**HIGHLIGHTS FROM THE 2014 FORM 5500 GROUP HEALTH PLANS REPORT**

The universe of group health insurance plans filing a Form 5500 is diverse and complicated. Varying benefit structures, funding arrangements, and relationships to insurance are all major components of the complexity. For purposes of generating this report, EBSA classified private sector employer-sponsored group health employee benefit plans as either self-insured, fully-insured, or having both self-insured and fully-insured characteristics (mixed-insured). Appendix A1 at the end of this report provides more information on the classification methodology. Additionally, the methodology for selecting data underlying this report is based upon Form 5500 plan year end dates, meaning all employer-sponsored group health employee benefit plans with plan year ending dates in 2014 are included.

Findings from private sector employer-sponsored group health plans filing Form 5500 series welfare reports for plan year 2014 are summarized below.

This document is Appendix A to the Report to Congress: Annual Report on Self-Insured Group Health Plansfor 2017*.*

**Plan Type Characteristics**

* In 2014, 21,000, or 41 percent, of the approximately 52,000 private sector employer-sponsored group health plans that filed a Form 5500 can be categorized as self-insured. Of the remaining 30,000 group health plans, approximately 4,000, or 7 percent of all plans, can be categorized as mixed-insured, and 27,000, or 52 percent, can be categorized as fully-insured. (See Table A1.)
* Of the 52,000 group health plans mentioned above, 85 percent offered other welfare benefits (such as dental, vision, life, disability, etc.) in addition to health benefits. Of these 44,000 plans, 38 percent can be described as having self-insured health benefits while 8 percent can be categorized as mixed-insured. Fifty-four percent of these plans can be described as having fully-insured health benefits. (See Table A1.)
* Eighty-two percent of the self-insured plans that indicate only providing health benefits do not report any type of insurance on Schedule A. Only 20 percent of self-insured plans providing health and other benefits do the same. This indicates that even for self-insured plans, other benefits are more likely to be insured.[[1]](#footnote-1)
* Fifty-three percent of all private sector single employer group health plans that filed a 2014 Form 5500 provided fully-insured health benefits to their employees. Multiemployer group health plans were much less likely to provide fully-insured health benefits; only 10 percent of those plans did so in 2014. (See Table A2.)
* Approximately 20,000 of the group health plans categorized as self-insured are single employer plans; the remaining 1,000 are multiemployer plans. Of the 4,000 group health plans categorized as mixed-insured, the majority are single employer with fewer than 1,000 being multiemployer plans. Nearly all of the 27,000 group health plans categorized as fully-insured are single employer with fewer than 200 being multiemployer plans. (See Table A2.)
* Of the 52,000 group health plans that filed a 2014 Form 5500, approximately 18,000 indicated a funding arrangement of insurance only, more than 2,000 indicated a funding arrangement of a trust only, and 7,000 indicated a funding arrangement of general assets of the sponsor only. The remaining 25,000 group health plan filers indicated some combination of funding arrangements or did not report any arrangement. The most common combination of funding arrangements was general assets of the sponsor and insurance, with 21,000 plans indicating this type of arrangement. (See Table A7.)

**Number of Participants**

* Forty-six percent, or 33 million, of the approximately 71 million participants in group health plans filing a 2014 Form 5500 were covered under self-insured group health plans. (See Table A2.)
* More than three-quarters of the group health plans categorized as self-insured covered 100 or more participants and did not operate a trust. Approximately 68 percent of all mixed-insured group health plans and nearly all of the fully-insured group health plans covered 100 or more participants and did not operate a trust. (See Table A2.)[[2]](#footnote-2)
* The mean number of participants in group health plans was 1,400 in 2014. The means for self-insured, mixed-insured, and fully-insured were 1,600, 6,800 and 500 respectively. The medians were 300, 1,500 and 200 respectively. (See Table A9.)

**Assets and Liabilities**

* In total, group health plans that filed a Form 5500 held about $226 billion in assets as of the end of 2014. Self-insured group health plans held approximately $87 billion; mixed-insured group health plans held more than $137 billion; and fully-insured group health plans held just $2 billion. (See Table A2.)
* Despite comprising only 7 percent of plans, mixed-insured plans covered 36 percent of end of year participants and held nearly 61 percent of all group health plan assets. Therefore, a relatively small number of plans drive many of the aggregate statistics presented in the remainder of this report. (See Table A2.) For instance, of the 20 largest plans by asset size, 14 were mixed-insured and held approximately $88 billion, 39 percent of total health plan assets.[[3]](#footnote-3)
* Self-insured group health plans with trusts and covering 100 or more participants held approximately 21 percent of their assets in cash and U.S. Government Securities, 20 percent in direct filing entities, 20 percent in mutual fund companies (registered investment companies), 10 percent in debt instruments, and 10 percent in stock. Mixed-insured group health plans with trusts and covering 100 or more participants held approximately 20 percent of their assets in cash and U.S. Government Securities, 16 percent in direct filing entities, 14 percent in mutual fund companies, 9 percent in debt instruments, and 24 percent in stock. Fully-insured group health plans with trusts and covering 100 or more participants held approximately 22 percent of their assets in cash and U.S. Government Securities, 24 percent in direct filing entities, 36 percent in mutual fund companies, 3 percent in debt instruments, and 6 percent in stock. (See Table A6.)
* Form 5500 group health plan filers reported more than $24 billion in liabilities as of the end of 2014: approximately $11 billion was reported by self-insured group health plans, $13 billion by mixed-insured group health plans, and $200 million by fully-insured group health plans. (See Table A2.)
* The $11 billion in liabilities reported by self-insured plans represented 19 percent of total benefit payments made by self-insured plans and was equivalent to 18 percent of total contributions to self-insured plans. By definition, plans without trusts report no assets or liabilities. The liabilities that are reported in no way represent all of the future health and welfare benefit obligations of the group health plans presented in this report. (See Tables A2, A4, and A5.)

**Annual Cash Flows**

* Overall, group health plans with trusts reported on their 2014 Form 5500 receiving approximately $143 billion in contributions in 2014, with nearly $115 billion contributed by the employers and more than $26 billion contributed by the plan participants. Only $2 billion was contributed to plans with fewer than 100 participants. (See Table A4.)
* In 2014, group health plans filing a Form 5500 that used trusts posted investment income gains of $11 billion, of which approximately $5 billion was gained by self-insured group health plans, $6 billion gained by mixed-insured group health plans, and $87 million gained by fully-insured group health plans. (See Table A4.)
* Self-insured group health plans that filed a 2014 Form 5500 and used trusts made benefit payments of more than $43 billion directly to participants and nearly $7 billion to insurance carriers for the provision of other insured benefits. Mixed-insured group health plans made benefit payments to participants totaling about $57 billion and made payments to insurance carriers of $25 billion. Fully-insured group health plans paid about $2 billion to insurance carriers for provision of benefits. These payments were funded through a trust. (See Table A5.)
* In total, group health plans filing a 2014 Form 5500 reported about $9 billion in administrative expenses.[[4]](#footnote-4) Self-insured group health plans reported approximately $4 billion; mixed-insured group health plans reported approximately $5 billion; and fully-insured group health plans reported approximately $100 million. (See Table A5.)

1. The statistics in this note were tabulated using the 2014 Group Health Plans Research File which contains the data underlying the tables presented in this Report. For more information and to access the data, please visit the [EBSA website](http://www.dol.gov/ebsa/publications/form5500dataresearch.html). [↑](#footnote-ref-1)
2. However, this is a data restriction that results from the filing exemption provided to welfare benefit plans covering fewer than 100 participants (small plans) which are unfunded, fully-insured, or a combination of insured and unfunded. For more information on filing requirements and exemptions, please see Appendix A1. [↑](#footnote-ref-2)
3. The statistics in this note were tabulated using the 2014 Group Health Plans Research File which contains the data underlying the tables presented in this Report. For more information and to access the data, please visit the [EBSA website](http://www.dol.gov/ebsa/publications/form5500dataresearch.html). [↑](#footnote-ref-3)
4. When applicable, Form 5500 filers report administrative expenses on either Schedule H – Financial Information, Part II – Income and Expense Statement, line number 2(i) – Administrative expenses or on Schedule I – Financial Information, Part I – Income, Expenses, and Transfers for this Plan Year, line number 2(h). Form 5500-SF filers report administrative expenses in Part III – Financial Information, line number 8(f). [↑](#footnote-ref-4)