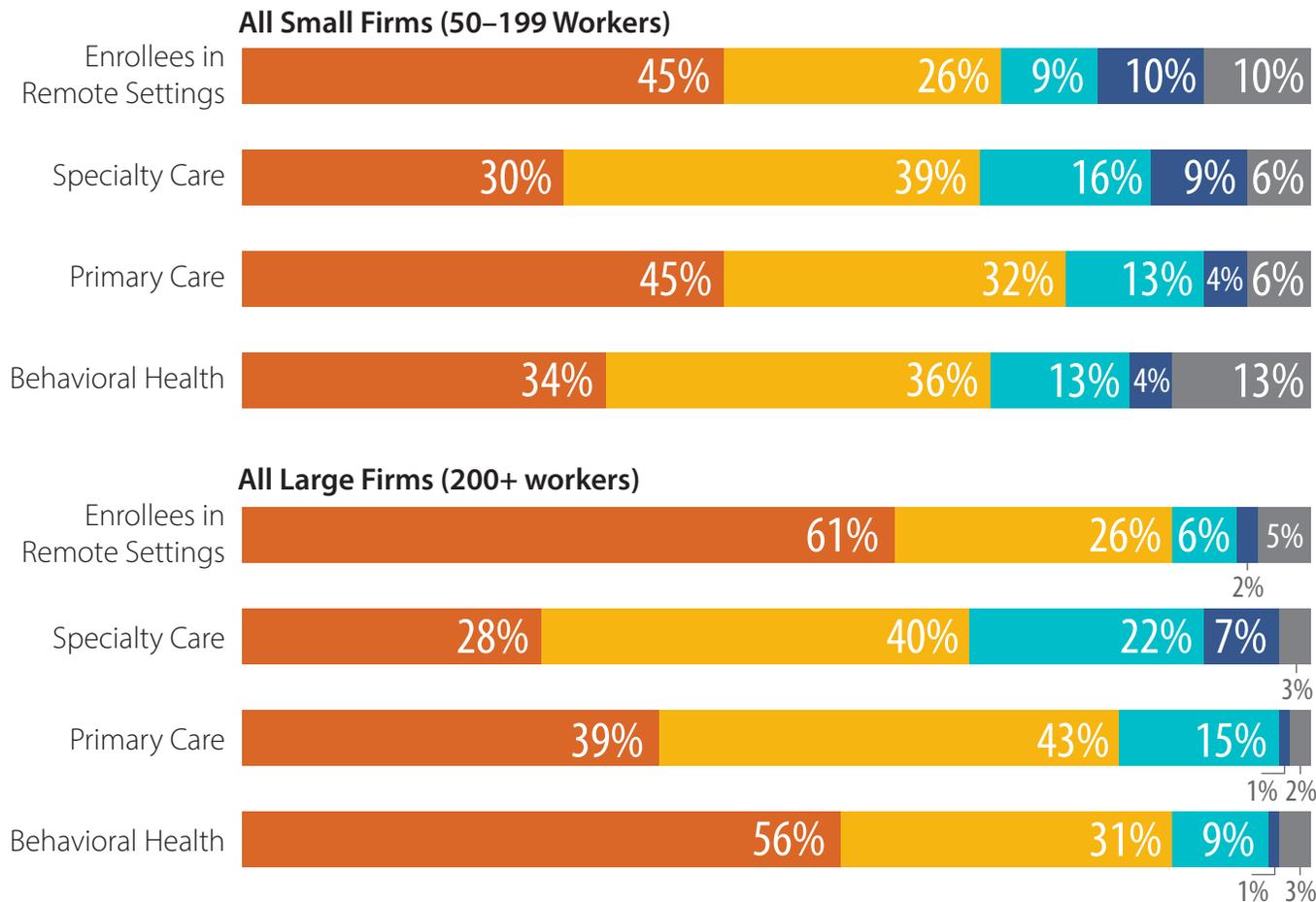
Source: KFF Employer Health Benefits Survey (2022), KFF.

Overall, the majority of large employers reported being satisfied with key aspects of their health plans, including the cost of care and quality of in-network providers.

Importance of Telemedicine in Providing Access

by Type of Care and Firm Size, California, 2022

■ Very Important
 ■ Important
 ■ Slightly Important
 ■ Not Important
 ■ Don't Know



Note: Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

California Employer Health Benefits

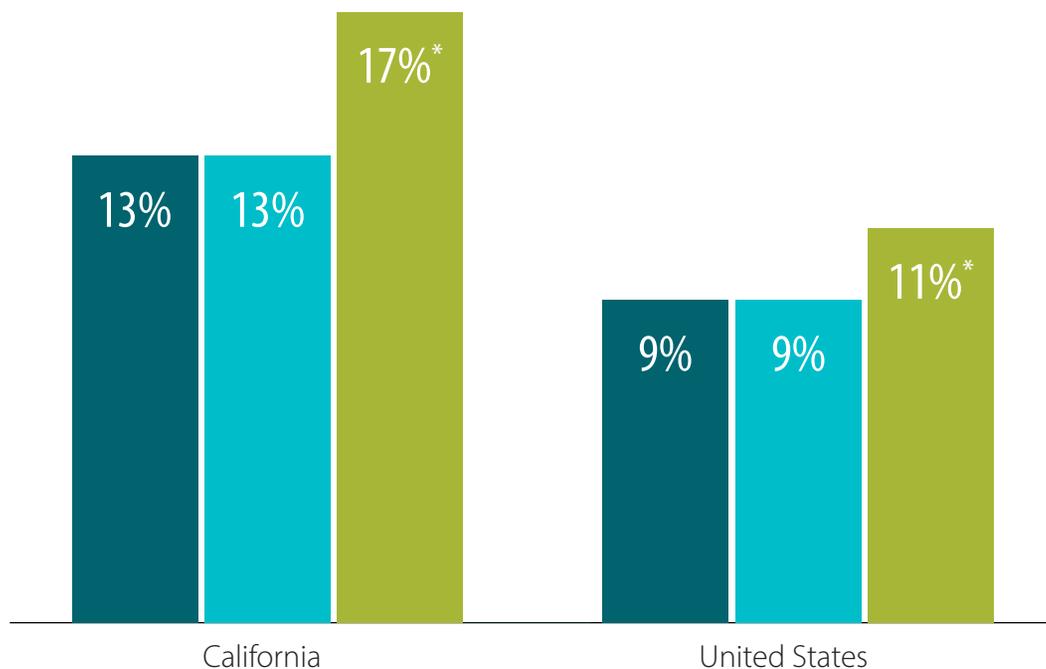
Employer Views and Practices

In 2022, the vast majority of employers (93%) covered services delivered through telehealth (not shown). In addition to playing a critical role in care delivery during the ongoing COVID-19 pandemic, the majority of large employers responded that telehealth will continue to be important in providing access to enrollees in remote settings and those seeking behavioral health services.

Firms That Offered a Narrow Network Plan, by Firm Size

California vs. United States, 2022

■ All Firms ■ All Small Firms (3–199 workers) ■ All Large Firms (200+ workers)



* Estimate is statistically different between firms with workers in California and all firms nationwide within group ($p < .05$).

Notes: Based on firms offering health benefits. A narrow network limits the number of providers who can participate in the plan's provider network, or limits services to certain facilities. The networks in these plans are more restrictive than a standard HMO network.

Source: KFF Employer Health Benefits Survey (2022), KFF.

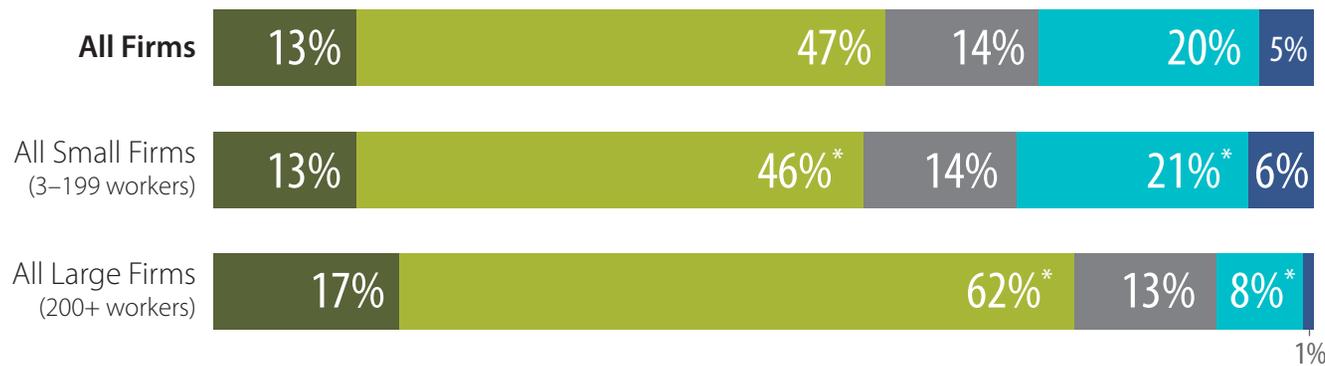
Narrow network plans limit the number of providers that can participate, often to reduce costs, and generally are more restrictive than standard HMO networks. Large firms offering health benefits in California were more likely to offer at least one plan with a narrow network than large firms offering health benefits nationally.

Employer Satisfaction with Provider Networks Available from Insurer or Third-Party Administrator, by Firm Size, California, 2022

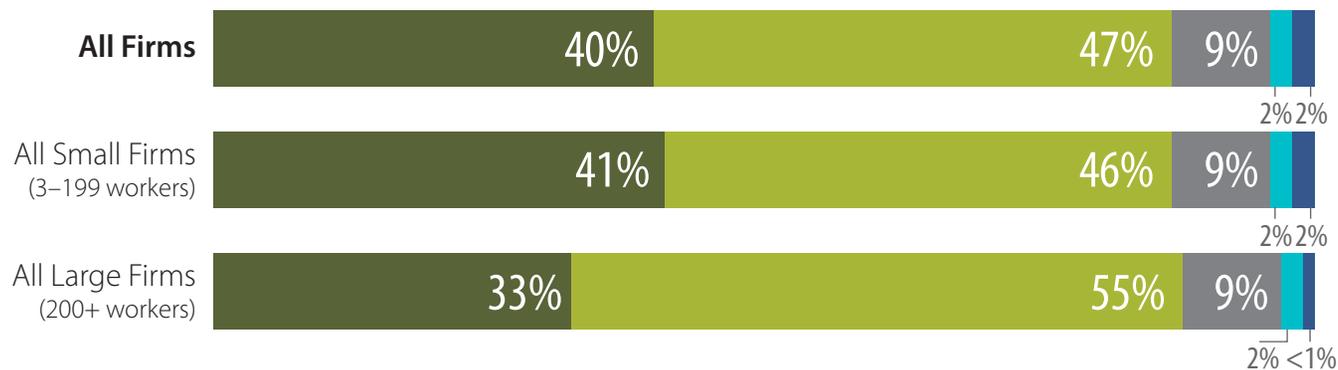
Overall, employers reported being satisfied with the choice of provider networks made available to them by their insurer or plan administrator. Small firms were less likely to be satisfied with the cost of provider networks available than large firms.

■ Very Satisfied ■ Satisfied ■ Neither ■ Dissatisfied ■ Very Dissatisfied

Cost of Provider Networks Available



Choice of Provider Networks Available



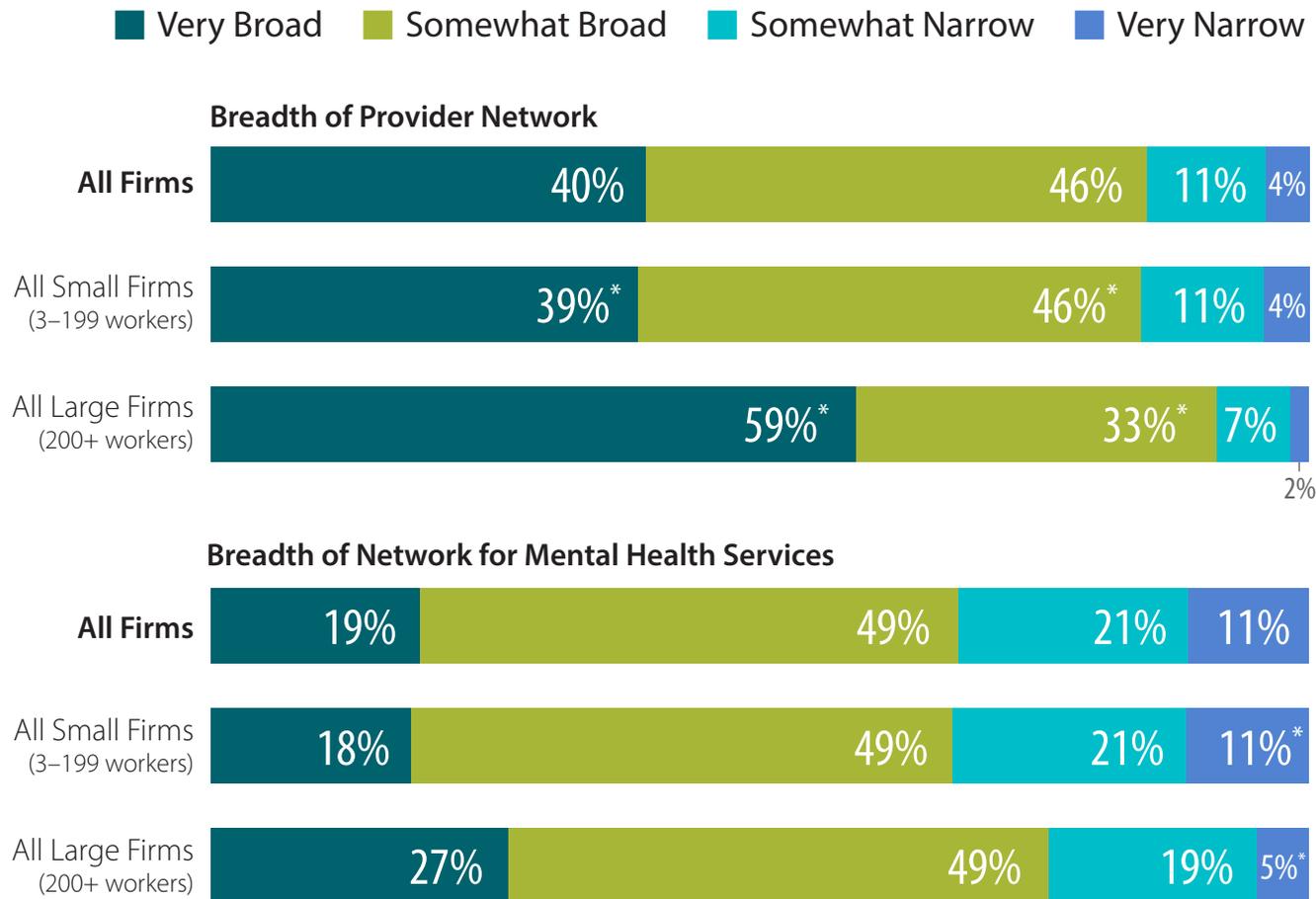
* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Note: Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Breadth of Provider Network, Plan with Largest Enrollment by Firm Size, California, 2022

Forty percent of firms said that the network in the plan with the largest enrollment was “very broad,” and 46% said it was “somewhat broad.” By contrast, only about one in five firms indicated that their largest plan’s network for mental health services was “very broad.”



* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Notes: A broad provider network includes most doctors and hospitals in the area; a narrow network is limited to a small number of providers. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Provider Network is Sufficient to Provide Timely Access, by Firm Size, California, 2022

FIRMS OFFERING HEALTH BENEFITS

■ Yes ■ No ■ Don't Know

Primary Care Providers



Behavioral Health Providers



* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Notes: Firms with multiple plans were asked about their plan with the largest enrollment. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

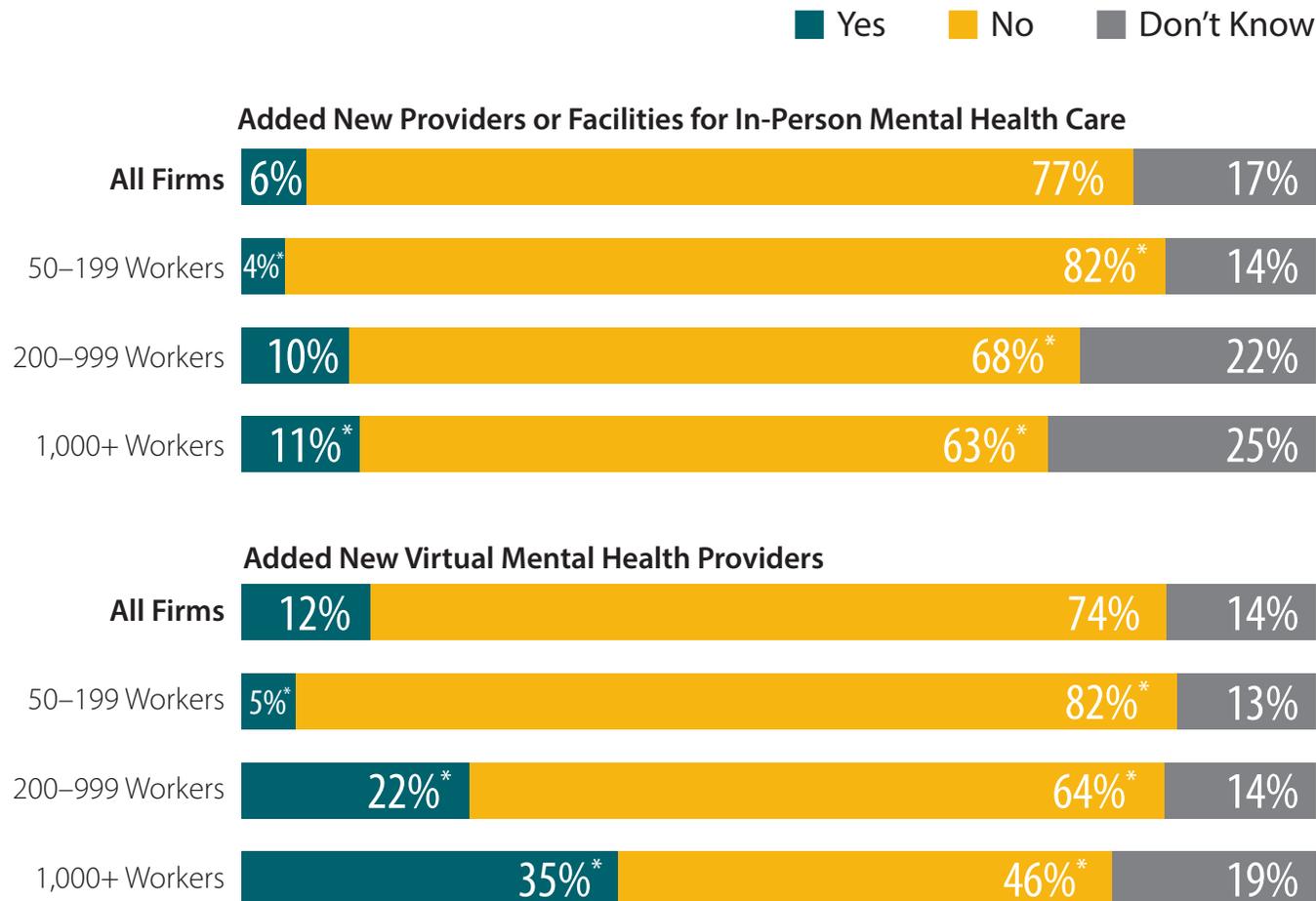
California Employer Health Benefits

Employer Views and Practices

Just over half of large firms offering health benefits responded that their plan with the largest enrollment had a sufficient number of behavioral health providers to ensure timely access, compared to 37% of small firms. Overall, firms were twice as likely to indicate their plan had a sufficient number of primary care providers compared to behavioral health providers.

Firms That Expanded the Availability of Mental Health Providers by Firm Size, California, 2022

OFFERING FIRMS (50 OR MORE WORKERS)



In 2022, relatively small percentages of employers offering health benefits added new mental health providers or facilities. Six percent added new in-person providers or facilities and 12% added new virtual providers. Larger firms were more likely to add new providers.

* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Notes: Segments may not sum due to rounding. Includes firms with 50 or more workers.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Awareness of Any All-Payer Claims Databases

Large Firms, California, 2022

FIRMS OFFERING HEALTH BENEFITS

■ Yes ■ No ■ Don't Know

All Large Firms



500–999 Workers



1,000–4,999 Workers



5,000+ Workers



* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Notes: *Large firms* have 500 or more workers. All-payer claims databases combine information on medical claims and eligibility from private and public payers. These data sets are run by state governments, with data submitted from insurers and third-party administrators. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

California Employer Health Benefits

Employer Views and Practices

All-payer claims databases (APCD) combine medical claims and eligibility information from public and private health plans. California is currently implementing an APCD called the Health Payments Data Program. About 1 in 10 firms with 500 or more workers offering health benefits indicated that they were aware of all-payer claims database efforts.

Assessment of Value of All-Payer Claims Databases to Employers, the Public, and Policymakers, Large Firms, California, 2022

FIRMS OFFERING HEALTH BENEFITS

■ A Great Deal ■ Somewhat ■ Very Little ■ Not at All ■ Don't Know

All Large Firms



500–999 Workers



1,000–4,999 Workers



5,000+ Workers



Many states build all-payer claims databases to study health care markets and to compare the cost and performance of providers and payers. Thirteen percent of firms with 500 or more workers indicated that these data sets offer “a great deal” of value to employers, the public, and policymakers.

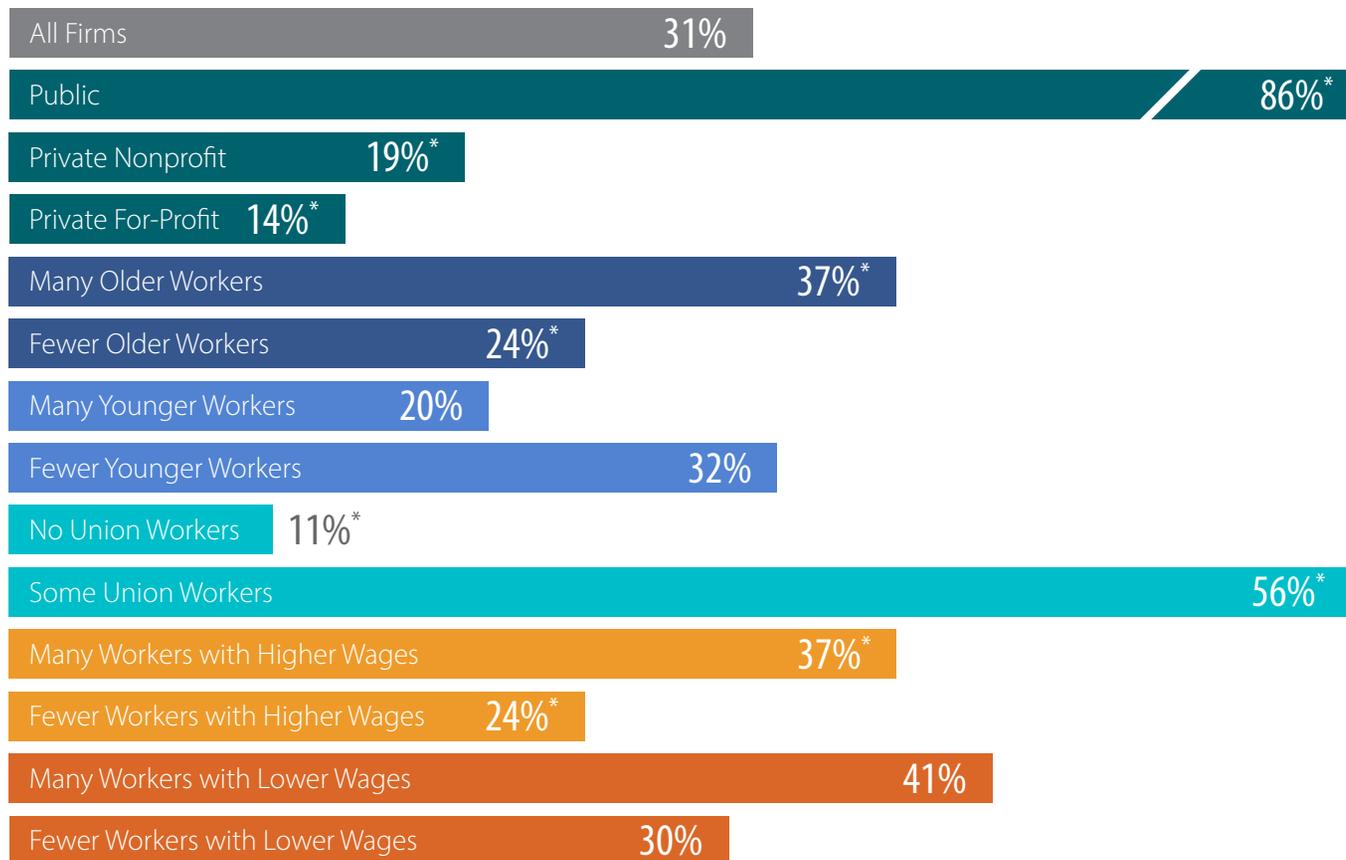
* Estimates are statistically different from estimate for all other firms not in the indicated category within each firm size ($p < .05$).

Notes: *Large firms* have 500 or more workers. All-payer claims databases combine information on medical claims and eligibility from private and public payers. These data sets are run by state governments, with data submitted from insurers and third-party administrators. Segments may not sum due to rounding.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Large Firms Offering Retiree Health Benefits by Firm Characteristics, California, 2022

PERCENTAGE OF LARGE FIRMS OFFERING RETIREE HEALTH BENEFITS



* Estimates are statistically different from each other within category ($p < .05$).

Notes: *Large firms* have 200 or more workers. *Many workers with lower wages* firms are those with 35% or more of workers earning \$30,000 or less per year. *Fewer workers with lower wages* firms are those with less than 35% of workers earning that amount. *Many workers with higher wages* firms are those with 35% or more of workers earning \$70,000 or more per year. *Fewer workers with higher wages* firms are those with less than 35% of workers earning that amount. Firms with *many older workers* are those where at least 35% of workers are age 50 or older. Firms with *many younger workers* are those where at least 35% of workers are age 26 or younger.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Retiree benefits can be a crucial source of coverage for people retiring before Medicare eligibility. For retirees with Medicare coverage, these benefits can provide an important supplement to Medicare, helping them pay for cost sharing and benefits not otherwise covered. About one third of firms in California offered retirees health benefits.

Methods

The KFF Employer Health Benefits Survey was designed and analyzed by researchers at KFF and NORC at the University of Chicago, and administered by Davis Research (Davis). The findings are based on a random sample of 742 interviews with employee benefit managers in firms in or having employees in California. In addition, 943 firms answered just one question on whether their firm offered health benefits. Davis conducted interviews from February to July 2022. Responses reflect employers' plans at the time of the interview.

The 2022 sample included panel and nonpanel firms. The panel firms included California-based employers with 10 or more employees who responded to either the 2018 California Health Benefits Survey (CHBS), the 2020 CHBS, or KFF's 2021 or 2020 Employer Health Benefits Survey (EHBS), who were invited to participate in the 2022 survey. The sample of nonpanel firms was drawn from a Dynata list (based on a census assembled by Dun & Bradstreet) of private employers with three or more workers. Firms were sampled within size and industry categories. In 2022, 16% of firms responded to the survey, including 41% of firms that had completed one of the surveys listed above.

The 2022 EHBS includes several major methodological revisions from earlier CHBS surveys, which limit comparison to past years. First, in 2022, KFF integrated the CHBS sample into its nationwide survey by adding multiple questions to the nationwide survey about the firms' presence and employment in California. As of 2022, information was collected on all plans with California enrollment, regardless of where the employer was headquartered. This chart pack was calibrated to estimate California's firm-level and employment-level statistics within the state, rather than the share of covered workers working in firms headquartered within the state. The CHBS and EHBS surveys used similar methods and asked similar questions in earlier years, which limited the disruption from integrating California into the national survey. This change fully aligned the methods used in the California and national estimates. Second, the sampling population for the CHBS was expanded to include nonfederal public employers. Third, averages reported were weighted by California workers and by firms with workers in the state; however, firm characteristics and sizes reflect their national characteristics. Fourth, respondents were given the option to complete the survey either online or through computer-assisted telephone interviewing. Forty-one percent of survey responses were completed via telephone, and the rest were completed online.

In 2022, 56% of the covered worker weight and 89% of the employer weight was represented by firms with workers only in California. Sixty-six percent of the covered worker weight comprised firms with 200 or more workers. Conversely, firms with fewer than 50 workers made up 92% of the employer weight. To control for item nonresponse, missing data were imputed using a hot deck approach, which replaces missing information with observed values from a similar firm. Calculation of the weights followed a common approach. To produce nationally representative estimates, weights specific to employers, workers, covered workers, and workers within each of the four specified health plan types were developed. Weights were calibrated to the Census Bureau's 2019 Statistics of US Businesses and the 2017 Census of Governments within size and industry categories. The weights were trimmed to reduce the influence of weight outliers. For more information on weighting, imputation, and sampling, please see "2022 Employer Health Benefits Survey: Survey Design and Methods."

California Employer Health Benefits

ABOUT THIS SERIES

The California Health Care Almanac is an online clearinghouse for data and analysis examining the state's health care system. It focuses on issues of quality, affordability, insurance coverage and the uninsured, and the financial health of the system with the goal of supporting thoughtful planning and effective decisionmaking. Learn more at www.chcf.org/almanac.

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Appendix A. Average Annual Premiums, by Firm Size, California, 2022

AVERAGE ANNUAL SINGLE COVERAGE PREMIUMS AMONG COVERED WORKERS

FIRM SIZE	WEIGHTED AVERAGE	STANDARD ERROR	UNWEIGHTED COUNTS	WEIGHTED COUNTS	STATISTICAL SIGNIFICANCE
3–24 Workers	\$8,190	\$426.12	79	1,113,083	
25–49 Workers	\$8,788	\$745.66	39	473,544	
50–199 Workers	\$8,211	\$312.31	86	1,068,592	
200–999 Workers	\$8,584	\$197.29	192	1,310,678	*
1,000–4,999 Workers	\$8,328	\$269.65	134	1,184,233	
5,000 or More Workers	\$7,657	\$198.95	82	3,604,480	*
All Small Firms (3–199 Workers)	\$8,305	\$254.25	204	2,655,219	
All Large Firms (200+ Workers)	\$7,987	\$135.48	408	6,099,391	
ALL FIRMS	\$8,083	\$122.91	612	8,754,610	

AVERAGE ANNUAL FAMILY COVERAGE PREMIUMS AMONG COVERED WORKERS

FIRM SIZE	WEIGHTED AVERAGE	STANDARD ERROR	UNWEIGHTED COUNTS	WEIGHTED COUNTS	STATISTICAL SIGNIFICANCE
3–24 Workers	\$20,033	\$784.27	71	995,692	*
25–49 Workers	\$23,143	\$1,155.84	37	444,379	
50–199 Workers	\$23,224	\$1,118.16	86	1,068,592	
200–999 Workers	\$23,641	\$569.74	192	1,310,678	
1,000–4,999 Workers	\$23,582	\$878.91	134	1,184,233	
5,000 or More Workers	\$22,876	\$720.42	82	3,604,480	
All Small Firms (3–199 Workers)	\$21,943	\$620.42	194	2,508,663	
All Large Firms (200+ Workers)	\$23,178	\$467.18	408	6,099,391	
ALL FIRMS	\$22,818	\$382.85	602	8,608,054	

* Estimates are statistically different from each other within category ($p < .05$).

Notes: *Unweighted counts* are the firm unweighted sample size. *Weighted counts* are the weighted count of covered workers.

Source: KFF Employer Health Benefits Survey (2022), KFF.

Appendix B. Average Annual Premiums, by Plan Type, California, 2022

AVERAGE ANNUAL SINGLE COVERAGE PREMIUMS AMONG COVERED WORKERS

PLAN TYPE	WEIGHTED AVERAGE	STANDARD ERROR	UNWEIGHTED COUNTS	WEIGHTED COUNTS	STATISTICAL SIGNIFICANCE
HMO	\$7,792	\$185.07	250	2,832,717	
PPO	\$9,112	\$256.20	332	3,305,888	*
POS	\$8,006	\$469.66	80	1,022,036	
HDHP/SO	\$7,216	\$275.86	215	1,519,461	*
ALL FIRMS	\$8,083	\$122.91	612	8,754,610	

AVERAGE ANNUAL FAMILY COVERAGE PREMIUMS AMONG COVERED WORKERS

PLAN TYPE	WEIGHTED AVERAGE	STANDARD ERROR	UNWEIGHTED COUNTS	WEIGHTED COUNTS	STATISTICAL SIGNIFICANCE
HMO	\$21,898	\$463.24	247	2,787,803	
PPO	\$25,726	\$674.17	327	3,215,058	*
POS	\$20,952	\$1,274.22	78	1,012,471	
HDHP/SO	\$21,429	\$1,231.74	215	1,519,461	
ALL FIRMS	\$22,818	\$382.85	602	8,608,054	

* Estimate is statistically different from all firms ($p < .05$).

Notes: *Unweighted counts* are the firm unweighted sample size. *Weighted counts* are the weighted count of covered workers.

Source: KFF Employer Health Benefits Survey (2022), KFF.