

OPINION EXCHANGE

Editorial Opinion

Ill Health

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Headlines like the following have become almost routine:

*DOUBLE-DIGIT HEALTH
PREMIUM HIKES ON HORIZON*

*WORKERS WORRIED OVER
LOSING HEALTH COVERAGE*

Towers Perrin reports in this issue (*see page 15*) that once again, health insurance costs are going up next year. The expected 2004 increase in health care costs will be an average 12 percent, which amounts to \$742 per active employee.

Next year will be the fifth straight year of double-digit increases in health premiums for businesses.

As Towers Perrin points out, companies are paying twice as much in health care costs today as they paid six years ago. They now pay an average of \$314 per month (\$3,768 on an annual basis) for employee-only coverage; \$627 per month (\$7,524 annually) for employee-plus-one dependent coverage and \$888 per month (\$10,656 annually) for family coverage.

While employers are struggling to cover these rising premiums, employees are not immune. They are being asked to pay more.

And they're very worried about what the future holds.

A declining percentage of American workers are confident that their employers will continue offering health insurance in the years ahead, according to the Health Confidence Survey by the Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc.

How concerned are they? So concerned that more and more think a government-run solution would work better than the system we now have, according to the survey.

In the past year alone, the proportion of those with employer coverage who prefer a government-operated system jumped from 17 percent to 31 percent.

Private carriers may take heart that a slim majority of those in employment-based plans, 55 percent, continues to believe that the employment-based system is best. However, support for a government plan jumped from 25 to 36 percent in the past year.

Next to the economy, health care is the issue most Americans are worried about.

Unless private interests and government work out an answer to rising costs -- and to the rising population of uninsureds even among the employed -- the numbers of those who believe a government plan is the answer can only go up.

Warnings that a government-heavy plan will only make matters worse will carry less weight each day that the situation worsens under the current system. □