The Rising Cost of Employer-Sponsored Insurance in 200 Words

Population Health Sciences

Date Posted:

Oct 30, 2018

The Kaiser Family Foundation recently released its annual survey of employer health benefits. I was particularly struck that this year, the average annual cost of premiums for family coverage through employer-sponsored insurance (ESI) was nearly $20,000. If you zoom out further, since 2013, the average cost of premiums for families has increased by 20 percent; since 2008, they've risen an astounding 55 percent.

At PolicyLab, we've studied how this trend impacts the tough decisions families are forced to make about how to provide health insurance for their children. Our research examined low- and moderate-income working families and found an increase between 2008 and 2013 in the number of children who were covered by public insurance options like Medicaid and the Children's Health Insurance Program (CHIP), even when their parents had coverage through an employer. When these families made too much to qualify for these programs, but couldn't obtain children's health coverage through their employer, we also saw an increase in those who would simply go without coverage altogether.

With the cost of ESI continuing to increase, I imagine the trends our research identified have also continued unabated, making it more important than ever that working families are part of the conversation about the future of health insurance coverage. Addressing the rising costs of ESI while protecting vital family supports like Medicaid and CHIP can help ensure families have access to the high-quality, affordable health care coverage they need to thrive.

This post is part of our "____ in 200 Words" series. In this series, we tackle issues related to children's health policy and explain and connect you to resources to help understand them further, all in 200 words. If you have any suggestions for a topic in this series, please send a note to PolicyLab's Senior Communications & Operations Manager Lauren Walens.

Doug Strane
Doug Strane
MPH
Research Scientist