**HIGHLIGHTS FROM THE 2017 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 plan filings with plan year ending dates in 2017 are included.

Findings from private sector employer-sponsored group health plans filing Form 5500 series welfare reports for plan year 2017 are summarized below.

This document is Appendix A to the Report to Congress: Annual Report on Self-Insured Group Health Plansfor 2020*.*

**Plan Type Characteristics**

* In 2017, roughly 24,000, or 41 percent, of the nearly 58,000 private sector employer-sponsored group health plans that filed a Form 5500 can be categorized as self-insured. Of the remaining 34,000 group health plans, approximately 4,000, or 7 percent of all plans, can be categorized as mixed-insured, and approximately 30,000, or 53 percent, can be categorized as fully insured. (See Table A1.)
* Of the approximately 58,000 group health plans mentioned above, about 15 percent offered only health (other than vision or dental)[[1]](#footnote-1) benefits. Conversely, 85 percent offered other welfare benefits (such as dental, vision, life, disability, etc.) in addition to health benefits. Of these approximately 49,000 plans, 37 percent can be described as having self-insured health benefits while 7 percent can be categorized as mixed-insured. The remaining 56 percent of these plans can be described as having fully insured health benefits. (See Table A1.)
* Eighty-eight percent of the self-insured plans that indicated only providing health benefits did not report any type of insurance on Schedule A. Only 16 percent of self-insured plans providing health and other benefits did the same. This indicates that even for self-insured plans, other benefits were more likely to be insured.[[2]](#footnote-2)
* Fifty-four percent of all private sector single employer group health plans that filed a 2017 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 19 percent of those plans did so in 2017. Roughly 57 percent of multiple-employer plans provided fully insured health benefits. (See Table A2.)
* Approximately 22,000 of the group health plans categorized as self-insured were single employer plans. About 1,000 were categorized as multiemployer plans, and the remaining 300 were classified as multiple-employer plans. Of the 4,000 group health plans categorized as mixed-insured, the majority are single employer with about 300 being multiemployer plans and fewer than 100 being multiple-employer plans. Nearly all of the 30,000 group health plans categorized as fully insured were single employer plans. Of the remaining 800 plans, approximately 300 were multiemployer plans and more than 400 were multiple-employer plans. (See Table A2.)
* Of the 58,000 group health plans that filed a 2017 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 6,000 indicated a funding arrangement of general assets of the sponsor only. The remaining 32,000 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 27,000 plans indicating this type of arrangement. (See Table A7.)

**Number of Participants**

* Forty-six percent, or 34 million, of the approximately 75 million participants in group health plans filing a 2017 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 77 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.[[3]](#footnote-3) (See Table A2.)
* The mean number of participants in group health plans was about 1,300 in 2017. The means for self-insured, mixed-insured, and fully insured were 1,500, 7,000 and 500, respectively. The medians for self-insured, mixed-insured, and fully insured 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 $247 billion in assets as of the end of 2017. Self-insured group health plans held approximately $95 billion, mixed-insured group health plans held $141 billion, and fully insured group health plans held about $11 billion. (See Table A2.)
* Despite comprising only 7 percent of plans, mixed-insured plans covered 35 percent of end-of-year participants and held about 57 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 $94 billion, or nearly two-fifths of total health plan assets.[[4]](#footnote-4)
* Self-insured group health plans with trusts and covering 100 or more participants held approximately 16 percent of their assets in cash and U.S. Government securities, 23 percent in direct filing entities, 23 percent in mutual fund companies (registered investment companies), 9 percent in debt instruments, and 10 percent in stock. Mixed-insured group health plans with trusts and covering 100 or more participants held approximately 18 percent of their assets in cash and U.S. Government securities, 14 percent in direct filing entities, 11 percent in mutual fund companies, 10 percent in debt instruments, and 24 percent in stock. Fully 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, 14 percent in direct filing entities, 30 percent in mutual fund companies, 18 percent in debt instruments, and 4 percent in stock. (See Table A6.)
* Form 5500 group health plan filers reported $25 billion in liabilities as of the end of 2017: approximately $11 billion was reported by self-insured group health plans, $13 billion by mixed-insured group health plans, and $900 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 roughly 18 percent of total contributions to self-insured plans. By definition, plans without trusts report no assets or liabilities. The liabilities 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 receiving approximately $152 billion in contributions in 2017, with nearly $125 billion contributed by the employers and approximately $25 billion contributed by the plan participants. Roughly $1 billion was contributed in total to plans with fewer than 100 participants. (See Table A4.)
* In 2017, group health plans filing a Form 5500 that used trusts posted investment income gains of approximately $22 billion. About $8 billion was gained by self-insured group health plans, about $13 billion was gained by mixed-insured group health plans, and $900 million was gained by fully insured group health plans. (See Table A4.)
* Self-insured group health plans that filed a 2017 Form 5500, covered 100 or more participants, and used trusts made benefit payments of $47 billion directly to participants and $6 billion to insurance carriers for the provision of other insured benefits. Mixed-insured group health plans of this type made benefit payments to participants totaling about $56 billion and made payments to insurance carriers of $18 billion. Fully insured group health plans paid about $10 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 2017 Form 5500 reported about $8 billion in administrative expenses.[[5]](#footnote-5) Self-insured group health plans reported approximately $4 billion, mixed-insured group health plans reported approximately $4 billion, and fully insured group health plans reported approximately $400 million. (See Table A5.)

1. For the remainder of this report, health benefits exclude vision and dental benefits consistent with the 2017 Instructions for Form 5500 Annual Return/Report of Employee Benefit Plan at

   <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500/2017-instructions.pdf>. [↑](#footnote-ref-1)
2. The statistics in this note were tabulated using the 2017 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 <https://www.dol.gov/agencies/ebsa/researchers/data/group-health-plan-data>. [↑](#footnote-ref-2)
3. However, this is a data restriction that results from the filing exemption provided to welfare benefit plans (other than plans required to file the Form M-1) covering fewer than 100 participants as of the beginning of the plan year which are unfunded, fully insured, or a combination of insured and unfunded, as specified in 29 CFR 2520.104-20. For more information on filing requirements and exemptions, see Appendix A1. [↑](#footnote-ref-3)
4. The statistics in this note were tabulated using the 2017 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 <https://www.dol.gov/agencies/ebsa/researchers/data/group-health-plan-data>. [↑](#footnote-ref-4)
5. 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-5)