

Medical care premiums in the United States, March 2020

The National Compensation Survey (NCS) program publishes comprehensive estimates on the incidence (the percentage of workers with access to and participation in employer provided benefit plans) and provisions of employee benefit plans. Health care is typically one of the most expensive benefits for employers to provide, constituting 8.2 percent of total compensation for civilian workers in March 2020.¹ The average cost for health care per state and local government employee hour worked was \$6.00 and \$2.64 for private industry workers.

The NCS program publishes several components of health care benefits, including medical care premiums.

- A premium is an agreed upon fee paid for coverage of medical care benefits for a defined period of time (usually 1 year).
- Premiums may be paid by employers, unions, employees, or shared by both the insured individual and the plan sponsor(s) depending on the plan.
- Estimates are available for the share (in percent) of the premium paid by the employee and employer and the percent of workers with a contribution requirement.

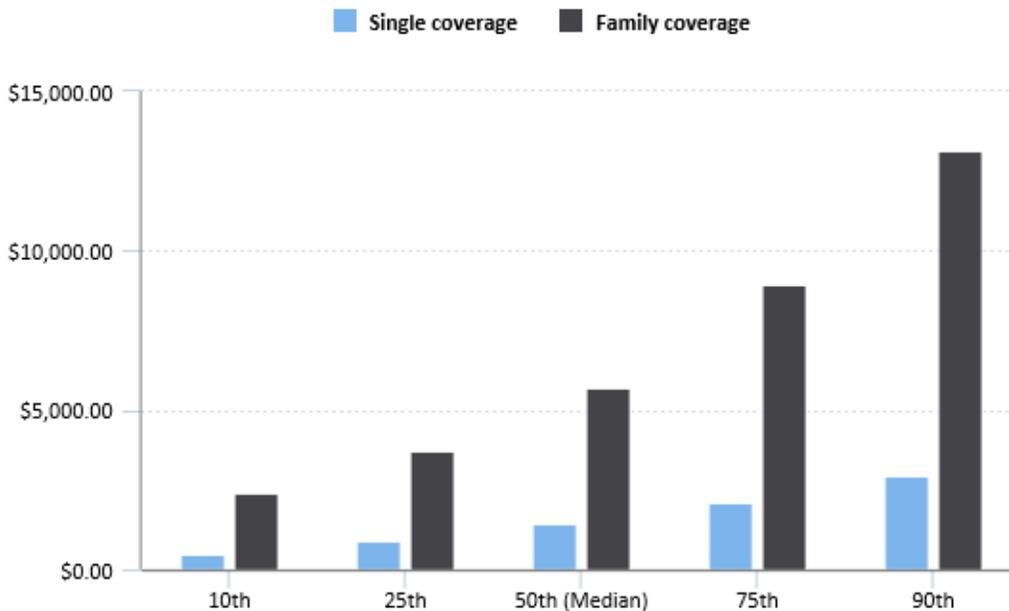
Estimates for medical plan premiums are not based on actual decisions regarding medical coverage made by employees; instead they are based on the assumption that all employees in the occupation can opt for available coverage.

March 2020 civilian worker single coverage estimates show that:

- 14 percent of workers participated in medical care plans without an employee contribution requirement where the average employer premium was \$605.20 per month.
- 86 percent of workers participated in medical care plans with an employee contribution requirement where employees paid \$138.76 and employers paid \$459.70 per month.
- 72 percent of workers participating in single coverage medical plans with contribution requirement had a flat-dollar premium and the median amount was \$120.06.²

In order to show the distribution of flat dollar medical care premiums, estimates are available by the following percentiles: 10th, 25th, 50th, 75th, and 90th. The benefits publication presents the monthly premium amount, but for this fact sheet the amounts were multiplied by 12 to show annual premium amounts. The median (50th percentile) is where half of workers have premiums less than and half of workers have premiums more than the stated premium amount. The median annual premium for civilian workers was \$1,440.72 for single coverage medical care benefits and \$5,700.60 for family coverage. (See chart 1 and table 15 of the annual bulletin.)

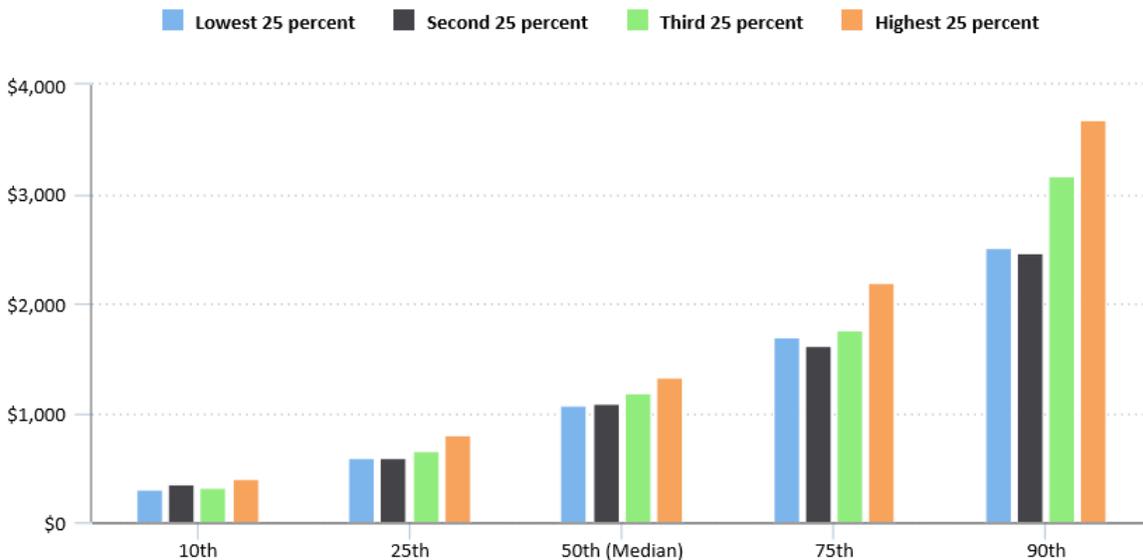
Chart 1. Annual employee contributions for single and family coverage, civilian workers, March 2020



Source: U.S. Bureau of Labor Statistics, National Compensation Survey

State and local government workers in the lowest 25 percent wage category had a median annual premium amount of \$1,068.00 for single coverage. For workers at the highest 25 percent wage category, the contribution at the 90th percentile was \$3,676.68. (See chart 2 and table 15 of the annual bulletin.)

Chart 2. Annual employee contribution for single coverage by wage category in state and local government, March 2020

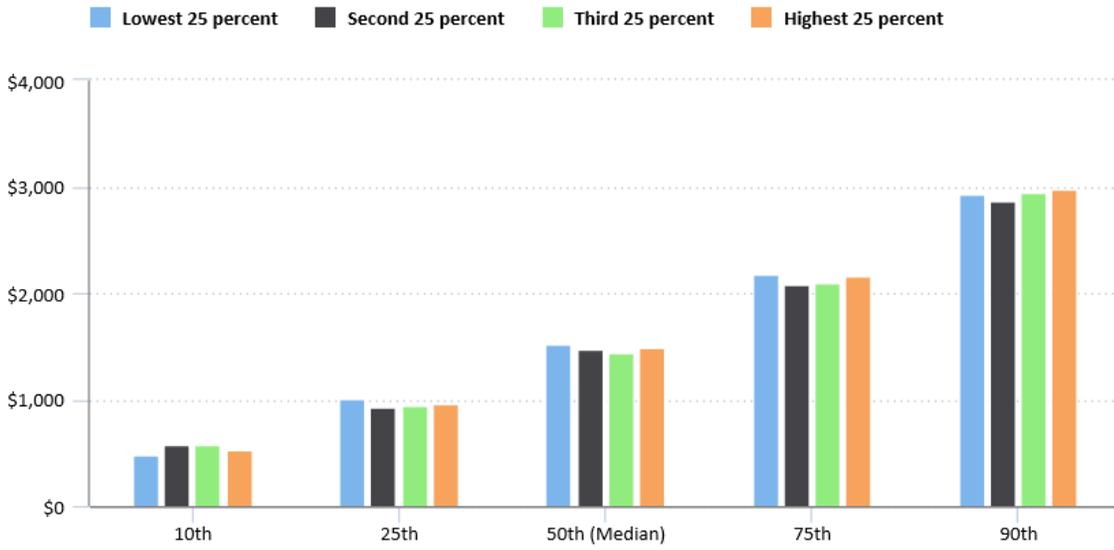


Source: U.S. Bureau of Labor Statistics, National Compensation Survey

Private industry workers in the lowest 25 percent wage category had a median annual premium amount of \$1,526.76 for single coverage. (See chart 3 and table 15 of the annual bulletin.)



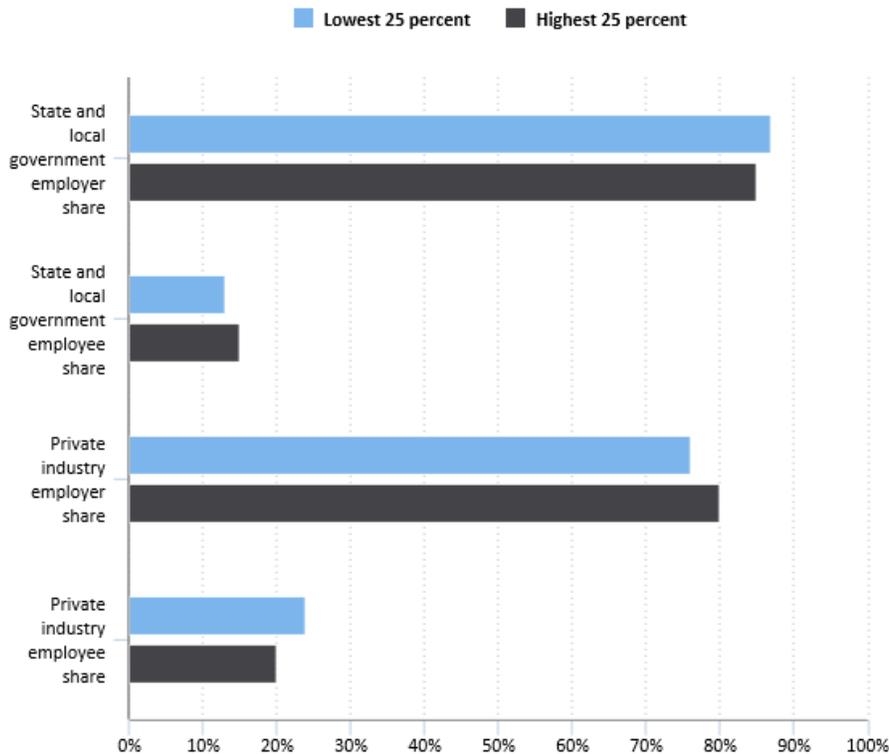
Chart 3. Annual employee contribution for single coverage by wage category in private industry, March 2020



Source: U.S. Bureau of Labor Statistics, National Compensation Survey

The share of premiums paid by state and local government workers (regardless of contribution requirement) in the lowest 25 percent wage category was 13 percent and 15 percent for those in the highest 25 percent wage category for single coverage plans. In private industry, workers in the lowest 25 percent wage category paid 24 percent of premiums and those in the highest 25 percent wage category paid 20 percent for single coverage plans. (See chart 4 and table 10 of the annual bulletin.)

Chart 4. Employer and employee contribution for single coverage by wage category, March 2020



Source: U.S. Bureau of Labor Statistics, National Compensation Survey



Additional resources:

- [Latest news release](#)
- [Archived benefits news releases](#)
- [Latest glossary of benefit terms](#)
- [Annual Bulletin \(2020\)](#)

Factsheets

- [Supplemental data measuring the effects of the coronavirus \(COVID-19\) pandemic on sick leave plans](#)
- [High deductible health plans and health savings accounts \(PDF\)](#)
- [Who receives paid vacation leave? \(PDF\)](#)
- [What statistics does the BLS provide on frozen defined benefit plans? \(PDF\)](#)
- [Paid sick leave: What is available to workers? \(PDF\)](#)
- [Flexible benefits in the workplace \(PDF\)](#)
- [Flexible work schedule and student loan repayment](#)
- [What data does the BLS publish on family leave?](#)
- [Holiday profiles](#)
- [Access to paid personal leave](#)
- Unmarried domestic partner benefits, March 2013 ([PDF](#))

Articles

- [Union workers more likely than nonunion workers to have retirement benefits in 2019](#)
- [77 percent of private industry workers offered retirement benefits participated in them in 2019](#)
- [51 percent of private industry workers had access to only defined contribution retirement plans](#)
- The last private industry pension plans: a visual essay, 2012 ([PDF](#))
- Changing landscape of employment-based retirement benefits, 2011 ([PDF](#))
- Alternatives to frozen defined benefit pension plans, 2009 ([PDF](#))

The [glossary of employee benefit terms](#) provides definitions for plans, provisions, coverage, and related terms. The [National Compensation Measures Handbook of Methods](#) provides information on the survey design, calculations, weighting, and imputation methods used to produce compensation estimates. The [calculation section](#) includes information on the measures of reliability available for each estimate.

Historical data

Estimates on the cost, coverage, and provisions of employer–sponsored benefit plans from 2010 to 2020 are available through the [Excel dataset](#), and [public database](#). Historical data are available on the [publications page](#). Benefit estimates are not a time series and users are advised to consider changes in survey design, survey scope, estimation methods, weighting, and sample rotation when analyzing the data.

¹ Estimates are from [Employer Cost of Employee Compensation \(ECEC\) Table 1](#).

² Flat-dollar-amount contribution requirements are a fixed dollar amount. Variable-dollar-amount requirements may vary by dollar amount depending on other factors – for example, the amount may vary by employee’s earnings or length of service.

