

**Insure Oklahoma!
Employer Sponsored Insurance**

**Small Business Employer Feedback
as Part of a Continuous Quality
Improvement Process**

November 2005 – November 2011

*Prepared for the
Oklahoma Health Care Authority*

March 1, 2012



Submitted to

The Oklahoma Health Care Authority

This report completes contract Article 4.0 (g) (i): Prepare a written report based on feedback gathered by OHCA from Insure Oklahoma Employers regarding Insure Oklahoma, to be submitted by March 1, 2012.

Written by:

Primary Care Health Policy Division
Department of Family & Preventive Medicine
University of Oklahoma Health Sciences Center
Oklahoma City, Oklahoma

Jim Cacy, Ph.D., Clinical Associate Professor, Division Director
Laine H. McCarthy, MLIS, Clinical Associate Professor, Writer/Analyst
Sarah D. Coleman, Health Policy Research Coordinator
Susan M. Hall, MSM, Outreach Liaison
Denise M. Brown, Senior Administrative Manager
Steven A. Crawford, M.D., Christian N. Ramsey Professor and Chair

This publication is issued by the Oklahoma Health Care Authority as authorized by Mike Fogarty, Chief Executive Officer. Copies have not been printed but are available through the agency website. Two printout copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

Small Business Employer Feedback as Part of a Continuous Quality Improvement Process November 2005 – November 2011

Executive Summary

“This program is a perfect opportunity for small business owners to offer their employees insurance”

*Oklahoma Small Business Owner
November 2011*

Purpose: The purpose of this study was to gather, analyze and report feedback from small business employers (up to 99 employees) about the Insure Oklahoma (IO) Employer-Sponsored Insurance (ESI) premium subsidy program. IO utilizes private insurance market products to offer employee health benefits for income eligible working Oklahomans. This is the 7th Continuous Quality Improvement (CQI) survey conducted by the Oklahoma Health Care Authority (OHCA), the agency that manages the IO ESI subsidy program.

The Department of Family & Preventive Medicine (DFPM) Primary Care Health Policy Division at the OU Health Sciences Center has been assisting OHCA with CQI studies since the Insure Oklahoma program began enrolling members in November 2005. Continuous quality improvement is an

“ongoing effort to improve products, services, or processes. These efforts can seek ‘incremental’ improvement over time or ‘breakthrough’ improvement all at once. Delivery (customer valued) processes are constantly evaluated and improved in light of their efficiency, effectiveness and flexibility.”*

*Wikipedia (accessed October 14, 2010 at http://en.wikipedia.org/wiki/Continuous_improvement_process#cite_note-0).

DFPM researchers have previously assisted OHCA with seven studies of the ESI program, including a brief telephone survey during the first month of enrollment¹ and 6 major CQI surveys.²⁻⁹ (Two of the major studies were combined with results from other surveys and resulted in two additional reports.)

Changes Implemented as a Result of Previous IO Employer Feedback: As a result of survey respondent feedback, OHCA has implemented a number of changes to services and program management based on comments and suggestions from participating employers. These include:

- ◆ Larger capacity fax machines
- ◆ E-mail capability
- ◆ Streamlined health plan change process
- ◆ Coverage expanded to some children and college students
- ◆ Dedicated call center for employers

Changes being investigated include:

- ◆ Employer secure website – 2012
- ◆ Employer weekly subsidy payments
- ◆ Improved health plan comparison website
- ◆ Increased outreach to new employer groups

These updates were included in an educational instrument (Appendix A) that accompanied the 7th major CQI survey (Appendix B), which was sent to all IO ESI participating employers with one or more enrolled employees. This document reports the results of that survey.

Methods: DFPM staff helped OHCA develop and administer an educational instrument and

the 7th IO ESI employer feedback survey (Survey 7). **Survey Instrument:** DFPM staff assisted OHCA with the development of an educational instrument which provided information about some of the changes implemented by OHCA based on employer comments and suggestions from previous surveys as part of the CQI process (Appendix A). DFPM also assisted with the development of the survey instrument for this study (Appendix B), which was based on previous surveys. **Participants:** Participants for this survey were all small businesses enrolled in the IO ESI program that had at least one employee actively enrolled in the subsidy program on the date the mailing list was generated (October 1, 2011). Survey participants may have been in the program as little as 1 month to as much as 6 years, since implementation in November 2005. **Response Rate:** A total of 3,942 participants met the inclusion criterion and were mailed the education instrument and survey. Three were returned as undeliverable resulting in 3,939 delivered surveys. Respondents returned 2,213 surveys for analysis, resulting in a 56.2% response rate. Forty-one employers (1.85%) who met the inclusion criterion no longer had IO premium subsidy enrolled employees when they completed the survey. **Data Analysis Methods:** Raw data* were entered into Excel spreadsheets. Data entry was subjected to random checking (every 4th entry) by a team member who was not involved in data entry to check for entry errors. Descriptive statistics were computed for the survey responses. Narrative survey responses were organized by category and displayed graphically (Appendix C). Author credentials are attached in Appendix D.

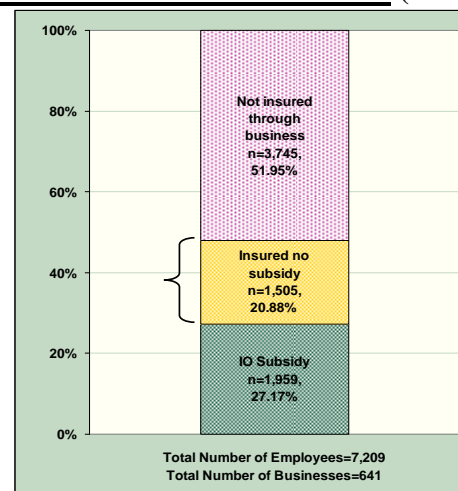
Findings

1. 69% (n=1,443) of respondents offered prior ESI. 31% (n=641) did not offer ESI

* Available upon request.

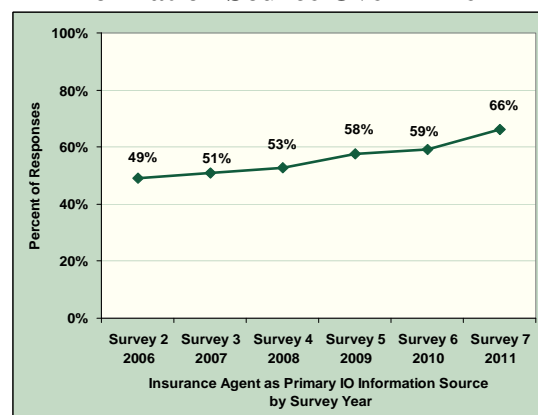
prior to offering IO. Figure 1 shows the insurance status for the 7,209 employees in the 641 businesses that did not have access to ESI prior to IO. More than a quarter of the newly covered employees (27.17%, n=1,959) were covered by the subsidy; 20.88% (n=1,505) of employees enrolled in the new ESI program but were not subsidy-eligible (bracketed subset). 51.95% (n=3,745) were not insured through their employers.

Figure 1. Access to Health Benefits Among Worker's in Businesses that Did Not Offer ESI Prior to IO (n=641)



2. When respondents were asked how they learned of IO, insurance agents were the information source most often cited. This has remained true over time (Figure 2). Also, when asked how helpful the insurance agent was with IO, on a scale of 1 (“Very Unhelpful”) to 5 (“Very Helpful”), the average was 4.26.

Figure 2. Insurance Agents as Primary IO Information Source Over Time²⁻⁹



3. Participants were asked to rate the impact on their businesses of four business benefits of offering ESI. Figures 3-6 show the average results from the current survey compared over time with the previous CQI surveys conducted for OHCA. Each figure indicates a continuing positive impact of these four benefits on businesses participating in the IO premium subsidy program.

Figure 3. Average Respondent Rating of ESI on Employee Morale⁴⁻⁷

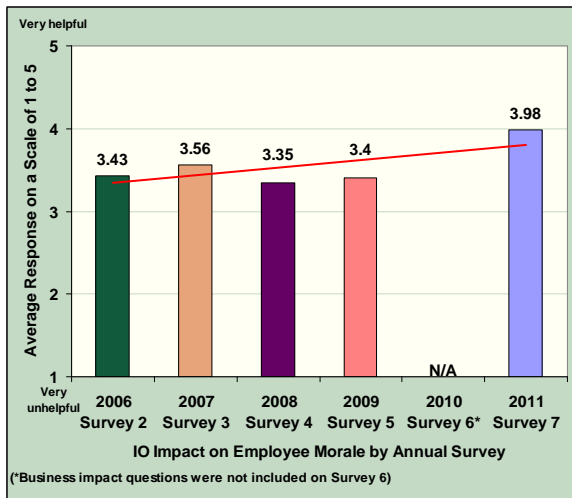


Figure 4. Average Respondent Rating of ESI on Attracting New Hires⁴⁻⁷

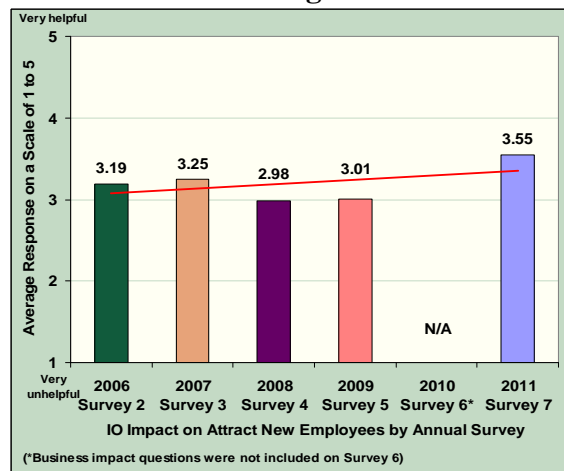


Figure 5. Average Respondent Rating of ESI Impact on Absenteeism⁴⁻⁷

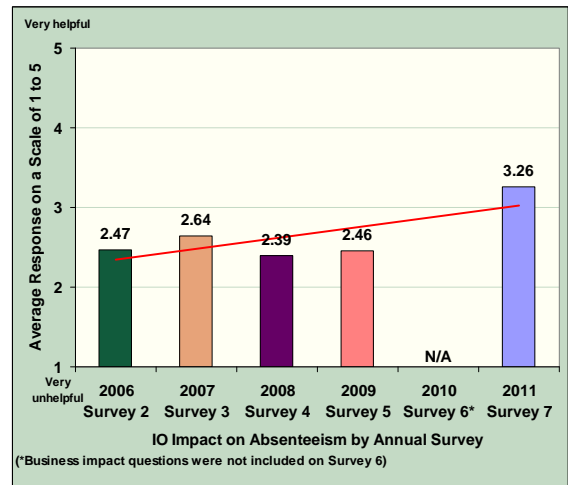
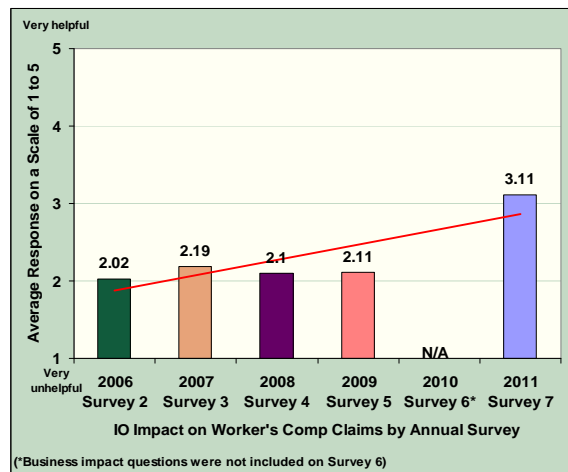
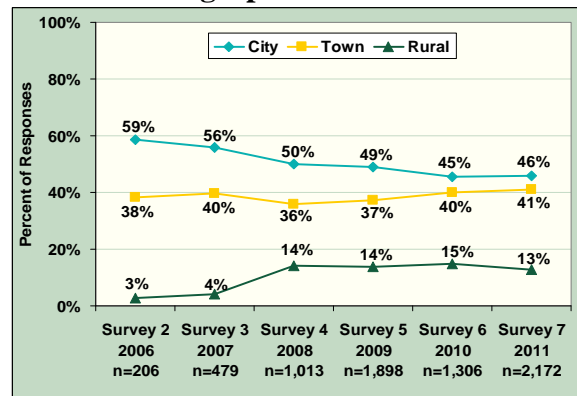


Figure 6. Average Respondent Rating of ESI Impact on Worker's Compensation Claims⁴⁻⁷



4. 46% (n=1,014) of respondents were from cities; 41% (n=882) from towns; 13% (n=276) from rural areas (Figure 7).

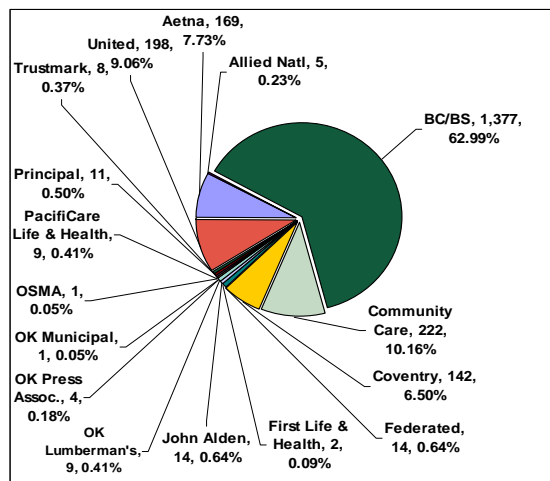
Figure 7. Shift in Business Locale Demographics Over Time



Respondents' business locale is gradually becoming more even as the distribution shifts over time from cities toward towns and rural areas.

5. Twenty private insurers offer IO qualified plans in Oklahoma. Blue Cross/Blue Shield covered 62.99% of respondents (n=1,377) (Figure 8).

Figure 8. Survey Population Insurance Carriers (n=2,186)*



Four insurers offered IO qualified plans but were not identified in our sample:

- ◆ Advantage Health Plans,
- ◆ PacifiCare Life Assurance Co.,
- ◆ Nippon Life Insurance Co. of America,
- ◆ Time Insurance.

6. When respondents were asked what they would tell an employer that might convince them to enroll in IO, they stressed the financial benefit to their company (38.6%, n=525).

7. The average size of responding businesses has been steadily increasing since the program began from an average of 10 in 2006 to an average of 20 in 2011.

8. The response rate for this survey was 56.2%. Some comments suggested that respondents found the surveys to be an additional paperwork burden.

*Note that percents have been carried out 2 decimal places so that each carrier with qualified plans represented in the survey sample could be accounted for on the chart.

9. Based on comments, eligibility (income and business size) was most often mentioned by respondents as something they would change about the program if they could (26%, n=302). Some employers acknowledged that IO had no control over eligibility limits. Other categories included general administrative changes (19.4%, n=226) (i.e., reimbursement procedures and more communication between OHCA and business owners), specific paperwork issues (12.5%, n=145) (i.e., employee application), suggestions for more online access (10.5%, n=122) and easier renewal (9.5%, n=111).[†]

10. Most comments indicated respondents were “Very happy” (24.8%, n=543) or “Happy” (47.7%, n=1,043) with the call center. The average response, on a scale of 1 (“Very Unhappy”) to 5 (“Very happy”) was 3.94. Some comments indicated that improvements were noticeable and appreciated.[†]

11. When respondents were asked how happy they were with the paperwork required for the IO ESI program, the responses were mostly positive. On a scale of 1 (“Very unhappy”) to 5 (“Very happy”), the average for paperwork was 3.64.

12. When respondents were asked how helpful the IO program materials were for the IO ESI program, the responses were mostly positive. On a scale of 1 (“Very unhelpful”) to 5 (“Very helpful”), the average response was 3.73.

13. 18.1% (n=210) of the 1,163 respondents who completed the question asking for one thing to be changed, said the program was fine as it was, and needed no changes. Frequent remarks included “Great job,” and “Thanks, I wouldn’t change a thing.”

14. Almost half (47.2%, n=170) of the 360 Additional Comments were to let IO know what a great job they were doing and to keep up the good work. Some respondents urged OHCA to continue the program.

[†]See Appendix C for a complete list of comments sorted by category.

15. More than half of survey respondents had been enrolled for 3 years (32%, n=665) to 4 years (22.5%, n=468); 86 respondents (4.1%) had been enrolled since implementation. The average length of time in IO was 3.31, or 3-4 years.

16. Average business size (number of employees) was 20. 74% of respondents (n=1,610) represented businesses with 25 employees or fewer.

17. The mix of business types in our survey sample is representative of the mix of business types in Oklahoma.*

18. The percentage of businesses by IO region in our sample was nearly identical to the distribution of all IO participating businesses by region.

Recommendations

1. Insure Oklahoma ESI is providing coverage to thousands of Oklahoma workers and their families who had no access to ESI prior to the premium subsidy program. Comments suggest that some employers worry about the future of the program and the valuable access to care the program provides. Comments from employers indicate they want more communication from OHCA about the program and changes. Consider expanding *The Voice*, a regular news source electronically available for employers to keep up-to-date on the premium subsidy program.

2. Insurance agents continue to be the single most often cited source of information about the subsidy program for employers. Outreach and support for agents should be continued.

3. This survey asked about the potential impact on specific business aspects – attract new hires, employee morale, absenteeism, and worker’s compensation claims – the offer of health insurance benefits might be

* r=0.76, p < .01

having on survey participants. Survey responses to these questions were tracked over time, beginning with the 2006 survey. The longer businesses participated in the program, the more pronounced the perceived positive effect the IO ESI program had on their businesses.

Based on the comparison of employer responses regarding the impacts ESI has had in the past on these four aspects of business, consider using this data to market the ESI program to other small Oklahoma businesses.

4. Participants were asked what they would say to an employer that might convince them to enroll in the IO ESI program. Employers said the financial benefits of the premium subsidy program should be stressed. The financial and other business benefits, mentioned above, especially employee morale, and reduction in absenteeism, along with the ability to recruit and retain quality employees, would be good topics to include in a marketing campaign for employers not currently offering an employer-sponsored plan.

5. Over time, the locale demographics of the IO ESI program participating businesses has begun to shift from a larger percent of respondents having firms in urban areas to a more even distribution. Of the three groups the rural areas are still under-represented but their participation has increased from 3% in 2006 to 13% in 2011. The percent of businesses in cities and towns has grown closer each year. These results indicate that the ESI IO program is moving outward into the smaller towns and more rural areas, providing access to quality, affordable health care to many individuals and businesses in underserved areas. Consider continued emphasis and outreach to the underserved communities in rural Oklahoma as part of the marketing effort to provide access to coverage for more uninsured workers.

6. This survey had a relatively large response rate (56.2%), a rebound over the declining response of the past 5 years. However, in light of employer frustration with excess paperwork and specific comments about surveys, it might

be worth considering surveying this group every other year rather than annually. This is the first survey on which several respondents made comments directly addressing the time it takes to complete these surveys.

7. Respondents continue to request that the issue of eligibility (business size and income limits) be addressed. Consider including details about the eligibility limits for income and business size in *The Voice*, an electronic newsletter available for employers through IO.

8. Employers asked for the ability to track the status of, and perhaps even send, invoices over the Internet. This is something IO has expanded and is continuing to expand. These and other comments continue to suggest that more communication from OHCA about the status of program updates and changes would be beneficial.

9. Participants again suggested having a member of the call center staff assigned to a group of businesses so a relationship could be developed. Consider assigned call center staff to a group of businesses for enhanced customer relations.

10. Some employers requested additional educational information to provide to their employees. Investigate a means for enhancing outreach materials for employees. Employers requested additional information be made available either electronically or through some other method that explains the program for employees.

11. There are several businesses near state borders. Each year, these employers have complained that their employees who live across the state line do not qualify for Insure Oklahoma, even though all of their income is from Oklahoma and those employees pay Oklahoma taxes. This is an issue that may be out of OHCA's control but is something that might be brought to the attention of the Centers for Medicaid and Medicare

Services. If no modification is possible, additional education on this issue from OHCA would let employers know they have been heard.

12. By and large, survey respondents feel that IO ESI is an excellent program and that OHCA is doing a very good job managing the program. Continued close communication with employers and a marketing campaign that highlights how pleased employers are would undoubtedly be useful in recruiting more businesses into the program.

Table of Contents

	Page No.
Executive Summary	i
Introduction.....	1
Methods.....	3
Results.....	5
Survey Results	5
Survey Results-at-a Glance.....	15
Comparisons	17
Discussion.....	25
Findings and Recommendations.....	34
References.....	39
Appendices.....	42
A. Insure Oklahoma Employer Update/Educational Instrument	
B. Insure Oklahoma Participating Employer Survey 7	
C. Survey Narrative Comments	
D. Biographical Sketches of Project Faculty and Staff	

Tables

1. Survey Results-at-a Glance.....	15
------------------------------------	----

Figures

1. Access to Health Benefits among Worker’s in Businesses that <u>Did Not Offer ESI</u> <u>Prior to IO</u> (n=641)	ii
2. Insurance Agents as Primary IO Information Source Over Time ²⁻⁹	ii
3. Average Respondent Rating of ESI on Employee Morale	iii
4. Average Respondent Rating of ESI on Attracting New Hires.....	iii
5. Average Respondent Rating of ESI Impact on Absenteeism	iii
6. Average Respondent Rating of ESI Impact on Worker’s Compensation Claims	iii
7. Shift in Business Locale Demographics Over Time.....	iii
8. Survey Population Insurance Carriers (n=2,186)	iv
9. a. Mix of Businesses in Study Sample (n=2,196).....	5
b. Mix of Businesses in Oklahoma (n=74,672)	6
10. Prior Offer of Health Benefits (n=2,084).....	6
11. Survey Population Insurance Carriers (n=2,186)	6
12. Map of Insure Oklahoma Regions	7
13. Location of Survey Respondents by Region (n=1,989).....	7
14. Survey Respondents Compared by Region to All Enrolled IO Businesses.....	7
15. Location of Businesses by City, Town, Rural Area (n=2,172).....	7
16. Length of Time in the IO Premium Subsidy Program (n=2,078).....	8
17. Employee/Employer Insurance Status	8
18. Size of Businesses in Sample based on Number of Employees (n=2,178)	8

19. Primary Source of Information about IO Premium Subsidy Program (n=2,183).....	9
20. Impact of Insure Oklahoma on Attracting New Employees (n=2,202).....	9
21. Impact of Insure Oklahoma on Employee Morale (n=2,205).....	10
22. Impact of Insure Oklahoma on Employee Absenteeism (n=2,197).....	10
23. Impact of Insure Oklahoma on Worker Compensation Claims (n=2,182).....	11
24. Employer Feelings about IO Call Center Performance (n=2,186).....	11
25. Helpfulness of Insurance Agent (n=2,174).....	11
26. Employer Feelings about IO Paperwork (n=2,199).....	12
27. Helpfulness of IO Materials, Brochures, etc. (n=2,150).....	12
28. Suggestions for IO Program Changes (n=1,163).....	12
29. Employer Suggestions for Convincing Other Employers to Enroll (n=1,353).....	13
30. Additional Comments (n=360).....	13
31. Length of Time (# of years) in IO Subsidy Program Compared by Business Size (# of employees) (n=2,048).....	17
32. Map of Insure Oklahoma Regions.....	17
33. Length of Time (average # of years) in IO Compared by IO Region (n=1,865).....	17
34. Business Size (# of employees) in IO Compared by IO Region (n=1,957).....	18
35. Attract New Employees Compared by IO Region (n=1,982).....	18
36. Employee Morale Compared by IO Region (n=1,983).....	19
37. Absenteeism Compared by IO Region (n=1,971).....	19
38. Worker’s Compensation Claims Compared by IO Region (n=1,960).....	19
39. Attract New Employees Compared by Average Years in the Subsidy Program (n=2,071).....	20
40. Employee Morale Compared by Average Years in the Subsidy Program (n=2,071).....	20
41. Absenteeism Compared by Average Years in the Subsidy Program (n=2,065).....	21
42. Worker’s Compensation Claims by Average Years in the Subsidy Program (n=2,051).....	21
43. Attract New Employees Compared by Business Size (# of employees) (n=2,170).....	22
44. Employee Morale Compared by Business Size (# of employees) (n=2,172).....	22
45. Absenteeism Compared by Business Size (# of employees) (n=2,164).....	23
46. Worker’s Compensation Claims Compared by Business Size (# of employees) (n=2,150).....	23
47. Uptake of ESI among Employees Working for Firms that Did NOT Offer Health Insurance Prior to IO (n=641).....	24
48. IO ESI Survey Response Rate Over Time (2006 to 2011).....	26
49. Location of IO Participating Businesses Over Time (2006 to 2011).....	26
50. IO Regional Comparison of Survey Respondents between Survey 6 (2010) and Survey 7 (2011).....	27
51. IO Regional Comparison of Survey 7 Respondents (2011) and IO Regional Distribution (November 2011).....	27
52. Uptake of Coverage Among Employees without Prior ESI Coverage.....	28
53. Percent of Survey Respondents: 2006 to 2011.....	28
54. Average Business Size (based on number of employees) Over Time: 2006 to 2011.....	28
55. Number of IO Subsidy-Covered Individuals Over Time: 2006 to 2011.....	29
56. Average Rating of Four Potential Benefits of ESI.....	29
57. Average Respondent Rating of ESI on Attracting New Hires Over Time.....	30
58. Average Respondent Rating of ESI on Employee Morale Over Time.....	30
59. Average Respondent Rating of ESI Impact on Absenteeism Over Time.....	31
60. Average Respondent Rating of ESI Impact on Worker’s Compensation Claims.....	31

61. Employer Rating of Helpfulness of Insurance Agent Over Time.....	32
62. Average Customer Service Rating of IO Call Center Over Time	32
63. Access to Health Benefits among Worker’s in Firms that Did Not Offer ESI	
Prior to IO (n=641)	34
64. Insurance Agents as Primary IO Information Source Over Time.....	34
65. Average Respondent Rating of ESI on Employee Morale	35
66. Average Respondent Rating of ESI on Attracting New Hires.....	35
67. Average Respondent Rating of ESI Impact on Absenteeism	35
68. Average Respondent Rating of ESI Impact on Worker’s Compensation Claims	35
69. Shift in Business Locale Demographics Over Time.....	35
70. Survey Population Insurance Carriers (n=2,186)	36

Introduction

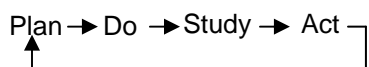
“If you are an employer that cares about your employees and wants what’s best for them you would enroll...it is a win-win for the employer and employee.”

*Oklahoma Small Business Owner
November 2011*

Purpose

The purpose of this study was to determine the degree to which small business owners participating in the Insure Oklahoma (IO) premium subsidy program are pleased with the program itself and the services they receive from the Oklahoma Health Care Authority (OHCA, the agency that manages Insure Oklahoma). The Department of Family & Preventive Medicine (DFPM) Primary Care Health Policy Division at the OU Health Sciences Center has been assisting the OHCA with continuous quality improvement (CQI) studies since the program began enrolling businesses in November 2005.¹⁻¹¹

Continuous quality improvement was first introduced by American engineer and statistician Walter A. Shewhart, an engineer at Bell Telephone. Dr. Shewhart developed a simple chart that diagrammed what was termed process control and quality improvement.¹²⁻¹⁴



Dr. Shewhart and his protégée W. Edwards Deming¹⁵ became the grandfather and father of today’s quality improvement process, which is at work in enterprises around the world. One of the most notable applications of the Plan-Do-Study-Act process occurred at the Hawthorne Western Electric plant (a plant that manufactured telephones for Bell Telephone) in Cicero, IL, in 1924. That study noted increased productivity among workers simply by placing an observer in the plant. One of the major concepts of CQI is involving all stakeholders in the process of quality improvement.^{12,13,15}

Today, the definition of CQI has expanded to include studying all aspects of products and service delivery. CQI is

“an ongoing effort to improve products, services, or processes. These efforts can seek ‘incremental’ improvement over time or ‘breakthrough’ improvement all at once. Delivery (customer valued) processes are constantly evaluated and improved in the light of their efficiency, effectiveness and flexibility.”*

*Wikipedia (accessed October 14, 2010 at http://en.wikipedia.org/wiki/Continuous_improvement_process#cite_note-0).

Based on feedback from the previous six CQI employer surveys (two of which generated two reports),²⁻⁹ OHCA has implemented a number of improvements to the IO ESI program, completing the CQI Plan-Do-Study-Act process. These improvements, which were outlined in an educational instrument that accompanied this 7th survey (Appendix A) included:

- ◆ Capability to email documents
- ◆ Streamlined health plan change process – not having to re-enroll when changing plans
- ◆ Notifying employer quicker when we see problems
- ◆ Sending out renewal PINs faster
- ◆ Employer brown bag and focus group meetings
- ◆ Increased agent training

In addition, OHCA is considering the following changes:

- ◆ Employer secure website – 2012
- ◆ Employer weekly subsidy payments
- ◆ Improved health plan comparison website
- ◆ Increased outreach to new employer groups

The educational instrument was also utilized to remind participants of the aspects of the IO program over which OHCA has no control because of state or federal statute or regulation. These include:

- ◆ Employee income levels and eligibility
- ◆ Increased deductibles and other out-of-pocket costs for employees

OHCA asked DFPM to conduct stakeholder feedback studies about a subsidized health program for income eligible workers in advance of what is now the Insure Oklahoma program.²⁹⁻³³ Once OHCA began enrolling member businesses in November 2005, the studies grew into a CQI process, gathering feedback from respondents as the program has grown and expanded.¹⁻¹¹ This is the seventh CQI study conducted with the assistance of DFPM to collect feedback from participating businesses.

This study surveyed enrolled small businesses that had one or more employees in the subsidy program on October 1, 2011. Some of the employers may have been participating in the program since implementation in November 2005, and some for as little as 1 month. This survey focused on program and administrative changes that were implemented by OHCA in response to employer feedback from six previous surveys,²⁻⁹ and on respondents' perception of the business benefits afforded by offering ESI. This report will provide OHCA with additional feedback from employers to add to the IO ESI premium subsidy program CQI process.

Methods

"For an employer who pays for healthcare for all of the employees who wish to be covered - this can be a major overhead issue but IO can help employers with the expense. The employer still gets to provide health insurance with IO paying a portion of the premium."

*Oklahoma Small Business Owner
November 2011*

To gather feedback from small business employers participating in the IO ESI program, faculty and staff of the DFPM assisted OHCA in developing and analyzing a 7th survey as part of the IO ESI CQI process. The methodology used for this study is similar to methods used in previous studies.²⁻⁹

Participants

Participants for this study were small business employers who were actively participating in the IO ESI program and met the study inclusion criterion. The inclusion criterion was all small businesses enrolled in the Insure Oklahoma program with one employee or more covered under the premium subsidy on October 1, 2011. A total of 5,184* small Oklahoma businesses were enrolled in the IO ESI program. Of the total number of business enrolled, 3,942 met the inclusion criterion. OHCA labeled and mailed IO ESI educational instrument (Appendix A) and IO Employer Survey #7 (Appendix B) to the 3,942 small business

*Insure Oklahoma Fast Facts, October 2011
(www.insureoklahoma.org).

employers who met the inclusion criterion on October 1, 2011. Three surveys were returned as undeliverable resulting in 3,939 surveys mailed. Researchers received 2,213 surveys for analysis, a 56.2% response rate.

After data entry was completed, results indicated that 41 employers (1.85%) no longer had enrolled employees. Thirty-five respondents (1.58%) did not complete the question about employee insurance status. All 2,213 surveys were included in the data analysis and reporting.

Survey Instrument

DFPM researchers assisted OHCA in developing the IO ESI educational instrument (Appendix A) and IO Employer Survey #7 for this study (Appendix B). Questions on this survey solicited employer feedback regarding the impact the IO premium subsidy program was having on their business²⁻⁹ and asked for comments and suggestions to continue to improve and expand the subsidy program.

Four types of questions were developed for the surveys:

1. Likert scale,
2. Single response check box,

3. Fill in the blank,
4. Open-ended, narrative.

Demographic and descriptive data, such as location, size of business, etc., were collected and used to determine whether demographic differences impacted employer responses. Specific questions about program components were designed to gather feedback and suggestions as part of the IO ESI CQI process.

Data Analysis

Survey responses were entered into an Excel spreadsheet by team members. Every 4th entry was selected for review and validation by a team member who was not involved in the data entry process.

Descriptive statistics were computed for the survey responses. These statistics included mean, median, mode, range, and distribution frequencies depending on the nature of the data and the questions being asked.

Open-ended questions soliciting narrative responses were entered into the database verbatim and coded to identify themes that might be useful for Insure Oklahoma strategic planning and marketing. A complete list of narrative responses from the survey is attached in Appendix C.

Charts and figures for this report were generated in Excel. The raw data for this study are available upon request.

Authors' credentials are included in Appendix D.

Resources & References

Since it began operation in March 2003, the Department of Family & Preventive Medicine's Primary Care Health Policy Division has been building a library of relevant health policy materials. These materials include newspaper accounts, research reports and articles, and Internet re-

sources. Citations to these materials were entered into an EndNote Reference Management Library database. To date, the library includes 1,382 documents and citations. Materials relevant to Medicaid program innovation, uninsured and underinsured working adults and families, and current national discussions about health care reform are included in this library. The database and the library are available for use by OHCA staff, and by others upon request. The references cited in this report are part of this library and database.

Limitations of this Study

As of October 1, 2011, 5,184* small Oklahoma businesses were enrolled in Insure Oklahoma. Of those enrolled businesses, 3,942 met the inclusion criterion for this study (one or more employees covered under the premium subsidy). OHCA mailed surveys based on the inclusion criterion to 3,942 participating employers on October 27, 2011. Between the time the surveys were mailed and the recipients completed the surveys, 41 employers (1.85%) no longer had eligible employees participating, and 35 respondents (1.58%) failed to answer the question about employee insurance status. All 2,213 surveys received were included in the analysis, a 56.2% response rate. This year's response rate represents an increase over recent years (Survey 6, 32%;⁹ Survey 5, 39.3%;⁸ Survey 4, 43.7%;⁷ Survey 3, 50.5%;⁶ Survey 2, 60.3%^{4,5}).

The results of this survey have been reviewed by the faculty and staff of the DFPM and compared with previous surveys. The conclusion is that there are no compelling reasons to doubt the validity of the results of this survey. What is presented here is judged to be a faithful representation of the opinions of the employers who have an opinion about the questions presented to them.

*Insure Oklahoma Fast Facts, October 2011 (www.insureoklahoma.org).

Results

“This is the best program offered to small business owners in Oklahoma. It is the only way most of us can offer health insurance to our employees.”

*Oklahoma Small Business Owner
November 2011*

Results from the survey data are reported in two sections: (1) Descriptive statistics on a question-by-question basis, and (2) comparisons of pairings of survey questions. Narrative comments were coded by theme and are attached in Appendix C. Raw data are available upon request.

Survey results are reported in the order the questions appeared on the survey (Appendix B). On October 27, 2011, OHCA mailed 3,942 surveys to businesses that met the inclusion criterion of one employee or more covered by the IO premium subsidy. Three (3) surveys were returned as undeliverable resulting in 3,939 delivered surveys. A total of 2,213 surveys were received for analysis, a 56.2% response rate.

Please note that some respondents did not answer all the questions, so the number of responses (n) for each question will vary.

Survey Results

1. Type of business (e.g., manufacturing, retail, service, health care, etc.). To determine the generalizability of the data collected to all businesses in Oklahoma, participants were asked to identify their type of business. Responses from 2,196 employers were sorted by the business sectors defined by US Census Bureau Statistics of U.S. Businesses (SUSB) (Figure 9a). Survey results were compared to the mix of business sectors for all Oklahoma businesses (Figure 9b).

Figure 9a. Mix of Businesses in Study Sample (n=2,196)

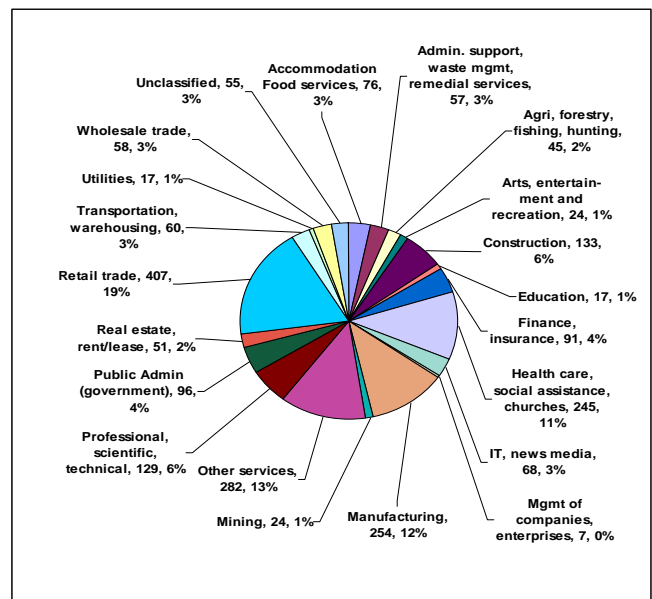
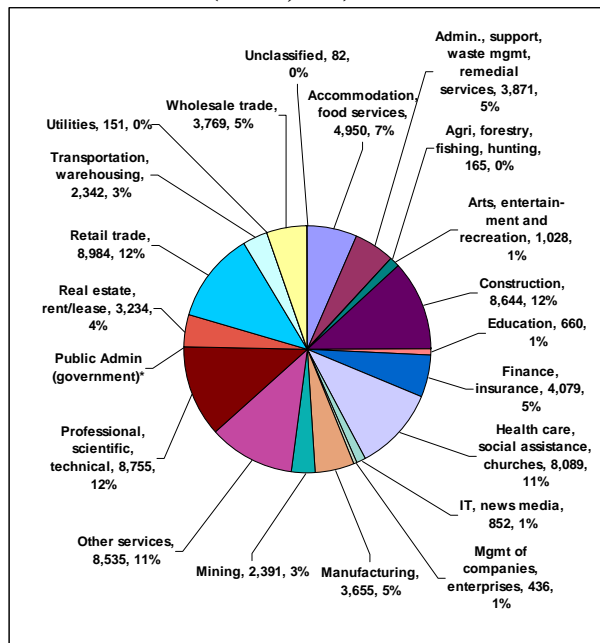


Figure 9b. Mix of Businesses in Oklahoma (n=74,672)*



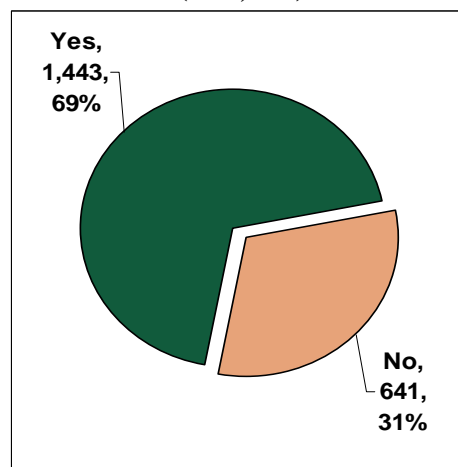
Other than larger Retail Trade (19%), Manufacturing (12%) and Agriculture (2%) sectors in our survey population compared to the state as a whole (12%, 5%, and >1%, respectively), and a smaller Professional, Scientific, Technical sector in our sample (6%) compared to that of the state (12%), visual assessment revealed that the distributions were similar. Note that “Public Administration/Government” data was not available for Figure 9b because it was not a separate SUSB National American Industry Classification System (NAICS) sector in 2007, the most recent year for which state-by-state business sector data was available.*

The mix of businesses in the sample is similar to the mix of businesses in the state.†

*Source: U.S. Census Bureau, Statistics of U.S. Businesses, 2007. www2.census.gov/econ/susb/data/2007/state_naicssector_2007.xls
†r=0.76, p < .01

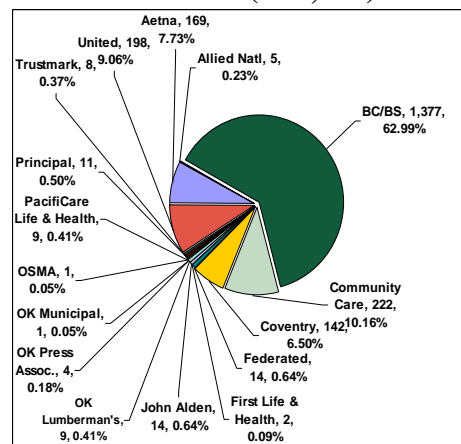
2. Did you offer employee health benefits before you joined Insure Oklahoma? Sixty-nine percent (n=1,443) of survey respondents offered health coverage for employees prior to IO, which means IO has helped nearly 1/3 of responding businesses offer employer sponsored health care (31%, n=641).

Figure 10. Prior Offer of Health Benefits (n=2,084)



3. Insurance carrier: Twenty private insurers offered IO qualified health plans when the survey was mailed. Figure 11 shows the distribution of survey responses by health insurance carrier. Blue Cross/Blue Shield covered the majority of businesses in our sample (62.99%, n=1,377), Community Care was second (10.16%, n=222).

Figure 11. Survey Population Insurance Carriers (n=2,186)



Four other insurers offered IO qualified plans but were not identified in our sample:

- ◆ Advantage Health Plans,
- ◆ PacifiCare Life Assurance Co.,
- ◆ Nippon Life Insurance Co. of America,
- ◆ Time Insurance.

4. Business county: Participants were asked to enter the name of the county in which their business was located. IO has divided the state into six regions (Figure 12). Figure 13 shows the number of survey respondents in each of the 6 regions. Figure 14 shows the distribution of all enrolled businesses compared to the survey sample. Based on IO region distribution, our sample is representative of the regional distribution for all IO participating businesses.

Figure 12. Map of Insure Oklahoma Regions*

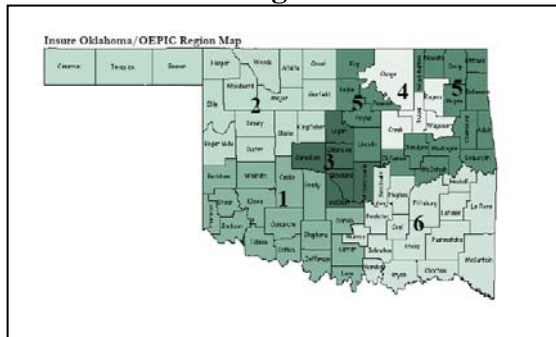
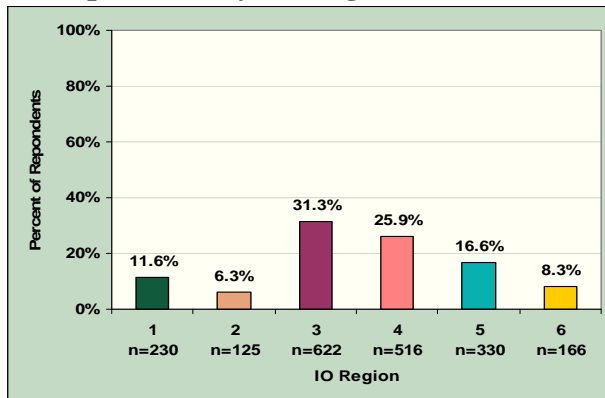
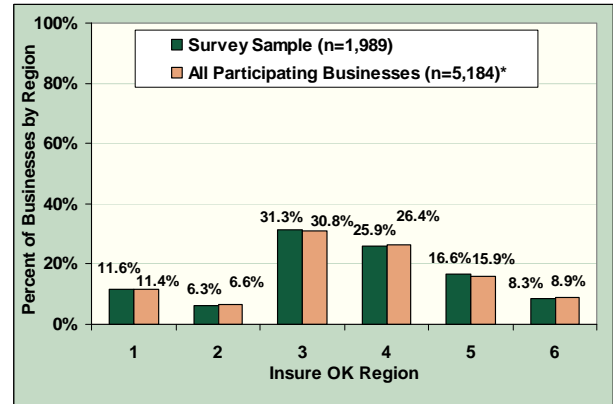


Figure 13. Location of Survey Respondents by IO Region (n=1,989)



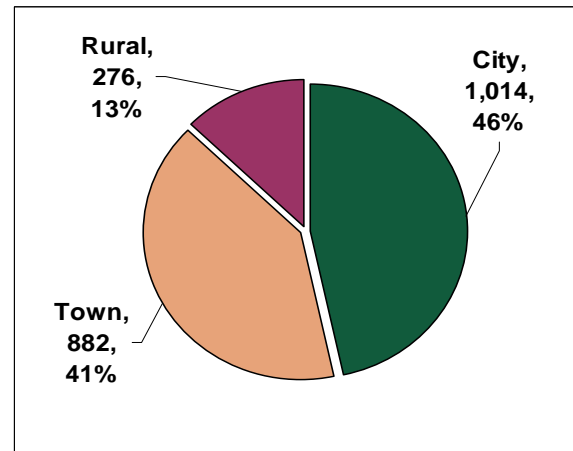
* Source: Insure Oklahoma Fast Facts, November 2011 (www.insureoklahoma.org)

Figure 14. Survey Respondents Compared by Region to All Enrolled IO Businesses*



5. Business location. Employers were asked whether their primary business location was in a “City” (50,000+ population), “Town” (2,500-50,000 population), or “Rural” area (less than 2,500 population). Forty-six percent (n=1,014) were located in cities, 41% in towns (n=882), and 13% in rural areas (n=276).

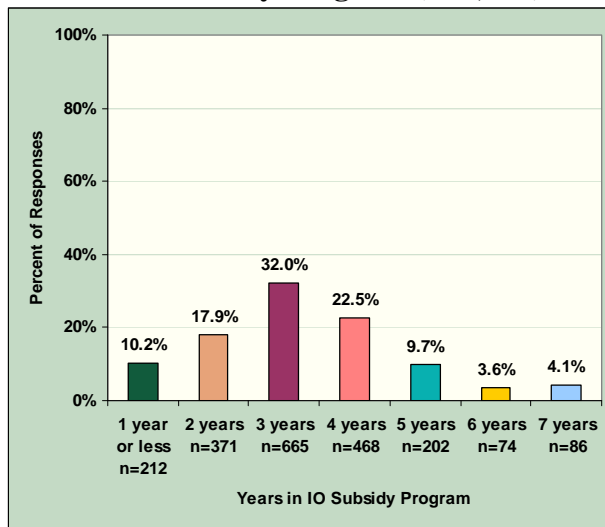
Figure 15. Location of Businesses by City, Town, or Rural Area (n=2,172)



6. How long has your business been participating in the IO program? The premium subsidy program began enrolling members in November 2005. As part of the IO CQI process, the length of participation in the IO subsidy program has been tracked over time. To gather that data, we asked participants which year they enrolled in the IO program.

Eighty-six survey respondents (4.1%) enrolled in the IO ESI program in 2005 indicating they had been members since implementation. More than half of the responding employers enrolled during the period 2008-2009 (2009, 3 years: 32%, n=665; 2008, 4 years: 22.5%, n=468). The mean for this survey group was 3.31, or 3-4 years (Figure 16).

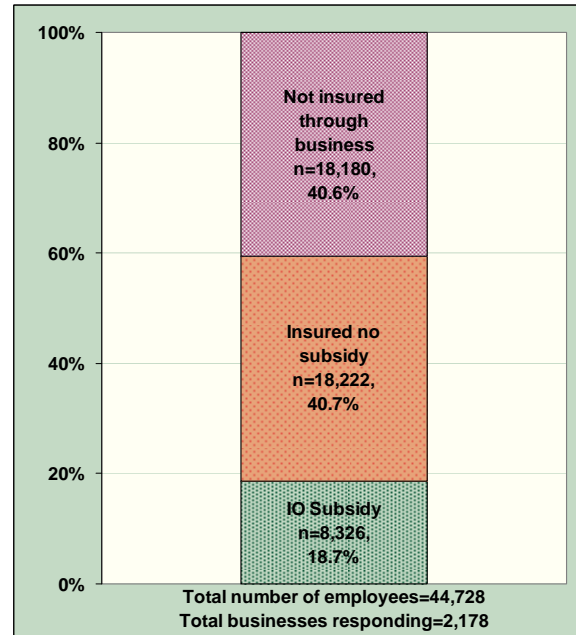
Figure 16. Length of Time in the IO Premium Subsidy Program (n=2,078)*



*IO has been in existence from 2005 to the present, 6 calendar years, but 7 years by date.

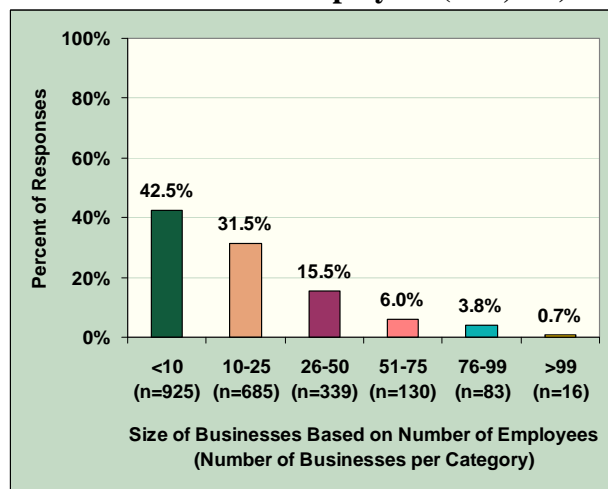
7. Insurance status for you and your employees. Employers were asked to complete a three-question table identifying all employees according to insurance status. The total of these three numbers equaled the total number of employees in the business. They were asked to include themselves in completing the table. Figure 17 shows the breakdown provided by employers.

Figure 17. Employee/Employer Insurance Status



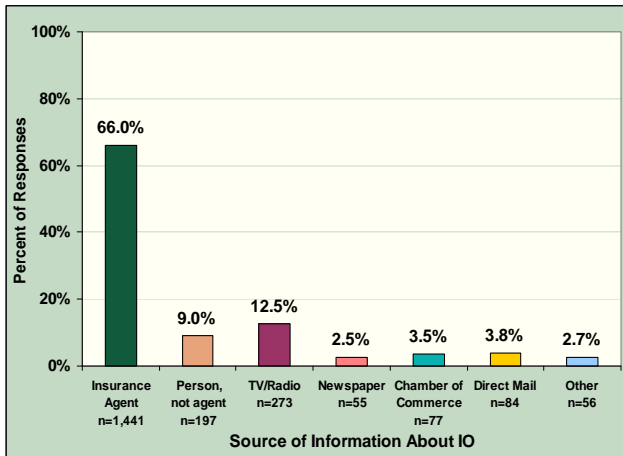
The size of the businesses in our sample based on number of employees is shown in Figure 18. Nearly three-quarters of survey respondents represented businesses with 25 employees or fewer (74%, n=1,610). The range for the survey population was 1 to 179. The mean business size was 20 employees; the median was 12, the mode was 22. Sixteen respondents reported more than 99 employees.

Figure 18. Size of Businesses in Sample based on Number of Employees (n=2,178)



8. How did you hear about the IO premium subsidy program? Employers were asked how they heard about the IO premium subsidy program. Figure 19 shows the frequency of responses for each of the six choices and the other category. Insurance agents, who have been strong supporters of the premium subsidy program,²⁻⁹ provided information about the program for 66% of survey respondents, followed by Radio and TV ads (12.5%).

Figure 19. Primary Source of Information about IO Premium Subsidy Program (n=2,183)



Responses in the “Other” category included:

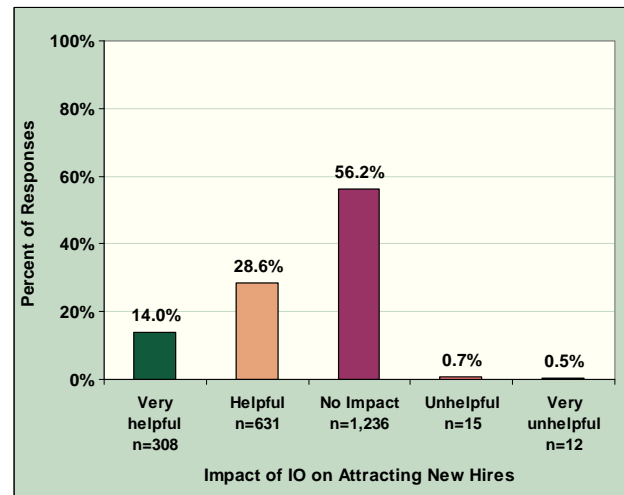
- ◆ Online,
- ◆ Trade or association conference,
- ◆ OHCA,
- ◆ Human resource seminars.

Questions 9-12 gathered employer feedback on four validated positive business impacts of offering and subsidizing employee health benefits.^{16,17} Responses to these four questions have been tracked over time (see Comparisons section, pages 17-24 for comparison of responses by year). Average responses were reported based on a scale of 1 to 5.

9. How has the IO premium subsidy program impacted your ability to attract new employees? More than half of the

respondents (56.2%, n=1,236) indicated that the premium subsidy had “No impact” on their ability to recruit new employees, 42.6% (n=939) said the program was either “Very helpful” or “Helpful” in improving their ability to hire workers (Figure 20). On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful,” the average response was 3.55.

Figure 20. Impact of Insure Oklahoma on Attracting New Employees (n=2,202)



In addition, a number of respondents indicated that, while the IO program had little or no impact on their ability to hire workers, it was definitely a plus in retaining good employees.

“[Insure Oklahoma is] a great help to recruit and keep employees.”

“There has not been any other single thing I can put my finger on that reduced my employee turnover as effectively as being enrolled in IO.”

IO Participating Employers
November 2011

(All survey comments are organized by topic and attached in Appendix C.)

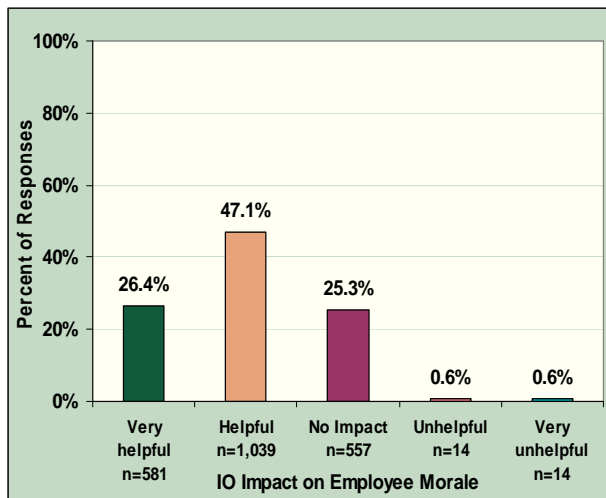
10. How has the IO premium subsidy program impacted employee morale? Nearly three-quarters of respondents (73.5%, n=1,620) reported IO was “Very helpful” or “Helpful” for employee morale (Figure 21). On a scale of 1 to

5, with 1 being “Very unhelpful” and 5 being “Very helpful,” the average response was 3.98.

“You will have happier, healthier employees if you enroll in IO.”

IO Participating Employer
November 2011

Figure 21. Impact of Insure Oklahoma on Employee Morale (n=2,205)



“Having health insurance gives employees peace of mind. The fact that OEPIC helps with the expense makes having insurance easier. Happy employees make better workers.”

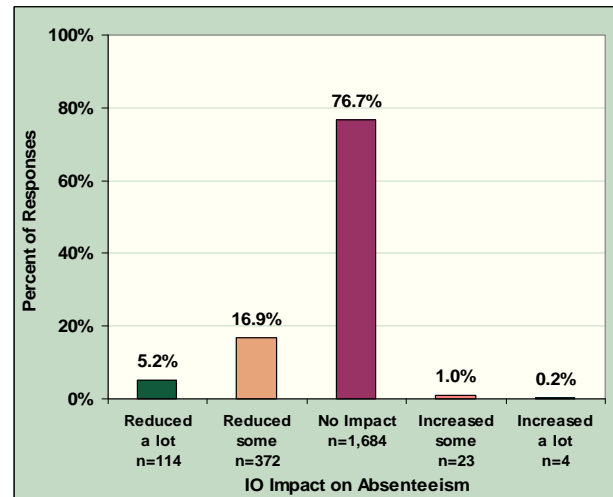
“It’s great for the morale of the younger employees with families. It helps greatly to have peace of mind knowing your family is taken care of if something should happen.”

IO Participating Employers
November 2011

11. How has the IO premium subsidy program impacted employee absenteeism due to illness? More than three-quarters (76.7%, n=1,684) of the survey respondents indicated that IO had “no impact” on absenteeism due to illness. However, of the remaining respondents, most indicated they

had noticed a decrease in absenteeism due to illness since implementing the IO premium subsidy program (Figure 22). On a scale of 1 to 5, with 1 being “Increased a lot” and 5 being “Reduced a lot,” the average response was 3.26.

Figure 22. Impact of Insure Oklahoma on Employee Absenteeism (n=2,197)



Comments suggest, however, that some employers were cognizant of the preventive benefits of the health insurance provided.

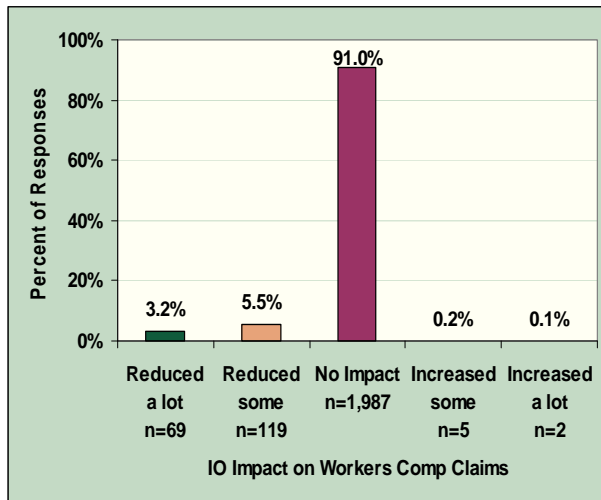
“It makes insurance more affordable. Therefore they can go to the doctor when needed and be more healthy when they come to work.”

“It has helped because employees can now afford to go to the doctor. Less sick time because they can get treated for an illness.”

IO Participating Employers
November 2011

12. How has the IO premium subsidy program impacted worker’s compensation claims? Ninety-one percent (n=1,987) saw no impact on their worker’s compensation claims with the addition of the premium subsidy program (Figure 23). On a scale of 1 to 5, with 1 being “Increased a lot” and 5 being “Reduced a lot,” the average response was 3.11.

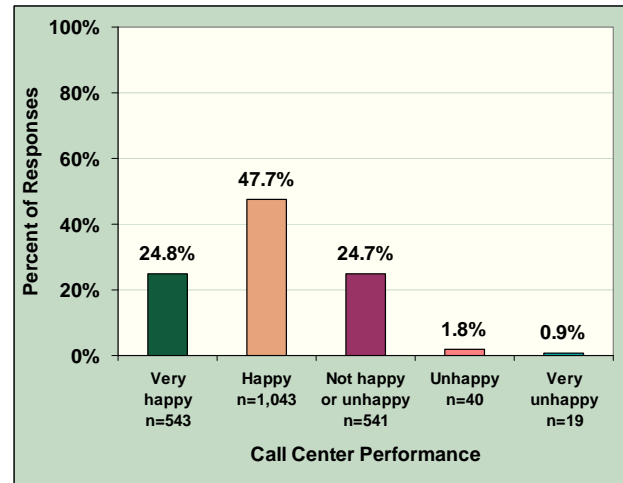
Figure 23. Impact of Insure Oklahoma on Worker Compensation Claims (n=2,182)



Insure Oklahoma has been gathering feedback about specific administrative and service components of the program since the program began: helpfulness of OHCA’s call center, helpfulness of insurance agents, paperwork required and program materials. The information gathered from this CQI process has been used to make several administrative and service changes within the IO program as noted in the educational instrument, which businesses received with this survey (see Appendix A). The following questions provide further feedback on these program components. Averages are reported based on a scale of 1 to 5.

13. How happy are you with the IO Call Center? Most survey respondents were either “Very happy” (24.8%, n=543) or “Happy” (47.7%, n=1,043) with the customer service provided by the call center. Many of the 24.7% (n=541) who indicated they were neither happy nor unhappy went on to comment that the service was fine as it was and not in need of further improvement (Figure 24). On a scale of 1 to 5, with 1 being “Very unhappy” and 5 being “Very happy,” the average response was 3.94.

Figure 24. Employer Feelings about IO Call Center Performance (n=2,186)

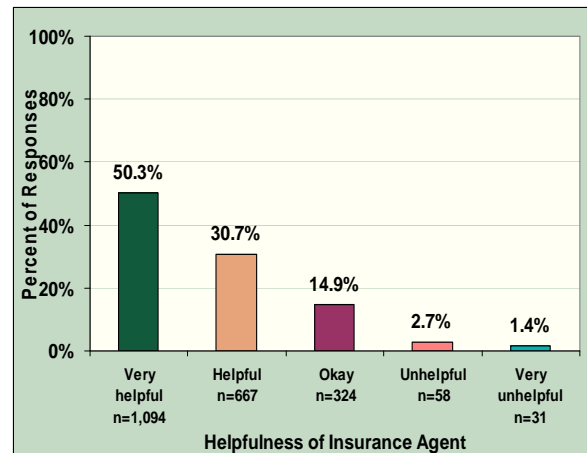


“The call center service is great now. There was a delay in response time at first but no problem now!”

IO Participating Employer
November 2011

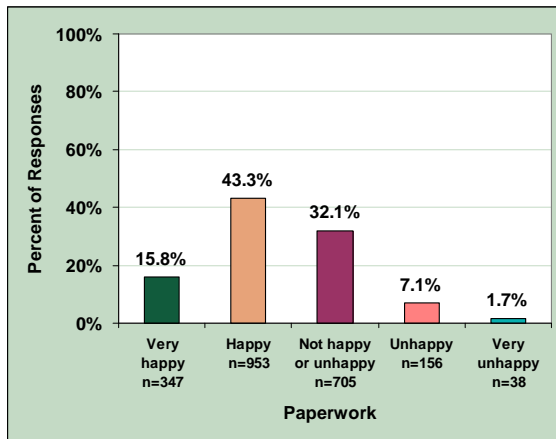
14. How helpful is your insurance agent with IO issues? More than half of survey respondents (50.3%, n=1,094) indicated their insurance agent was “Very helpful”; 30.7% (n=667) said their agent was “Helpful.” Agents continue to be an integral part of the success of the premium subsidy program (Figure 25). On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful,” the average response was 4.26.

Figure 25. Helpfulness of Insurance Agent (n=2,174)



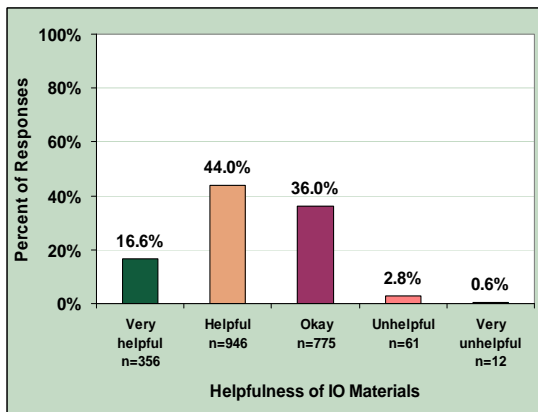
15. How happy are you with paperwork required for the IO program? Over 90% of survey respondents indicated that the paperwork required for IO was fine (“Very happy” to “Okay”) (Figure 26). On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful,” the average response was 3.64.

Figure 26. Employer Feelings about IO Paperwork (n=2,199)



16. How helpful are the brochures, employee handouts, and other IO program materials? Almost all survey respondents indicated that the materials available from OHCA were fine (“Very helpful” to “Okay”) (Figure 27). On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful,” the average response was 3.73.

Figure 27. Helpfulness of IO Materials, Brochures, etc. (n=2,150)



Some respondents asked for brochures and materials and suggested additional materials be developed for employees.

“I have never been given any brochures, employee handouts, or other material prior to enrolling an employee. These items would be helpful in educating the employee.”

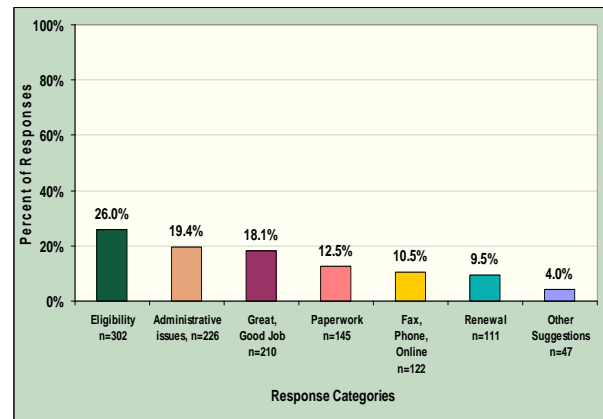
IO Participating Employer
November 2011

17. If you could change ONE thing about the IO program, what would it be? Narrative comments were coded into seven categories (Figure 28); 26% (n=302) wished OHCA could change the eligibility limits, although some did acknowledge that OHCA had no control over those restrictions.

“Can't control but eligibility standards- ex: single mom paying > \$205/week for 1/2 self and all of child's insurance. Child support rarely rcd but IO must show as consistent income.”

IO Participating Employers
November 2011

Figure 28. Suggestions for IO Program Changes (n=1,163)



The second largest category suggesting change included general administrative issues.

- ◆ More timely reimbursement
- ◆ Faster PIN numbers
- ◆ End yearly proof of citizenship requirement
- ◆ More educational materials for employees
- ◆ Assign one person at IO to help rather than having to talk to someone new each time they call

“Allow retroactive payments to be made. Employee made mistake with paperwork and I couldn't get reimbursed for premiums after the paperwork was corrected. It therefore cost me a lot of money and I didn't know there was a problem.”

“Communication-wish there was a specific rep for our company.”

IO Participating Employers
November 2011

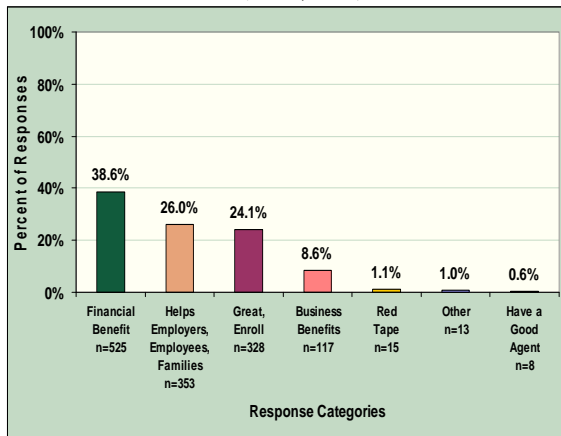
Eighteen point one percent (n=210) of respondents indicated that no changes were necessary, that IO is doing a great job.

“I cannot think anything need be changed. Hopefully the program will continue till there will be an alternative assistance like this program.”

IO Participating Employer
November 2011

18. What would you say to an employer that might convince them to enroll in this program? As part of IO’s marketing efforts, participants were asked what they might tell another employer to convince them to enroll in the subsidy program. Narrative comments were coded into seven categories (Figure 29).

Figure 29. Employer Suggestions for Convincing Other Employers to Enroll (n=1,359)



The financial benefit of the subsidy program was the most frequent reason given by employers (38.6%, n=525), followed by how much the subsidy program helps all the parties involved: employers, employees, and families (26%, n=353). The third most frequently cited reason to enroll (“Great, Enroll,” 24.1%, n=328) expressed respondents' enthusiasm for the IO premium subsidy with comments such as:

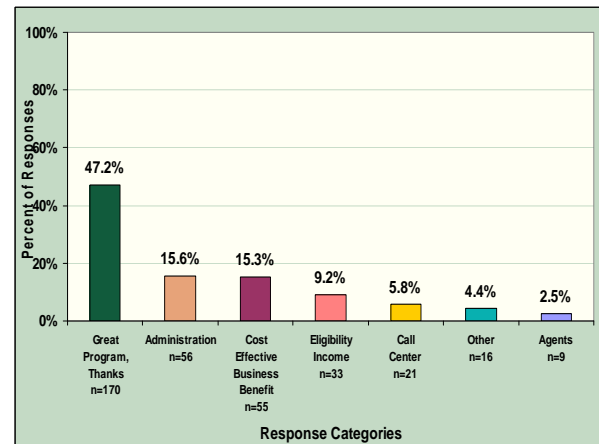
“It is not what you expect from a government program. Payments are on time and well-documented. IO staff are nice and go out of their way to help you. Any problems get quickly resolved. No hassles or bureaucracy. It is a great program for OK, your co, and your employees. Sign up now.”

“A no-brainer.”

IO Participating Employers
November 2011

19. Additional Comments: Additional comments were coded into seven categories (Figure 30).*

Figure 30. Additional Comments (n=360)



Nearly half of those who wrote additional comments were pleased with the premium subsidy program (47.2%, n=170).

* Complete survey comments are attached in Appendix C.

“I have been self-employed since 1979 and this is the best tool (IO) we have in acquiring new employees and keeping them!”

“Thank you so much for the services you provide. And may God bless and keep you all!”

**IO Participating Employers
November 2011**

“Administration,” which included paper-work issues, enrollment concerns, problems with fax, and online application, etc., was second (15.6%, n=56).

“We are pleased with the program and happy with the reimbursement process. However, employees sometimes have a difficult time with the online enrollment process.”

“It would be helpful if individuals enrolled as an individual could have a grace period if payment does not arrive in time or is otherwise detained. Perhaps 30 days.”

**IO Participating Employers
November 2011**

“Cost Effective Business Benefit” of offering insurance (15.3%, n=55) was third.

“Insure Oklahoma has helped me to raise employee wages. I was looking to layoff due to higher minimum wage.”

“Great help to our company to have this assistance for our employees & for the company. Insurance costs are unaffordable for a small business especially w/the depressed economy.”

**IO Participating Employers
November 2011**

“Eligibility and Income Limits” continue to be a concern.

“We are finding health premium costs increasing but the allowable IO wage

scale frozen since 2009. We are seeing employees completely decline health coverage but fall just over the IO wage scale.”

“Increase the number of employees a business can have. There are still many small businesses out there with over 100 employees who don't have insurance.”

**IO Participating Employers
November 2011**

Some respondents raised concern that the program might be discontinued.

“Please -- whatever it takes DO NOT discontinue this program. We have a business in Texas also and there is nothing to compare to IO in Texas. Whoever said everything is bigger and better in Texas is wrong!”

“Please continue program.”

**IO Participating Employers
November 2011**

Table 1. Survey Results-at-a Glance

Survey Question	Result			Interpretation/Notes
1. Type of business: n=2,196 (main differences between survey sample and State are shown)	<u>Business Type</u> retail trade: manufacturing: professional, scientific, technical:	<u>Survey Sample</u> 19%, n=407 12%, n=254 6%, n=129	<u>State</u> 12% 5% 12%	Except for the small differences shown, the mix of businesses represented by our survey respondents is similar enough to be generalizable to the state as a whole. r=0.76, p<.01
2. Offer of benefits before IO: n=2,084	Yes: 69%, n=1,443 No: 31%, n=641			About 1/3 of respondents did not offer employee health insurance benefits prior to enrolling in IO.
3. Insurance carrier: n=2,186	Aetna.=7.73%, n=169 Allied National=0.23%, n=5 BlueCross BlueShield=62.99%, n=1,377 Community Care=10.16%, n=222 Coventry Health.=6.5%, n=142 Federated Mutual Ins.=0.64%, n=14 First Health Life & Health Ins. Plan=0.09%, n=2 John Alden=0.64%, n=14 OK Lumbermen’s Association=0.41%, n=9 OK Municipal Assurance=0.05%, n=1 OK Press Association=0.18%, n=4 OSMA=0.05%, n=1 PacifiCare Life & Health=0.41%, n=9 Principal Financial Group=0.5%, n=11 Trustmark Life Ins. Co.=0.37%, n=8 United Healthcare=9.06%, n=198			Blue Cross/Blue Shield continues to be the largest insurer under the IO program. Four IO qualified carriers were not identified by our respondents: Advantage PacifiCare Life Assurance Nippon Life Insurance Co. of America Time Insurance
4. Business county: n=1,989	Region 1=11.6%, n=230 Region 2=6.3%, n=125 Region 3=31.3%, n=622 Region 4=25.9%, n=516 Region 5=16.6%, n=330 Region 6=8.3%, n=166			Results are nearly identical to IO data regarding county distribution of all small businesses enrolled in IO. The largest regional population densities occur in Region 3, which includes Oklahoma City, Region 4, which includes Tulsa, and Region 5, which includes Stillwater.
5. Business location: n=1,306	City (50,000+): 46%, n=1,014 Town (2,500-50,000): 41%, n=882 Rural (less than 2,500): 13%, n=276			Similar to previous studies with this group.
6. Years in IO program? n=2,078	≤1 yr: 10.2%, n=212 2 yrs: 17.9%, n=371 3 yrs: 32%, n=665 4 yrs: 22.5%, n=468 5 yrs: 9.7%, n=202 6 yrs: 3.6%, n=74 7 yrs: 4.1%, n=86			Mean = 3.31 (from 3-4 years) 86 companies had been with the program since it began in November 2005.
7a. Insurance status n=2,178	a. Insured with subsidy: 18.7%, n=8,326 b. Insured, not subsidy eligible: 40.7%, n=18,222 c. Not insured through business: 40.6%, n=18,180 d. Total # employees for whom covered status was reported: 44,728			41 employers said none of their employees were covered at the time they completed the survey; 35 did not complete the question on insurance status.
7b. Business size based on number of employees reported n=2,178	<10: 42.5%, n=925 10-25: 31.5%, n=685 26-50: 15.5%, n=339 51-75: 6%, n=130 76-99: 3.8%, n=83 >99: 0.7%, n=16			Average business size was 20. Most of the businesses had 25 employees or fewer (72%, n=1,610). A few businesses (0.7%, n=16) reported having greater than the 99 employees.
8. How did you hear about the subsidy program? n =2,183	Insurance Agent = 66%, n=1,441 Person Other than Agent = 9%, n=197 TV/radio = 12.5%, n=273 Newspaper = 2.5%, n=55 Chamber of Commerce = 3.5%, n=77 Direct mail = 3.8%, n=84 Other = 2.7%, n=56			Insurance agents continue to be most often cited in promoting IO. TV and radio ads and information from friends, colleagues, neighbors, etc. were also good sources for employers.
9. Impact on ability to attract new employees: n=2,203	Very helpful: 14%, n=308 Helpful: 28.6%, n=631 No impact: 56.2%, n=1,236 Unhelpful: 0.7%, n=15 Very unhelpful: 0.5%, n=12			Although over half (56.2%) of respondents indicated that participating in IO had no impact on their ability to attract good employees, 42.6% reported the subsidy program was “Very helpful” or “Helpful” in helping them hire new employees. The mean response was 3.55 on a scale of 1 (very unhelpful) to 5 (very helpful).

10. Impact on employee morale: n=2,205	Very helpful: 26.4%, n=581 Helpful: 47.1%, n=1,039 No impact: 25.3%, n=557 Unhelpful: 0.6%, n=14 Very unhelpful: 0.6%, n=14	The premium subsidy program is having a positive impact on employee morale based on survey responses. The mean was 3.98 on a scale of 1 (very unhelpful) to 5 (very helpful).
11. Impact on absenteeism: n=2,197	Reduced a lot: 5.2%, n=114 Reduced some: 16.9%, n=372 No impact: 76.7%, n=1,684 Increased some: 1%, n=23 Increased a lot: 0.2%, 4	Most respondents indicated “No impact” on absenteeism with IO. The mean was 3.26 on a scale of 1 (increased a lot) to 5 (decreased a lot).
12. Impact on worker’s compensation claims: n=2,182	Reduced a lot: 3.2%, n=69 Reduced some: 5.5%, n=119 No impact: 91%, n=1,987 Increased some: 0.2%, n=5 Increased a lot: 0.1%, n=2	IO had no impact on worker’s compensation claims according to responding employers. The mean was 3.11 on a scale of 1 (increased a lot) to 5 (decreased a lot).
13. How happy with Call Center: n=2,186	Very happy: 24.8%, n=543 Happy: 47.7%, n=1,043 Not happy or unhappy: 24.7%, n=541 Unhappy: 1.8%, n=40 Very unhappy: 0.9%, n=19	Nearly 3/4ths of respondents indicated they were pleased with the service provided by IO’s call center. The mean, on a scale of 1 (very unhelpful) to 5 (very helpful), was 3.94 indicating that most had a positive experience contacting the call center.
14. Helpfulness of insurance agent: n=2,174	Very helpful: 50.3%, n=1,094 Helpful: 30.7%, n=667 Okay: 14.9%, n=324 Unhelpful: 2.7%, n=58 Very unhelpful: 1.4%, n=31	The majority of respondents were enthusiastic about the assistance of their insurance agent. The mean was 4.26 on a scale of 1 (very unhelpful) to 5 (very helpful) indicating employers were quite pleased with their interactions with their agents.
15. How happy with paperwork: n=2,199	Very happy: 15.8%, n=347 Happy: 43.3%, n=953 Not happy or unhappy: 32.1%, 705 Unhappy: 7.1%, n=156 Very unhappy: 1.7%, n=38	Over 90% of employers had no trouble with the paperwork associated with IO. The mean was 3.64 on a scale of 1 (very unhappy) to 5 (very happy).
16. Helpfulness of IO program materials: n=2,150	Very helpful: 16.6%, n=356 Helpful: 44%, n=946 Okay: 36%, n=775 Unhelpful: 2.8%, n=61 Very unhelpful: 0.6%, n=12	Most respondents felt the program materials were helpful (mean = 3.73 on a scale of 1-very unhelpful to 5-very helpful). The biggest problem expressed by employers was obtaining materials for their employees.
17. If you could change ONE thing, what would that be? n=1,163	1. Eligibility: n=26%, n=302 2. Administrative issues: 19.4%, n=226 3. Great, good job: 18.1%, n=210 4. Paperwork: 12.5%, n=145 5. Fax, phone, online: 10.5%, n=122 6. Renewal: 9.5%, n=111 7. Other suggestions: 4%, n=47	Eligibility and raising income limits was the most mentioned aspect of IO that employers would change, followed by administrative concerns (mainly regarding delays in receiving subsidy payments). The 3 rd category, “Great, good job,” was used for anyone who indicated they would not change anything, that the program was good just as it is.*
18. What employers would say to convince another employer to enroll in IO. n=1,359	1. Financial benefit: 38.6%, n=525 2. Helps employers, employees, families: 26%, n=353 3. Great, enroll: 24.1%, n=328 4. Business benefits: 8.6%, n=117 5. Red tape: 1.1%, n=15 6. Other: 1%, n=13 7. Have a good agent: 0.6%, n=8	In promoting IO to other employers, survey respondents felt the financial benefit to their business was the most important reason to enroll, followed by how much the program helps everyone – employers, employees and family members. Many respondents made such comments as “Why not?” and “Enroll.”*
19. Additional comments: Comments were grouped into 7 categories. n=360	1. Great program, thanks: 47.2%, n=170 2. Administration: 15.6%, n=56 3. Cost effective business benefit: 15.3%, n=55 4. Eligibility: 9.2% , n=33 5. Call center: 5.8%, n=21 6. Other: 4.4%, n=16 7. Agents: 2.5%, n=9	Under Additional Comments, many respondents used the opportunity to thank IO for the program.*

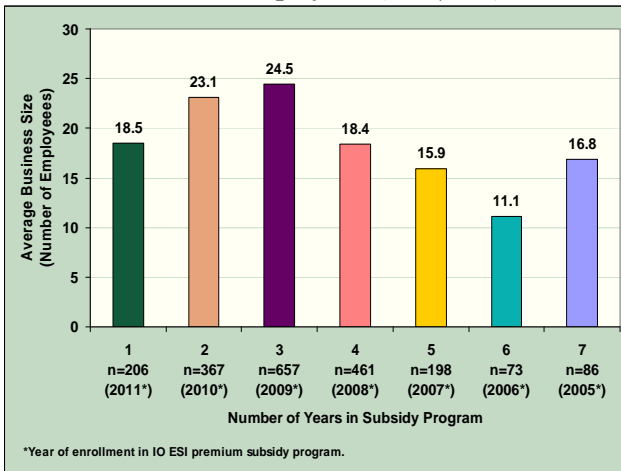
*A complete list of all comments sorted by question and by response category can be found in Appendix C.

Comparisons

Seven main comparisons were calculated; three of the seven had four components.

1. Does business size (number of employees) impact the length of time a business has been participating in the subsidy program? The responses about business size based on number of employees were sorted by the length of time a business had been participating in the IO program (Figure 31). Initially, the IO subsidy program was available only to businesses with 25 employees or fewer and the income eligibility was 185% of the Federal Poverty Level (FPL). In November 2007, income eligibility was increased to 200% FPL and business size was increased to 50 employees or fewer. In March 2009, IO began accepting businesses with up to 99 employees.*

Figure 31. Length of Time (# of years) in IO Subsidy Program Compared by Business Size (# of employees) (n=2,048)



As shown in Figure 31, an increase in the size of enrolled businesses based on number of employees occurred from 2006 (11.1) to 2007 (15.9) when the income limits and business size were increased. Business size

*Source: Insure Oklahoma Fast Facts, May 2009 (www.insureoklahoma.org/WorkArea/showcontent.aspx?id=3610)

continued to increase through 2008 and another increase in business size occurred in 2009 when businesses with up to 99 employees were admitted to the program. Average business size has declined somewhat in 2010 and 2011.

2. Does region within the state (as designated by OHCA) impact the average number of years businesses within a region have been participating in the subsidy program? OHCA has designated 6 IO regions within the state (Figure 32). As shown in Figure 33, regional location of the businesses had no particular impact on how long businesses were enrolled in the IO ESI premium subsidy program.

Figure 32. Map of Insure Oklahoma Regions†

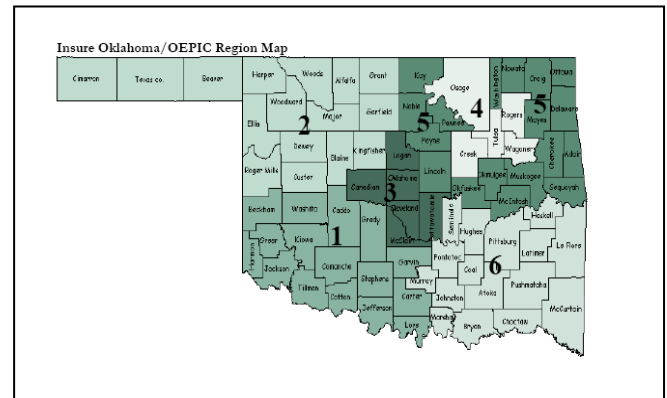
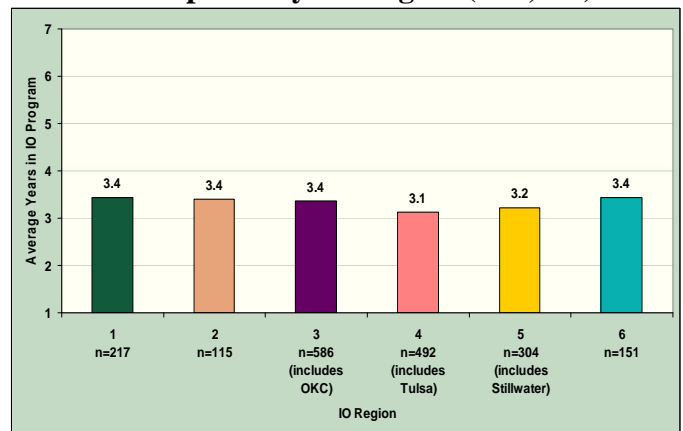


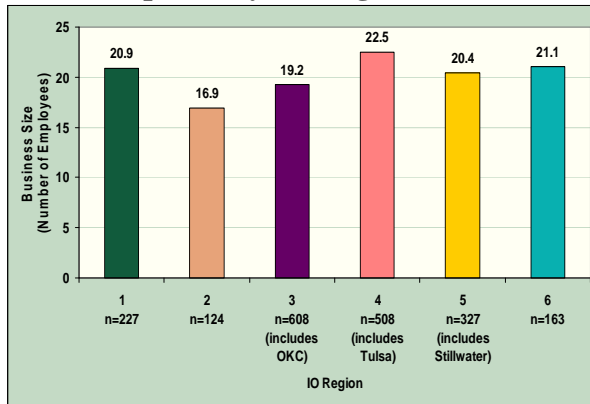
Figure 33. Length of Time (average # of years) in IO Compared by IO Region (n=1,865)



†Source: Insure Oklahoma Fast Facts (www.insureoklahoma.org)

3. Does region within the state (as designated by OHCA) in which a business is located reflect the size of the business as measured by number of employees? As shown in Figure 34, there is some variation in overall business size. Businesses located in Region 4, which includes Tulsa, having the largest average business size (22.6 employees) and Region 2, located in the sparsely populated panhandle region, having the smallest average business size (16.9 employees).

Figure 34. Business Size (# of employees) in IO Compared by IO Region (n=1,957)



“Offering health insurance to employees is a great asset. Employee retention increases. Employee morale increases. Employees are more likely/able to take care of medical issues before they escalate. Employee absenteeism due to illness decreases.”

IO Participating Employer
November 2011

4. Does location within the state (IO region, see Figure 35) affect employer perception of IO’s impact on four business benefits of offering employee health insurance? To determine whether regional variation affected employers’ perception of how the offer of health insurance through the premium subsidy may have impacted their business, we compared the responses to

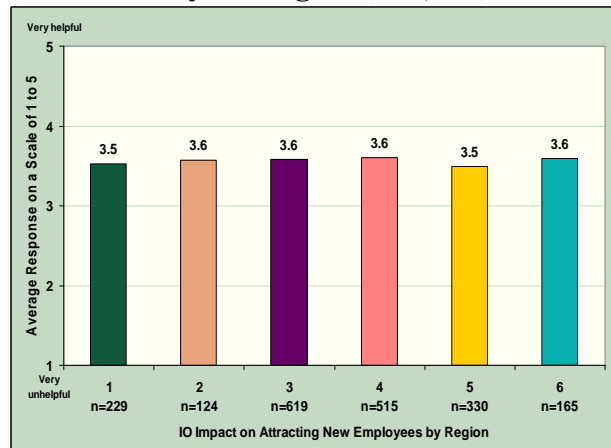
the four business benefit questions (see Questions 9-12 on the survey, Appendix B) broken out by region (Figures 35-38).

Attract New Employees. As shown in Figure 35, there is very little variation in employers’ perception of IO’s impact on helping them attract new employees, regardless of region. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages across the regions ranged from 3.5 to 3.6.

“Helps reduce health care cost and helps new hiring process.”

IO Participating Employer
November 2011

Figure 35. Attract New Employees Compared by IO Region (n=1,982)



Employee Morale. Employee morale, which is linked to retention and productivity,¹⁶ has been shown in previous studies within this population to be an important benefit of the IO premium subsidy program. To determine whether this benefit was affected by the businesses location within the state (IO Region), we compared those data.

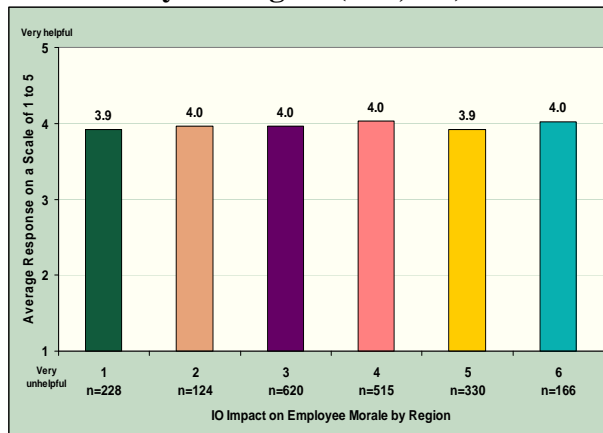
There was little variation among the regions, as shown in Figure 36. Employers across the state felt there was a noticeable improvement in employee morale with the introduction of the IO

subsidized health insurance program. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages across the region ranged from 3.9 to 4.0, indicating employers felt the program improved employee morale.

“In our company, all employees greatly appreciate the program and it has increased employee morale.”

IO Participating Employers
November 2011

Figure 36. Employee Morale Compared by IO Region (n=1,983)

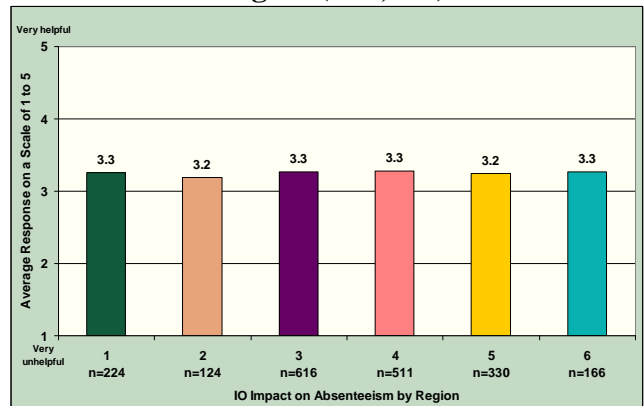


Absenteeism. Figure 37 shows little regional variation on employer perception of IO’s impact on reducing absenteeism due to illness among their employees. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages across regions ranged from 3.2 to 3.3, indicating neither helpful nor unhelpful.

“Employees are more likely to get preventative care; therefore lowering absenteeism.”

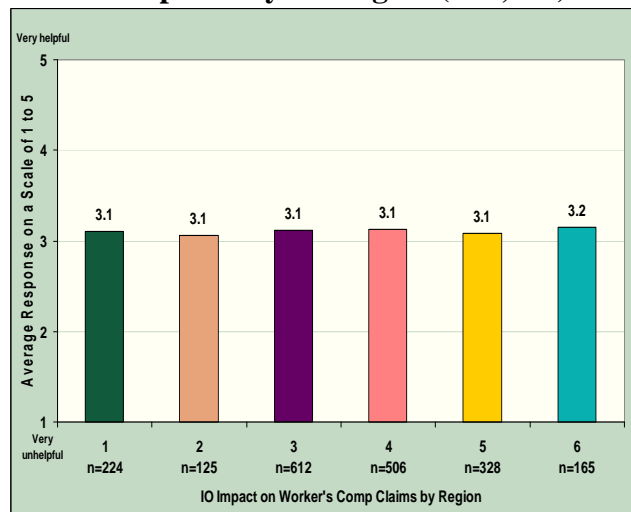
IO Participating Employer
November 2011

Figure 37. Absenteeism Compared by IO Region (n=1,971)



Worker’s Compensation Claims. As shown in Figure 38, employers felt the IO premium subsidy program had little or no impact on their worker’s compensation claims. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the average response per region was 3.1 to 3.2, indicating neither helpful nor unhelpful.

Figure 38. Worker’s Compensation Claims Compared by IO Region (n=1,960)

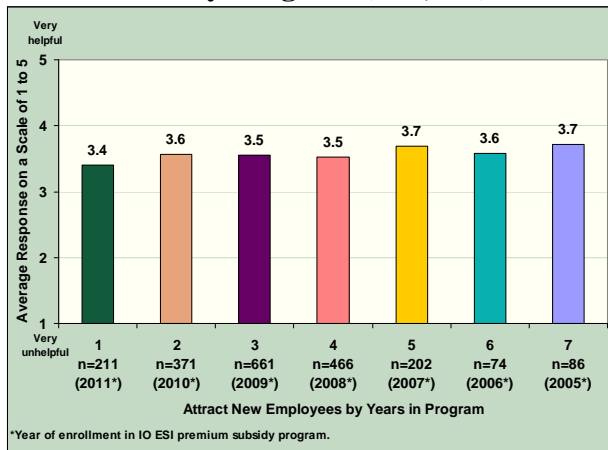


5. Does length of time (average number of years) in the premium subsidy program affect employer perception of IO's impact on four validated business benefits of offering employee health insurance? To determine whether length of time employers had been participating in the premium subsidy program influenced their perception of how the offer of health insurance may have impacted their business, we compared the responses to the four business benefit questions (see Questions 9-12 on the survey, Appendix B) broken out by average years in the IO premium subsidy program (Figures 39-42).

Attract New Employees. As shown in Figure 39, there is very little variation in employers' perception of IO's impact on helping them attract new employees, regardless of the number of years a business had been participating in the IO program. On a scale of 1 to 5, with 1 being "Very unhelpful" and 5 being "Very helpful" the averages ranged from 3.4 to 3.7.

"Very attractive to potential employees...it's a definite bonus."
 IO Participating Employer
 November 2011

Figure 39. Attract New Employees Compared by Average Years in the Subsidy Program (n=2,071)



Employee Morale. To determine whether employee morale varied based on length of time a business had been participating in the IO program, we compared those data (Figure 40).

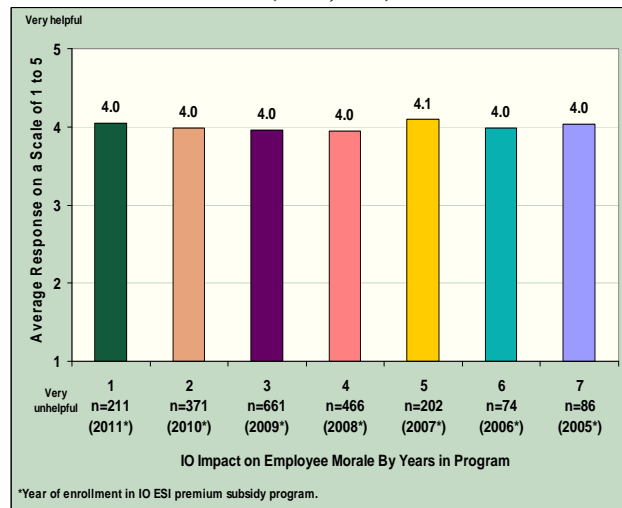
Respondents indicated that there was an improvement in employee morale with the introduction of the IO subsidized health insurance program. On a scale of 1 to 5, with 1 being "Very unhelpful" and 5 being "Very helpful" the averages over time ranged from 4.0 to 4.1. Comments reinforced respondents' opinion of the impact IO had on morale and productivity.

"Less employee turnover and turnover is expensive!"

"Would highly encourage a business to enroll in the program. It is beneficial both from a financial aspect to both employer and employee as well as a morale booster."

IO Participating Employers
 November 2011

Figure 40. Employee Morale Compared by Average Years in the Subsidy Program (n=2,071)



Absenteeism. To ascertain whether employers noticed an impact on employee absenteeism due to illness with the introduction of the premium subsidy program varied based on length of time

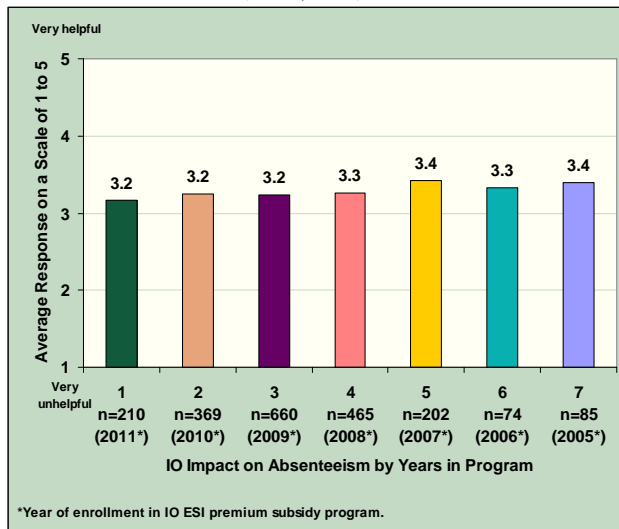
a business had been participating in the IO program, we compared those data (Figure 41).

Respondents indicated that there was a small reduction in absenteeism with the introduction of the IO subsidized health insurance program. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages over time were between 3.2 and 3.4. Respondents noted that with health insurance, their employees could receive preventive care and take care of illnesses earlier.

“[It is a] significant benefit to your employees, knowing they have the ability to go to doctor as needed w/out going broke. Healthy employees are more productive.”

IO Participating Employer
November 2011

Figure 41. Absenteeism Compared by Average Years in the Subsidy Program (n=2,065)



Worker’s Compensation Claims. To determine whether the IO premium subsidy program impacted the number of worker’s compensation claims based on length of time a business had been participating in the

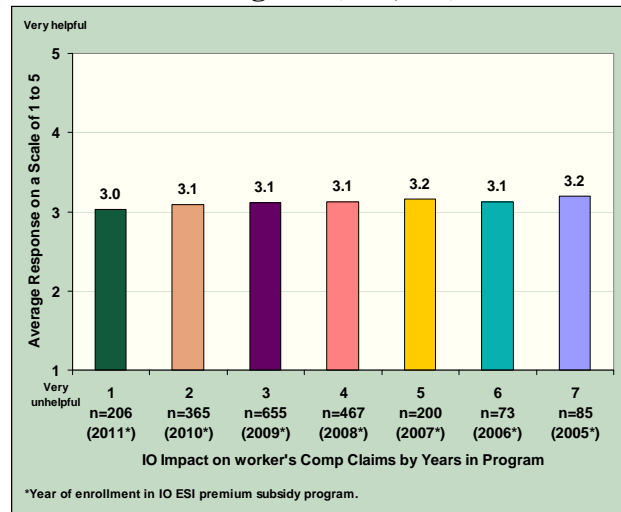
IO program, we compared those data (Figure 42).

Respondents indicated that the IO subsidized health insurance program had little or no impact on worker’s compensation claims. On a scale of 1 to 5, with 1 being “Increased a lot” and 5 being “Reduced a lot” the averages over time were between 3.2 and 3.4.

“Healthy employees, less w/c [worker’s comp] claims, increased employee retention.”

IO Participating Employer
November 2011

Figure 42. Worker’s Compensation Claims Compared by Average Years in the Subsidy Program (n=2,051)



6. Does business size, as measured by number of employees, affect employer perception of IO’s impact on four business benefits of offering employee health insurance? To determine whether business size based on number of employees influenced employers’ perception of how the offer of health insurance may have impacted their business, we compared the responses to the four business benefit questions (see Questions 9-12 on the survey, Appendix B) broken out by business size (Figures 43-46).

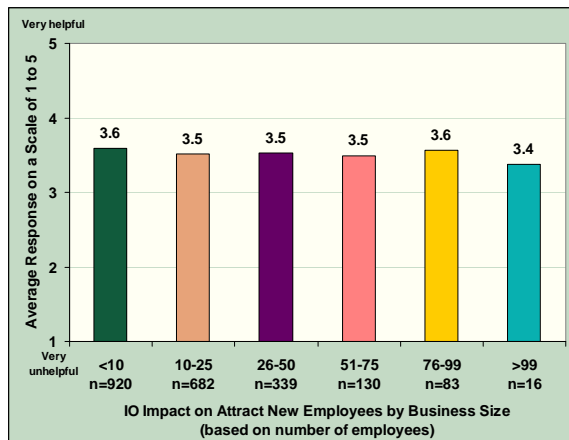
Attract New Employees. As shown in Figure 43, respondents indicated that offering health insurance through the IO program was slightly helpful in attracting new employees regardless of business size. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages across the size spectrum ranged from 3.4 to 3.6. The average for the smallest businesses (<10 employees) was 3.6; likewise the average for businesses between 51 and 75 employees was 3.6. The largest businesses in the survey (>99 employees) had the lowest average score (3.4).

“This is a must to keeping the best current employees. All businesses thrive based on employees.”

“Very beneficial to anyone who qualifies. Great for attracting employees. We wouldn’t be insured if we didn’t have it and neither would our employees.”

IO Participating Employers
November 2011

Figure 43. Attract New Employees Compared by Business Size (# of employees) (n=2,170)



In addition to benefiting respondents by helping them hire new employees, many employers commented that the offer of health benefits is essential for retaining quality workers.

This program has enabled my business to provide insurance to my employees-this has helped me retain my employees & offers an incentive to future employees.

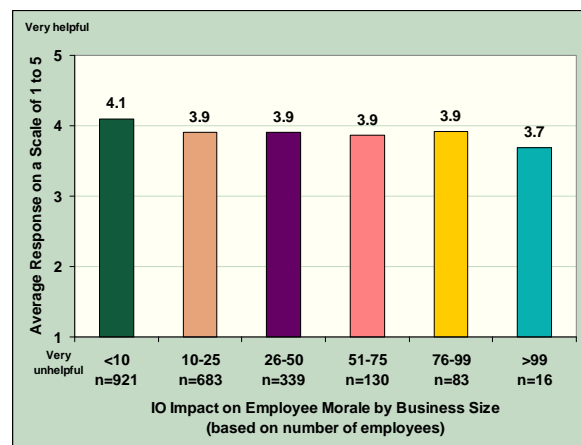
IO Participating Employer
November 2011

Employee Morale. As shown in Figure 44, respondents indicated the offer of employee benefits was helpful in improving morale regardless of business size. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages across the size spectrum ranged from 3.7 to 4.1. The average for the smallest businesses (<10 employees) was the highest at 4.1, indicating that the smallest businesses felt the impact of improved morale somewhat more than the largest businesses (>99), which had an average score of 3.7, the lowest for the comparison. Overall, the average scores indicate that survey respondents recognized the positive impact the offer of health insurance and the IO program had on their businesses.

“Any little bit that helps your employees without raising the cost of health insurance is worth the extra little bit of paperwork and the morale increase.”

IO Participating Employers
November 2011

Figure 44. Employee Morale Compared by Business Size (# of employees) (n=2,172)

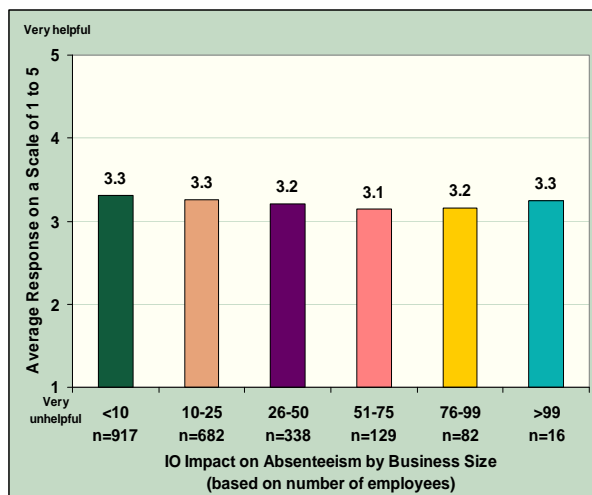


Absenteeism. As shown in Figure 45, respondents from all business sizes indicated that there was a slight reduction in absenteeism with the introduction of the IO subsidized health insurance program and therefore the program was somewhat helpful. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages over time were between 3.1 and 3.3. Respondents noted that with health insurance, their employees could receive preventive care and take care of illnesses earlier.

“This is a great benefit for your employees at no cost to the employer. It can also be a benefit to the employers-the more employees that have health insurance really means a healthier productive workforce.”

IO Participating Employer
November 2011

Figure 45. Absenteeism Compared by Business Size (# of employees) (n=2,164)



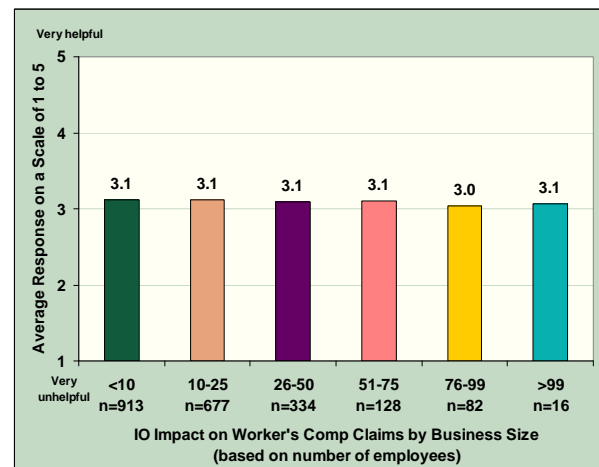
Worker’s Compensation Claims. As shown in Figure 46, respondents indicated that there was no impact on worker’s compensation claims with the introduction of the IO subsidized health insurance

program. On a scale of 1 to 5, with 1 being “Very unhelpful” and 5 being “Very helpful” the averages over time were between 3.0 (“No impact”) to 3.1 indicating “No impact.”

“Healthy employees, less w/c [worker’s compensation] claims, increased employee retention.”

IO Participating Employer
November 2011

Figure 46. Worker’s Compensation Claims Compared by Business Size (# of employees) (n=2,150)



7. Among survey respondents who did not offer employer-sponsored coverage prior to joining the IO program, what was the insurance status of the employees in those businesses? To measure the impact of the availability of the IO program to businesses without prior coverage, we compared the variable “no prior coverage” to the insurance status of the employees in those businesses. As shown in Figure 47, 641 of the 2,084 survey respondents who responded to the question, “Did you offer employee health benefits before you joined Insure Oklahoma?” did not offer ESI before enrolling in IO. Those businesses employed a total of 7,209 employees.

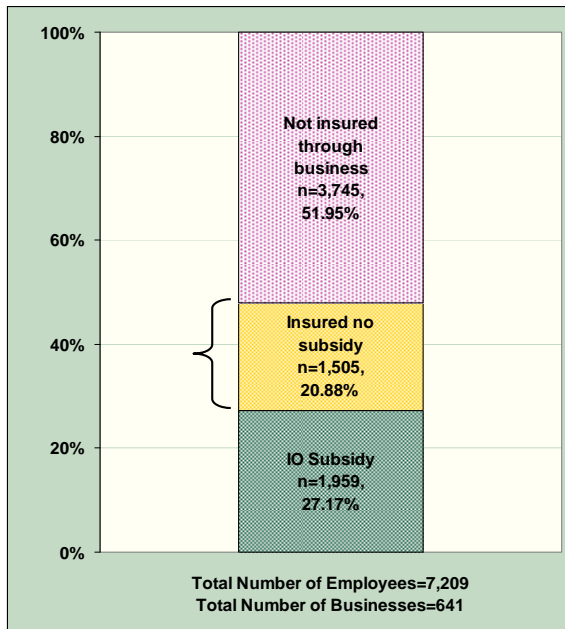
Respondents reported that, of the 7,209 total employees, 27.17% (n=1,959) were now

receiving subsidized private market insurance and 20.88% (n=1,505) were now receiving private market health insurance through the business but were not receiving subsidized coverage. Insurance status was unknown for 51.95% (n=3,745) of employees who were not participating in the employer-sponsored plan.

“Being able to offer insurance to our employees at little if any cost to employees is a great benefit. As a small company the subsidy we receive is very helpful & allows us to provide health insurance benefits.”

IO Participating Employers
November 2011

Figure 47. Uptake of ESI among Employees Working for Businesses that Did NOT Offer Health Insurance Prior to IO (n=641)



Some employer’s comments indicated they paid 100% of the employee premium. For these employers, the subsidy reduces the financial burden on the business. For employers who were able to contribute only a portion of the employee premium, the IO program has meant the difference between offering employee health benefits and not being able to do so, as reflected in many comments such as those listed here.

“Thank you for this program. Without it we wouldn’t be able to insure our employees.”

Discussion

“Love this program - we have employees who were working just to pay for health insurance without much left for ‘take home’. They just got a big raise! Thanks!”

*Oklahoma Small Business Owner
November 2011*

Insure Oklahoma was implemented in November 2005. The OUHSC DFPM faculty and staff assisted the OHCA with studies about the feasibility and acceptability of the IO ESI premium subsidy program during the planning phases.¹⁸⁻²⁰ DFPM continued to help OHCA once the program was implemented by initiating a continuous feedback loop (Plan-Do-Study-Act) or continuous quality improvement (CQI) process,¹²⁻¹⁴ collecting feedback from small business owners participating in the subsidy program since the program began.¹⁻¹¹

In November 2005, the IO subsidy program was available only to businesses with 25 employees or fewer and the income eligibility was 185% of the Federal Poverty Level (FPL). In November 2007, income eligibility was increased to 200% FPL and business size was increased to 50 employees or fewer. In March 2009, IO began

providing the premium subsidy program for businesses with up to 99 employees.*

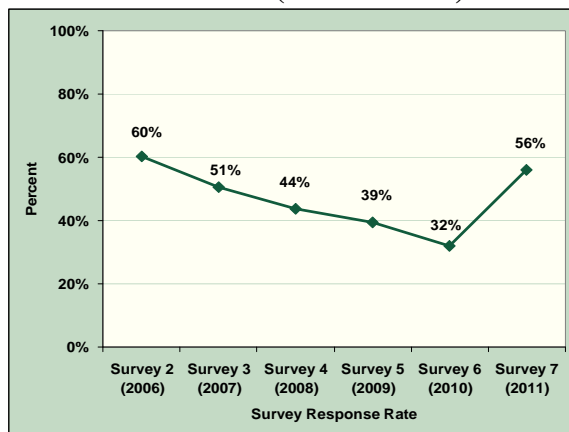
This study, the 7th in an ongoing series of surveys, reports feedback from small business owners who were participating in the subsidy program as of October 1, 2011. Some respondents had been participating in the program since implementation. Others may have only just recently enrolled. All participants had to have one or more employees actively enrolled in the subsidy program to meet the inclusion criterion for participation in this survey. The results from this survey will help decision makers keep improving the IO ESI subsidy program.

*Source: Insure Oklahoma Fast Facts, May 2009
(www.insureoklahoma.org/WorkArea/showcontent.aspx?id=3610)

Overview of Results

On October 27, 2011, OHCA mailed an IO ESI educational instrument (outlining changes to the program based on previous employer feedback) (Appendix A) and IO Employer Survey #7 (Appendix B) to 3,942 small businesses that met the inclusion criterion of one or more employees actively enrolled in the subsidy program. Three surveys were returned as undeliverable resulting in 3,939 surveys mailed. Researchers received 2,213 surveys for analysis, a 56.2% response rate. Figure 48 shows the change in survey response rate over time.

Figure 48. IO ESI Survey Response Rate Over Time (2006 to 2011)



After a steady decline in response rate since the first full CQI study was performed during the first year the program was implemented, the response rate rebounded in 2011.

“Hope this survey supplied critical data since it involves valuable time away from normal work involvement.”

IO Participating Employer
November 2011

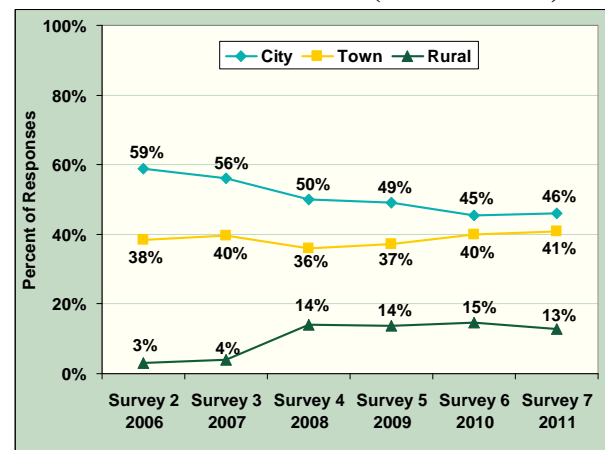
Analysis of survey data revealed that 41 respondents (1.85%) no longer had enrolled employees. Thirty-five respondents (1.58%) did not provide information about employee insurance status. All 2,213 surveys were included in the data analysis and reporting

because all employer feedback and comments provide useful information about the ESI program.

Survey respondents employed 44,728 workers, a 53% increase over 2010 (n=23,587).⁹ The Retail Trade, Manufacturing, Health Care and Other Services sectors accounted for 55% of responding businesses. The largest difference between the survey sample and the state as a whole was the much larger percentage of state businesses in the Professional, Scientific and Technical sector (12%) compared to only 6% in our sample. Overall, the survey sample was similar to the mix of businesses in the state.*

Business location has been shifting from nearly half (49%) located in cities in 2009⁸ toward a more even distribution between cities and towns in 2011 (cities=46%, n=1,014; towns=41%, n=882). Rural businesses comprised 13% (n=276) of the current survey sample.

Figure 49. Location of IO Participating Businesses Over Time (2006 to 2011)



Over time, the percent of survey respondents by community size is shifting as more smaller community-based businesses are enrolling in the IO program.

Figure 50 shows the distribution variance between the 2010 data and the 2011 data. Figure 51 shows the 2011 data compared with data for

* r = 0.76, p < .01

all IO participating businesses across all six IO regions. As shown, there is very little variation between survey years and statewide regional distribution of respondents.

Figure 50. IO Regional Comparison of Survey Respondents between Survey 6 (2010) and Survey 7 (2011)

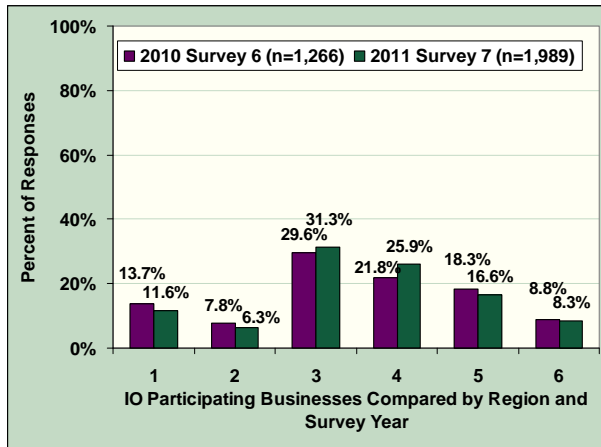
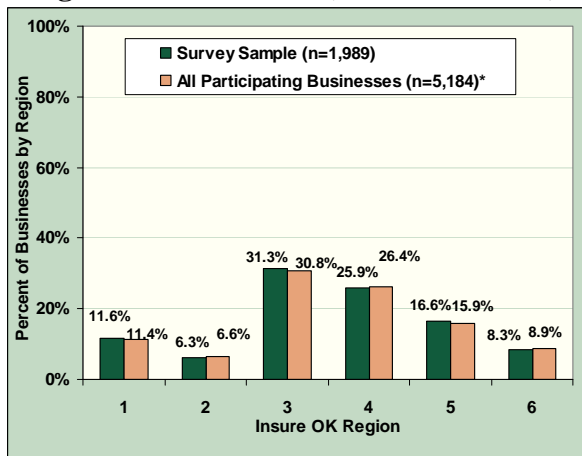


Figure 51. IO Regional Comparison of Survey 7 Respondents (2011) and IO Regional Distribution (November 2011)



Business size, as measured by number of employees, averaged 20 employees, an increase of 2 employees per business over the 2010 study.⁹ Sixteen businesses reported more than 99 employees.

The average length of time businesses had been participating in the subsidy program was 3 to 4 years, an increase from

2010 (2 years or less).⁹ In 2011, 86 respondents (4.3%) had been enrolled in the program since implementation.

The majority of respondents (n=2,178) reported the percent of employees receiving subsidized coverage (18.7%, n=8,326), the percent insured through the company plan without subsidy (40.7%, n=18,222), and the percent of employees for whom no insurance status was available (40.6%, n=18,180).

Sixty-nine percent (n=1,443) of survey respondents had an employer-sponsored health plan in place prior to enrolling in IO; 31% (n=641) had no prior plan. Businesses that offered prior coverage tended to be more than twice as large on average (25 employees/business) compared to businesses that did not offer ESI prior to the subsidy program (11 employees/business). These results are similar to previous surveys^{8,9} and indicate that business size does impact the offer of ESI. This has been confirmed by national data sources such as the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Employee Benefit Research Institute, Kaiser Foundation and the Health Research & Educational Trust.²¹⁻²⁴

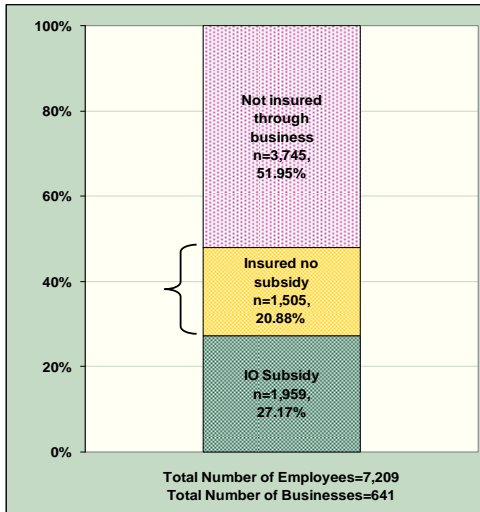
Program Impact and Benefits

Providing access to quality, affordable health insurance for Oklahoma's smallest businesses and lowest-wage workers and their families is the primary goal of the IO ESI program. One measure of the impact the program is having is to look at the insurance coverage status of employees in businesses that were not able to offer ESI prior to enrolling in the premium subsidy program.

Figure 52 shows the breakdown in access and coverage status for the 7,209 employees working for the 641 businesses that did not offer ESI before enrolling in the premium subsidy program. More than a fourth of employees in

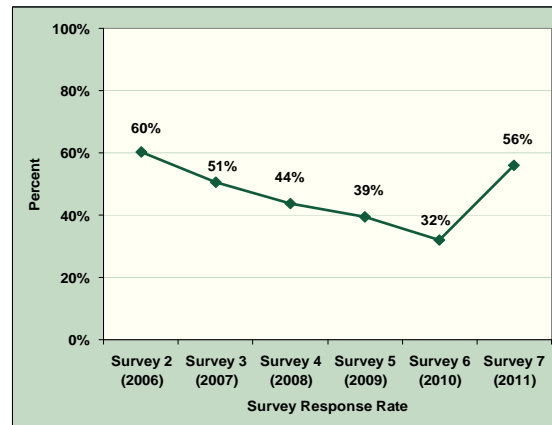
this group (27.17% n=1,959) were enrolled in the premium subsidy program as of the survey date. An additional 1,505 employees (20.88%) enrolled in the ESI private market plan. Insurance status was unknown for the remaining 51.95% (n=3,745) who were not covered under the ESI plan. The interesting point of this figure is that among survey respondents, there are now 1,505 employees who enrolled in the ESI coverage without benefit of the subsidy. These individuals were previously uninsured or insured elsewhere because their employer did not offer coverage.

Figure 52. Uptake of Coverage among Employees without Prior ESI Coverage



Figures 53-55 show survey results for specific questions of interest collected from Surveys 2-7 (2006 to 2011).²⁻⁹

Figure 53. Percent of Survey Respondents: 2006 to 2011



After declining for 5 years, the percent of survey respondents rebounded in 2011.

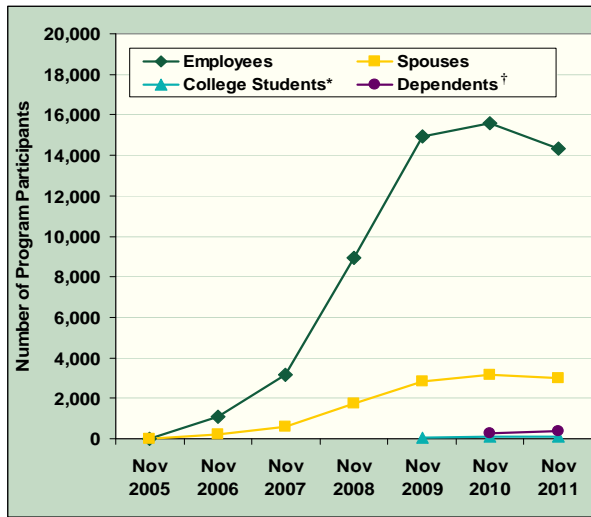
Figure 54. Average Business Size (based on number of employees) Over Time: 2006 to 2011



In November 2005, the IO subsidy program was available only to businesses with 25 employees or fewer and the income eligibility limit was 185% of the Federal Poverty Level (FPL). In November 2007, income eligibility was increased to 200% FPL and business size was increased to 50 employees or fewer. In March 2009, IO began providing the premium subsidy program for businesses with up to 99 employees.*

* Source: Insure Oklahoma Fast Facts, May 2009
(www.insureoklahoma.org/WorkArea/showcontent.aspx?id=3610)

Figure 55. Number of IO Subsidy-Covered Individuals Over Time: 2006 to 2011



*College students became eligible for IO ESI in March 2009.

†Dependents became eligible for IO ESI in July 2010

Source: Insure Oklahoma Fast Facts, www.insureoklahoma.org

A number of studies at a national level identified business benefits of offering ESI including attracting and retaining quality employees, reducing absenteeism, and improving morale and productivity.²⁵⁻²⁸ In Surveys 2-5^{2-7,9*} and 7 (the study reported here) employers were asked to rate four potential benefits of offering ESI:

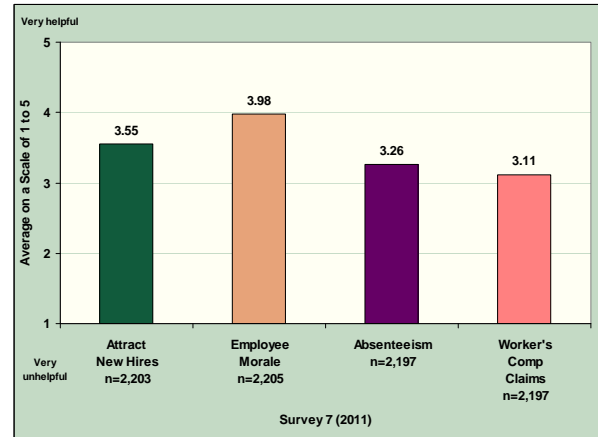
- attracting new hires,
- improving employee morale,
- reducing absenteeism, and
- decreasing Workers' Compensation claims.

A comparison of the results from all four surveys shows that "Improved Morale," which may equate to increased productivity, is the most frequent business reason employers give for offering ESI. Worker morale is associated with productivity, and potentially to enhanced financial viability of the company.^{16,17} These data indicate that IO ESI is having a positive effect on morale

*Business benefits questions were not asked on Survey 6.

based on Survey 7 participant responses (Figure 56).

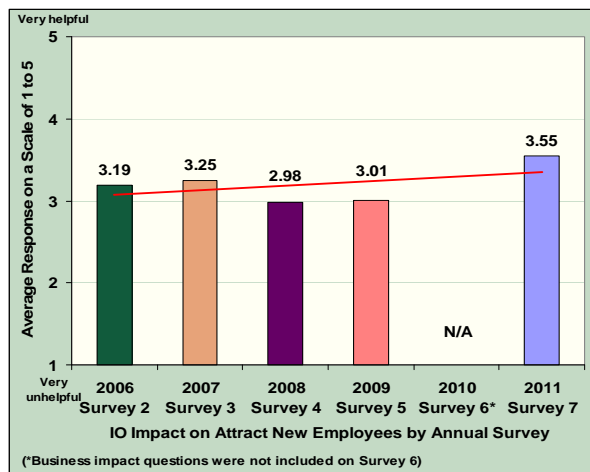
Figure 56. Average Rating of Four Potential Benefits of ESI



To determine the impact over time that IO ESI might be having on these same potential business benefits, we plotted the average responses over time based on data collected from previous surveys.^{2-7,9} Figures 57-60 show these data for "Attract New Hires," "Employee Morale," "Absenteeism" and "Worker's Compensation Claims," respectively.

Attracting good employees is a goal of all businesses, regardless of size, business location, type of business, etc. In an age of rising health care costs, the offer of quality and affordable health insurance has the potential to help employers not only find but retain a quality workforce. Figure 57 shows survey respondents' perception of the impact the availability of the IO ESI program is having on their ability to attract new hires.

Figure 57. Average Respondent Rating of ESI on Attracting New Hires Over Time⁴⁻⁷



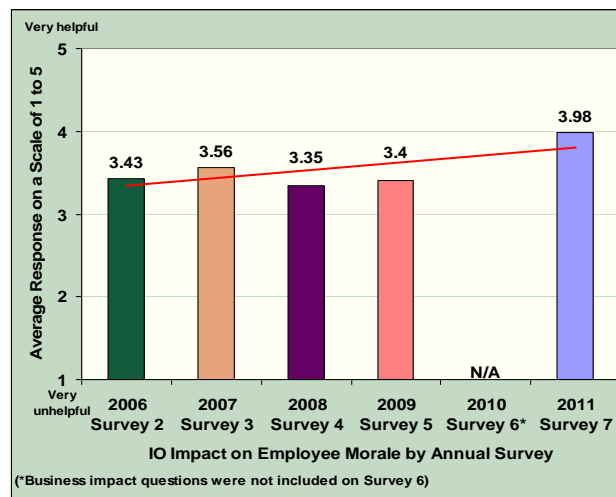
Over time, as shown by the trend line survey respondents have perceived an increase in their ability to attract new hires. In the comments of this report (and previous reports), they have mentioned that ESI is also helpful in retaining good employees.

“This is a key benefit for retaining employment in a rural area.”

IO Participating Employer
November 2011

Employee morale, which has been linked to productivity and other benefits, has consistently been rated as an important benefit of offering ESI, as shown in Figure 58.

Figure 58. Average Respondent Rating of ESI on Employee Morale Over Time⁴⁻⁷

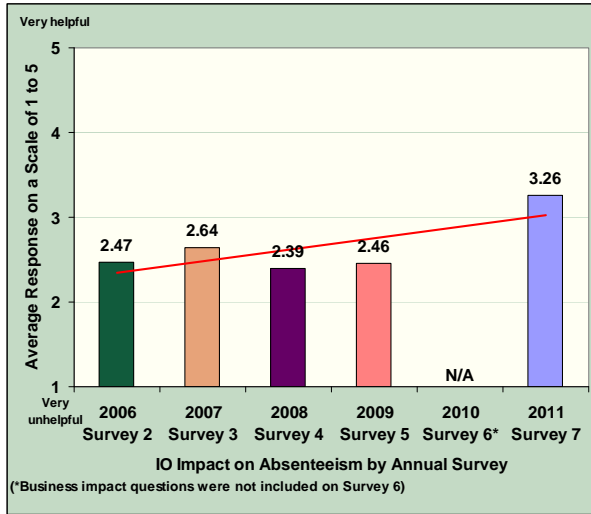


“The program has assisted with employee morale due to the availability of health benefits at a reasonable cost.”

IO Participating Employer
November 2011

Figure 59 shows the impact the IO subsidy program is having on employee absenteeism. The trend line shows a positive impact on absenteeism from an average low of 2.47 on the 2006 survey to an average high of 3.26 on the 2011 survey, indicating that respondents are seeing a reduction in absenteeism with the offer of the IO ESI program.

Figure 59. Average Respondent Rating of ESI Impact on Absenteeism Over Time⁴⁻⁷

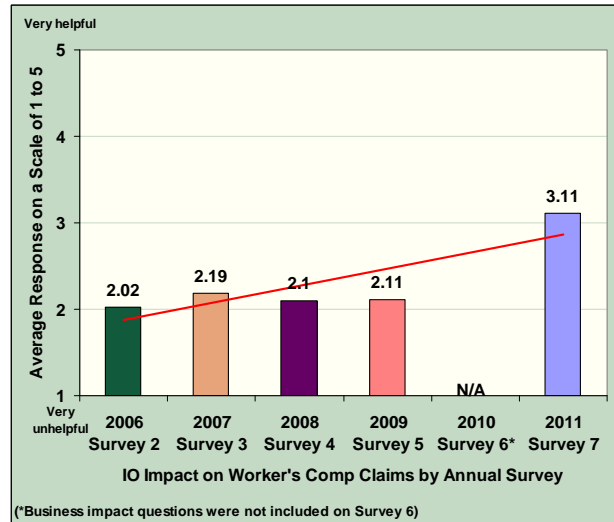


“This program actually reduces costs of missing & sick employees because they have access to preventive health care.”

IO Participating Employer
November 2011

Figure 60 shows the impact the IO subsidy program is having on employee worker’s compensation claims. Taken individually, it would appear that the impact on worker’s compensation claims since enrolling in the IO ESI program has had no impact.

Figure 60. Average Respondent Rating of ESI Impact on Worker’s Compensation Claims⁴⁻⁷



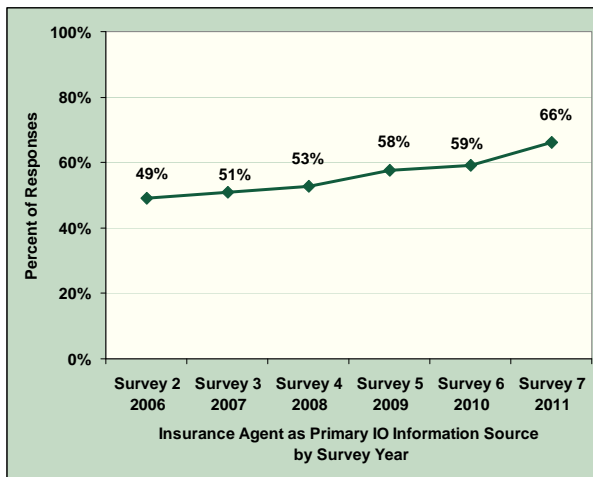
“This program actually reduces costs of missing & sick employees because they have access to preventive health care.”

IO Participating Employer
November 2011

These findings have the potential to encourage employers to add ESI and could be part of a marketing campaign for the IO ESI premium subsidy program.

Insurance agents continue to play an important role in marketing and servicing the IO ESI subsidy program. As shown in Figure 61, insurance agents receive high marks from survey respondents for their helpfulness with the subsidy program.

Figure 61. Employer Rating of Helpfulness of Insurance Agent Over Time²⁻⁹



Comments also testify to how important insurance agents are to the employers and to the subsidy program.

“Find a good independent competent agent/agency to handle facilitating your company's program - this facilitating entity makes this program work!”

“Our insurance agents are so helpful with this program! I hope they are recognized and there are more like them.”

“As much good as the program is I will have to drop health coverage if I were to lose the help of my agent to keep us in compliance reporting and all the paperwork.”

IO Participating Employers
November 2011

OHCA should continue their efforts at finding ways to reward agents for their work and to keep agents up-to-date on programs, policies, and procedures, especially with regard to any changes that affect their clients. In a survey of insurance agents who are selling IO ESI subsidy qualified plans, more direct contact with OHCA and Insure

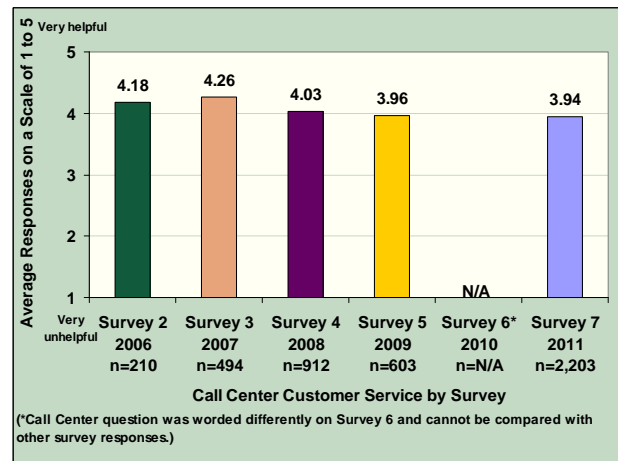
Oklahoma personnel was one suggestion agents made.²⁹ Survey 7 respondents agree.

“Agents should have more knowledge of the process.”

IO Participating Employer
November 2011

As shown in Figure 62, the IO call center has been the front line contact for employers participating in the IO ESI program since it began in 2005. Survey respondents continue to give the call center high marks for helpfulness.

Figure 62. Average Customer Service Rating of IO Call Center Over Time



Comments indicate that respondents are, by and large, pleased with the support and professionalism of the call center.

“Anytime I call with a question-the staff @ Insure Okla. are always helpful”

“Call center is top rate!! Best people ever and have never been so pleased when talking to a place for assistance - top rate. I wish all could be like them!”

“Myself and my employees appreciate this program very much!! People at call center are very nice, especially a lady named [REDACTED]. She is always very patient & knowledgeable!”

IO Participating Employers
November 2011

Among suggested changes to the call center was the request to have individuals assigned to specific accounts to facilitate employers' ability to develop a good working relationship with one call center representative.

“Need to assign one person to handle a certain amount of accounts, so you can talk to the same person every time.”

**IO Participating Employer
November 2011**

In general, employers give good grades to the subsidy program. Continued monitoring to ensure ongoing quality improvement based on stakeholder feedback will help to secure the viability of the IO ESI premium subsidy program.

***“We are very happy with the program!
Keep it going, please!”***

**IO Participating Employer
November 2011**

Findings & Recommendations

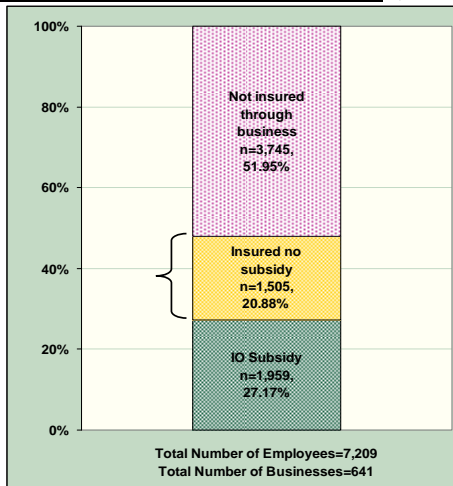
“Great program. Our health benefits package would certainly be much less with out the Insure Oklahoma subsidy.”

*Oklahoma Small Business Owner
November 2011*

Findings

1. 69% (n=1,443) of respondents offered prior ESI. 31% (n=641) did not offer ESI prior to offering IO. Figure 63 shows the insurance status for the 7,209 employees in the 641 businesses that did not have access to ESI prior to IO. More than a quarter of the newly covered employees (27.17%, n=1,959) were covered by the subsidy; 20.88% (n=1,505) of employees enrolled in the new ESI program but were not subsidy-eligible (bracketed subset). 51.95% (n=3,745) were not insured through their employers.

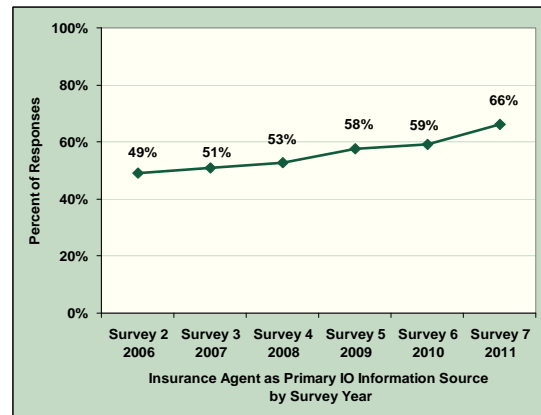
Figure 63. Access to Health Benefits Among Worker’s in Businesses that Did Not Offer ESI Prior to IO (n=641)



2. When respondents were asked how they learned of IO, insurance agents were the information source most often cited. This has remained true over time (Figure 64).

Also, when asked how helpful the insurance agent was with IO, on a scale of 1 (“Very Unhelpful”) to 5 (“Very Helpful”), the average was 4.26.

Figure 64. Insurance Agents as Primary IO Information Source Over Time²⁻⁹



3. Participants were asked to rate the impact on their businesses of four business benefits of offering ESI. Figures 65-68 show the average results from the current survey compared over time with the previous CQI surveys conducted for OHCA. Each figure indicates a continuing positive impact of these four benefits on businesses participating in the IO premium subsidy program.

Figure 65. Average Respondent Rating of ESI on Employee Morale⁴⁻⁷

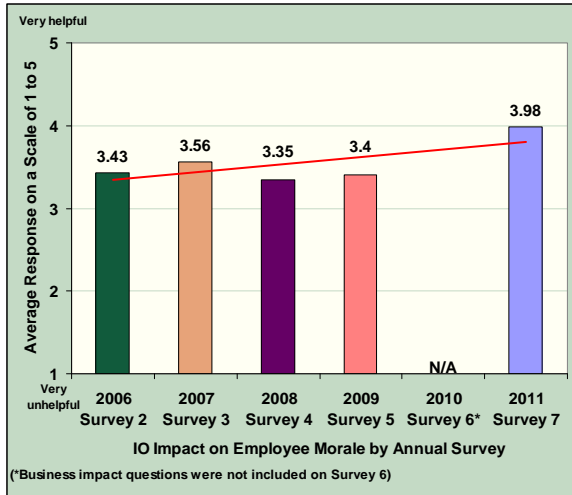


Figure 66. Average Respondent Rating of ESI on Attracting New Hires⁴⁻⁷

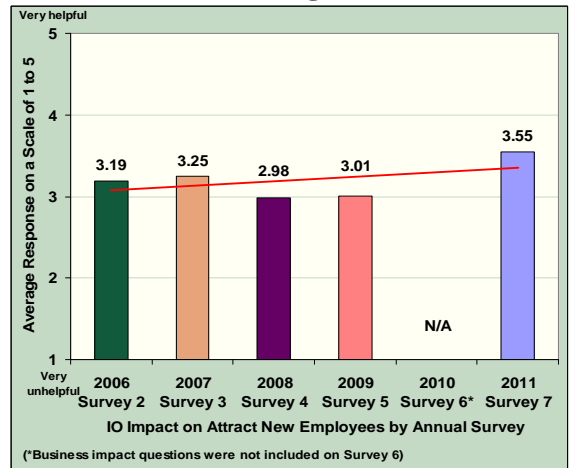


Figure 67. Average Respondent Rating of ESI Impact on Absenteeism⁴⁻⁷

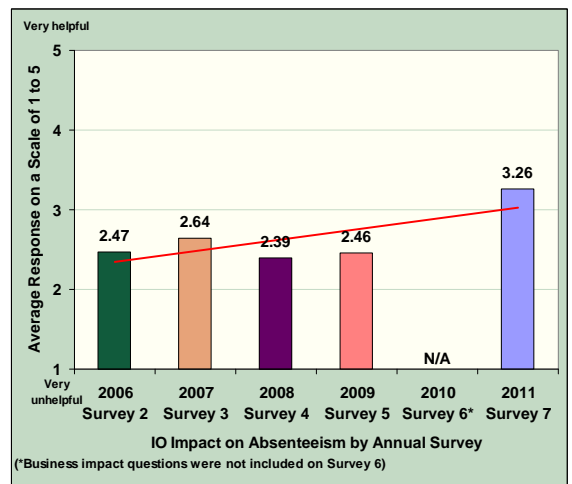
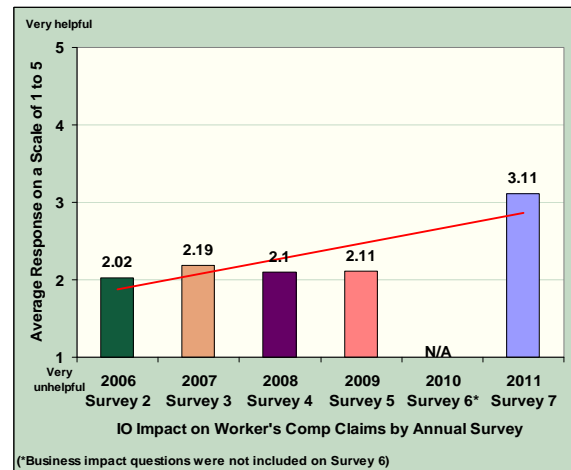
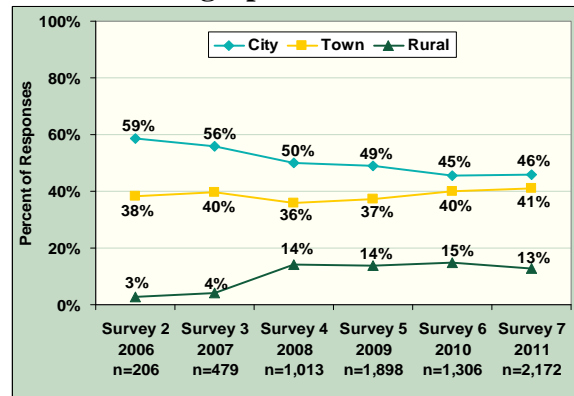


Figure 68. Average Respondent Rating of ESI Impact on Worker's Compensation Claims⁴⁻⁷



4. 46% (n=1,014) of respondents were from cities; 41% (n=882) from towns; 13% (n=276) from rural areas (Figure 69).

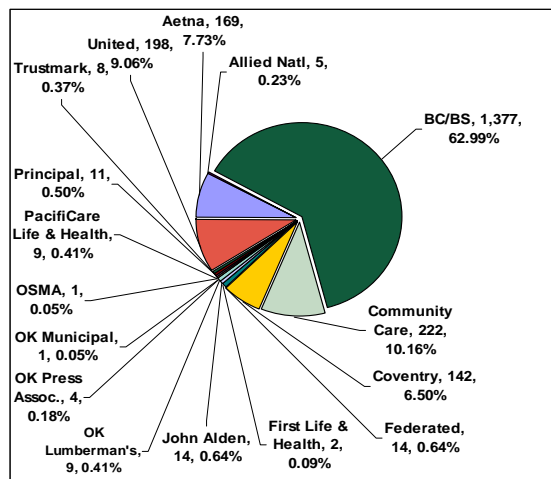
Figure 69. Shift in Business Locale Demographics Over Time



Respondents' business locale is gradually becoming more even as the distribution shifts over time from cities toward towns and rural areas.

5. Twenty private insurers offer IO qualified plans in Oklahoma. Blue Cross/ Blue Shield covered 62.99% of respondents (n=1,377) (Figure 70).

Figure 70. Survey Population Insurance Carriers (n=2,186)*



Four insurers offered IO qualified plans but were not identified in our sample:

- ◆ Advantage Heath Plans,
- ◆ PacifiCare Life Assurance Co.,
- ◆ Nippon Life Insurance Co. of America,
- ◆ Time Insurance.

6. When respondents were asked what they would tell an employer that might convince them to enroll in IO, they stressed the financial benefit to their company (38.6%, n=525).

7. The average size of responding businesses has been steadily increasing since the program began from an average of 10 in 2006 to an average of 20 in 2011.

8. The response rate for this survey was 56.2%. Some comments suggested that respondents found the surveys to be an additional paperwork burden.

9. Based on comments, eligibility (income and business size) was most often mentioned by respondents as something they would change about the program if they could (26%, n=302). Some employers acknowledged that IO had no control over eligibility limits. Other categories included general administrative changes (19.4%,

*Note that percents have been carried out 2 decimal places so that each carrier with qualified plans represented in the survey sample could be accounted for on the chart.

n=226) (i.e., reimbursement procedures and more communication between OHCA and business owners), specific paperwork issues (12.5%, n=145) (i.e., employee application), suggestions for more online access (10.5%, n=122) and easier renewal (9.5%, n=111).[†]

10. Most comments indicated respondents were “Very happy” (24.8%, n=543) or “Happy” (47.7%, n=1,043) with the call center. The average response, on a scale of 1 (“Very Unhappy”) to 5 (“Very happy”) was 3.94. Some comments indicated that improvements were noticeable and appreciated.[†]

11. When respondents were asked how happy they were with the paperwork required for the IO ESI program, the responses were mostly positive. On a scale of 1 (“Very unhappy”) to 5 (“Very happy”), the average for paperwork was 3.64.

12. When respondents were asked how helpful the IO program materials were for the IO ESI program, the responses were mostly positive. On a scale of 1 (“Very unhelpful”) to 5 (“Very helpful”), the average response was 3.73.

13. 18.1% (n=210) of the 1,163 respondents who completed the question asking for one thing to be changed, said the program was fine as it was, and needed no changes. Frequent remarks included “Great job,” and “Thanks, I wouldn’t change a thing.”

14. Almost half (47.2%, n=170) of the 360 Additional Comments were to let IO know what a great job they were doing and to keep up the good work. Some respondents urged OHCA to continue the program.

15. More than half of survey respondents had been enrolled for 3 years (32%, n=665) to 4 years (22.5%, n=468); 86 respondents (4.1%) had been enrolled since implementation. The average length of time in IO was 3.31, or 3-4 years.

[†]See Appendix C for a complete list of comments sorted by category.

16. Average business size (number of employees) was 20. 74% of respondents (n=1,610) represented businesses with 25 employees or fewer.

17. The mix of business types in our survey sample is representative of the mix of business types in Oklahoma.*

18. The percentage of businesses by IO region in our sample was nearly identical to the distribution of all IO participating businesses by region.

*r=0.76, p < .01

Recommendations

1. Insure Oklahoma ESI is providing coverage to thousands of Oklahoma workers and their families who had no access to ESI prior to the premium subsidy program. Comments suggest that some employers worry about the future of the program and the valuable access to care the program provides. Comments from employers indicate they want more communication from OHCA about the program and changes. Consider expanding *The Voice*, a regular news source electronically available for employers to keep up-to-date on the premium subsidy program.

2. Insurance agents continue to be the single most often cited source of information about the subsidy program for employers. Outreach and support for agents should be continued.

3. This survey asked about the potential impact on specific business aspects – attract new hires, employee morale, absenteeism, and worker’s compensation claims – the offer of health insurance benefits might be having on survey participants. Survey responses to these questions were tracked over time, beginning with the 2006 survey. The longer businesses participated in the program, the more pronounced the perceived positive effect the IO ESI program had on their businesses.

Based on the comparison of employer responses regarding the impacts ESI has had in the past on these four aspects of business, consider using this data to market the ESI program to other small Oklahoma businesses.

4. Participants were asked what they would say to an employer that might convince them to enroll in the IO ESI program. Employers said the financial benefits of the premium subsidy program should be stressed. The financial and other business benefits, mentioned above, especially employee morale, and reduction in absenteeism, along with the ability to recruit and retain quality employees, would be good topics to include in a marketing campaign for

employers not currently offering an employer-sponsored plan.

5. Over time, the locale demographics of the IO ESI program participating businesses has begun to shift from a larger percent of respondents having firms in urban areas to a more even distribution. Of the three groups the rural areas are still under-represented but their participation has increased from 3% in 2006 to 13% in 2011. The percent of businesses in cities and towns has grown closer each year. These results indicate that the ESI IO program is moving outward into the smaller towns and more rural areas, providing access to quality, affordable health care to many individuals and businesses in underserved areas. Consider continued emphasis and outreach to the under-served communities in rural Oklahoma as part of the marketing effort to provide access to coverage for more uninsured workers.

6. This survey had a relatively large response rate (56.2%), a rebound over the declining response of the past 5 years. However, in light of employer frustration with excess paperwork and specific comments about surveys, it might be worth considering surveying this group every other year rather than annually. This is the first survey on which several respondents made comments directly addressing the time it takes to complete these surveys.

7. Respondents continue to request that the issue of eligibility (business size and income limits) be addressed. Consider including details about the eligibility limits for income and business size in *The Voice*, an electronic newsletter available for employers through IO.

8. Employers asked for the ability to track the status of, and perhaps even send, invoices over the Internet. This is something IO has expanded and is continuing to expand. These and other comments continue to suggest that more communication from

OHCA about the status of program updates and changes would be beneficial.

9. Participants again suggested having a member of the call center staff assigned to a group of businesses so a relationship could be developed. Consider assigned call center staff to a group of businesses for enhanced customer relations.

10. Some employers requested additional educational information to provide to their employees. Investigate a means for enhancing outreach materials for employees. Employers requested additional information be made available either electronically or through some other method that explains the program for employees.

11. There are several businesses near state borders. Each year, these employers have complained that their employees who live across the state line do not qualify for Insure Oklahoma, even though all of their income is from Oklahoma and those employees pay Oklahoma taxes. This is an issue that may be out of OHCA's control but is something that might be brought to the attention of the Centers for Medicaid and Medicare Services. If no modification is possible, additional education on this issue from OHCA would let employers know they have been heard.

12. By and large, survey respondents feel that IO ESI is an excellent program and that OHCA is doing a very good job managing the program. Continued close communication with employers and a marketing campaign that highlights how pleased employers are would undoubtedly be useful in recruiting more businesses into the program.

References

1. Splinter GL, Hyden SD, McCarthy LH, Barker A, Brown DM, Crawford SA. Oklahoma Employer/Employee Partnership for Insurance Coverage, O-EPIC: Telephone survey of small business employers who applied for, but were denied, participation in O-EPIC during the start-up of the program. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; January 9, 2006.
2. Splinter GL, Hyden SD, McCarthy LH, Barker A, Brown DM, Crawford SA. Oklahoma Employer/Employee Partnership for Insurance Coverage, O-EPIC: Employer Experiences, Comments, Complaints, and Suggestions: Results from Surveys and Discussions. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; February 28, 2006.
3. Splinter GL, Hyden SD, McCarthy LH, Barker A, Brown DM, Crawford SA. Oklahoma Employer/Employee Partnership for Insurance Coverage, O-EPIC: Employer and Carrier Experiences, Comments, and Suggestions: Final Report. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; April 30, 2006.
4. Splinter GL, Hyden SD, McCarthy LH, Adams AL, Brown DM, Crawford SA. Oklahoma Employer/Employee Partnership for Insurance Coverage, O-EPIC: Small Business Employer Feedback as Part of a Continuous Quality Improvement Process. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; September 18, 2006.
5. Splinter GL, Hyden SD, McCarthy LH, et al. Oklahoma Employer/Employee Partnership for Insurance Coverage, O-EPIC: Small Business Employer Feedback as Part of a Continuous Quality Improvement Process: Final Report. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; April 15, 2007.
6. Splinter GL, Hyden SD, McCarthy LH, Adams AL, Brown DM, Crawford SA. Insure Oklahoma/Oklahoma Employer/Employee Partnership for Insurance Coverage (O-EPIC): Small Business Employer Feedback as Part of a Continuous Quality Improvement Process, November 2005 to August 2007. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; January 11, 2008.
7. Splinter GL, Hyden SD, McCarthy LH, Brown DM, Crawford SA. Insure Oklahoma/Oklahoma Employer/Employee Partnership for Insurance Coverage (O-EPIC): Small Business Employer Feedback as Part of a Continuous Quality Improvement Process, November 2005 to July 2008. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; October 1, 2008.
8. Splinter GL, Coleman SD, McCarthy LH, et al. Insure Oklahoma/Oklahoma Employer/Employee Partnership for Insurance Coverage (O-EPIC) Employer Sponsored

- Insurance: Small Business Employer Feedback as Part of a Continuous Quality Improvement Process, November 2005 to November 2009. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; May 19, 2010, pgs 95.
9. Cacy J, McCarthy LH, Coleman SD, Hall SM, Brown DM, Crawford SA. Insure Oklahoma Employer Sponsored Insurance: Small Business Employer Feedback as Part of a Continuous Quality Improvement Process, November 2005 to November 2010. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; November 17, 2010, pgs 55.
 10. Splinter GL, Hyden SD, McCarthy LH, Adams AL, Brown DM, Crawford SA. Insure Oklahoma/Oklahoma Employer/Employee Partnership for Insurance Coverage (O-EPIC): Individual Plan. Participant Experience with the Insure Oklahoma/O-EPIC Individual Plan, January to August 2007. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; February, 2008.
 11. Splinter GL, McCarthy LH, Hyden SD, Hall SM, Brown DM, Crawford SA. Insure Oklahoma/Oklahoma Employer/Employee Partnership for Insurance Coverage (O-EPIC): Individual Plan. Participant Experience with the Insure Oklahoma/O-EPIC Individual Plan, March, 2007 to September, 2008. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; January 28, 2009.
 12. Walter A. Shewhart. Wikipedia. September 8, 2010. Wikipedia. (Accessed November 23, 2010 at http://en.wikipedia.org/wiki/Walter_A._Shewhart).
 13. 1308Best M, Neuhauser D. Heroes and Martyrs of Quality and Safety: Walter A. Shewhart, 1924, and the Hawthorne factory. *Qual Saf Health Care* 2006;15:142-3.
 14. Scheid D. Continuous Quality Improvement in a Family Medicine Center. Department of Family & Preventive Medicine Conference; November 9, 2010.
 15. W. Edwards Deming. Wikipedia. November 17, 2010. Wikipedia. (Accessed November 23, 2010 at http://en.wikipedia.org/wiki/W._Edwards_Deming).
 16. Employee morale. Chicago: Corporate Learning Institute, 2006.
 17. 773Baker GP, Jensen MC, Murphy KJ. Compensation and incentives: practice vs. theory. *Journal of Finance* 1988;XLII(3):593-616.
 18. Splinter GL, Crawford SA, McCarthy LH, Hyden SD, Brown DM. Oklahoma Voucher System Final Report. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; November 30, 2004, pgs 59.
 19. Splinter GL, Crawford SA, McCarthy LH, Hyden SD, Brown DM. Oklahoma Voucher System. Interim Report: Key constituency interest, attitudes, and suggestions regarding a Medicaid health insurance voucher system to extend health coverage to low-income workers. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; August 31, 2004.
 20. Splinter GL, Hyden SD, McCarthy LH, Barker A, Brown DM, Crawford SA. Small Business Acceptance of a Health Insurance Premium Assistance Program for Low-Income Workers. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; June 30, 2005, pgs 88.

21. Blakely S, Employee Benefits Research Institute. Employers, Workers, and the Future of Employment-Based Health Benefits. Issue Brief. Washington DC: Employee Benefit Research Institute; February, 2010. Report No. 339, pgs 24.
22. Bureau of Labor Statistics. Employee benefits in the United States, March 2009. Washington DC: Department of Labor; July 28, 2009, Government Document No.: USDL 09-0872, p. 20. (Accessed at www.bls.gov/ebs.)
23. DeNavas-Walt C, Proctor BD, Smith J. U.S. Census Bureau, Current Population Reports. Income, Poverty, and Health Insurance Coverage in the United States: 2008. Washington DC: U.S. Government Printing Office; September, 2009. Report No. P60-236, pgs 67.
24. Ford JL. The new health participation and access data from the National Compensation Survey. Compensation and Working Conditions Online. Washington DC: U.S. Bureau of Labor Statistics; October 26, 2009, pgs 20.
25. Claxton G, Holve E, Finder B, et al. Employer health benefits: 2003 annual survey. Menlo Park, CA: Kaiser Family Foundation and Health Research and Education Trust, 2003, pgs 1-165.
26. Crawford SA, Splinter GL, McCarthy LH, et al. It's health care, not welfare: attitudes and opinions of small business owners in Oklahoma toward reforms to the Medicaid health care program. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; October, 2003.
27. Desroches CM. Declining take up rates: who turns down employer-sponsored insurance? [dissertation]. New York: Columbia University; 2000.
28. National Center for Health Statistics. Employer-sponsored health insurance: state and national estimates. Hyattsville, MD: Centers for Disease Control and Prevention. Department of Health and Human Services; December, 1997. Report No. PHS 98-1017, pgs 50.
29. Splinter GL, McCarthy LH, Coleman SD, Hall SM, Brown DM, Crawford SA. Insurance Agent Feedback about the Insure Oklahoma/O-EPIC Employer-Sponsored Insurance Premium Subsidy Program. Oklahoma City: Department of Family & Preventive Medicine, University of Oklahoma Health Sciences Center. Prepared for the Oklahoma Health Care Authority; December 11, 2009.