**HIGHLIGHTS FROM THE 2021**

**FORM 5500 GROUP HEALTH**

**PLANS REPORT**

Group health plans filing a Form 5500 represent a diverse subset of private sector, employer-sponsored group health plans. These plans have numerous benefit structures, funding arrangements, and relationships to insurance that necessitate careful classification and interpretation to present meaningful statistics. For this report, the Employee Benefits Security Administration (EBSA) classified these 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. For this report, Form 5500 filings with plan year ending dates in 2021 are included.

|  |  |  |  |
| --- | --- | --- | --- |
| **Number of Group Health Plans, 2015-2021** | | | |
| **Year** | **All Plans** | **Plans with 100 or More Participants (end of year)** | **Plans with Fewer Than 100 Participants (end of year)** | |
| 2015 | 54,488 | 51,367 | 3,121 | |
| 2016 | 56,211 | 53,078 | 3,133 | |
| 2017 | 57,750 | 54,052 | 3,698 | |
| 2018 | 60,530 | 55,387 | 5,143 | |
| 2019 | 65,798 | 56,325 | 9,473 | |
| 2020 | 74,054 | 57,227 | 16,827 | |
| 2021 | 81,805 | 57,082 | 24,723 | |
| Source: Table A2 and the 2015-2021 Group Health Plans Reports. | | | | |

The universe of group health plans filing the Form 5500 has grown more rapidly over the past several years, almost entirely due to an influx of filings from smaller plans. Specifically, the number of group health plans filing the Form 5500 that reported fewer than 100 participants at the end of the year—almost all of which were self-insured—grew from about 9,000 plans in 2019 to nearly 25,000 plans in 2021. Meanwhile, the number of group health plans reporting more than 100 participants has increased much more slowly over the same period. The increase in small, self-insured plans was largely driven by plans appearing to participate in a non-plan Multiple Employer Welfare Arrangement (MEWA).[[1]](#footnote-2)

This Form 5500 filing trend does not necessarily reflect a broad shift in private sector, employer-sponsored group health coverage in the U.S. Rather, these statistics merely indicate an increase in prevalence of certain types of plans that are required to file the Form 5500, such as those participating in non-plan MEWAs.

Other findings from private sector, employer-sponsored group health plans filing Form 5500 series welfare reports for plan year 2021 are summarized below.

This document is Appendix A to the Report to Congress: Annual Report on Self-Insured Group Health Plansfor 2024*.*

**Plan Type Characteristics**

* In 2021, about 82,000 private sector, employer-sponsored group health plans filed the Form 5500. Roughly 46,000, or 56 percent, were self-insured. About 31,000, or 38 percent, were fully insured. Approximately 5,000, or 6 percent, were mixed-insured. (See Table A1.)
* Of the roughly 82,000 group health plans mentioned above, about 34 percent offered only health benefits. Conversely, 66 percent offered other welfare benefits (such as dental, vision, life, disability, etc.) in addition to health benefits.[[2]](#footnote-3) Of the approximately 54,000 plans that offer coverages in addition to health coverage, 53 percent were fully insured, 39 percent were self-insured, and 8 percent were mixed-insured. (See Table A1.)
* Of the self-insured plans that indicated they only provide health benefits, 97 percent did not report any type of insurance on Schedule A. Only 14 percent of self-insured plans providing both health and other benefits did the same. This indicates that even for self-insured plans, other benefits were more likely to be fully insured.[[3]](#footnote-4)
* Of all private sector, single-employer group health plans that filed a 2021 Form 5500, 38 percent provided fully insured health benefits to their employees. Multiemployer group health plans were much less likely to provide fully insured health benefits; only 16 percent of those plans did so in 2021. Roughly 63 percent of multiple-employer plans provided fully insured health benefits. (See Table A2.)
* Of the approximately 46,000 group health plans categorized as self-insured, about 45,000 were single-employer plans, about 1,000 were multiemployer, and the remaining 300 were multiple-employer. Of the approximately 31,000 group health plans categorized as fully insured, nearly all were single-employer plans, but about 200 were multiemployer plans and 600 were multiple-employer plans. Of the approximately 5,000 group health plans categorized as mixed-insured, the majority were single-employer, but about 300 were multiemployer, and fewer than 100 were multiple-employer. (See Table A2.)
* Of the 82,000 group health plans that filed a 2021 Form 5500, approximately 17,000 indicated a funding arrangement of insurance only, more than 2,000 indicated a funding arrangement of a trust only, and 5,000 indicated a funding arrangement of general assets of the sponsor only. The remaining 58,000 group health plan filers indicated some combination of funding arrangements (35,000) or did not report any arrangement (23,000).[[4]](#footnote-5) The most common combination of funding arrangements, reported by 32,000 plans, was general assets of the sponsor and insurance. (See Table A7.)

**Number of End of Year Participants**

* Of the approximately 83 million participants in group health plans filing a 2021 Form 5500, 42 percent, or 35 million, were covered under self-insured group health plans. (See Table A2.)
* About 42 percent of self-insured group health plans and 83 percent of mixed-insured group health plans covered 100 or more participants and did not operate a trust. Nearly all of the fully insured group health plans covered 100 or more participants and did not operate a trust.[[5]](#footnote-6) (See Table A2.)
* The mean and median number of participants in group health plans in 2021 were about 1,000 and 200, respectively. The means for self-insured, mixed-insured, and fully insured were 800, 7,400, and 500, respectively. The medians for self-insured, mixed-insured, and fully insured were less than 100, 1,300, and 200, respectively. (See Table A9.)

**Assets and Liabilities**

* In total, group health plans that filed a Form 5500 held about $303 billion in assets as of the end of 2021. Self-insured group health plans held approximately $124 billion, mixed-insured group health plans held $164 billion, and fully insured group health plans held about $15 billion. (See Table A2.)
* Despite comprising only 6 percent of plans, mixed-insured plans covered 40 percent of end-of-year participants and owned about 54 percent of all group health plan assets held in trusts. Therefore, a relatively small number of plans drive many of the aggregate statistics presented in this report. (See Table A2.) For instance, of the 20 largest plans by asset size, 10 were mixed-insured and held approximately $102 billion, or over one-third of total health plan assets.[[6]](#footnote-7)
* Self-insured group health plans with trusts and covering 100 or more participants held approximately 14 percent of their assets in cash and U.S. Government securities, 21 percent in direct filing entities (DFEs), 27 percent in mutual fund companies (registered investment companies), 10 percent in debt instruments, and 8 percent in stock. Mixed-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, 12 percent in DFEs, 9 percent in mutual fund companies, 20 percent in debt instruments, and 6 percent in stock. (See Table A6.)
* Form 5500 group health plan filers reported $35 billion in liabilities as of the end of 2021. Approximately $12 billion was reported by self-insured group health plans, $22 billion by mixed-insured group health plans, and $2 billion by fully insured group health plans. (See Table A2.)
* The $12 billion in liabilities reported by self-insured plans represented 20 percent of total benefit payments made by self-insured plans and roughly 19 percent of total contributions to self-insured plans. These liabilities were all reported by plans with trusts, because, by definition, plans without trusts report no assets or liabilities. The liabilities reported in no way reflect all 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 $151 billion in contributions in 2021, with nearly $124 billion contributed by the employers and approximately $25 billion contributed by the plan participants. Plans with fewer than 100 participants accounted for roughly $3 billion of these contributions. (See Table A4.)
* In 2021, group health plans filing a Form 5500 that used trusts posted investment income gains of approximately $21 billion. About $10 billion was gained by self-insured group health plans, $10 billion was gained by mixed-insured group health plans, and $1 billion was gained by fully insured group health plans. (See Table A4.)
* Self-insured group health plans that filed a 2021 Form 5500, covered 100 or more participants, and used trusts made benefit payments of $48 billion directly to participants and $6 billion to insurance carriers. Mixed-insured plans that covered 100 or more participants and used trusts made benefit payments to participants totaling about $57 billion and to insurance carriers of $16 billion. Fully insured plans that covered 100 or more participants and used trusts paid about $2 billion directly to participants and $11 billion to insurance carriers for provision of benefits. (See Table A5.)
* In total, group health plans filing a 2021 Form 5500 reported about $9 billion in administrative expenses.[[7]](#footnote-8) Self-insured, mixed-insured, and fully insured plans reported $4 billion, $4 billion, and $1 billion, respectively. (See Table A5.)

1. MEWAs that are not welfare benefit plans are not required to file the Form 5500, but individual participating employer plans must separately satisfy applicable annual reporting requirements. [↑](#footnote-ref-2)
2. For the remainder of this report, health benefits exclude vision and dental benefits to match the separate identification of those benefit types on the Form 5500 Annual Return/Report of Employee Benefit Plan. See 2021 Form 5500 instructions at

   <https://www.dol.gov/sites/default/files/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500/2021-instructions.pdf>. [↑](#footnote-ref-3)
3. The statistics in this note were tabulated using the 2021 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)
4. Although information on insurance contracts and plan assets are reported on the Form 5500-SF, the Form 5500-SF does not require plans to separately identify the funding or benefit arrangements as insured, trust, Code section 413(e) insurance contracts, or general assets of the sponsor. [↑](#footnote-ref-5)
5. However, this is a data restriction that results from the regulatory exemption from Form 5500 filing 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 that 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-6)
6. The statistics in this note were tabulated using the 2021 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-7)
7. 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-8)