

Introduction

Benefits represent a significant portion of total compensation for all employees, including executives. This section reports on design features and other factors that influence benefit plan costs and their contribution to the value of the executive total compensation package.

Prevalence data and information on benefit plan provisions and features were drawn from the survey questionnaires. To ensure confidentiality, no data is reported when there are fewer than five data points. When there are greater than five data points, the 25th, 50th, and 75th percentiles are reported.



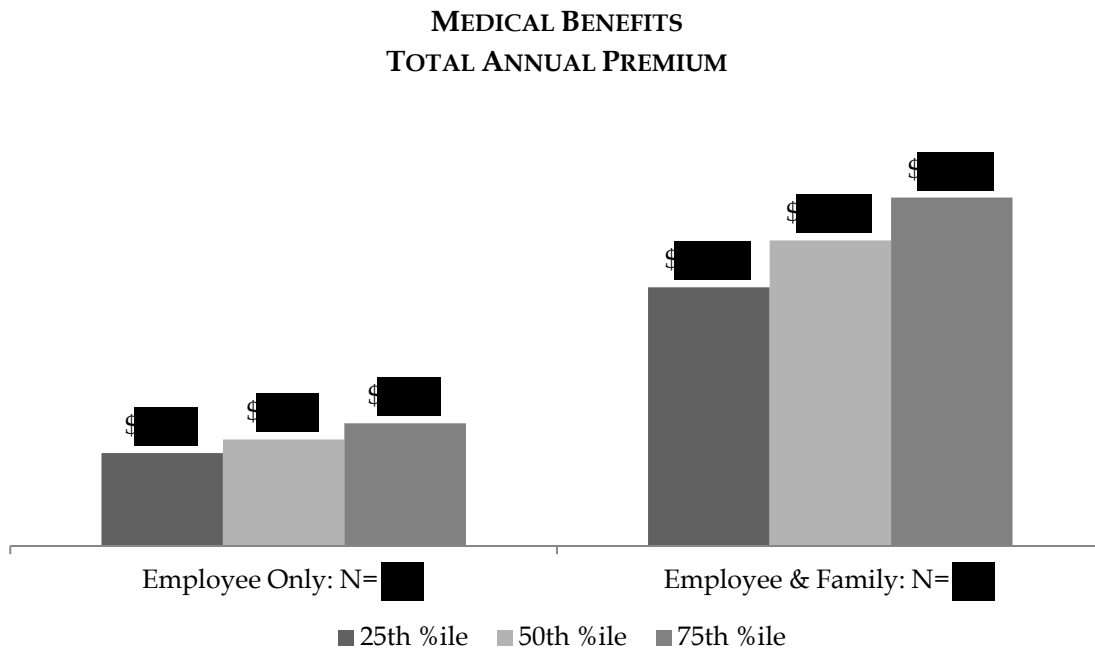
Medical Benefits

Medical benefits remain one of the most highly-valued benefits provided by employers. They are also among the most costly. Similar to years past, virtually all hospitals continue to pay more than half of the total premium cost.

The most common premium structures include at least three tiers:

- Employee only
- Employee plus spouse (or employee plus one other dependent)
- Employee plus family (or employee plus two or more dependents)

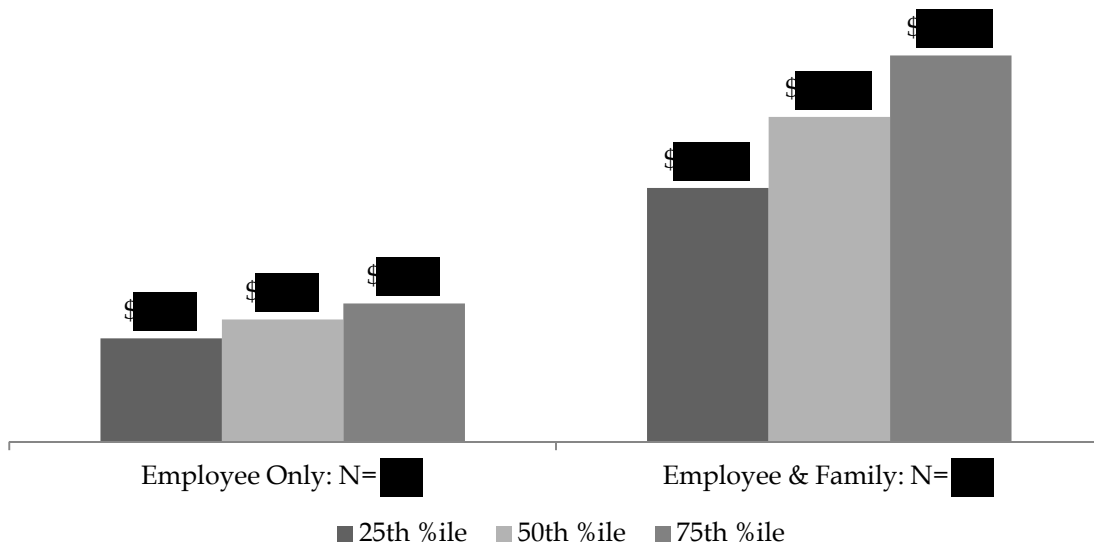
Employers typically increase the amount they contribute as the number of covered individuals increases, and expect employees to do the same.



Observations:

- Total premiums for family coverage are slightly less than three times as high as total premiums for employee only coverage.
- Premiums at the 75th percentile are about █ percent higher than at the 25th percentile.

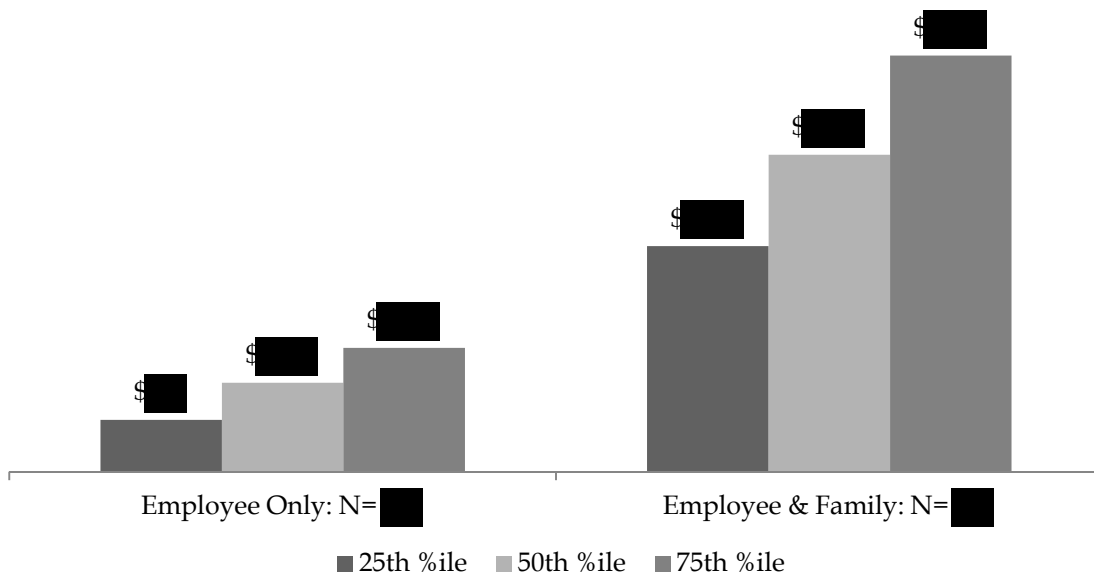
MEDICAL BENEFITS
ANNUAL EMPLOYER PREMIUM COST



Observations:

- Medical benefit premium cost is a significant portion of employer benefit expenditures.
- Employers at the 75th percentile are spending about [redacted] to [redacted] % more than those at the 25th percentile.
- Family coverage costs employers approximately [redacted] times as much as employee only coverage.
- Employers typically pay a higher percentage of the cost for employee only coverage than for employee plus family coverage.

**MEDICAL BENEFITS
ANNUAL EMPLOYEE PREMIUM COST**



Observation:

- Employees typically pay [redacted] to [redacted] times as much for family coverage as for employee only coverage.

Supplemental Medical Benefits

**POST-RETIREMENT MEDICAL COVERAGE
PREVALENCE**

Supplemental Benefits	CEO	CFO	COO	Direct Reports to CEO	Other Executives
Post-Retirement Medical (Pre-Medicare eligibility):	[redacted] %	[redacted] %	[redacted] %	[redacted] %	[redacted] %
Post-Retirement Medical (Post-Medicare eligibility):	[redacted] %	[redacted] %	[redacted] %	[redacted] %	[redacted] %

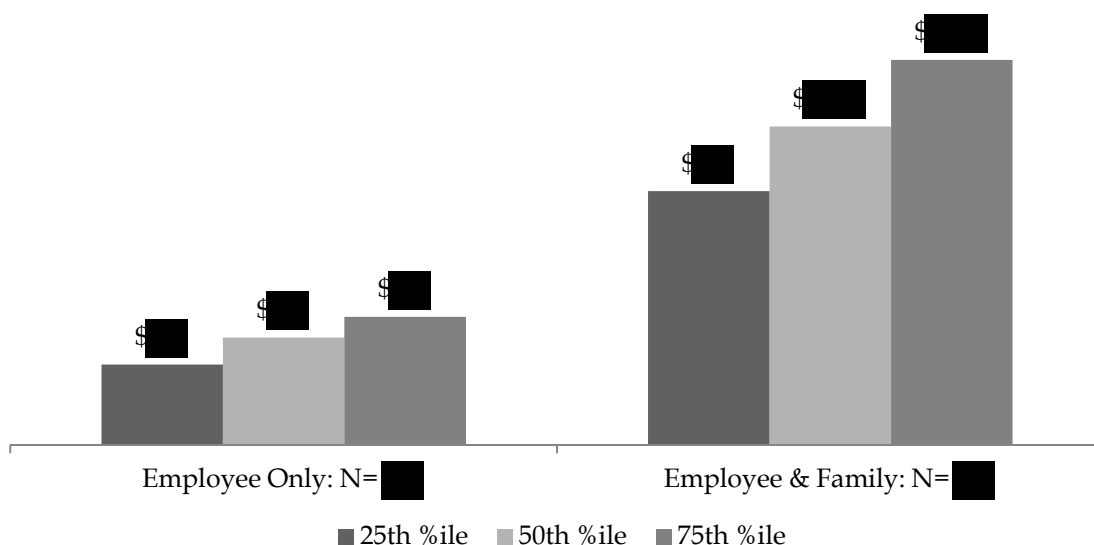
Observation:

- Executive eligibility rates for supplemental medical benefits have increased compared to 2011.

Dental Benefits

Dental benefits are firmly established as a component of employers' health care benefit offerings. Nearly all hospitals and health systems offer dental benefits to employees, but many pay a smaller percentage of the total cost for dental benefits than for medical benefits.

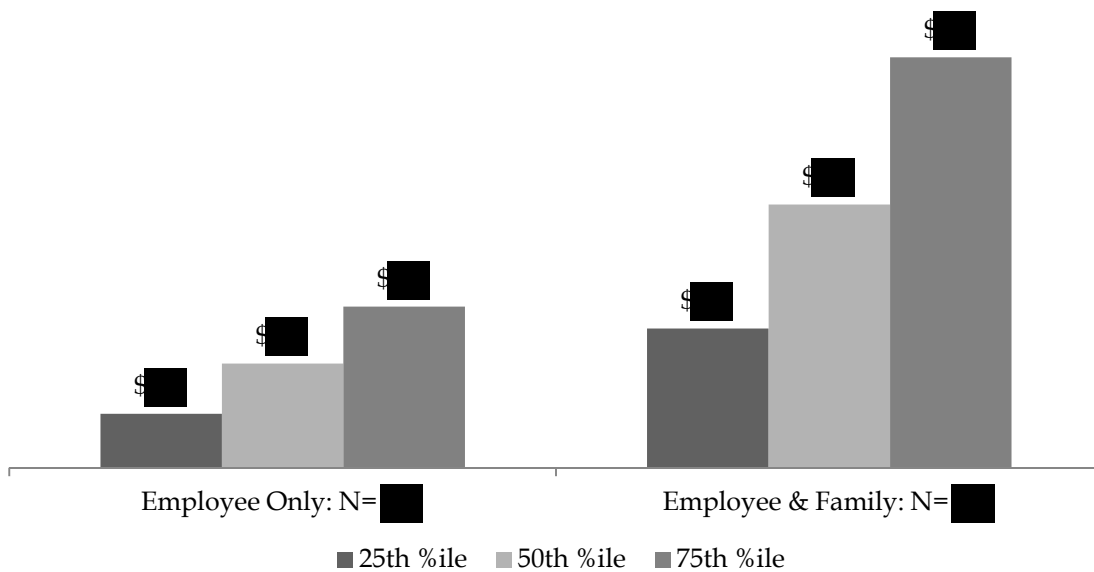
**DENTAL BENEFITS
TOTAL ANNUAL PREMIUM**



Observations:

- Total premiums for family coverage are nearly three times as high as total premiums for employee only coverage.
- Premiums at the 75th percentile are over 50 percent higher than at the 25th percentile.

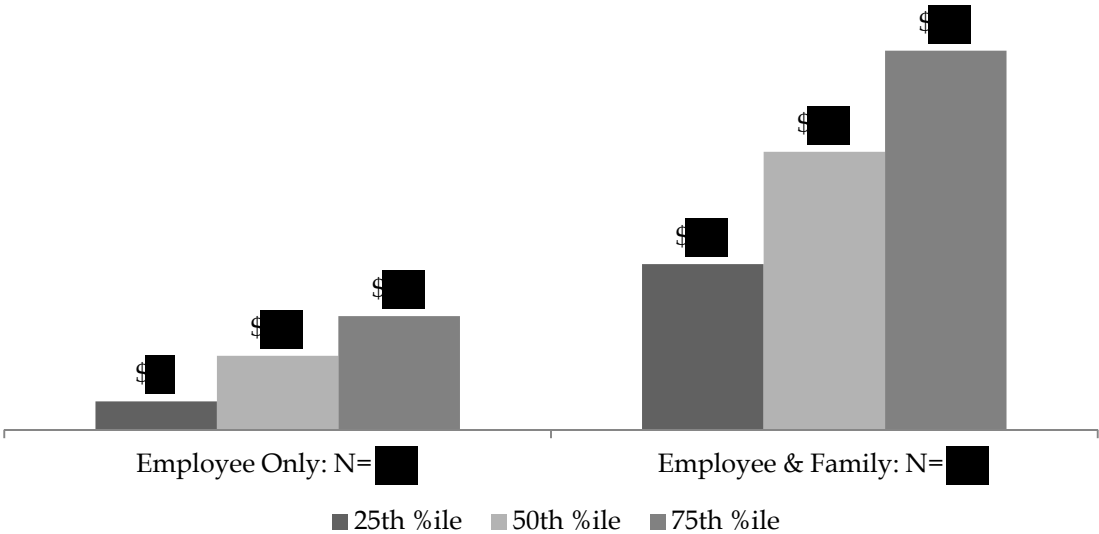
DENTAL BENEFITS
ANNUAL EMPLOYER PREMIUM COST



Observations:

- Employers at the 75th percentile are spending about [redacted] times as much as those at the 25th percentile.
- Family coverage costs employers almost [redacted] times as much as employee only coverage.
- Employers typically pay a higher percentage of the cost for employee only coverage than for employee plus family coverage.
- Some employers make coverage available, but require employees to pay the full premium.

DENTAL BENEFITS
ANNUAL EMPLOYEE PREMIUM COST



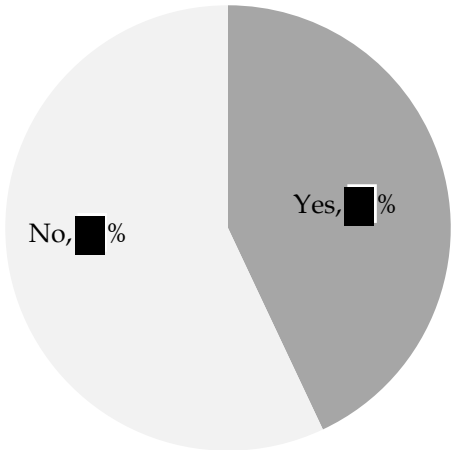
Observation:

- Employees pay 6 to 7 times as much for family coverage as for employee only coverage.

Short-Term Disability Benefits

Organizations typically provide for the continuation of all or a portion of salary in the event of illness or injury through one or more programs.

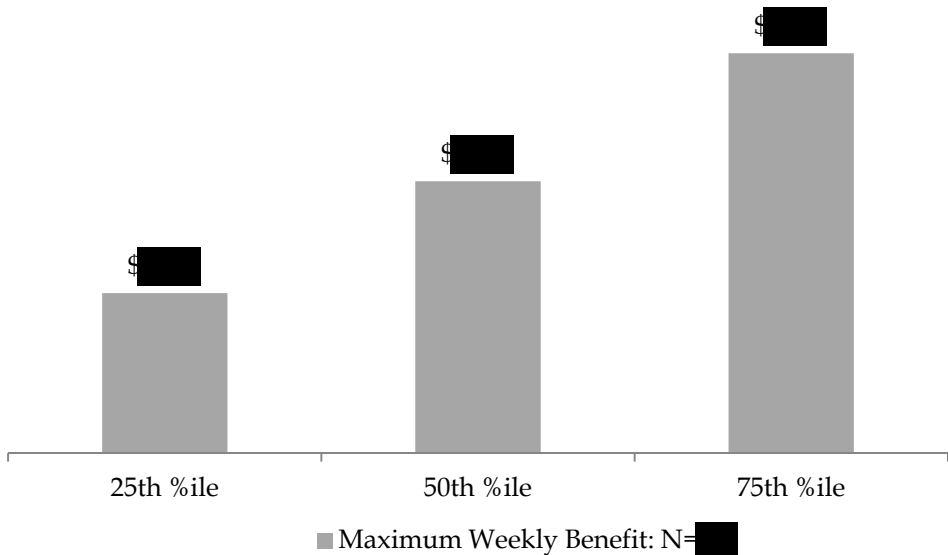
**SICK DAYS
SEPARATE SICK DAY ACCOUNT PROVIDED**



**SHORT-TERM DISABILITY
PERCENTAGE OF SALARY REPLACED**



SHORT-TERM DISABILITY
MAXIMUM WEEKLY BENEFIT (\$)



Observations:

- [redacted]% of survey participants offer a sick day benefit that is separate from PTO benefits.
- [redacted]% of organizations have short-term disability plans that replace salaries at [redacted]% or higher.
- The median length of benefit payments is [redacted] [redacted]

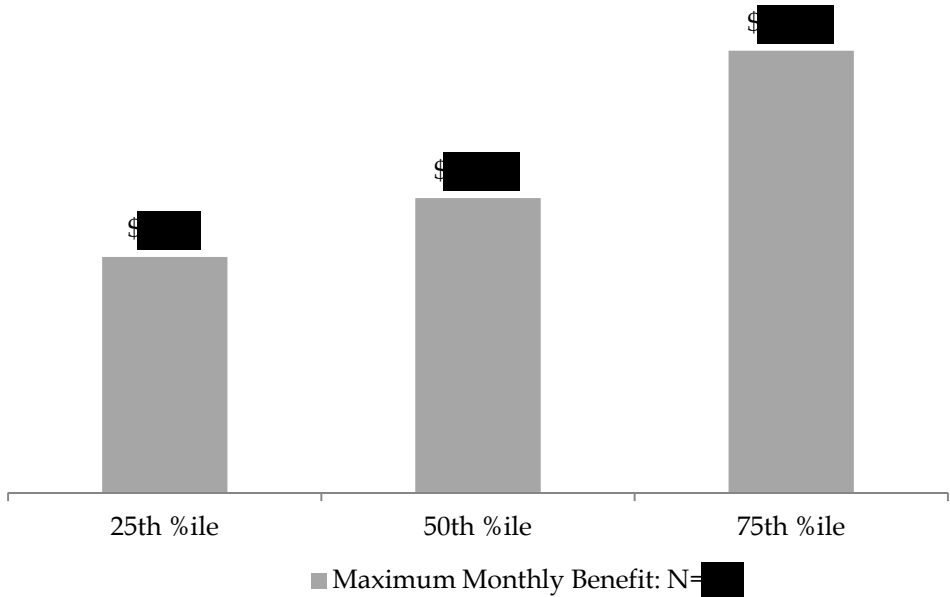
Long-Term Disability Benefits

Nearly all hospitals and health systems make group insurance available to employees to replace salary during extended absences due to illness or injury. Occasionally, premiums for this benefit are paid by employees, but most employers provide this benefit to employees without cost.

**GROUP LONG-TERM DISABILITY
PERCENTAGE OF SALARY REPLACED**



GROUP LONG-TERM DISABILITY
MAXIMUM MONTHLY BENEFIT (\$)



Observations:

- A majority of the organizations report replacement of [redacted] % of salary by group long-term disability up to the monthly maximum.
- The highest reported percentage of salary replaced by a group plan is [redacted] %.