

2011 Annual Chief Human Resource Officer Survey

Health Care

1. Please mark the response that best describes how the Patient Protection and Affordable Care Act (PPACA) will likely impact your company's annual health care costs over the next two years.

53% Increase costs by 0% to 5%
33% Increase costs by 6% to 10%
12% Increase costs more than 10%
2% No impact
0% Decrease costs by 0% to 5%
0% Decrease costs by 6% to 10%
0% Decrease costs by more than 10%

2. Please identify the most significant issues regarding PPACA or potential changes to it that are of greatest concern to your company. (Please select no more than 5):

62% Finalizing legislative changes, regulations, and court challenges so that we can design long term health care strategies
59% Ensuring ERISA preemption is maintained
58% Strengthening PPACA to more effectively address health care cost containment 21%
Revising grandfathering provisions to give employers more flexibility
38% Ensuring that health care exchanges operate effectively and provide access to quality care
36% Significantly strengthening medical malpractice reform measures
34% Revising or eliminating the excise tax on "Cadillac" plans
25% Revising or eliminating the employer mandate
19% Revising or eliminating caps on FSAs
16% Eliminating the new 1099 reporting requirement
13% Eliminating or revising new internal claims and external review requirements
12% Ensuring timely implementation of pilot projects to provide greater transparency regarding cost/quality
12% Revising or eliminating the Free Choice Voucher
5% Other: _____

3. Recognizing that the future is difficult to predict, please mark the statement that describes your best guess on what might happen to PPACA in the next 10 years.

70% While the law may be substantially amended, its basic structure will remain intact
18% The law will be overturned, fundamentally changed, and/or defunded
11% Despite minor amendments, the law will remain largely intact
1% Other: _____

4. Please mark the statement that best categorizes your company's strategy relating to health benefits for active employees over the next 10 years.

46% Continue offering employment-based defined benefit health plans as we do today
36% Give serious consideration to moving to a defined contribution strategy
6% Give serious consideration to discontinuing providing health care benefits
12% Not sure

5. President Obama's National Commission on Fiscal Responsibility and Reform recommended "reducing and potentially eliminating" the tax exclusion for employer-provided health benefits as part of its recommendations for reducing the deficit. Elimination of the exclusion would remove the incentive for employees to receive health care benefits through their employers. Please select the option that best describes how your company would likely respond if the exclusion were adopted/eliminated. (Please select only one):

57% Give serious consideration to moving to a defined contribution strategy and assist employees in purchasing health insurance through a health insurance exchange or a comparable framework
12% Give serious consideration to moving to a defined contribution strategy and let employees purchase health insurance on their own
11% Continue to provide health care benefits as we do now
3% Phase out any involvement in providing health care benefits and let employees purchase health insurance on their own
17% Not sure