



## News Release

FOR IMMEDIATE RELEASE

**For more information:**

Barbara Tabor, APR  
(651) 230-9192  
barbara@taborpr.com

### **Specialty pharmacy, Cadillac Tax top list of employer benefit concerns, while use of consumer-driven plans, wellness programs increases**

*Minnesota Health Action Group releases annual employer benefit survey results*

**BLOOMINGTON, Minn.** (May 19, 2015) – There are more similarities than differences among Minnesota employers when it comes to several key aspects of employee benefits. A recent survey by the [Minnesota Health Action Group](#) showed employers are in agreement and feel a sense of “powerlessness” over skyrocketing specialty pharmacy spending, noting a trend rate of over 30 percent. Survey results also highlighted the popularity of employee wellness programs and incentives among nearly all companies participating.

These findings were drawn from The Action Group’s 2015 Annual Employer Benefits Survey, which provides a benchmark of employee benefit trends in Minnesota based on information provided by employers who are either headquartered in, or have employees in Minnesota.

“Without the means to compare your company’s benefit plan structure and performance to other Minnesota and national employers, it’s challenging to know whether you’re an outlier or if you are in sync with best practices,” said [Carolyn Pare, president and CEO](#) of The Minnesota Health Action Group. “Members often tell me that the value of the annual benchmarking survey, in and of itself, far exceeds the price of membership. They say it helps shape their benefit strategies year after year.”

A comprehensive report of findings and detailed answers is available free of charge to members that participated in the survey. All Minnesota employers, including those who are not members of The Action Group, can benefit from the information in the executive summary, which can be downloaded at <http://bit.ly/1HlsvQs>. Highlights of the survey findings include:

- The average health care cost trend increased a moderate 4.2 percent over 2014, but for the first time in the last several years, was slightly above the national average of 3.9 percent.
- A startling trend rate of 30 percent in specialty pharmacy costs has employers concerned. Narrow networks and medication adherence are two management strategies being considered.

- Although employers are committed to continuing health benefits for employees, concerns about the Affordable Care Act's reporting requirements and Cadillac Tax persist.
- Employers want health care reform to bring simplicity and price transparency to the market.
- Adoption of consumer-driven health plans continues. The percent of employers who offered a health savings account (HSA) jumped from 55 percent last year, up to 68 percent, narrowly beating out PPO plans (66 percent). Point-of-service and HMO plans continue to decline. Value-based benefit design, and increased copays and coinsurance are the most contemplated medical plan design changes.
- More than 91 percent of employers offer some form of wellness program, which is significantly higher than the 56 percent of employers nationally who do so. Health risk assessments and biometric screenings are the most common tactics offered, and employers report higher than average employee engagement rates. Most employers plan to increase wellness program spending this year.
- Virtually all employers who offer a wellness program (94 percent) also offer incentives, pushing participation rates well above the national average. Gift cards and premium incentives remain popular, with limited interest in penalties.
- There's room for improvement in vendor satisfaction. Ratings for almost all health plan vendors dropped from 2014.

Survey responses were gathered during February 2015, from 41 participating companies representing nearly 260,000 employees across the state: 174,622 in the Twin Cities metro area and 85,241 throughout the rest of the state. The survey posed questions for employers about benefits they currently offer (including plan design type, employee cost sharing, covered benefits, prescription drug benefits, wellness activities, and incentives), eligibility and contribution rates, overall health goals and strategies, vendor satisfaction, and commitment to providing ongoing employee benefits.

###

***About the Minnesota Health Action Group***

Formed in 1988 as the Buyers Health Care Action Group, the Minnesota Health Action Group is a coalition of public and private employers. Based in Bloomington, Minn., The Action Group is the only Minnesota organization whose sole purpose to represent the collective voice of those who pay the bill for health care — employers, public purchasers and individuals. The Action Group drives innovation, collaboration and engagement in ways that improve health care and ensures the economic vitality of all Minnesota communities. To learn more, visit [www.mnhealthactiongroup.org](http://www.mnhealthactiongroup.org). Follow on Twitter: @actiongroupmn.