



# **Small Business Health Insurance Price Index Report for 2016**

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December 2016

## INTRODUCTION

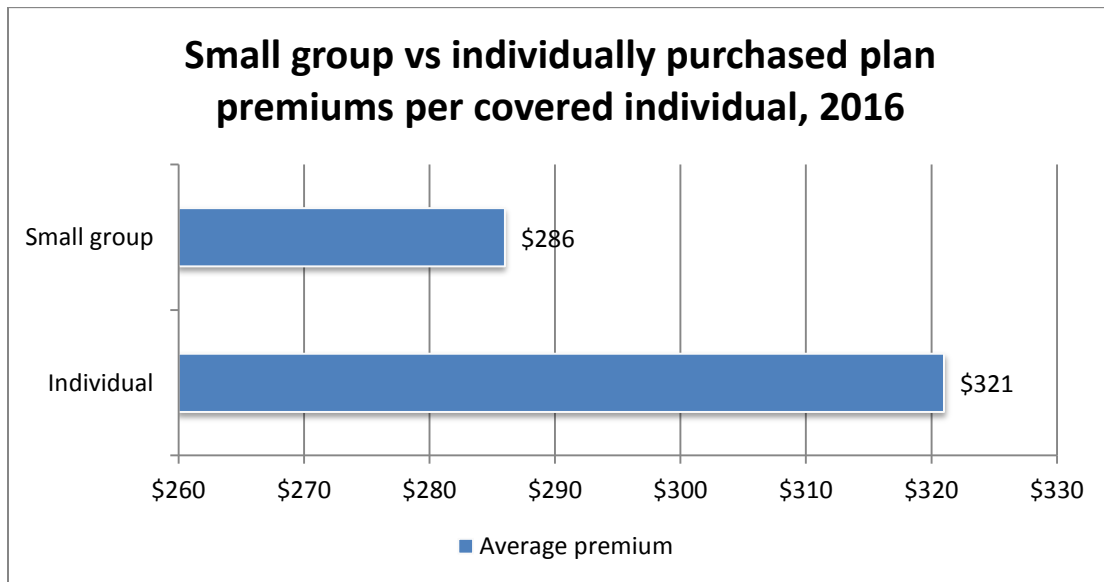
In this report, eHealth provides an analysis of consumer shopping trends and costs in the small business, or small group, health insurance market. The data presented is based solely on small group health insurance plans selected by eHealth customers in 2016. Small group health insurance plans are purchased by business owners and may provide coverage for both employees and dependents. The majority of the policies included in this report provided coverage to no more than ten persons.

The information that follows includes comparisons to the cost of coverage in the individual and family health insurance market. These comparisons are drawn from eHealth's Health Insurance Price Index Report for the 2016 Open Enrollment Period, published October 2016. Cost comparisons are based on individual and family health insurance plans purchased by eHealth shoppers not utilizing government subsidies.

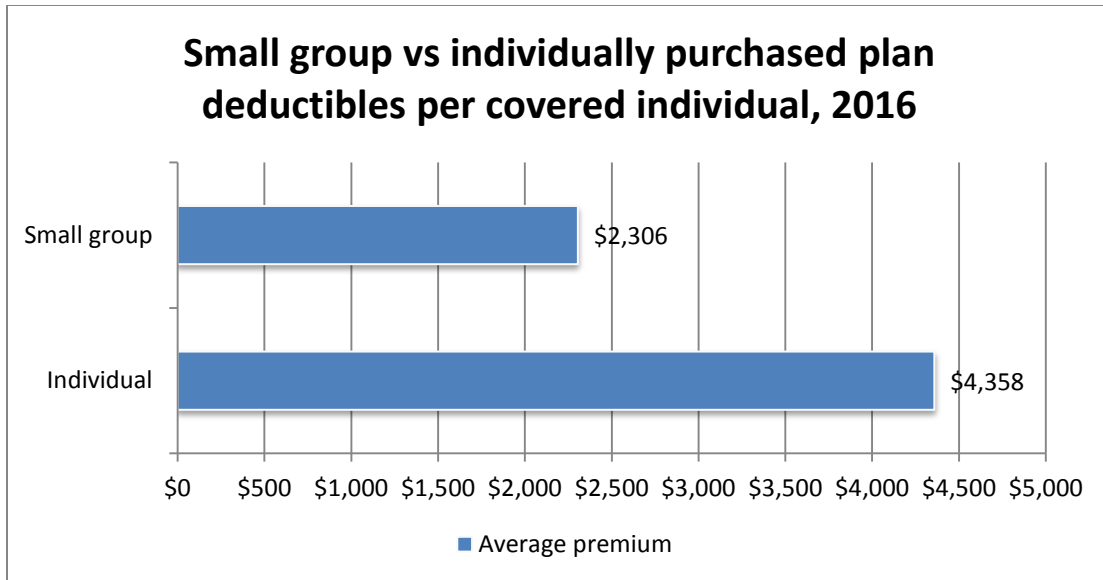
## HIGHLIGHTS

- The average small group paid \$1,432 per month in total premiums, or \$286 per covered life
- Annual individual deductibles averaged \$2,306
- The average small group health plan had five members; of these, three were employees and two were family members of employees on average

## COST COMPARISONS TO INDIVIDUAL AND FAMILY COVERAGE



- As demonstrated in the chart above, coverage under a small group health insurance plan was 11% (\$35) less costly on average than that under an individually purchased health insurance plan



- The average deductible under a small group health insurance plan was 47% less than the average deductible under an individually purchased health insurance plan

### SMALL GROUP HEALTH INSURANCE COSTS IN SELECT STATES

eHealth analyzed data at a state-level in nine states where eHealth had at least 25 new sold groups and a combined total of at least 100 covered lives in 2016. Highlights of the analysis from these states include the following:

- The highest average monthly premium per covered life was \$355 in New York
- The lowest average monthly premium per covered life was \$170 in Arizona

| State             | Average Group Size | Average Group Monthly Premium | Average Monthly Premium Per Covered Life | Avg. Monthly Premium, Individual Coverage* |
|-------------------|--------------------|-------------------------------|--|--|
| <b>Arizona</b>    | 6                  | \$1,018                       | \$170                                    | \$297                                      |
| <b>California</b> | 5                  | \$1,570                       | \$314                                    | \$330                                      |
| <b>Colorado</b>   | 4                  | \$799                         | \$200                                    | \$312                                      |
| <b>Florida</b>    | 5                  | \$1,394                       | \$279                                    | \$340                                      |
| <b>Georgia</b>    | 6                  | \$1,766                       | \$294                                    | \$312                                      |
| <b>New Jersey</b> | 4                  | \$1,311                       | \$328                                    | \$400                                      |
| <b>New York</b>   | 4                  | \$1,418                       | \$355                                    | \$375                                      |
| <b>Texas</b>      | 5                  | \$1,615                       | \$323                                    | \$328                                      |
| <b>Virginia</b>   | 6                  | \$1,043                       | \$174                                    | \$307                                      |

\*Average premiums for individually-purchased health insurance plans, based on figures reported in eHealth's October 2016 Health Insurance Price Index Report for the 2016 Open Enrollment Period.

## METHODOLOGY NOTE

eHealth's findings are derived from an analysis of plans selected by more than 500 small employers through eHealth.com during 2016. eHealth analyzed premium data from small group health insurance sold through eHealth in 2016. To determine average premiums per employer, per employee and per dependent, eHealth analyzed the number of employees and dependents on each plan, the monthly premium paid per sold plan and the plan deductible as listed in the plan summary of benefits.

eHealth is one of the few organizations with nationally sourced health insurance data that broadly reflects consumer buying patterns and purchase prices to provide insights into the self-purchased small group health insurance market.

Data presented in eHealth's report is based solely on submitted applications for health insurance through eHealth in the specified time period. It does not offer a comprehensive view of costs for all plans available through eHealth, through the market as a whole, or through government SHOP exchanges. Certain applications missing key data fields relevant for the analysis may have been removed from the total sample. Specific health insurance plan premiums, deductibles, and other features may differ significantly from any averages or other presented statistics.

For more information on the individual and family health insurance costs presented in this report, please refer to eHealth's October 2016 [Health Insurance Price Index Report for the 2016 Open Enrollment Period](#).

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