

Employee premiums, deductibles eating larger share of income

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(HealthDay)—During the last decade, health care costs have eaten up a

larger share of income for millions of middle-class Americans with employer coverage, according to *Trends in Employer Health Care Coverage, 2008-2018*, a Nov. 21 report from The Commonwealth Fund.

The authors of the report used the federal Medical Expenditure Panel Survey-Insurance Component for calculations. The report includes state-by-state analysis of how much private-sector insurance is costing workers in premiums, deductibles, and as a share of their income from 2008 to 2018.

According to the report, premium and deductible costs totaled more than 10 percent of median income (about \$64,000 per year of household earnings) in 42 states in 2018. This was an increase from only seven states in 2008. The costs ate the largest share of household incomes in Mississippi and Louisiana (16 percent). Employee premium contributions grew at an average annual rate of more than 4 percent, which exceeded increases in median income during the last decade. The average deductible for a middle-income family was 4.7 percent of income in 2018—up from 2.7 percent in 2008.

"In 18 states, the average health plan deductible is now 5 percent or more of income, meeting the threshold for underinsurance," the authors write. "While this study only considered families with middle incomes, lower-income families with [employer coverage](#) devote an even larger share of their [income](#) to [health insurance](#) and related costs."

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