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Health Plan Premiums and Expenses August, 2006

The following information is extracted from a survey reported by Culpepper and Associates, a benefits consulting firm to the technology industry, last month. We believe the results are significant because HR policies and benefits of Technology, IT and E-commerce companies seem to track quite well with law firms.

PPO Health Plans

A plan in which employees can reduce their annual deductible, and the portion of the medical bill they pay, by selecting providers from a specific network of physicians and/or facilities.

Table 1: Total Cost of Monthly PPO Premiums						
Level of Coverage	Total Monthly Premium Cost (USD)					
	Average	Percentiles				
		10th	25th	50th	75th	90th
Employee	\$344	\$248	\$293	\$344	\$384	\$431
Employee + Child	\$657	\$469	\$566	\$670	\$736	\$847
Employee + Spouse	\$729	\$523	\$625	\$733	\$826	\$931
Family	\$1,025	\$735	\$895	\$1,018	\$1,148	\$1,283

Table 2: Percent of Monthly PPO Premiums Paid by Company							
Level of Coverage	Percent of Total Monthly Premium Paid by Company						Percent of Companies Paying Entire Premium
	Average	Percentiles					
		10th	25th	50th	75th	90th	
Employee	83%	70%	77%	82%	90%	90%	15%
Employee + Child	77%	61%	73%	78%	85%	85%	7%
Employee + Spouse	76%	60%	70%	77%	83%	83%	7%
Family	74%	55%	68%	75%	81%	81%	7%

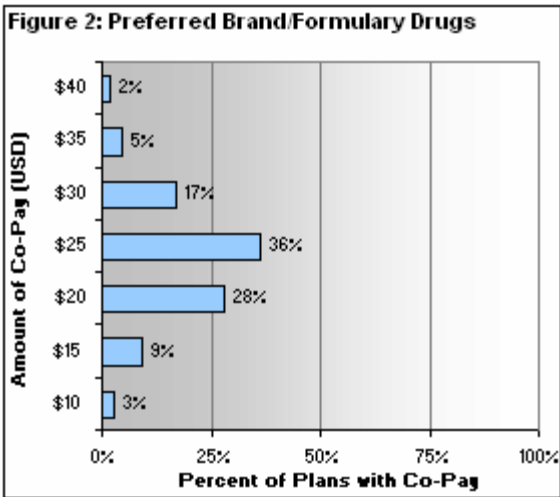
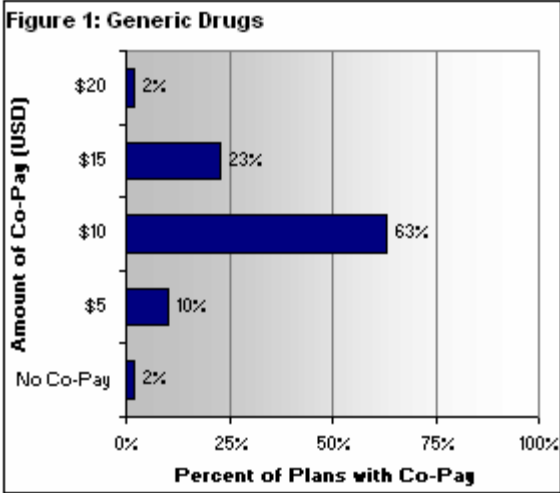
Table 3: Annual Deductible Amounts (USD)								
Care Provider	Per-Person				Per-Family			
	Average	Percentiles			Average	Percentiles		
		10th	50th	90th		10th	50th	90th
In-Network	\$382	\$200	\$300	\$500	\$976	\$500	\$750	\$1,500
Out-of-Network	\$610	\$250	\$500	\$1,000	\$1,544	\$500	\$1,200	\$3,000

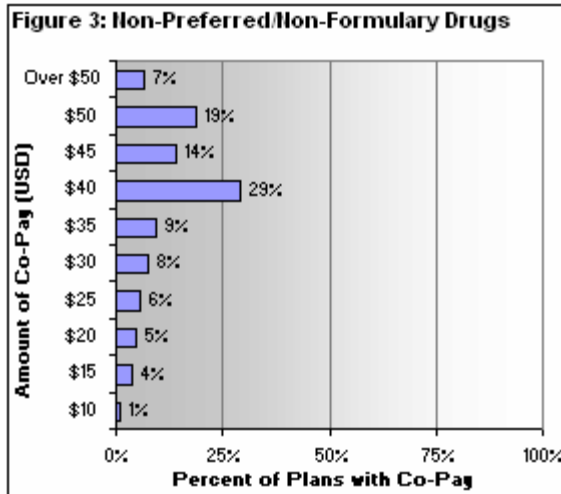
Table 4: Annual Out-of-Pocket (OOP) Maximum Amounts (USD)								
Care Provider	Per-Person				Per-Family			
	Average	Percentiles			Average	Percentiles		
		10th	50th	90th		10th	50th	90th
In-Network	\$1,841	\$1,000	\$1,500	\$3,000	\$4,268	\$2,000	\$4,000	\$6,000
Out-of-Network	\$3,301	\$1,360	\$3,000	\$6,000	\$7,549	\$3,000	\$6,000	\$15,000

Table 5: Office Visit Co-Payments for In-Network Care		
Amount of Co-Payment (USD)	Percent of Plans with Co-Payment	
	Primary/Regular Care	Specialty Care
No Co-Pay	4%	4%
\$10	15%	12%
\$15	33%	23%
\$20	33%	24%
\$25	12%	18%
\$30	3%	11%
\$35	0%	3%
\$40	0%	5%

Table 6: Coverage for Out-of-Network Care Once Deductible is Met

Percentage of the Expense Covered by Plan	Percent of Plans Providing this Level of Coverage
50 Percent	3%
60 Percent	25%
70 Percent	31%
75 Percent	5%
80 Percent	28%
Over 80 Percent	8%





HMO Health Plans

A plan in which there is usually no deductible or co-insurance, and employees must select their providers from a list of participating physicians and/or facilities.

Table 1: Total Cost of Monthly HMO Premiums

Level of Coverage	Total Monthly Premium Cost (USD)					
	Average	Percentiles				
		10th	25th	50th	75th	90th
Employee	\$295	\$159	\$248	\$301	\$374	\$388
Employee + Child	\$606	\$323	\$449	\$610	\$761	\$888
Employee + Spouse	\$653	\$339	\$543	\$639	\$786	\$947
Family	\$910	\$467	\$733	\$931	\$1,105	\$1,366

Table 2: Percent of Monthly HMO Premiums Paid by Company

Level of Coverage	Percent of Total Monthly Premium Paid by Company						Percent of Companies Paying Entire Premium
	Average	Percentiles					
		10th	25th	50th	75th	90th	
Employee	80%	62%	73%	80%	90%	100%	11%
Employee + Child	76%	61%	73%	80%	85%	88%	6%
Employee + Spouse	76%	60%	73%	80%	84%	88%	6%
Family	75%	59%	70%	80%	80%	86%	6%

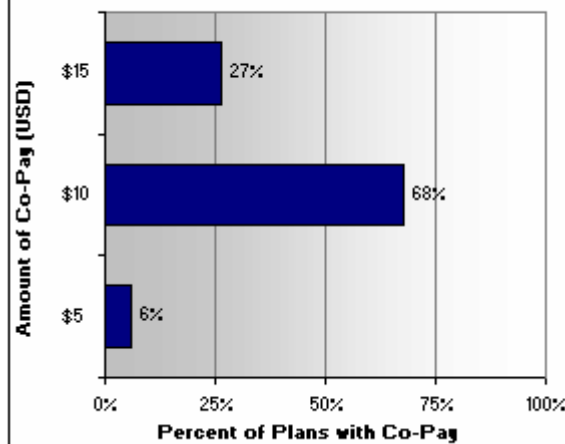
Table 3: Annual OOP Maximum Amounts (USD)

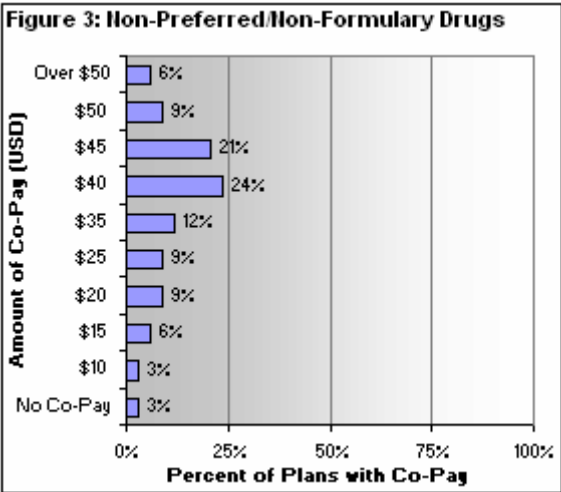
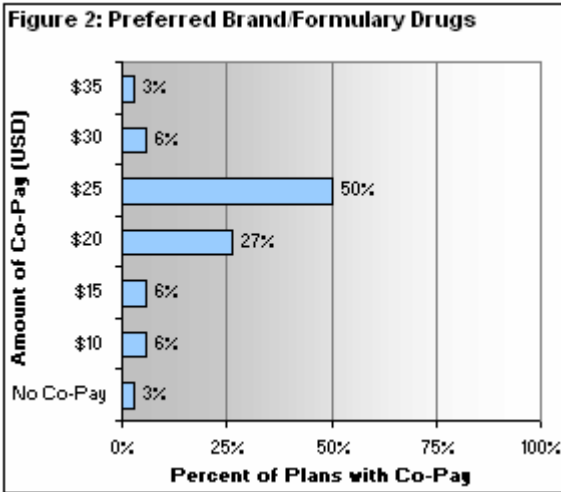
Type of Coverage	Average	Percentiles		
		10th	50th	90th
Per-Person	\$1,650	\$850	\$1,500	\$2,300
Per-Family	\$3,300	\$1,700	\$3,000	\$4,600

Table 4: Office Visit Co-Payments for In-Network Care

Amount of Co-Payment (USD)	Percent of Plans with Co-Payment	
	Primary/Regular Care	Specialty Care
No Co-Pay	0%	3%
\$10	29%	14%
\$15	37%	32%
\$20	20%	20%
\$25	14%	17%
Other Amount	0%	14%

Figure 1: Generic Drugs





POS Health Plans

POS plans are a hybrid of HMO and PPO plans. Like an HMO, employees designate an in-network physicians to be their primary care provider. However, like a PPO, a POS plan lets employees go out of network. If an employee goes out of network with a referral by their primary care physician, the plan will cover most of the cost. If there is no referral, the employee is responsible for most of the cost.

Table 1: Total Cost of Monthly POS Premiums						
Level of Coverage	Total Monthly Premium Cost (USD)					
	Average	Percentiles				
		10th	25th	50th	75th	90th
Employee	\$346	\$261	\$311	\$352	\$381	\$415
Employee + Child	\$656	\$470	\$560	\$668	\$706	\$888
Employee + Spouse	\$747	\$575	\$667	\$736	\$774	\$942
Family	\$1,022	\$784	\$942	\$1,046	\$1,132	\$1,205

Table 2: Percent of Monthly POS Premiums Paid by Company							
Level of Coverage	Percent of Total Monthly Premium Paid by Company						Percent of Companies Paying Entire Premium
	Average	Percentiles					
		10th	25th	50th	75th	90th	
Employee	82%	65%	75%	80%	90%	95%	10%
Employee + Child	79%	60%	73%	80%	88%	95%	5%
Employee + Spouse	79%	60%	73%	80%	88%	95%	5%
Family	79%	60%	73%	80%	88%	95%	5%

Table 3: Annual Deductible Amounts (USD)								
Care Provider	Per-Person				Per-Family			
	Average	Percentiles			Average	Percentiles		
		10th	50th	90th		10th	50th	90th
In-Network	\$283	\$225	\$275	\$350	\$808	\$350	\$825	\$1,050
Out-of-Network	\$518	\$200	\$300	\$1,000	\$1,424	\$500	\$900	\$3,000

Table 4: Annual OOP Maximum Amounts (USD)

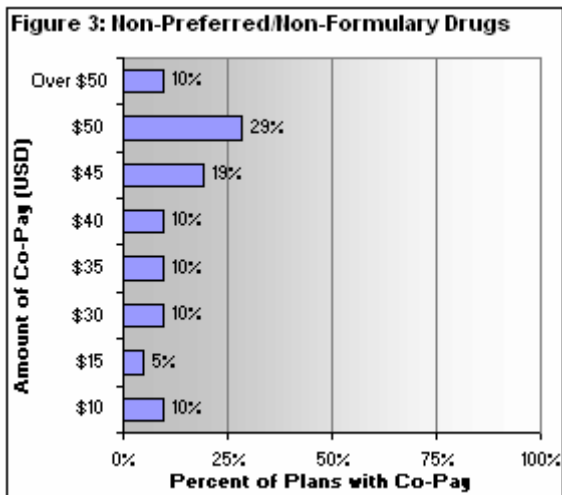
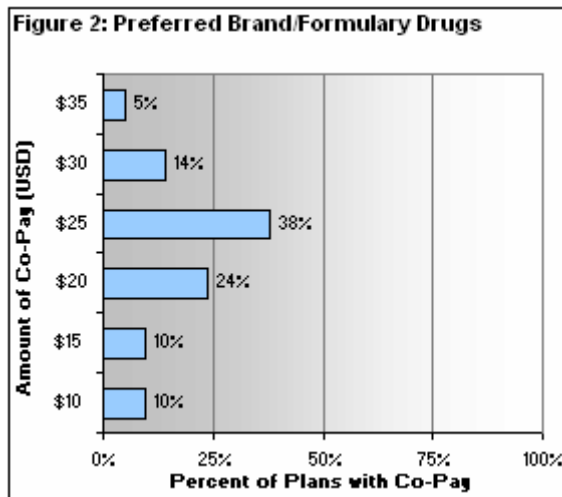
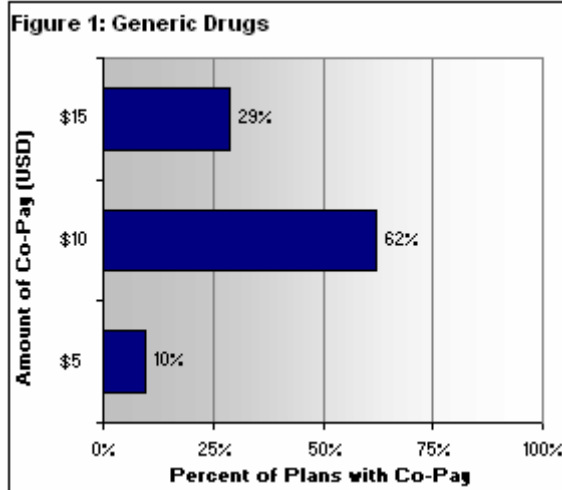
Care Provider	Per-Person				Per-Family			
	Average	Percentiles			Average	Percentiles		
		10th	50th	90th		10th	50th	90th
In-Network	\$1,682	\$1,000	\$1,500	\$2,000	\$4,182	\$2,000	\$3,000	\$6,000
Out-of-Network	\$2,738	\$1,000	\$2,000	\$5,400	\$7,053	\$2,000	\$4,000	\$15,000

Table 5: Office Visit Co-Payments for In-Network Care

Amount of Co-Payment (USD)	Percent of Plans with Co-Payment	
	Primary/Regular Care	Specialty Care
\$10	29%	14%
\$15	33%	23%
\$20	24%	19%
\$25	14%	19%
\$30	0%	10%
\$35	0%	10%
\$40	0%	5%

Table 6: Coverage for Out-of-Network Care Once Deductible is Met

Percentage of the Expense Covered by Plan	Percent of Plans Providing this Level of Coverage
50 Percent	10%
60 Percent	28%
70 Percent	24%
80 Percent	28%
Over 80 Percent	10%



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