

BURDA ON HEALTHCARE

# It's Open Season on Employer Benefits Surveys

By David Burda  
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It's that time of year when people choose their health insurance benefits and select a health plan. Not coincidentally, it's that time of year when benefits consulting firms, business coalitions, employer trade groups and health policy organizations release the results of their annual health benefits surveys.

Below are the top-line and brow-furrowing findings from nine surveys that I know about. Collectively, the results from each survey may say something profound about the healthcare system in 2025. We'll see.



## SOCIETY FOR HUMAN RESOURCE MANAGEMENT: 2024 SHRM EMPLOYEE BENEFITS SURVEY

In June, the Society for Human Resource Management (SHRM) released the results of its [2024 SHRM Employee Benefits Survey](#). The report is based on a survey of more than 4,500 human resources execs who are SHRM members. I culled the findings from an undated press release. Only SHRM members have access to the full report.

**Top-line finding:** The press release said 97% of employers provided some form of health insurance to their employees

this year, with 88% considering the provision of health insurance benefits “very” or “extremely” important.

**Brow-furrowing finding:** 17% of the respondents said their employers provided menopause-related support to employees such as counseling and education. Two percent of the respondents said their employers offered menopause-related leave benefits to employees beyond paid time off or sick days.

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## MERCER: SURVEY ON HEALTH & BENEFIT STRATEGIES FOR 2025

In July, Mercer released the results of its [annual survey on health and benefit strategies for 2025](#). The 56-page report is based on a survey of 537 employers with 500 or more employees.

**Top-line finding:** The report said 45% of employers said it’s “very likely” or “likely” that they will raise employee cost-sharing for health benefits in 2025.

**Brow-furrowing finding:** 63% of employers said extreme climate events have affected their workers over the past two years, including flooding, high winds/tornados, poor air quality from fires, extreme heat and drought with 23% saying they do or plan to offer employees mental health support for eco-anxiety.

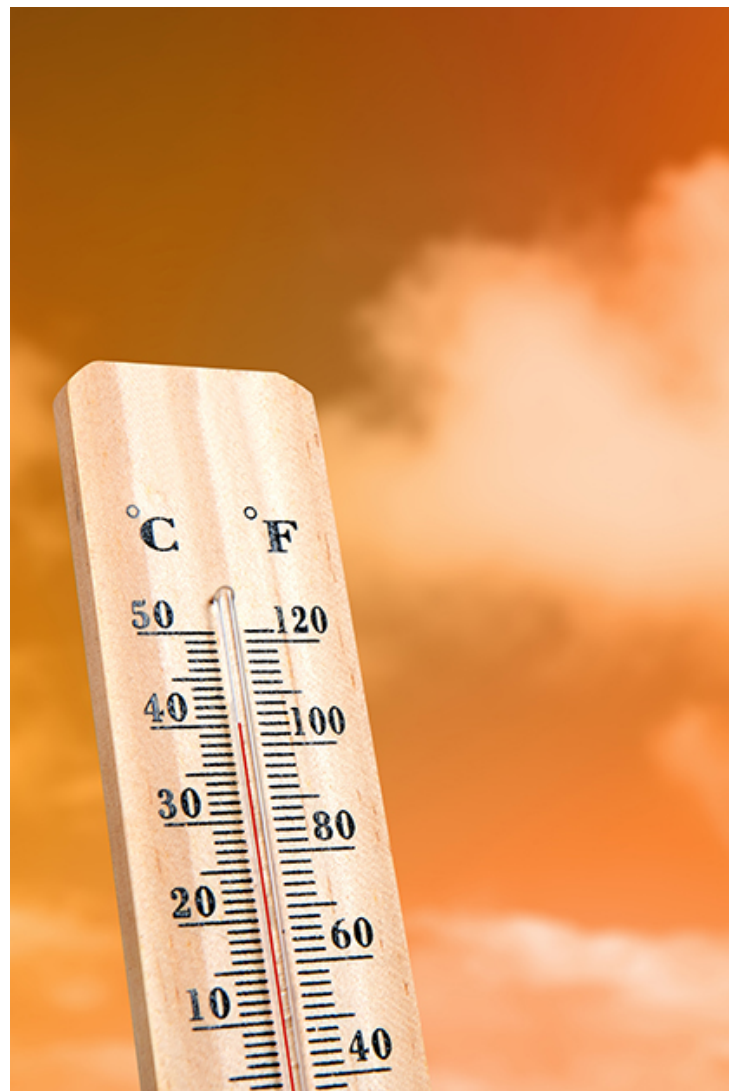
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## AON: HEALTH VALUE INITIATIVE

In August, Aon released the latest data from its [Health Value Initiative](#) database. The database includes health benefits data from more than 950 U.S. employers representing about 6.7 million employees.

**Top-line finding:** The report, which is just a five-page press release, projected that the average cost of employer-based health insurance in the U.S. will jump 9% in 2025 to \$16,157 from \$14,823 this year. That’s up from a 5.8% increase in 2024.

**Brow-furrowing finding:** The increase in the average cost of employer-based health insurance in the U.S. varied significantly by industry this year from a low of 1.9% in retail and wholesale trade to 7.2% for the public sector. Healthcare was somewhere in the middle with a 4.6% increase in 2024.

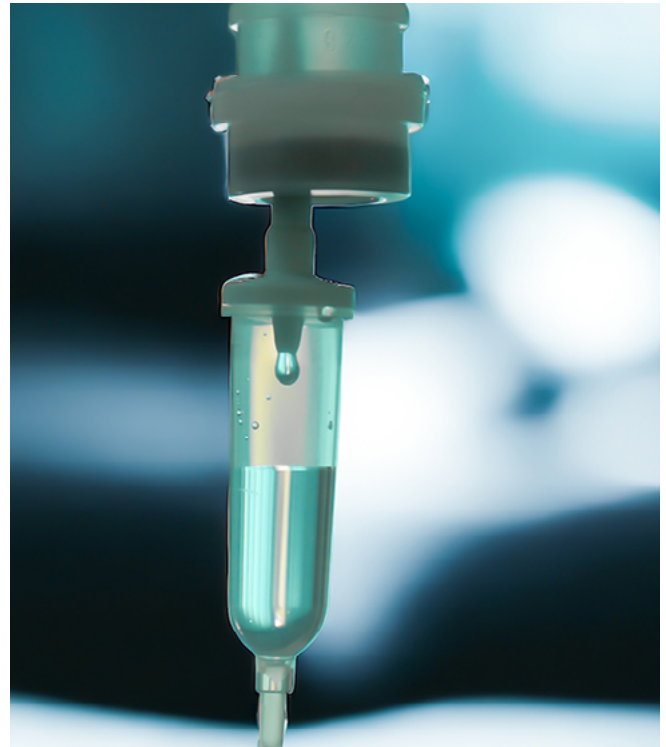


## BUSINESS GROUP ON HEALTH: 2025 EMPLOYER HEALTH CARE STRATEGY SURVEY

In August, the Business Group on Health released the results of its [2025 Employer Health Care Strategy Survey](#). The report is based on a survey of 125 employers with a total of more than 17.1 million workers.

**Top-line finding:** The report, which is really an eight-page executive summary available to anyone, projected that the median increase in healthcare costs per employee will rise 7.8% in 2025 without any cost-cutting or benefits redesign moves by employers. Costs include out-of-pocket costs incurred by employees, employees' share of health insurance premiums, employers' share of health insurance premiums and employer contributions to health spending accounts.

**Brow-furrowing finding:** 80% of the employers cited cancer as one of the top three medical conditions that drove up their healthcare costs this year. They cited musculoskeletal and cardiovascular conditions second and third at 74% and 40%, respectively.



## INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS: HEALTHCARE COSTS PULSE SURVEY: 2025 COST TREND

In August, the International Foundation of Employee Benefit Plans (IFEBP) released the results of its [2025 Healthcare Costs Pulse Survey](#). The two-page report is based on a survey of 160 U.S. employers.

**Top-line finding:** The report projected an 8% jump in median medical plan costs for employers in 2025 with the top cost drivers being catastrophic claims (cited by 20% of the respondents),

specialty/costly prescription drugs (cited by 20% of the respondents) and medical provider costs (cited by 18% of the respondents).

**Brow-furrowing finding:** Of the 20% who cited specialty/costly prescription drugs as a top cost driver, 75% blamed GLP-1 drugs, and 19% blamed cell and gene therapies.

## INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS: 2024 EMPLOYEE BENEFITS SURVEY

In August, the IFEBP (again) released the results of its [2024 Employee Benefits Survey](#). The 84-page report is based on a survey of 625 U.S. employers.

**Top-line finding:** To reduce the use of high-cost medical services, 72.2% of employers said they are promoting preventive care,

according to the report. Prior authorization and utilization management was second, cited by 67.4%, and case management was third, cited by 62.7%.

**Brow-furrowing finding:** 41.4% of the employers said they offer abortion benefits to employees.

## MERCER: NATIONAL SURVEY OF EMPLOYER-SPONSORED HEALTH PLANS

In September, Mercer (again) released the preliminary results of its annual [National Survey of Employer-Sponsored Health Plans](#). The report is based on a survey of more than 1,800 employers. Mercer said it will release the final results, based on data from more than 2,200 employers, later this year.

**Top-line finding:** The report, which is really a six-page press release, projected that the average health benefit costs per

employee will increase 5.8% in 2025. That's up from a 5.2% increase in both 2023 and 2024.

**Eyebrow-raising finding:** 65% of the employers, or nearly two-thirds, said making healthcare services more affordable for their workers was an "important" or "very important" strategy over the next three to five years.

## KAISER FAMILY FOUNDATION: 2024 EMPLOYER HEALTH BENEFITS SURVEY

In October, the Kaiser Family Foundation released the results of its 26th annual [Employer Health Benefits Survey](#). This year's report is based on a survey of 2,142 non-federal public and private employers with three or more employees.

**Top-line finding:** The 220-page report said the average annual premium for family coverage rose 6.7% this year to \$25,572, while the average annual premium for single coverage rose 6.1% to \$8,951. Employees paid 25% of the premium for family coverage, down from 29% last year. Employees paid 16% of the premium for single coverage, down from 17% last year.

**Brow-furrowing finding:** Only 18% of employers with 200 or more workers covered GLP-1 diabetes drugs for weight-loss purposes. It was a bit higher—28%—for employers with 5,000 or more workers.

**Shameless plug:** We took a deep dive into the KFF survey results and their meaning on the Oct. 31, 2024, episode of our weekly 4sight Health Roundup podcast, "[Healthcare Tricks and Treats from the New KFF Employer Health Benefits Report](#)."



## NATIONAL ALLIANCE OF HEALTHCARE PURCHASER COALITIONS: 2024 PULSE OF THE PURCHASER SURVEY

In October, the National Alliance of Healthcare Purchaser Coalitions released its annual [Pulse of the Purchaser Survey](#). The 24-page report is based on a survey of 188 public and private employers.

**Top-line finding:** The report said 48% of the employers strongly agreed that rising healthcare costs are affecting their competitiveness in the marketplace with 74% saying healthcare

cost increases often lead to trade-offs with employee salary or wage increases.

**Brow-furrowing finding:** 91% of the employers said they "strongly disagree" or "disagree" with the statement that hospital market consolidation has improved the cost and quality of hospital services.



## CONCLUSION?

So, collectively, what do the findings from these nine employer benefits surveys about the direction of the healthcare system in 2025?

It's clear medical costs are rising, and employers will be paying more to provide health insurance benefits to their employees to cover those costs. It's also clear that employers are in a bind. On one hand, they're looking for ways to minimize those cost increases. On the other hand, they're under pressure to provide

expanded benefits to workers as their demands for what their health plans should cover grows.

What employers need are creative and innovative solutions that expand health benefits for employees in ways that keep them healthy or as healthy as possible to keep a lid on employers' healthcare spending. Employers can do it. Whether they want to is a different story.

Thanks for reading.

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## AUTHOR



**David Burda** began covering healthcare in 1983 and hasn't stopped since. Dave writes this monthly column "Burda on Healthcare," contributes weekly blog posts, manages our weekly newsletter 4sight Friday, and hosts our weekly Roundup podcast. Dave believes that healthcare is a business like any other business, and customers — patients — are king. If you do what's right for patients, good business results will follow.

Dave's personnel experiences with the healthcare system both as a patient and family caregiver have shaped his point of view. It's also been shaped by covering the industry for 40 years as a reporter and editor. He worked at Modern Healthcare for 25 years, the last 11 as editor.

Prior to Modern Healthcare, he did stints at the American Medical Record Association (now AHIMA) and the American Hospital Association. After Modern Healthcare, he wrote a monthly column for Twin Cities Business explaining healthcare trends to a business audience, and he developed and executed content marketing plans for leading healthcare corporations as the editorial director for healthcare strategies at MSP Communications.

When he's not reading and writing about healthcare, Dave spends his time riding the trails of DuPage County, IL, on his bike, tending his vegetable garden and daydreaming about being a lobster fisherman in Maine. He lives in Wheaton, IL, with his lovely wife of 40 years and his three children, none of whom want to be journalists or lobster fishermen.

Visit [4sight.com/insights](https://4sight.com/insights) to read more from David Burda.