

# Employee Benefits in Medium and Large Private Establishments, 1997

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# Preface

This bulletin presents results of a 1997 Bureau of Labor Statistics (BLS) survey of the incidence and detailed provisions of selected employee benefit plans in medium and large private establishments. The survey provides representative data for 46 million employees in the Nation's private nonagricultural industries. Appendix A provides a detailed description of the coverage and statistical procedures used in the survey.

The 1997 Employee Benefits Survey (EBS) reports on benefits provided to employees in establishments with 100 or more workers in all private non-farm industries. Between 1979 and 1986, the survey provided benefits data on full-time employees in medium and large establishments, those with either 100 or 250 employees or more, depending on the industry; coverage in the service industries was limited. The 1987 survey examined benefits provided to full-time employees in State and local governments with 50 employees or more. In 1988, 1989, 1991, 1993, and 1995, expanded surveys of medium and large establishments covered full-time employees in establishments employing 100 workers or more in all private industries.

Beginning in 1990, the Employee Benefits Survey included both full- and part-time employees in all private industries (regardless of employment) and State and local governments. In that year, the survey covered small private establishments and governments. Currently, small private establishments and

State and local governments are surveyed in even-numbered years (with the exception of 1996, when only small private establishments were surveyed), and medium and large private establishments are surveyed in odd-numbered years.

The 1997 Employee Benefits Survey provides a "survey highlights" section (chapter 1) with a number of key findings for major benefits, such as time off; disability; medical, dental, and vision care; life insurance; and defined benefit pension and defined contribution plans. The remaining chapters provide definitions of key terms and general information on benefit provisions, along with the respective benefit tables.

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The public may access Employee Benefits Survey data at: <http://stats.bls.gov/ebshome.htm>, the BLS Internet site. Questions on the data in this publication should be referred to the staff of the Employee Benefits Survey at (202) 606-6222 or via E-mail: OCLTINFO@bls.gov. Sensory impaired individuals may obtain information in this publication upon request. Voice phone: (202) 606-7828; Federal Relay Service: 1-800-877-8339.

**Pictured on the cover of this bulletin is *Bedside Manner* by Norman Rockwell, March 10, 1923, The Curtis Publishing Company.**

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# Chapter 1.

## Results of the 1997 Survey

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The Bureau's 1997 survey of medium and large private industry establishments provides data on employee work schedules and on the incidence and detailed characteristics of employee benefits paid for, at least in part, by the employer.<sup>1</sup> These benefits include holidays, vacations, personal, funeral, jury-duty, military, family, and sick leave; short-term disability, long-term disability, and life insurance; medical, dental, and vision care, and private retirement plans. Because the survey data are limited to formal plans, this bulletin may understate the extent of such benefits as military and jury duty leave.<sup>2</sup>

Data also are collected on the incidence of several other benefits, including severance pay, child-care assistance, wellness programs, employee assistance programs, and educational assistance. In addition, information is obtained on flexible benefits plans, reimbursement accounts, and unpaid family leave.

For the 1997 survey of benefits in medium and large private establishments, BLS collected information on both full- and part-time employees. Employees are classified as either full-time or part-time workers in accordance with their employers' practices. Part-time workers typically are scheduled to work fewer hours per week than full-time workers engaged in the same type of work activity. In addition, data are collected on the incidence of employee benefits by union status, broad industry grouping, and broad geographic region.

Major highlights of the survey for full-time employees in medium and large private establishments are reported later in this chapter. Detailed information on the provisions of the benefits studied appears in chapters 2-9.

Among the most frequently observed benefits provided to full-time employees in medium and large private establishments in 1997 were medical care, life insurance, holidays, vacations, and paid jury duty leave. Each of these benefits was provided to the majority of full-time workers (see the data tables at the end of each chapter). In contrast, such benefits as personal leave, dental care, defined benefit pension plans, short-term disability insurance, and long-term disability insurance were less prevalent.

### Time off

Time off was the most frequently provided benefit for full-time employees in medium and large private establishments in 1997. With few exceptions, nearly all full-time employees received paid vacation benefits, and 9 out of 10 received paid holidays. Unpaid family leave covered 93 percent of full-time employees in 1997, compared with 84 percent in 1995,

reflecting the continued implementation of the Federal Family and Medical Leave Act of 1993. This act obligates employers with more than 50 employees to provide 12 weeks of unpaid leave each year to employees for the birth or adoption of a child or for care associated with an illness of the employee or a family member. Paid funeral leave and jury-duty leave are also provided to many full-time employees.

The length of paid vacations and the number of paid holidays were similar in 1997 and 1995. The number of available vacation days increases with length of service. For example, in 1997, employees received, on average, about 10 vacation days after 1 year of service and 22 days after 30 years.

The definition of paid sick leave used in the survey changed in 1995. Before 1995, the paid sick leave category included plans that defined allowable days on a "per disability" basis, in addition to plans that specified a number of days available each year. Since 1995, participants in "per disability" plans are not reported as having sick leave plans but are included among short-term disability plan participants, along with participants in sickness and accident insurance plans.

### Health benefits

Approximately 3 out of 4 full-time employees participated in employer-sponsored medical care plans. Sixty-nine percent of those participating were required to contribute to the cost of single coverage in 1997, compared with 67 percent in 1995. An even greater proportion was required to contribute to the cost of family coverage. In 1997, employee contributions per month averaged \$39.14 for single coverage and \$129.92 for family coverage. In 1995, these averages were \$33.92 and \$118.33, respectively.

Participation in non-traditional, or "managed care," plans continued to increase. In 1997, 73 percent of all full-time employees with medical care coverage were in non-traditional plans, compared with 63 percent in 1995. Thirty-three percent were in health maintenance organizations (HMOs), up from 27 percent in 1995, 23 percent in 1993, and 17 percent in 1991. Forty percent were in preferred provider organizations (PPOs), compared with 34 percent in 1995, 26 percent in 1993, and 16 percent in 1991. In contrast, only 27 percent of all medical care plan participants were in traditional fee-for-service plans in 1997, down from 37 percent in 1995, 50 percent in 1993, and 67 percent in 1991.

Employees with medical care benefits were much more likely to be eligible for preventive medical care benefits in 1997 than in the early 1990s. This may be due in part to the

## Results of the 1997 Survey

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increase in participation in non-traditional medical plans, which are more likely to cover preventive care. For example, routine physical examinations were available to nearly two-thirds of participants in 1997, compared with three-tenths in 1991. Similarly, well-baby care benefits were offered to 66 percent of participants in 1997, compared with 36 percent in 1991.

Participants in traditional fee-for-service plans and PPOs (non-HMOs) have a greater choice of health care providers but bear a greater proportion of their health care costs. Annual deductibles, the amount the participant pays each year before the plan reimburses any covered expenses, averaged \$268 for individuals in 1997, compared with \$247 in 1995. After the annual deductible is satisfied, the plan pays a percentage of covered medical expenses, known as coinsurance. Eighty-three percent of participants in traditional fee-for-service plans were in plans that paid an 80 percent coinsurance in 1997. Although more generous than fee-for-service plans if a network provider is used, most PPO plans also include a coinsurance provision. For example, 36 percent of PPO plan participants were in plans that paid 80 percent of covered expenses and 30 percent were in plans with 90 percent coinsurance.

Generally, the amount of yearly out-of-pocket expenses participants had to pay in non-HMO plans was limited, with the cost of services above this limit paid by the plan. In 1997, these maximum out-of-pocket limits averaged \$1,578 for individuals and \$3,101 for families. For the most part, plans also restricted total lifetime benefits to a maximum amount. Medical expenses above these lifetime maximums were not covered by the plan. For participants in plans with lifetime maximums, the average lifetime maximum was \$1.1 million.

### Retirement benefits

Four-fifths of full-time employees participated in one or more employer-sponsored retirement plan in 1997. Retirement plans are usually classified as either defined benefit or defined contribution. In defined benefit plans, the benefit at retirement is specified by a formula, and the employer bears the investment risk to fund the benefit. In defined contribution plans, the employer's current cost (contribution) is specified, but the amount of retirement benefit is not known in advance. Half of all full-time employees in medium and large private establishments were enrolled in defined benefit plans in 1997, compared with 52 percent in 1995. In contrast, 57 percent were in enrolled in defined contribution plans in 1997, compared with 55 percent in 1995. This continues the trend away from defined benefit plans and towards defined contribution plans.

In 1997, 39 percent of full-time employees in medium and large private establishments participated in savings and thrift plans, a common type of defined contribution plan. Other types of defined contribution plans included deferred profit

sharing plans, covering 13 percent of full-time employees, and money purchase plans, with enrollment at 8 percent in 1997.

In savings and thrift plans, participants are required to make contributions to the plan. These contributions are matched by employers, subject to the maximum specified in the plans. The amount of contributions employees are allowed to make is limited, often to 15 or 16 percent of earnings. Plans also limit the employee contribution that will be matched by the employer. In plans with specified employer matching rates, for example, 42 percent of participants had their contributions up to 6 percent of earnings matched by employers. Another 48 percent were in plans with matches on 6 percent of earnings. The most common rate of employer match (applicable to 47 percent of participants) was 50 cents for each dollar contributed by the employee.

Fifty-five percent of full-time employees deferred a portion of their current earnings (and sheltered the income from current income taxes) by contributing to a retirement plan such as a 401(k) plan. In 1991, the incidence of these plans was 44 percent.

The retirement benefit earned by participants in defined benefit plans typically reflects their earnings, age, and length of service at retirement. For two-thirds of the participants, the retirement benefit was a percentage of preretirement earnings, most commonly a percentage of earnings in the final years of their careers. Most of the remaining participants were in plans specifying a flat dollar amount for each year of service. A large majority had to attain a minimum age, typically in combination with a minimum service requirement, to receive a normal retirement benefit. For seven-tenths of full-time participants in defined benefit plans, the minimum age for normal retirement with unreduced benefits was 62 or 65. The minimum length of service required for normal retirement varied by age at retirement. For example, it was common to impose a service requirement of up to 30 years before age 62, 5 or 10 years at age 62, and 5 years or no requirement beginning at age 65. Voluntary early retirement, with a reduced benefit, was available to almost all defined benefit plan participants.

### Other findings

Life insurance was available to 87 percent of full-time employees in medium and large private establishments in 1997. Nearly three-fifths (58 percent) of participants in life insurance plans had their insurance protection defined as a multiple of annual earnings; for virtually all of the remainder, insurance protection was a stated dollar amount (usually between \$5,000 and \$25,000). The amount of insurance protection averaged nearly \$17,000 for employees in plans with a stated dollar amount benefit and 1.5 times earnings for employees in multiple-of-earnings plans.

Two other benefits were prevalent among full-time em-

employees in medium and large private establishments—job-related educational assistance (67 percent of participants) and cafeteria benefit plans (52 percent). The latter benefits, in accordance with Section 125 of the Internal Revenue Code, were mostly reimbursement account plans that allow employees to set aside funds, often on a pre-tax basis, to pay for unpaid health care or other expenses. In some cases, Section 125 plans were available to finance benefit premiums.

The type of major benefits available to full-time employees varied by occupational group. In retirement plans, for example, 46 percent of blue-collar and service employees were in defined contribution plans as compared with 70 per-

cent of professional, technical, and related employees and 63 percent of clerical and sales employees. In contrast, about half of each group participated in defined benefit plans. In health care, one-third of blue-collar and service participants were in traditional plans, compared with about one-fifth of employees in the two other groups.

— Endnotes —

<sup>1</sup> There are a few exceptions to this general rule. The survey provides estimates on the availability of postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, and long-term care insurance even if an employee or retiree must pay for such coverage fully. This is because the guarantee of insurability and availability of coverage at group premium rates can be considered a benefit. In addition,

reimbursement accounts, salary reduction plans, and family leave plans are tabulated even if the employer bears no cost beyond administrative expenses.

<sup>2</sup> Formal plans are those stated in a written document. If military or jury duty leave is granted on a case-by-case without a written document, it would not be counted.

**A Note on the Tables**

The majority of the tables in this bulletin indicate the percent of all employees, or of a selected group of employees, covered by particular benefits and benefit features. Understanding the group of employees about whom data are being presented is the key to using these tables; this information is contained in the first row of each table. Some tables indicate the percent of all employees covered by the survey who have a certain benefit; other tables show the percent of employees covered by a certain benefit who have a certain plan feature. Rows where there are no participants reported are deleted from the tables.

For example, table 1 indicates that 76 percent of all full-time employees were covered by a medical care plan. In chapter 4, most of the tables present data on the percent of workers with medical care who are in plans with certain provisions. Workers with medical care equal 100 percent in these tables, with smaller percentages indicating the availability of plan features. In table 49, for example, 100 percent refers to those workers with medical care plans, and 27 percent indicates those workers with medical care covered by a traditional fee-for-service plan.

Another type of table estimate presented throughout the bulletin displays average benefit values rather than percentages of workers. These averages are presented for all covered workers; averages exclude workers without the plan provision.

Data calculations are discussed in more detail in the appendixes.

**Table 1. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Paid time off:				
Holidays .....	89	89	91	88
Vacations .....	95	96	97	94
Personal leave .....	20	23	33	13
Funeral leave .....	81	84	85	76
Jury duty leave .....	87	92	89	83
Military leave .....	47	60	50	38
Family leave .....	2	3	3	1
Unpaid family leave .....	93	95	96	91
Disability benefits <sup>3</sup> :				
Paid sick leave .....	56	73	73	38
Short-term disability .....	55	54	52	58
Long-term disability insurance .....	43	62	52	28
Survivor benefits:				
Life insurance .....	87	94	91	81
Accidental death and dismemberment .....	68	70	70	66
Survivor income benefits .....	5	5	3	6
Health care benefits:				
Medical care .....	76	79	78	74
Dental care .....	59	64	59	56
Vision care .....	26	28	25	24
Outpatient prescription drug coverage .....	73	76	76	70

See footnotes at end of table.

**Table 1. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees, medium and large private establishments, 1997 (In percent) — Continued**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Retirement income benefits:				
All retirement <sup>4</sup> .....	79	89	81	72
Defined benefit .....	50	52	49	50
Defined contribution <sup>5</sup> .....	57	70	63	46
Savings and thrift .....	39	49	45	30
Deferred profit sharing .....	13	15	15	12
Employee stock ownership .....	4	6	6	3
Money purchase pension .....	8	12	6	6
Stock bonus .....	1	1	3	1
Other .....	1	1	( <sup>6</sup> )	1
Cash or deferred arrangements:				
With employer contributions .....	46	56	51	38
Salary reduction .....	44	56	50	34
Savings and thrift .....	38	49	44	29
Deferred profit sharing .....	3	3	5	3
Other .....	2	3	2	2
Deferral of profit sharing allocation .....	3	1	2	5
No employer contributions .....	9	11	8	8

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 2. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees, medium and large private establishments, 1997**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Total number of employees .....	38,409,120	10,659,842	9,168,433	18,580,845
Paid time off:				
Holidays .....	34,157,752	9,489,554	8,376,919	16,291,278
Vacations .....	36,607,392	10,279,350	8,928,262	17,399,781
Personal leave .....	7,815,101	2,413,521	3,025,224	2,376,356
Funeral leave .....	30,932,869	8,970,382	7,819,932	14,142,555
Jury duty leave .....	33,329,622	9,791,186	8,135,270	15,403,166
Military leave .....	18,155,618	6,435,656	4,594,250	7,125,712
Family leave .....	734,936	320,538	271,212	143,186
Unpaid family leave .....	35,770,774	10,079,053	8,819,563	16,872,158
Disability benefits <sup>3</sup> :				
Paid sick leave .....	21,437,761	7,773,925	6,680,840	6,982,996
Short-term disability .....	21,264,541	5,786,725	4,753,018	10,724,799
Long-term disability insurance .....	16,625,435	6,644,191	4,728,568	5,252,676
Survivor benefits:				
Life insurance .....	33,494,567	10,034,514	8,326,703	15,133,349
Accidental death and dismemberment .....	26,036,523	7,418,536	6,415,033	12,202,954
Survivor income benefits .....	1,980,391	538,286	257,470	1,184,635
Health care benefits:				
Medical care .....	29,340,291	8,454,905	7,180,232	13,705,155
Dental care .....	22,588,199	6,776,144	5,438,011	10,374,044
Vision care .....	9,824,966	3,010,838	2,267,786	4,546,342
Outpatient prescription drug coverage .....	28,028,686	8,109,687	6,992,182	12,926,817

See footnotes at end of table.

**Table 2. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees, medium and large private establishments, 1997 — Continued**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Retirement income benefits:				
All retirement <sup>4</sup> .....	30,297,375	9,482,594	7,446,824	13,367,956
Defined benefit .....	19,202,331	5,497,836	4,504,026	9,200,470
Defined contribution <sup>5</sup> .....	21,722,430	7,464,248	5,734,345	8,523,836
Savings and thrift .....	14,882,299	5,262,404	4,113,247	5,506,648
Deferred profit sharing .....	5,084,445	1,562,409	1,350,731	2,171,304
Employee stock ownership .....	1,721,781	663,905	512,925	544,951
Money purchase pension .....	2,891,738	1,304,867	558,587	1,028,284
Stock bonus .....	542,826	79,694	286,378	176,754
Other .....	206,957	75,395	7,244	124,318
Cash or deferred arrangements:				
With employer contributions .....	17,748,225	5,997,990	4,662,254	7,087,980
Salary reduction .....	16,756,141	5,927,415	4,573,348	6,255,378
Savings and thrift .....	14,577,381	5,199,329	3,990,339	5,387,713
Deferred profit sharing .....	1,313,810	370,068	444,629	499,114
Other .....	864,950	358,018	138,380	368,552
Deferral of profit sharing allocation .....	1,186,634	116,675	169,496	900,463
No employer contributions .....	3,476,891	1,225,123	770,542	1,481,226

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 3. Other benefits: Eligibility for specified benefits, full-time employees, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Income continuation plans:				
Severance pay .....	36	48	43	26
Supplemental unemployment benefits .....	5	2	2	7
Family benefits:				
Employer assistance for child care .....	10	14	10	7
Employer provided funds ..	6	8	6	5
On-site child care .....	3	6	4	2
Off-site child care .....	1	2	2	1
Adoption assistance .....	10	16	12	6
Long-term care insurance .....	7	10	11	4
Flexible workplace .....	2	5	3	( <sup>1</sup> )
Health promotion programs:				
Wellness programs .....	36	44	36	32
Employee assistance programs .....	61	75	63	52
Fitness center .....	21	31	19	16
Miscellaneous benefits:				
Job-related travel accident insurance .....	42	56	46	32
Nonproduction bonuses .....	42	43	43	40
Subsidized commuting .....	6	10	7	3
Education assistance:				
Job-related .....	67	81	68	58
Not job-related .....	20	25	18	18
Section 125 cafeteria benefits <sup>2</sup> :	52	70	62	36
Flexible benefit plans .....	13	20	15	7
Reimbursement plans .....	32	45	37	21
Premium conversion plans ...	7	5	11	7

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 4. Other benefits: Eligibility for specified benefits, full-time employees, medium and large private establishments, 1997**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Total number of employees	38,409,120	10,659,842	9,168,433	18,580,845
Income continuation plans:				
Severance pay .....	13,986,651	5,132,468	3,980,673	4,873,510
Supplemental unemployment benefits .....	1,728,675	220,268	147,363	1,361,043
Family benefits:				
Employer assistance for child care .....	3,668,841	1,444,649	943,028	1,281,164
Employer provided funds ..	2,281,671	853,937	574,301	853,433
On-site child care .....	1,288,855	594,521	381,070	313,263
Off-site child care .....	518,481	228,381	178,518	111,582
Adoption assistance .....	3,989,972	1,667,505	1,137,646	1,184,822
Long-term care insurance .....	2,875,465	1,095,118	1,015,981	764,366
Flexible workplace .....	837,178	506,795	237,850	92,533
Health promotion programs:				
Wellness programs .....	13,973,160	4,652,363	3,346,315	5,974,482
Employee assistance programs .....	23,331,835	7,978,011	5,755,125	9,598,699
Fitness center .....	7,926,712	3,275,763	1,762,339	2,888,611
Miscellaneous benefits:				
Job-related travel accident insurance .....	16,149,337	5,951,804	4,196,681	6,000,851
Nonproduction bonuses .....	15,949,284	4,554,277	3,922,187	7,472,819
Subsidized commuting .....	2,296,335	1,111,112	654,010	531,214
Education assistance:				
Job-related .....	25,663,667	8,653,038	6,247,653	10,762,976
Not job-related .....	7,788,806	2,703,010	1,694,646	3,391,150
Section 125 cafeteria benefits <sup>1</sup> :	19,915,360	7,493,138	5,728,282	6,693,940
Flexible benefit plans .....	4,855,772	2,120,532	1,385,956	1,349,283
Reimbursement plans .....	12,185,500	4,835,339	3,355,405	3,994,757
Premium conversion plans ...	2,874,089	537,267	986,922	1,349,900

<sup>1</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 5. Plan administration: Type of plan sponsor for selected employee benefit programs, full-time employees, medium and large private establishments, 1997 (In percent)**

Plan sponsor	Medical care	Life insurance	Funded short-term disability <sup>1</sup>	Long-term disability insurance	Defined benefit pension	Savings and thrift
<b>All participants</b>						
Total <sup>2</sup> .....	100	100	100	100	100	100
Single employer .....	95	97	75	94	89	99
Multiemployer <sup>3</sup> .....	5	3	7	1	9	( <sup>4</sup> )
Mandated benefits <sup>5</sup> .....	-	( <sup>4</sup> )	18	-	1	-
Employer association <sup>6</sup> .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	1
Not determinable .....	-	-	-	5	-	-
<b>Professional, technical, and related</b>						
Total <sup>2</sup> .....	100	100	100	100	100	100
Single employer .....	98	99	74	93	96	99
Multiemployer <sup>3</sup> .....	2	1	3	( <sup>4</sup> )	3	( <sup>4</sup> )
Mandated benefits <sup>5</sup> .....	-	( <sup>4</sup> )	23	-	1	-
Employer association <sup>6</sup> .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	1
Not determinable .....	-	-	-	7	-	-
<b>Clerical and sales</b>						
Total <sup>2</sup> .....	100	100	100	100	100	100
Single employer .....	97	98	76	96	95	99
Multiemployer <sup>3</sup> .....	2	2	3	1	5	( <sup>4</sup> )
Mandated benefits <sup>5</sup> .....	-	( <sup>4</sup> )	21	-	( <sup>4</sup> )	-
Employer association <sup>6</sup> .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	-	( <sup>4</sup> )
Not determinable .....	-	-	-	3	-	-
<b>Blue-collar and service</b>						
Total <sup>2</sup> .....	100	100	100	100	100	100
Single employer .....	92	94	75	94	83	99
Multiemployer <sup>3</sup> .....	8	6	11	1	16	( <sup>4</sup> )
Mandated benefits <sup>5</sup> .....	-	-	14	-	1	-
Employer association <sup>6</sup> .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Not determinable .....	-	-	-	5	-	-

<sup>1</sup> Includes participants in funded short-term disability plans only. See chapter 3 for further discussion of funded and unfunded short-term disability plans.

<sup>2</sup> Totals may include participants in plans for which the sponsor was not determinable.

<sup>3</sup> Individual employers in the same or in a related industry contributing a negotiated amount to a trust fund providing benefits for employees covered under a collective bargaining agreement.

<sup>4</sup> Less than 0.5 percent.

<sup>5</sup> The majority of the participants with mandated short-term disability benefits were covered by State temporary disability insurance plans. The remaining employees were covered by the Railroad Unemployment Insurance Act. Mandated defined benefit pension plan participants were covered by Railroad Retirement Tier 2.

<sup>6</sup> Band of small employers in a common trade or business, for example, savings and loan associations. The plan sponsored by the association is not negotiated with the employees.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 6. Medical care benefits: Percent of full-time employees participating in employer-sponsored medical benefits by type of medical plan and requirement for employee contributions, medium and large private establishments, 1991, 1993, 1995, and 1997**

Type of plan and contribution requirement	1991	1993	1995	1997
<b>Type of plan</b>				
Total .....	100	100	100	100
Traditional fee-for-service plans <sup>1</sup> .....	67	50	37	27
Preferred provider organizations <sup>2</sup> .....	16	26	34	40
Health maintenance organizations <sup>3</sup> .....	17	23	27	33
Other <sup>4</sup> .....	( <sup>5</sup> )	1	1	1
<b>Requirement to contribute for single coverage</b>				
Total .....	100	100	100	100
Employee contribution not required .....	49	37	33	31
Employee contribution required .....	51	61	67	69
Not determinable .....	( <sup>5</sup> )	2	-	-
<b>Requirement to contribute for family coverage</b>				
Total .....	100	100	100	100
Employee contribution not required .....	31	21	22	20
Employee contribution required .....	69	76	78	80
Not determinable .....	( <sup>5</sup> )	3	-	( <sup>5</sup> )

<sup>1</sup> These plans pay for specific medical procedures as expenses are incurred.

<sup>2</sup> Groups of hospitals and physicians that contract to provide comprehensive medical services at prearranged prices. To encourage use of organization members, the health plan limits reimbursement rates when participants use nonmember services.

<sup>3</sup> Includes Federally qualified and other HMOs that deliver comprehensive health care on a prepayment rather than fee-for-service basis.

<sup>4</sup> Includes exclusive provider organizations, which are groups of hospitals and physicians that contract to provide comprehensive medical services. Participants are required to obtain services from members of the organization in order to receive plan benefits.

<sup>5</sup> Less than .5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no data were reported.

**Table 7. Medical care benefits: Percent of full-time employees participating in employer-sponsored medical benefits by availability of selected features, medium and large private establishments, 1991, 1993, 1995, and 1997**

Preventive care feature	1991	1993	1995	1997
Physical exams .....	30	42	56	63
Hearing care .....	24	31	33	35
Well-baby care .....	36	48	60	66
Immunizations .....	30	37	47	52

**Table 8. Medical care benefits: Average monthly employee contributions for single and family medical coverage, by type of plan,<sup>1</sup> full-time employees in medium and large private establishments, 1991, 1993, 1995, and 1997**

Type of plan	All employees	Professional, technical, and related employees <sup>2</sup>	Clerical and sales employees <sup>3</sup>	Blue-collar and service employees <sup>4</sup>
<b>1991</b>				
<b>Individual coverage</b>				
All plans .....	\$26.60	\$26.35	\$28.00	\$25.82
Non-HMO plans .....	25.84	25.65	26.98	25.21
HMO plans .....	29.23	28.58	31.58	28.07
<b>Family coverage</b>				
All plans .....	96.97	96.43	107.86	90.78
Non-HMO plans .....	91.52	92.66	103.99	83.67
HMO plans .....	118.19	110.08	121.40	121.97
<b>1993</b>				
<b>Individual coverage</b>				
All plans .....	31.55	31.87	33.84	29.90
Non-HMO plans .....	31.48	31.99	33.90	29.74
HMO plans .....	31.77	31.60	33.67	30.46
<b>Family coverage</b>				
All plans .....	107.42	113.95	115.42	98.72
Non-HMO plans .....	102.48	112.58	112.08	91.70
HMO plans .....	121.84	116.94	124.98	124.14
<b>1995</b>				
<b>Individual coverage</b>				
All plans .....	33.92	34.84	35.59	32.22
Non-HMO plans .....	32.91	33.19	33.71	32.32
HMO plans .....	36.18	37.89	38.90	31.88
<b>Family coverage</b>				
All plans .....	118.33	120.42	127.42	111.56
Non-HMO plans .....	112.18	116.21	119.84	105.96
HMO plans .....	132.66	128.28	141.12	129.85
<b>1997</b>				
<b>Individual coverage</b>				
All plans .....	39.14	37.19	39.38	40.43
Non-HMO plans .....	41.69	40.25	40.80	43.10
HMO plans .....	34.28	32.98	36.37	34.23
<b>Family coverage</b>				
All plans .....	130.07	124.62	135.27	130.85
Non-HMO plans .....	132.37	127.76	134.01	134.22
HMO plans .....	125.79	120.16	137.87	123.61

<sup>1</sup> Non-HMO plans include traditional fee-for-service plans, preferred provider plans, and exclusive provider organization plans.

<sup>2</sup> Includes professional, technical, executive, and administrative occupations.

<sup>3</sup> Includes clerical, administrative support, and sales

occupations.

<sup>4</sup> Includes production, craft, repair, laborer, and service occupations.

NOTE: Average contributions are for plans stating a flat monthly cost.

**Table 9. Non-health maintenance organizations: Average major medical provisions, full-time employees in medium and large private establishments, 1995 and 1997**

Average limit	All employees	Professional, technical, and related employees <sup>1</sup>	Clerical and sales employees <sup>2</sup>	Blue-collar and service employees <sup>3</sup>
<b>1995</b>				
Annual individual deductible <sup>4</sup> .....	\$247	\$264	\$273	\$229
Annual out-of-pocket expense maximum <sup>5</sup>				
Individual .....	\$1,358	\$1,419	\$1,354	\$1,328
Family .....	\$2,858	\$2,894	\$2,948	\$2,801
Lifetime maximum <sup>6</sup> (\$ in millions) .....	\$1.0	\$1.2	\$1.0	\$0.9
<b>1997</b>				
Annual individual deductible <sup>4</sup> .....	\$268	\$310	\$298	\$237
Annual out-of-pocket expense maximum <sup>5</sup>				
Individual .....	\$1,578	\$1,565	\$1,924	\$1,432
Family .....	\$3,101	\$3,375	\$3,392	\$2,820
Lifetime maximum <sup>6</sup> (\$ in millions) .....	\$1.1	\$1.2	\$1.2	\$1.0

<sup>1</sup> Includes professional, technical, executive, and administrative occupations.

<sup>2</sup> Includes clerical, administrative support, and sales occupations.

<sup>3</sup> Includes production, craft, repair, laborer, and service occupations.

<sup>4</sup> Amount of covered expenses that an individual must pay before any expenses are paid by the plan. Further deductibles for specific medical services are excluded.

<sup>5</sup> Amount of covered expenses that an individual or

family must pay, exclusive of deductibles, before the plan pays 100 percent of additional expenses. Expenses for certain medical services, such as mental health care, may not be subject to this limit.

<sup>6</sup> Total amount of covered expenses the plan will pay for each individual. When the amount varied for employees and dependants, the employee amount was used.

NOTE: Average limits are calculated only for participants in plans that specify the limit(s).

**Table 10. Retirement plans: Percent of full-time employees participating in retirement plans and tax deferred retirement plans, medium and large private establishments, 1991, 1993, 1995, and 1997 (in percent)**

	1991	1993	1995	1997
All retirement <sup>1</sup> .....	78	78	80	79
Defined benefit .....	59	56	52	50
Defined contribution .....	48	49	55	57
Cash or deferred arrangements				
401(k) plans .....	44	43	54	55

<sup>1</sup> Includes defined benefit and defined contribution plans. Some employees participate in both types, but are counted just once in all retirement.

## Chapter 2.

# Work Schedules, Paid Time off, and Family Leave

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**T**ime off with pay is available to employees in several different forms—from a few days of personal leave to several weeks for vacations. The Employee Benefits Survey covers the following paid time-off benefits: Holidays and vacations; and personal, funeral, jury-duty, and military leave. Paid and unpaid family leave are also surveyed. (Information on paid sick leave is discussed under disability benefits in chapter 3.) Definitions of major plan types, key provisions, and related terms follow.

### Work schedules

Work schedules determine the starting and stopping time of work for individuals or groups of employees. Most full-time employees are scheduled to work five 8-hour days a week. Common plan types follow.

**Fixed work schedule.** Under these schedules, the start and end times for employees do not vary by day, and days worked do not vary by week.

**Flexible work schedule.** Employees on flexible work schedules have the opportunity to begin and end work within a range of hours. Limits on the amount of flexibility vary from plan to plan, but generally employees have to be at work during midday core hours.

**Rotating work schedule.** Start and end times for employees on rotating schedules do not vary day by day, but days worked do vary by week. For example, firefighters might work for 24 hours and be off for 48 hours.

**Non-fixed work schedule.** Under these schedules, employees' hours of work vary from day to day. Examples of occupations that normally have non-fixed work schedules include over-the-road truckdrivers and medical doctors.

### Paid holidays

Holidays are days of special religious, cultural, or patriotic significance on which work and business ordinarily ceases. Workers usually receive time-off from work, at full or partial pay, for a specified number of holidays each year. Some employers also include "personal holidays," such as an employee's Birthday or "floating holidays" that vary from year-to-year as determined by the employer or employee. When a holiday falls on a scheduled day off, such as a Satur-

day or Sunday, another day off is often substituted. The following are common paid holidays:

- New Years Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

### Paid vacations

Vacations are time-off from work, normally taken in days or weeks. Vacation benefits usually start after a length-of-service requirement is fulfilled. The amount of time-off may vary based on an employee's service with the employer or it may be a fixed number of days per year. The time-off is usually paid at an employee's normal hourly rate or salary. Common vacation provisions follow.

**Carryover.** Vacation plans with carryover provisions allow employees to move a certain number of unused vacation days into the next leave year. Any unused vacation days above the carryover limit are lost.

**Cash-in.** Cash-in provisions allow employees covered by such plans to receive their normal daily earnings or some other amount for each unused vacation day up to a certain number of vacation days per year. Like carryover provisions, any unused vacation days above the cash-in limit are lost.

### Paid personal leave

Personal leave allows an employee to be paid while absent from work for a variety of reasons not covered by other specific leave plans. Employees granted personal leave are usually eligible for 1 to 5 days per year and a few employees are provided as much personal leave as needed.

### Paid funeral leave

Funeral leave provides time off from work due to a death in the family. Eligible employees usually receive a set number of days per occurrence. However, some plans vary the number of days off depending upon the employee's relationship to the deceased. For example, a plan may provide 3 days off for the death of a spouse, parent, or child, but only 1 day off for the death of other relatives. For employees who do not have a formal funeral leave plan, some employers may pro-

vide an informal benefit or allow employees to use other types of paid leave such as paid sick leave days to attend a funeral.

### **Paid jury duty leave**

Jury duty leave provides time away from work when an employee is summoned to serve as a juror. Paid time off for jury duty is usually provided “as needed;” employer payments commonly make up the difference between the employer’s regular pay and the court’s jury allowance.

### **Paid military leave**

Military leave provides time away from work so employees can fulfill military commitments. Pay for military leave is either regular pay or the difference between employees’ regular earnings and the amount they receive from the military.

### **Family leave**

Family leave includes a variety of family-related paid or unpaid leave for maternity, adoption, care of a newborn child,

and family illness. Also included is short-term leave, generally paid time-off from work for reasons such as a child’s medical appointments or parent-teacher conferences. Paid family leave benefits are rare.

The *Family and Medical Leave Act of 1993* (FMLA) is a Federal law entitling employees up to 12 weeks of job-protected, unpaid leave during any 12-months. Such leave may be for the birth and care of the employee’s child or placement for adoption or foster care of a child with the employee, care for an immediate family member, or the employee’s own serious health condition. The FMLA applies to private sector employers engaged in commerce who have 50 or more employees each working at least 20 calendar weeks or more in the current or preceding calendar year. State and local governments, including schools and most Federal Government employees, are also covered.

**Table 11. Work schedule: Percent of full-time employees by hours scheduled per week and per day,<sup>1</sup> medium and large private establishments, 1997**

Work schedule	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with work schedule .....	38,409	10,660	9,168	18,581
	Percent			
Total .....	100	100	100	100
Hours per week:				
Under 30 .....	1	2	( <sup>2</sup> )	2
30 .....	1	( <sup>2</sup> )	( <sup>2</sup> )	1
Over 30 and under 35 ...	1	( <sup>2</sup> )	1	( <sup>2</sup> )
35 .....	4	4	5	3
Over 35 and under 37.5	1	1	1	( <sup>2</sup> )
37.5 .....	5	7	8	3
Over 37.5 and under 40	2	2	3	1
40 .....	83	80	79	86
Over 40 .....	3	4	2	3
Hours per day:				
Under 7 .....	2	2	1	3
7 .....	4	4	5	3
Over 7 and under 8 .....	7	9	12	4
8 .....	82	80	80	85
Over 8 and under 9 .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
9 .....	1	1	( <sup>2</sup> )	1
Over 9 and under 10 .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
10 .....	1	1	1	1
Over 10 .....	2	2	( <sup>2</sup> )	3

<sup>1</sup> Work schedule data includes paid lunch and paid rest periods.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 12. Work schedule: Percent of full-time employees by type of work schedule, medium and large private establishments, 1997**

Work schedule	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Participants (in thousands)	38,409	10,660	9,168	18,581
	Percent			
Total .....	100	100	100	100
With fixed work schedule .....	95	94	97	95
With flexible work schedule ..	1	3	1	( <sup>1</sup> )
With rotating work schedule	1	1	( <sup>1</sup> )	2
With non-fixed work schedule	1	2	1	2
Other .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Data not available .....	1	1	1	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 13. Paid holidays and vacations: Average number of days for full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Paid holidays .....	9.3	9.6	8.8	9.4
Paid vacation by minimum length of service requirement: <sup>1</sup>				
At 1 year <sup>2</sup> .....	9.6	12.4	9.9	7.9
At 3 years .....	11.5	13.3	11.4	10.5
At 5 years .....	13.8	16.0	14.2	12.4
At 10 years .....	16.9	18.9	17.0	15.6
At 15 years .....	18.8	20.7	19.4	17.4
At 20 years .....	20.3	21.9	20.5	19.2
At 25 years .....	21.5	23.1	21.7	20.3
At 30 years <sup>3</sup> .....	21.7	23.4	22.0	20.6

<sup>1</sup> Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>2</sup> Employees receiving vacation days, but none at 1 year of service, were included only for the service periods for which they receive vacations.

<sup>3</sup> The average (mean) was essentially the same for longer lengths of service.

NOTE: Computation of average included partial days and excluded workers with zero holidays or vacation days. Methods used to calculate the average number of paid holidays have been revised, to count partial holidays more precisely. The average holidays in this table are comparable to those reported in the 1995 survey of medium and large private establishments, but are not comparable to those reported in 1991 and 1993.

**Table 14. Paid holidays: Percent of full-time employees by number of paid holidays provided each year, medium and large private establishments, 1997**

Number of days	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid holidays .....	34,158	9,490	8,377	16,291
	Percent			
Total with paid holidays .....	100	100	100	100
Less than 6 days .....	4	2	3	7
6 days .....	13	8	19	14
6.1-6.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
7 days .....	8	7	8	8
7.1-7.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	1	( <sup>1</sup> )
8 days .....	12	13	12	10
8.1-8.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
9 days .....	11	12	12	11
9.1-9.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
10 days .....	21	25	24	18
10.1-10.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	1	-
11 days .....	13	14	11	14
11.1-11.9 days .....	( <sup>1</sup> )	1	( <sup>1</sup> )	( <sup>1</sup> )
12 days .....	7	9	5	7
12.1-12.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
13 days .....	2	3	1	3
13.1-13.9 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
14 days .....	1	( <sup>1</sup> )	( <sup>1</sup> )	1
More than 14 days .....	4	3	1	6
Number of days not available	( <sup>1</sup> )	( <sup>1</sup> )	1	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 15. Paid vacations: Percent of full-time employees by number of paid vacation days provided for selected periods of service, medium and large private establishments, 1997**

Vacation policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid vacations .....	36,607	10,279	8,928	17,400
	Percent			
Total with paid vacations <sup>1</sup> .....	100	100	100	100
Vacation days by minimum length-of-service requirement <sup>2</sup>				
After 1 year of service:				
Under 5 days .....	1	( <sup>3</sup> )	1	2
5 days .....	31	8	24	49
Over 5 and under 10 days .....	3	2	2	5
10 days .....	45	54	57	34
Over 10 and under 15 days .....	4	6	4	3
15 days .....	4	10	3	2
Over 15 and under 20 days .....	2	4	1	1
20 days .....	2	4	1	1
Over 20 days .....	5	9	5	3
After 3 years of service:				
Under 5 days .....	( <sup>3</sup> )	-	( <sup>3</sup> )	( <sup>3</sup> )
5 days .....	5	2	3	9
Over 5 and under 10 days .....	3	2	1	5
10 days .....	65	53	73	67
Over 10 and under 15 days .....	7	7	5	9
15 days .....	8	14	7	4
Over 15 and under 20 days .....	2	4	1	1
20 days .....	2	6	2	1
Over 20 days .....	5	10	5	3
After 5 years of service:				
Under 5 days .....	( <sup>3</sup> )	-	-	( <sup>3</sup> )
5 days .....	2	1	1	3
Over 5 and under 10 days .....	2	1	1	3
10 days .....	36	21	32	48
Over 10 and under 15 days .....	6	6	4	7
15 days .....	37	41	48	29
Over 15 and under 20 days .....	3	6	2	2
20 days .....	5	10	4	2
Over 20 days .....	7	13	7	4
After 10 years of service:				
Under 5 days .....	( <sup>3</sup> )	-	-	( <sup>3</sup> )
5 days .....	2	1	1	3

See footnotes at end of table.

**Table 15. Paid vacations: Percent of full-time employees by number of paid vacation days provided for selected periods of service, medium and large private establishments, 1997 — Continued**

Vacation policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>After 10 years of service:</b>				
Over 5 and under 10 days	1	( <sup>3</sup> )	( <sup>3</sup> )	2
10 days	7	4	5	11
Over 10 and under 15 days	3	1	2	4
15 days	48	37	55	50
Over 15 and under 20 days	6	4	4	9
20 days	21	31	22	15
Over 20 and under 25 days	4	9	3	1
25 days	1	2	1	( <sup>3</sup> )
Over 25 days	6	10	5	4
<b>After 15 years of service:</b>				
5 days	2	1	1	3
Over 5 and under 10 days	1	( <sup>3</sup> )	( <sup>3</sup> )	1
10 days	6	2	4	9
Over 10 and under 15 days	2	1	1	3
15 days	21	14	19	26
Over 15 and under 20 days	4	3	2	4
20 days	50	52	60	44
Over 20 and under 25 days	4	8	3	2
25 days	3	4	2	2
Over 25 and under 30 days	2	4	2	1
30 days	1	2	1	( <sup>3</sup> )
Over 30 days	4	7	3	2
<b>After 20 years of service:</b>				
5 days	2	1	1	3
Over 5 and under 10 days	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1
10 days	6	2	4	9
Over 10 and under 15 days	1	1	( <sup>3</sup> )	2
15 days	11	8	12	12
Over 15 and under 20 days	2	1	2	2
20 days	48	49	57	44
Over 20 and under 25 days	4	8	3	3
25 days	15	15	13	17
Over 25 and under 30 days	3	6	3	2
30 days	1	2	1	1
Over 30 days	4	7	4	3

**Table 15. Paid vacations: Percent of full-time employees by number of paid vacation days provided for selected periods of service, medium and large private establishments, 1997 — Continued**

Vacation policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>After 25 years of service:</b>				
5 days	2	1	1	3
Over 5 and under 10 days	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1
10 days	6	2	4	9
Over 10 and under 15 days	1	1	( <sup>3</sup> )	2
15 days	10	7	11	11
Over 15 and under 20 days	1	1	1	1
20 days	33	34	37	31
Over 20 and under 25 days	4	7	2	3
25 days	29	30	32	26
Over 25 and under 30 days	2	3	2	1
30 days	5	4	3	6
Over 30 days	5	9	4	3
<b>After 30 years of service<sup>4</sup></b>				
5 days	2	1	1	3
Over 5 and under 10 days	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1
10 days	6	2	4	9
Over 10 and under 15 days	1	1	( <sup>3</sup> )	2
15 days	10	7	11	11
Over 15 and under 20 days	1	1	1	1
20 days	33	33	36	31
Over 20 and under 25 days	4	7	2	2
25 days	26	26	30	24
Over 25 and under 30 days	2	3	2	2
30 days	7	8	6	7
Over 30 days	6	10	5	4
Vacation policy not available	1	1	1	1

<sup>1</sup> Employees receiving no paid vacations in their early years of service are included in the overall percentage of workers provided paid vacations; however, they are disregarded in computing the distributions by length-of-service up to the service period at which they become eligible for vacations.

<sup>2</sup> Employees either are granted a specific number of days after completion of the indicated length-of-service, or accrue days during the next 12 month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Provisions were virtually the same after longer years of service.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

See footnotes at end of table.

**Table 16. Paid vacations: Percent of full-time employees by method of payment for vacation plans, medium and large private establishments, 1997**

Type of plan	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid vacation .....	36,607	10,279	8,928	17,400
	Percent			
Total .....	100	100	100	100
Regular salaries or earnings .....	96	98	98	93
Percent of annual earnings plans .....	3	( <sup>1</sup> )	( <sup>1</sup> )	5
Other .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	1
Data not available .....	1	1	1	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 17. Paid vacations: Percent of full-time employees by length of service required to take vacation, medium and large private establishments, 1997**

Length-of-service requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid vacations .....	36,607	10,279	8,928	17,400
	Percent			
Total with paid vacations .....	100	100	100	100
With service requirement .....	87	78	88	91
1 month .....	9	16	9	6
2 months .....	1	2	1	1
3 months .....	8	8	9	8
4-5 months .....	( <sup>1</sup> )	( <sup>1</sup> )	1	( <sup>1</sup> )
6 months .....	25	29	30	20
7-11 months .....	1	1	1	1
1 year .....	42	23	37	55
Over 1 year .....	( <sup>1</sup> )	-	( <sup>1</sup> )	( <sup>1</sup> )
Without service requirement	12	21	11	8
Service requirement not determinable .....	1	1	1	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 18. Paid vacations: Percent of full-time employees by unused vacation policy, medium and large private establishments, 1997**

Type of plan	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid vacations .....	36,607	10,279	8,928	17,400
	Percent			
Total with paid vacations .....	100	100	100	100
Carryover only .....	23	36	27	14
Cash-in only .....	13	6	8	19
Carryover and cash-in .....	10	18	9	7
Unused benefit lost .....	49	38	52	55
Data not available .....	5	3	5	5

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 19. Paid vacations: Average number of days for full-time employees by carryover and cash-in provisions, medium and large private establishments, 1997**

Paid vacation by minimum length of service requirement <sup>1</sup>	All plans	Carryover, cash-in, or both	Carryover only	Cash-in only	Carryover and cash-in	No carryover or cash-in
<b>All employees</b>						
After 1 year <sup>2</sup> .....	9.6	11.1	11.3	7.5	15.0	8.4
After 3 years .....	11.5	12.6	12.4	10.3	15.9	10.6
After 5 years .....	13.8	15.2	15.1	12.1	19.0	12.6
After 10 years .....	16.9	18.3	18.0	15.6	22.3	15.6
After 15 years .....	18.8	20.3	20.0	17.8	23.9	17.6
After 20 years .....	20.3	21.8	21.4	19.6	25.1	19.0
After 25 years .....	21.5	22.9	22.7	20.7	25.9	20.2
After 30 years <sup>3</sup> .....	21.7	23.2	23.1	20.9	26.3	20.4

<sup>1</sup> Employees either are granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12 month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>2</sup> Employees receiving vacation days, but none at 1 year of service, were included only for the service periods for which they receive vacations.

<sup>3</sup> The average (mean) was essentially the same for longer lengths of service.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 20. Paid personal leave: Percent of full-time employees by number of paid personal leave days available per year, medium and large private establishments, 1997**

Number of days	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid personal leave .....	7,815	2,414	3,025	2,376
	Percent			
Total with paid personal leave ..	100	100	100	100
1 day .....	14	15	10	17
2 days .....	31	27	40	24
3 days .....	17	18	13	22
4 days .....	13	12	16	10
5 days .....	11	13	9	11
More than 5 days .....	8	8	7	8
No maximum specified <sup>1</sup> .....	5	7	4	5
Number of days not available	1	1	1	2
	Average			
Average days per year .....	3.5	3.5	3.3	3.6

<sup>1</sup> Personal leave provided as needed.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 21. Paid funeral leave: Percent of full-time employees by number of paid funeral leave days available per occurrence, medium and large private establishments, 1997**

Number of days	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid funeral leave .....	30,933	8,970	7,820	14,143
	Percent			
Total with paid funeral leave	100	100	100	100
1 day .....	1	1	1	2
2 days .....	3	1	1	5
3 days .....	71	69	68	74
4 days .....	4	4	5	3
5 days .....	15	20	15	12
More than 5 days .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
No maximum specified <sup>2</sup> .....	5	5	8	3
Number of days not available .....	1	1	1	2
Number of days varies by relationship to deceased <sup>3</sup> .....	31	33	30	30
	Average			
Average days per occurrence ..	3.7	3.9	3.6	3.7

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Varies by length of service

<sup>3</sup> Personal leave provided as needed.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 22. Paid jury-duty leave: Percent of full-time employees by number of paid jury-duty leave days available per occurrence, medium and large private establishments, 1997**

Number of days	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid jury-duty leave .....	33,330	9,791	8,135	15,403
	Percent			
Total .....	100	100	100	100
Under 10 days .....	4	4	2	5
10 days .....	7	5	7	8
Over 10 .....	6	6	4	7
No maximum specified <sup>1</sup> .....	83	85	86	80
Number of days not available	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> Jury-duty leave is provided as needed.  
<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 23. Paid military leave: Percent of full-time employees by number of paid military leave days available per occurrence, medium and large private establishments, 1997**

Number of days	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid military leave .....	18,156	6,436	4,594	7,126
	Percent			
Total .....	100	100	100	100
Under 10 days .....	2	3	3	1
10 days .....	52	53	57	49
Over 10 days .....	23	24	17	27
No maximum specified <sup>1</sup> .....	22	19	23	23
Number of days not available	1	1	( <sup>2</sup> )	1
	Average			
Average days per year .....	15.3	17.2	14.5	14.1

<sup>1</sup> Military leave is provided as needed.  
<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 24. Unpaid family leave<sup>1</sup>: Percent of full-time employees by duration of benefits, medium and large private establishments, 1997**

Duration	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with unpaid family leave .....	35,771	10,079	8,820	16,872
	Percent			
Total with unpaid family leave ..	100	100	100	100
Under 12 weeks .....	1	1	1	1
12 weeks .....	89	88	87	91
Over 12 weeks .....	10	12	12	8
	Average			
Average weeks .....	14.00	14.77	14.29	13.38

<sup>1</sup> The maximum number of weeks available was included in the distribution of unpaid family leave weeks.

NOTE: Because of rounding, sums of individual items may not equal totals.

## Chapter 3.

# Disability Benefits

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Protection against loss of income due to a non-occupational illness or injury is available to many workers. EBS collects data on three types of disability benefits: Paid sick leave, short-term disability (STD), and long-term disability (LTD). Definitions of major plan types, key provisions, and related terms follow.

### **Paid sick leave**

Sick leave benefits provide paid time-off while an employee temporarily cannot work due to a nonwork-related illness or injury. Common plan types and provisions follow.

**Annual plans.** These plans specify a fixed number of sick days allowable per year. Annual plans usually provide uniform benefits for all employees; however, benefits may increase with seniority, such as 12 days after 1 year of service, 18 days after 5 years, and 21 days after 10 years.

**“As needed” plans.** These plans do not specify a maximum number of days per year.

**Carryover provisions.** Sick leave plans with a carryover provision allow employees to accumulate unused sick leave from year to year. Most cumulative plans have a limit on the number of days that can be carried over to the following year.

**Cash-in provisions.** Sick leave plans with a cash-in provision allow employees to turn in unused sick days for compensation, such as 1 day’s pay for each unused sick leave day.

### **Short-term disability**

Short term disability (STD) benefits provide for salary replacement, most often partial, for a 6- to 12-month period.<sup>3</sup> Benefits are either paid as a percentage of employee earnings, such as 50 percent of pre-disability earnings, or a flat dollar amount. STD benefits can vary by the amount of pre-disability earnings, length of service with the establishment, or length of disability. Common plan types and provisions follow.

**Funded plans.** These plans are insured through a commercial insurance company with the employer paying all or a portion of the premiums.

**Self-insured plans.** Under these plans, the employer assumes

the role of an insurance company and is responsible for paying all benefit claims by using money set aside for that purpose. Self-insured plans are often administered through an Administrative Services Only (ASO) contract with an insurance company or other third party.

**Unfunded plans.** When employers pay expenses out of current operating revenue and do not set money aside, as with a self-insured plan, the plan is “unfunded.” Such plans were reported as sick leave prior to the 1995 Employee Benefits Survey.<sup>4</sup>

**State temporary disability plans.** Workers in New York and New Jersey are covered by mandatory temporary disability plans that are at least partially employer financed. Both of these State plans pay benefits based on a proportion of the workers’ earnings for up to 26 weeks, with a limit on the weekly benefit. Hawaii requires that employers provide a minimum level of temporary disability income protection for up to 26 weeks.

**Waiting period provisions.** Unlike sick leave, short-term disability plans usually require a waiting period, for example 7 days, before benefits are payable. Waiting periods may be shortened or eliminated if a participant is disabled due to an injury or is hospitalized. The waiting period is effectively eliminated when short-term disability benefits are coordinated with sick leave, because short-term disability benefits usually begin once sick leave benefits end.

### **Long-term disability**

Long-term disability (LTD) benefits provide a monthly cash amount to eligible employees who, due to nonwork-related illness or injury, are unable to work for an extended period of time. Benefits are usually paid as a fixed percent of pre-disability earnings up to a set limit. Most participants have a waiting period of 3 or 6 months, or until sick leave and STD benefits end, before benefit payments begin. LTD payments generally continue until retirement, a specified age, or for a period that varies by the employee’s age at the time of disability.

### — Endnotes —

<sup>3</sup> Some sick leave plans may provide days off at partial pay in addition to those at full pay. All sick leave tables exclude days at partial pay.

<sup>4</sup> For more information on short-term disability benefits prior to the 1995 Employee Benefits Survey, see Hilery Simpson, “Short-term Disability Benefits,” *Compensation and Working Conditions*, summer 1997, pp. 52-56.

**Table 25. Paid sick leave: Percent of full-time employees by type of provision, medium and large private establishments, 1997**

Provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid sick leave .....	21,438	7,774	6,681	6,983
	Percent			
Total with paid sick leave ..	100	100	100	100
Sick leave provision:				
Annual number of days <sup>1</sup> .....	91	87	92	93
As needed <sup>2</sup> .....	6	9	6	4
Other basis <sup>3</sup> .....	3	3	2	3
Policy not available .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> Employees earn or accrue a specified number of sick leave days per year. This number may vary by length of service.

<sup>2</sup> Plan does not specify maximum number of days.

<sup>3</sup> Includes formal plans that change from a specified number of days per year to a specified number of days per absence after a certain service period.

<sup>4</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 26. Paid annual sick leave: Percent of full-time employees by number of days, medium and large private establishments, 1997**

Sick leave policy <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid annual sick leave .....	19,454	6,792	6,147	6,515
	Percent			
Total with paid annual sick leave <sup>2</sup> .....	100	100	100	100
After 1 year of service:				
Total .....	96	98	98	93
Under 5 days .....	7	3	5	13
5 and under 10 days .....	43	33	51	46
10 and under 15 days .....	35	45	32	27
15 and under 30 days .....	8	12	8	5
30 and under 60 days .....	2	2	1	2
60 and under 120 days .....	1	1	( <sup>3</sup> )	( <sup>3</sup> )
120 and under 180 days .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
180 days or more .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
After 3 years of service:				
Total .....	99	100	99	97
Under 5 days .....	8	3	5	15
5 and under 10 days .....	43	32	51	46
10 and under 15 days .....	33	42	30	26
15 and under 30 days .....	7	9	5	5
30 and under 60 days .....	7	9	7	4
60 and under 120 days .....	2	3	1	1
120 and under 180 days .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
180 days or more .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
After 5 years of service:				
Total .....	99	100	99	97
Under 5 days .....	7	3	3	14
5 and under 10 days .....	43	32	52	47
10 and under 15 days .....	33	42	29	26
15 and under 30 days .....	4	4	3	4
30 and under 60 days .....	5	9	4	3
60 and under 120 days .....	6	8	7	3
120 and under 180 days .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
180 days or more .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
After 10 years of service:				
Total .....	99	100	99	97
Under 5 days .....	5	2	3	11
5 and under 10 days .....	44	32	51	49
10 and under 15 days .....	33	42	30	27
15 and under 30 days .....	4	4	3	4
30 and under 60 days .....	4	6	2	3
60 and under 120 days .....	6	10	7	2
120 and under 180 days .....	2	3	2	1
180 days or more .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
After 15 years of service:				
Total .....	99	100	100	97
Under 5 days .....	5	2	3	10
5 and under 10 days .....	44	32	51	50
10 and under 15 days .....	33	42	30	27

See footnotes at end of table.

**Table 26. Paid annual sick leave: Percent of full-time employees by number of days, medium and large private establishments, 1997 — Continued**

Sick leave policy <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>After 15 years of service:</b>				
15 and under 30 days .....	4	4	3	4
30 and under 60 days .....	4	6	2	3
60 and under 120 days .....	6	8	6	2
120 and under 180 days ...	3	5	3	2
180 days or more .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
<b>After 20 years of service:</b>				
Total .....	99	100	100	97
Under 5 days .....	5	2	3	10
5 and under 10 days .....	44	32	51	50
10 and under 15 days .....	33	42	30	27
15 and under 30 days .....	3	4	3	3
30 and under 60 days .....	3	6	1	2
60 and under 120 days .....	4	5	5	3
120 and under 180 days ...	4	7	3	2
180 days or more .....	1	2	2	( <sup>3</sup> )
<b>After 25 years of service<sup>4</sup></b>				
Total .....	99	100	100	97
Under 5 days .....	5	2	3	9
5 and under 10 days .....	44	32	51	50
10 and under 15 days .....	33	42	30	27
15 and under 30 days .....	3	4	3	3
30 and under 60 days .....	3	6	1	2
60 and under 120 days .....	4	4	5	2
120 and under 180 days ...	5	8	4	3
180 days or more .....	1	2	2	( <sup>3</sup> )

<sup>1</sup> Employees receiving partial pay only or no sickleave in their early years of service are included in the overall percentages of workers provided sick leave; however, they are disregarded in computing the distributions by length of service up to the service period at which they become eligible for full sick leave pay.

<sup>2</sup> Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Provisions were virtually the same after longer periods of service.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 27. Paid annual sick leave: Average number of days at full pay for full-time employees, medium and large private establishments, 1997**

Sick leave policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Paid annual sick leave days <sup>1</sup> by minimum length-of-service:				
After 1 year .....	11.2	13.3	10.1	9.9
After 3 years .....	13.0	16.1	12.1	10.4
After 5 years .....	15.2	19.3	14.5	11.5
After 10 years .....	17.6	22.6	17.3	12.6
After 15 years .....	18.8	24.7	18.1	13.2
After 20 years .....	20.5	27.3	20.2	13.6
After 25 years <sup>2</sup> .....	21.1	28.0	20.8	14.1

<sup>1</sup> Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>2</sup> The average (mean) was virtually the same after longer years of service.

NOTE: Computation of average excluded days at partial pay and workers with only partial pay days or zero days of sick leave.

**Table 28. Paid annual sick leave:<sup>1</sup> Percent of full-time employees by unused sick leave policy and carryover provisions, medium and large private establishments, 1997**

Unused sick leave and carryover provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid annual sick leave .....	19,454	6,792	6,147	6,515
	Percent			
Total with paid annual sick leave .....	100	100	100	100
Carryover only .....	44	48	45	41
Cash-in only .....	8	2	7	16
Carryover and cash-in .....	9	7	8	11
Unused benefit lost .....	36	40	39	30
Data not available .....	2	3	1	2
Total with carryover provisions .....	100	100	100	100
Unlimited accumulation .....	21	27	20	16
Limit on total number of days accumulated				
Total .....	79	73	80	84
Under 10 days .....	3	2	3	4
10 days .....	3	2	2	5
11-19 days .....	5	1	6	8
20 days .....	3	2	3	4
21-24 days .....	7	4	13	4
25 days .....	3	1	5	2
26-29 days .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
30-39 days .....	11	10	11	13
40-49 days .....	5	6	4	5
50 days .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
51-64 days .....	7	8	6	8
65 days .....	3	3	2	3
66-79 days .....	5	7	4	4
80-89 days .....	2	2	2	3
90-99 days .....	6	6	6	6
100-109 days .....	2	1	2	2
110-119 days .....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )
120-129 days .....	3	5	2	2
130 days .....	5	4	7	4
Over 130 days .....	5	7	2	6
Other <sup>3</sup> .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> Paid sick leave plans with a specified number of days available each year.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> Carryover provisions vary by length of service.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 29. Paid annual sick leave<sup>1</sup>: Average number of days at full pay for full-time employees by accumulation policy, medium and large private establishments, 1997**

Sick leave policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Sick leave days by minimum length-of-service requirement: <sup>2</sup>				
After 1 year of service:				
Cumulative plan .....	9.0	10.0	8.3	8.4
Noncumulative plan .....	14.0	17.9	12.3	11.8
After 3 years of service:				
Cumulative plan .....	9.4	10.8	8.6	8.7
Noncumulative plan .....	17.4	23.4	16.1	12.6
After 5 years of service:				
Cumulative plan .....	9.8	11.4	9.1	8.8
Noncumulative plan .....	21.8	30.0	20.9	14.6
After 10 years of service:				
Cumulative plan .....	10.3	12.1	9.5	9.0
Noncumulative plan .....	26.8	37.1	26.3	17.0
After 15 years of service:				
Cumulative plan .....	10.5	12.6	9.6	9.1
Noncumulative plan .....	29.2	41.4	28.0	18.2
After 20 years of service:				
Cumulative plan .....	11.3	13.9	10.6	9.2
Noncumulative plan .....	32.1	45.8	31.5	19.0
After 25 years of service: <sup>3</sup>				
Cumulative plan .....	11.6	14.0	10.9	9.7
Noncumulative plan .....	33.0	47.3	32.3	19.5
Data not available .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> Paid sick leave plans with a specified number of days available each year.

<sup>2</sup> Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>3</sup> The average (mean) was virtually the same at longer years of service.

<sup>4</sup> Less than 0.5 percent.

NOTE: Computation of average excluded days paid at partial pay and workers with only partial pay days or zero days of sick leave.

**Table 30. Paid sick leave: Percent of full-time employees by length of service requirement for participation, medium and large private establishments, 1997**

Length of service requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid annual sick leave .....	19,454	6,792	6,147	6,515
	Percent			
Total with paid annual sick leave .....	100	100	100	100
With service requirement .....	66	54	72	74
1 month .....	17	19	16	15
2 months .....	3	3	2	3
3 months .....	18	15	21	19
4-5 months .....	1	( <sup>1</sup> )	1	1
6 months .....	16	13	21	16
7-11 months .....	1	-	-	3
1 year .....	10	4	10	16
Over 1 year .....	1	( <sup>1</sup> )	( <sup>1</sup> )	2
Without service requirement .....	33	46	28	25
Data not available .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 31. Paid annual sick leave: Percent of full-time employees in plans allowing use of sick leave for other purposes, medium and large private establishments, 1997**

Other purposes	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with paid annual sick leave .....	19,454	6,792	6,147	6,515
	Percent			
Total with paid annual sick leave .....	100	100	100	100
Other purposes allowed <sup>1</sup> .....	70	76	75	59
Funerals .....	10	13	6	9
Doctors' appointments .....	59	64	61	51
Personal business .....	16	16	15	17
Care of sick child .....	52	56	58	43
Other .....	11	15	10	7
Other purposes not allowed .....	22	17	19	30
Data not available .....	8	7	6	11

<sup>1</sup> This total is smaller than the sum of the components because some employees could use sick leave for more than one other purpose.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 32. Short-term disability: Method of funding, full-time employees, medium and large private establishments, 1997**

Type of funding	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with short-term disability .....	21,265	5,787	4,753	10,725
	Percent			
Total with short-term disability ..	100	100	100	100
Unfunded <sup>1</sup> .....	21	34	25	13
Insured .....	23	17	16	29
Self-insured .....	40	32	40	45
Legally required .....	13	15	15	11
Unknown .....	1	1	2	( <sup>2</sup> )
Other .....	2	1	1	2

<sup>1</sup> Includes per disability sick leave plans, formerly reported under sick leave.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 33. Short-term disability: Method of payment, full-time employees, medium and large private establishments, 1997**

Method of payment	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with funded short-term disability .....	100	100	100	100
Flat dollar amount .....	23	4	8	36
Flat percent of earnings .....	60	81	74	47
Percent varies <sup>1</sup> .....	7	11	13	4
Dollar amount varies <sup>1</sup> .....	9	3	4	14
Other .....	1	1	1	( <sup>2</sup> )
Not determinable .....	( <sup>2</sup> )	-	-	( <sup>2</sup> )

<sup>1</sup> Benefits may vary by earnings, length of service, or length of disability.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 34. Short-term disability: Flat dollar amounts, full-time employees, medium and large private establishments, 1997**

Flat dollar amount per week	All employees	Blue-collar and service employees
Number (in thousands) with flat dollar amount .....	3,783	3,336
	Percent	
Total with flat dollar amount benefit .....	100	100
Less than \$100 .....	14	13
\$100 - \$149 .....	25	24
\$150 - \$199 .....	22	22
\$200 - \$249 .....	20	21
\$250 - \$299 .....	15	15
\$300 or more .....	5	4
	Average <sup>1</sup>	
Average flat dollar amount per week .....	\$173	\$173

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Data were insufficient to show professional, technical, and related employees and clerical and sales employees separately. Because of rounding, sums of individual items may not equal totals.

**Table 35. Short-term disability: Fixed percent of earnings amounts, full-time employees, medium and large private establishments, 1997**

Fixed percent of earnings	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with fixed percent of earnings benefit .....	10,105	3,081	2,638	4,386
	Percent			
Total with flat percent of earnings benefit .....	100	100	100	100
Less than 50 percent .....	1	( <sup>1</sup> )	( <sup>1</sup> )	1
50 percent .....	27	20	22	35
51 - 59 percent .....	1	1	( <sup>1</sup> )	1
60 percent .....	28	20	29	32
61 - 69 percent .....	32	42	34	25
70 percent .....	6	10	7	4
71 - 79 percent .....	3	3	4	2
80 percent or more .....	2	4	3	1
	Average <sup>2</sup>			
Average fixed percent of earnings benefit .....	61	63	62	59

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 36. Short-term disability: Maximum benefits placed on percent of earnings formulas, full-time employees, medium and large private establishments, 1997**

Maximum benefit per week	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with percent of earnings benefit	11,305	3,485	3,105	4,714
	Percent			
Number with percent of earnings benefit .....	100	100	100	100
With maximum .....	61	61	53	65
Less than \$200 .....	20	16	17	24
\$200 - \$299 .....	11	4	10	17
\$300 - \$399 .....	14	14	15	13
\$400 - \$499 .....	3	6	1	2
\$500 - \$599 .....	1	1	1	1
\$600 or more .....	12	20	10	8
No maximum .....	35	35	41	31
Not determinable .....	4	4	6	4
	Average <sup>1</sup>			
Average maximum benefit per week .....	\$474	\$671	\$469	\$340

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 37. Short-term disability: Minimum benefits placed on percent of earnings formulas, full-time employees, medium and large private establishments, 1997**

Minimum benefit per week	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with percent of earnings benefit	11,305	3,485	3,105	4,714
	Percent			
Total with percent of earnings benefit .....	100	100	100	100
With minimum .....	4	4	3	5
No minimum .....	91	93	92	88
Not determinable .....	5	3	5	7

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 38. Short-term disability: Type of waiting period, full-time employees, medium and large private establishments, 1997**

Waiting period provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with funded short-term disability .....	100	100	100	100
Waiting period not dependent on sick leave .....	83	78	80	87
Waiting period begins after sick leave .....	8	10	11	6
Later of waiting period or sick leave <sup>1</sup> .....	2	3	5	1
Earlier of waiting period or sick leave <sup>2</sup> .....	2	6	1	( <sup>3</sup> )
Not determinable .....	5	3	2	6

<sup>1</sup> Benefits begin when sick leave is exhausted or the waiting period is completed, whichever is later.

<sup>2</sup> Benefits begin when sick leave is exhausted or the waiting period is completed, whichever is earlier.

<sup>3</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 39. Short-term disability: Length of waiting period, full-time employees, medium and large private establishments, 1997**

Length of waiting period	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with funded short-term disability .....	100	100	100	100
Immediate .....	5	7	7	4
1 day .....	6	6	5	5
2 days .....	( <sup>1</sup> )	1	1	( <sup>1</sup> )
3 days .....	4	2	3	6
4 days .....	3	1	2	5
5 days .....	4	5	6	3
6 days .....	1	1	2	1
7 days .....	50	45	43	55
8 days .....	8	8	9	7
10 days .....	1	2	3	( <sup>1</sup> )
Greater than 10 days .....	12	18	17	7
Not determinable .....	5	3	2	6
	Average <sup>2</sup>			
Average waiting period (in days) .....	9	11	10	7

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without plan provisions.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 40. Short-term disability: Duration of benefits, full-time employees, medium and large private establishments, 1997**

Duration of benefits	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with funded short-term disability .....	100	100	100	100
Fixed duration .....	95	95	91	96
Less than 13 weeks .....	3	6	5	( <sup>1</sup> )
13 weeks .....	14	9	9	18
14 - 25 weeks .....	7	6	12	5
26 weeks .....	64	67	60	65
27 - 51 weeks .....	2	2	3	1
52 weeks .....	5	3	2	7
Greater than 52 weeks .....	1	1	( <sup>1</sup> )	( <sup>1</sup> )
Duration varies .....	5	5	9	4
Not determinable .....	( <sup>1</sup> )	-	-	( <sup>1</sup> )
	Average <sup>2</sup>			
Average benefit duration (in weeks) .....	25	25	24	26

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 41. Short-term disability: Eligibility requirements, full-time employees, medium and large private establishments, 1997**

Eligibility requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with funded short-term disability .....	100	100	100	100
With a service requirement ...	60	47	58	66
1 month .....	14	13	17	13
2 months .....	7	1	4	10
3 months .....	19	10	16	23
4 -5 months .....	1	1	1	1
6 months .....	10	12	12	7
7 - 11 months .....	5	4	1	6
12 months .....	5	5	7	5
Greater than 12 months ...	1	1	1	1
Without a service requirement .....	36	49	37	30
Not determinable .....	4	4	5	4
	Average <sup>1</sup>			
Average service requirement (in months) .....	4.4	5.0	4.7	4.1

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 42. Short-term disability: Employee contribution provisions, full-time employees, medium and large private establishments, 1997**

Employee contribution	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with funded short-term disability	16,729	3,810	3,557	9,363
	Percent			
Total with short-term disability .....	100	100	100	100
With required employee contribution .....	18	19	22	17
Dollar amount .....	8	8	7	9
Percent of earnings .....	3	5	7	2
Varies .....	( <sup>1</sup> )	( <sup>1</sup> )	1	( <sup>1</sup> )
Composite rate .....	2	( <sup>1</sup> )	1	4
Flexible benefit .....	2	4	5	( <sup>1</sup> )
Other .....	1	1	( <sup>1</sup> )	2
Contribution, amount unknown .....	1	( <sup>1</sup> )	1	1
No required employee contribution .....	80	78	77	81
Not determinable .....	2	3	1	2

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 43. Unfunded short-term disability: Percent of full-time employees by number of days, medium and large private establishments, 1997**

Short-term disability policy <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with unfunded short-term disability .....	4,520	1,974	1,185	1,362
	Percent			
Total with unfunded short-term disability .....	100	100	100	100
After 1 year of service:				
Total .....	76	80	72	73
5 and under 10 days .....	10	9	15	6
10 and under 15 days .....	12	11	6	19
15 and under 30 days .....	16	15	19	14
30 and under 60 days .....	11	13	12	8
60 and under 120 days .....	15	18	12	12
120 and under 180 days .....	10	12	6	11
180 days or more .....	1	2	( <sup>2</sup> )	2
After 3 years of service:				
Total .....	87	89	83	87
5 and under 10 days .....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )
10 and under 15 days .....	2	2	1	3
15 and under 30 days .....	27	28	33	22
30 and under 60 days .....	23	22	23	25
60 and under 120 days .....	21	21	18	22
120 and under 180 days .....	12	14	8	13
180 days or more .....	2	2	1	2
After 5 years of service:				
Total .....	89	92	85	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	9	8	6	12
30 and under 60 days .....	24	27	20	24
60 and under 120 days .....	37	35	46	33
120 and under 180 days .....	16	18	12	17
180 days or more .....	2	3	1	3
After 10 years of service:				
Total .....	89	92	85	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	6	6	4	9
30 and under 60 days .....	14	13	13	16
60 and under 120 days .....	43	43	51	35
120 and under 180 days .....	23	25	15	27
180 days or more .....	3	4	3	3
After 15 years of service:				
Total .....	89	92	86	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	6	5	3	9
30 and under 60 days .....	14	13	12	16
60 and under 120 days .....	29	30	28	28

See footnotes at end of table.

**Table 43. Unfunded short-term disability: Percent of full-time employees by number of days, medium and large private establishments, 1997 — Continued**

Short-term disability policy <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
	Percent			
After 15 years of service:				
120 and under 180 days ...	36	37	38	32
180 days or more .....	4	5	4	4
After 20 years of service:				
Total .....	89	92	86	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	6	5	3	9
30 and under 60 days .....	13	13	12	14
60 and under 120 days .....	28	30	28	25
120 and under 180 days ...	27	28	19	31
180 days or more .....	15	14	23	10
After 25 years of service:				
Total .....	89	92	86	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	2	2	3	( <sup>2</sup> )
30 and under 60 days .....	12	12	10	12
60 and under 120 days .....	27	29	27	25
120 and under 180 days ...	30	32	21	36
180 days or more .....	17	16	24	15
After 30 years of service <sup>3</sup> :				
Total .....	89	92	86	89
5 and under 10 days .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
10 and under 15 days .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )
15 and under 30 days .....	2	2	3	( <sup>2</sup> )
30 and under 60 days .....	11	11	10	12
60 and under 120 days .....	27	29	27	25
120 and under 180 days ...	31	33	22	36
180 days or more .....	17	16	24	15

<sup>1</sup> Employees receiving partial pay only or no benefit in their early years of service are included in the overall percentages of workers provided short-term disability; however, they are disregarded in computing the distributions by length of service up to the service period at which they become eligible for full disability pay.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> Provisions were virtually the same after longer periods of service.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 44: Unfunded short-term disability: Average number of days at full pay for full-time employees, medium and large private establishments, 1997**

Short-term disability provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Short-term disability days <sup>1</sup> by minimum length-of-service:				
After 1 year .....	48.5	51.6	40.0	50.9
After 3 years .....	56.7	57.2	49.9	61.7
After 5 years .....	73.8	73.5	70.4	76.9
After 10 years .....	85.7	86.8	81.1	87.8
After 15 years .....	99.0	98.7	101.6	97.2
After 20 years .....	108.1	106.1	117.1	103.8
After 25 years .....	124.0	119.0	135.6	121.9
After 30 years <sup>2</sup> .....	124.6	120.1	135.9	122.0

<sup>1</sup> Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of the described length-of-service interval.

<sup>2</sup> The average (mean) was virtually the same after longer years of service.

NOTE: Computation of average excluded days at partial pay and workers with only partial pay days or zero days of sick leave.

**Table 45. Long-term disability insurance: Benefit waiting period,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Length of waiting period	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with long-term disability insurance .....	16,625	6,644	4,729	5,253
Percent				
Total with long-term disability insurance .....	100	100	100	100
Fixed duration month .....	73	74	76	68
Less than 3 months .....	1	1	1	( <sup>2</sup> )
3 months .....	24	25	26	21
4 - 5 months .....	3	2	4	3
6 months .....	39	39	41	38
Greater than 6 months .....	5	5	4	6
Expiration of short-term disability benefits .....	24	23	21	27
Other .....	2	2	2	2
Not determinable .....	2	2	2	3
Average <sup>3</sup>				
Average fixed duration (in months) .....	5.3	5.2	5.2	5.4

<sup>1</sup> Length of time between onset of disability and beginning of long-term disability insurance payments.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 46. Long-term disability insurance: Method of payment, full-time employees, medium and large private establishments, 1997**

Method of payment	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with long-term disability insurance .....	16,625	6,644	4,729	5,253
Percent				
Total with long-term disability insurance .....	100	100	100	100
Fixed percent of earnings .....	93	95	95	88
Less than 50 percent .....	2	3	1	3
50 percent .....	19	17	20	20
51 - 59 percent .....	( <sup>1</sup> )	( <sup>1</sup> )	-	1
60 percent .....	54	55	56	51
61 - 66 percent .....	2	2	2	2
67 percent .....	11	12	13	7
70 percent .....	3	4	2	2
Greater than 70 percent ...	2	2	1	2
Percent varies by earnings ...	2	3	2	1
Percent varies by other than earnings .....	2	1	2	2
Flat dollar amount (per month) .....	( <sup>1</sup> )	( <sup>1</sup> )	-	( <sup>1</sup> )
Other .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Dollar amount varies .....	1	-	1	4
Average <sup>2</sup>				
Average fixed percent of earnings .....	58.9	59.3	59.0	58.1

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 47. Long-term disability insurance: Maximum benefits<sup>1</sup> based on percent of earnings formulas, full-time employees, medium and large private establishments, 1997**

Maximum benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with percent of earnings benefit	15,975	6,522	4,658	4,795
Percent				
Total with percent of earnings benefit .....	100	100	100	100
With maximum .....	71	72	73	67
Flat maximum per month ..	69	71	70	65
\$1,500 or less .....	4	4	2	6
\$1,501 - \$2,000 .....	1	1	1	2
\$2,001 - \$3,000 .....	7	5	9	6
\$3,001 - \$4,000 .....	4	4	4	4
\$4,001 - \$5,000 .....	13	14	11	14
\$5,001 - \$7,500 .....	12	11	11	13
\$7,501 - \$10,000 .....	19	23	20	13
\$10,001 or more .....	9	10	12	5
Other maximum <sup>2</sup> .....	2	1	2	2
No maximum .....	29	28	27	33
Average <sup>3</sup>				
Average flat maximum benefit (per month) .....	\$7,452	\$7,587	\$8,056	\$6,617

<sup>1</sup> Excludes limits on all disability income, which restrict long-term disability insurance payments if income from all sources exceeds a specified amount.

<sup>2</sup> Includes maximums that vary by length of service.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 48. Long-term disability insurance: Eligibility requirements, full-time employees, medium and large private establishments, 1997**

Length of service requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with long-term disability insurance .....	16,625	6,644	4,729	5,253
	Percent			
Total with long-term disability insurance .....	100	100	100	100
With a service requirement ...	68	63	65	76
1 month .....	15	17	14	15
2 months .....	4	3	3	6
3 months .....	19	17	22	21
4 -5 months .....	1	( <sup>1</sup> )	( <sup>1</sup> )	2
6 months .....	13	12	10	15
7 - 11 months .....	1	( <sup>1</sup> )	-	3
12 months .....	12	12	12	11
Greater than 12 months ....	4	2	4	4
Without a service requirement .....	28	32	31	20
Not determinable .....	4	5	4	4
	Average <sup>2</sup>			
Average service requirement (in months) .....	6.3	5.7	6.3	6.9

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

# Chapter 4.

## Health Benefits

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The Employee Benefits Survey collects information on a variety of health benefits, including medical, prescription drug, dental, and vision care. Definitions of major plan types, key provisions, and related terms follow.

### Medical Care

Medical care plans provide services or payments for services rendered in the hospital or by a physician. Those plans that provide only dental, vision, or prescription drug coverage are tabulated separately and described in their specific sections. Common plan types are fee-for-service plans, preferred provider organizations (PPOs), exclusive provider organizations (EPOs), and health maintenance organizations (HMOs).

### Plan types

**Fee-for-service plans.** Participants in fee-for-service plans receive medical care from the providers they choose. The plan reimburses either the provider or the individual for some or all of the cost of care received. Coinsurance, out-of-pocket expense maximums, and lifetime maximums are the main plan limitations.

**Preferred provider organizations.** PPOs are groups of hospitals and physicians that contract to provide comprehensive medical services. To encourage use of organization members, PPOs limit reimbursement when participants use non-member services.

**Exclusive provider organizations.** EPOs have arrangements with specific providers to offer medical services. Usually there is no reimbursement for the services of non-network providers.

**Health maintenance organizations.** HMOs provide comprehensive medical services for a prepaid fee. Most services are covered in full, with preventive care encouraged. HMOs are classified as either group or staff, with services provided by central facilities, or individual practice associations (IPAs), with providers working from their own offices. HMOs that use a combination of these models are referred to as a mixed model in this survey. Participants in HMO plans are rarely reimbursed for nonemergency services from non-HMO providers unless a point-of-service feature is present. In these cases, enrollees may obtain care from non-HMO providers,

but at lower reimbursement levels than if care is received from HMO providers.

### Plan financing

**Commercial insurance company.** A commercial insurer underwrites an employer's health costs and assumes all related risks in return for regular premium payments.

**Self-insured plans.** Unlike commercially insured plans, employers with self-insured plans assume the risk associated with their employees' medical coverage. To limit this risk, employers often purchase "stop-loss" insurance to cover claims that exceed a certain amount in a given year. Self-insured plans can be financed on a pay-as-you-go basis or through contributions to a trust fund established to pay benefits. Employers can either administer these plans directly or hire a firm to handle claims, dispute resolution, and other administrative tasks.

**Administrative Services Only (ASO).** Third party contracts to disburse the employer's funds to pay claims and handle other administrative details are commonly known as ASO contracts.<sup>5</sup>

**Blue Cross and Blue Shield organizations.** BC/BS organizations are an extensive network of nonprofit health care insurers. Blue Cross plans provide hospital coverage; Blue Shield plans cover medical and surgical services.

**Independent Organizations.** Independent organizations are entities that combine the functions of financial intermediaries and health care providers. Most typical independent organizations are such HMOs as Kaiser Permanente.

### Limits on coverage

**Deductible.** A specified amount of covered medical expenses, such as \$200 per individual per year, is the deductible that a participant must pay before the plan provides reimbursement. Some plans specify the limit on the amount of deductible that a family is expected to pay in a year. HMOs usually have no deductible.

**Coinsurance.** After the individual meets the deductible, the plan will pay a percentage of authorized expenses for the remainder of the plan year. Coinsurance rates are usually es-

## Health Benefits

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established as a percent of expenses to be paid by the plan. For example, the plan may have a coinsurance rate of 90 percent, that is, the plan pays 90 percent of covered medical expenses and the participant pays the remaining 10 percent.

**Out-of-pocket expense maximum.** This maximum is the annual limit on the amount of covered expenses that a participant or a family must pay after the deductible, if any, has been satisfied. Once reached, covered expenses are fully reimbursed for the rest of the year.

**Lifetime maximum.** The lifetime maximum limits the amount of covered expenses the plan is obligated to pay.

**Pre-existing conditions.** A pre-existing condition is any ailment present at the time a participant enrolls for which a plan may limit or deny coverage for a specific time period following enrollment.

### Cost containment features

Although health maintenance organizations were created around the concept of cost containment, many fee-for-service plans and preferred provider organizations now also have these features. Cost containment is designed to reduce costs of expensive medical services, such as hospitalization or surgery, by imposing certain requirements or restrictions on their coverage.

**Preadmission certification.** Some plans require prior authorization before a benefits recipient can be hospitalized on a non-emergency basis or before the delivery of certain health care benefits. Failure to obtain a preadmission certificate in nonemergency situations usually reduces or eliminates the health benefits provider's obligation to pay for the services rendered.

**Utilization or concurrent review.** This is the term given to the process of reviewing the appropriateness and quality of care provided to participants.

**Preadmission testing.** These are medical tests performed on an outpatient basis prior to admission in order to reduce the length of hospitalization. These tests are usually reimbursed at higher levels than if the tests were done during hospitalization.

**Nonemergency weekend admission restriction.** Plans that impose these restrictions limit reimbursement for nonemergency weekend hospital admissions.

**Hospital audit program.** Some fee-for-service plans contain provisions that provide financial incentives for participants who uncover overcharges in their hospital bills.

**Second surgical opinion.** When nonemergency inpatient surgery is prescribed, some plans require a second surgical opinion to avoid unnecessary surgeries and to encourage non-surgical alternatives when appropriate. If the participant does not seek a second surgical opinion prior to surgery, the plan generally reduces the benefits otherwise payable.

### Alternatives to hospitalization

As with cost containment features, alternatives to hospitalization are offered as a means of reducing costs.

**Extended care facilities.** These facilities provide skilled nursing care, rehabilitation, and convalescent services to patients who require less intensive treatment than that provided in a hospital.

**Home health care.** Such care programs provide skilled nursing and related services to patients in their own homes.

**Hospice care.** These services provide nursing care and psychological support to terminally ill patients and their families, either on an inpatient basis or in the patient's home.<sup>6</sup>

### Mental health and substance abuse treatment

Mental health and substance abuse services include inpatient and outpatient care for psychiatric conditions and alcohol or drug dependency. The coverage for these conditions is usually more restrictive than that for general medical conditions.

**Detoxification.** This treatment involves supervised care by medical personnel designed to reduce or eliminate the symptoms of chemical dependency. Treatment can occur on an inpatient or outpatient basis.

**Rehabilitation services.** These services are intended to alter the behavior of substance abusers. They are usually provided after detoxification is complete. Treatment can occur on an inpatient or outpatient basis.<sup>7</sup>

### Prescription Drugs

Prescription drug plans provide coverage for outpatient prescription drugs. Prescription drugs dispensed during a hospital stay are covered with hospital miscellaneous charges.

**Name brand drugs.** These are drugs that once were or still are under patents.

**Generic drugs.** Once a drug's patent has expired, some plans provide more generous coverage for same-formula generic drugs, because of their lower cost, than for brand name drugs.

Generic drugs are used as a cost-containment measure by some plans.

**Mail order drugs.** Used as a cost containment measure, some plans use mail order pharmacies that normally provide a 3-month supply of maintenance drugs.

### Dental Care

Dental care plans provide services or payments for preventive and restorative care and related dental services.

#### Services and provisions

**Preventive services.** Such services include routine exams and x rays.

**Restorative services.** These services include fillings, dental surgery, endodontics (root canal therapy), periodontics (treat-

ment of gum disease), crowns, and prosthetics (replacement of missing teeth with bridgework or dentures).

**Orthodontia services.** These are the correction of malpositioned teeth.

**Pretreatment authorization.** When a procedure is expected to exceed a certain cost, such as \$300, pretreatment authorization must be obtained by the patient, usually from the dental claims administrator, before reimbursement will be made.<sup>8</sup>

### Vision Care

Vision care plans provide coverage for eyeglasses, and with few exceptions, eye exams and contact lenses.<sup>9</sup>

## — Endnotes —

<sup>5</sup> For more information on types of medical care plans and financing methods, see John J. Kane, Allan P. Blostin, and Jordan N. Pfunter, "Changing Survey Strategies in the Evolution of Health Care Plans," *Compensation and Working Conditions*, September 1996, pp. 3-8.

<sup>6</sup> Data from the 1989 EBS have been used to examine alternatives to hospitalization. For more information see Thomas P. Burke, "Alternatives to Hospital Care under Employee Benefit Plans," *Monthly Labor Review*, December 1991, pp. 9-15.

<sup>7</sup> For more information, see *Substance Abuse Provisions in Employee Benefit Plans*, Bulletin 2412, U.S. Department of Labor, Bureau of Labor Statistics, August 1992.

<sup>8</sup> For more information, see Ann C. Foster, "Dental Care Benefits, 1995," *Compensation and Working Conditions*, summer 1998, pp.45-49.

<sup>9</sup> A detailed discussion of vision care benefits during the 1980-86 period appears in Rita S. Jain, "Employer-sponsored Vision Care Brought into Focus," *Monthly Labor Review*, September 1988, pp. 19-23.

**Table 49. Medical care benefits: Summary of selected features, full-time employees, medium and large private establishments, 1997**

Selected features	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care <sup>1</sup> .....	29,340	8,455	7,180	13,705
	Percent			
Total with medical care .....	100	100	100	100
Traditional fee-for-service <sup>2</sup> ...	27	20	22	33
Preferred provider organization <sup>3</sup> .....	40	40	42	39
Prepaid health maintenance organization <sup>4</sup> .....	33	40	36	28
Retiree coverage available <sup>5</sup> .....	43	47	43	40
With a service requirement ...	67	55	65	76

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Excludes plans that provided only dental, vision or prescription drug coverage.

<sup>2</sup> The plan pays for specific medical procedures as expenses are incurred.

<sup>3</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contracts to provide comprehensive medical services. To encourage use of organization members, the health care plan limits reimbursement rates when participants use nonmembers' services.

<sup>4</sup> Delivers comprehensive health care on a prepayment rather than fee-for-service basis.

<sup>5</sup> Tabulations cover plans in which insurance was continued for longer than 1 month after retirement. It excludes plans that provide only the retiree's share of premiums for medical insurance under Medicare (Part B).

**Table 50. Medical care benefits: Requirements for employee contributions, by fee arrangement, full-time employees, medium and large private establishments, 1997**

Contributory status	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans
Number with medical care coverage (in thousands) .....	29,340	19,658	9,683	8,455	5,102	3,353	7,180	4,624	2,556	13,705	9,931	3,774
<b>Single coverage</b>												
Total with single coverage for medical care .....	100	100	100	100	100	100	100	100	100	100	100	100
Employee contributions not required .....	31	33	26	20	22	17	24	25	24	40	43	34
Employee contributions required .....	69	67	74	80	78	83	76	75	76	60	57	66
<b>Family coverage</b>												
Total with family coverage for medical care .....	100	100	100	100	100	100	100	100	100	100	100	100
Employee contributions not required .....	20	23	14	10	11	7	14	14	14	29	33	19
Employee contributions required .....	80	77	86	90	89	93	86	86	86	71	67	81
Not determinable .....	( <sup>1</sup> )	( <sup>1</sup> )	-	-	-	-	-	-	-	( <sup>1</sup> )	( <sup>1</sup> )	-

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dashes indicate no employees in this category.

**Table 51. Medical care benefits: Amount and type of employee contribution for individual coverage,<sup>1</sup> by fee arrangement, full-time employees, medium and large private establishments, 1997**

Type and amount of contribution	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans
Number with contributory coverage (in thousands) .....	20,366	13,156	7,210	6,741	3,974	2,768	5,439	3,488	1,951	8,186	5,694	2,492
Total with contributory coverage	100	100	100	100	100	100	100	100	100	100	100	100
Flat monthly amount .....	72	74	70	68	67	70	71	75	63	77	77	76
Less than \$5.00 .....	2	2	2	3	4	2	2	1	2	1	1	1
\$5.00 - 9.99 .....	3	4	3	2	2	2	2	1	4	6	6	5
\$10.00 - 14.99 .....	7	7	8	8	6	12	6	7	4	7	7	8
\$15.00 - 19.99 .....	6	7	6	6	6	5	5	6	3	8	8	8
\$20.00 - 29.99 .....	16	16	16	17	15	19	16	17	14	16	17	14
\$30.00 - 39.99 .....	11	11	12	10	9	10	13	13	13	12	11	13
\$40.00 - 49.99 .....	10	11	9	8	9	7	10	11	8	12	12	11
\$50.00 - 59.99 .....	4	4	4	4	4	4	4	4	5	4	3	4
\$60.00 - 69.99 .....	4	4	4	4	4	4	3	4	3	5	5	5
\$70.00 - 79.99 .....	3	3	3	2	3	2	5	6	4	2	2	4
\$80.00 or greater .....	4	4	3	4	5	3	4	4	3	4	4	2
Dollar amount unspecified	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1	1	1
Composite rate <sup>3</sup> .....	1	2	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )	1	1	1	2	3	( <sup>2</sup> )
Varies <sup>4</sup> .....	3	3	3	3	3	3	3	4	3	3	3	3
Other .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Flexible benefits <sup>5</sup> .....	13	13	13	19	20	16	11	11	11	9	8	11
Percent of earnings .....	1	1	1	2	2	1	1	1	2	( <sup>2</sup> )	( <sup>2</sup> )	1
Exists, but unknown .....	10	8	12	8	7	9	13	8	20	9	9	10
Average <sup>6</sup> flat monthly contribution in dollars .....	39.14	41.69	34.28	37.19	40.25	32.98	39.38	40.80	36.37	40.43	43.10	34.23

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Excludes plans that provided only dental, vision or prescription drug coverage.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> A composite rate is a set contribution covering more than one benefit area, for example, health care and sickness and accident insurance. Cost data for health care cannot be determined.

<sup>4</sup> Based on worker attributes. For example, employee contributions

may vary based on earnings, length of service, or age.

<sup>5</sup> Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

<sup>6</sup> The average is presented for all covered workers and excludes workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 52. Medical care benefits: Amount and type of employee contribution for family coverage,<sup>1</sup> by fee arrangement, full-time employees, medium and large private establishments, 1997**

Type and amount of contribution	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans
Number (in thousands) with contributory coverage .....	23,486	15,121	8,366	7,649	4,545	3,104	6,173	3,965	2,208	9,664	6,611	3,053
Total with contributory coverage	100	100	100	100	100	100	100	100	100	100	100	100
Flat monthly amount .....	75	76	74	71	70	72	74	77	67	79	79	80
Less than \$20.00 .....	4	4	4	4	5	4	3	2	4	5	6	4
\$20.00 - 29.99 .....	3	3	3	2	2	2	3	3	3	4	4	4
\$30.00 - 39.99 .....	3	2	4	3	2	6	1	1	1	3	2	4
\$40.00 - 49.99 .....	5	5	6	4	4	3	3	4	2	8	7	10
\$50.00 - 59.99 .....	3	5	1	3	4	1	2	3	1	4	6	1
\$60.00 - 69.99 .....	5	5	5	5	5	6	4	5	2	6	5	7
\$70.00 - 79.99 .....	3	3	3	3	3	3	3	4	2	3	3	4
\$80.00 - 89.99 .....	5	5	5	6	5	7	6	7	5	4	4	3
\$90.00 - 99.99 .....	5	5	4	5	4	5	6	6	6	5	6	3
\$100.00 - 124.99 .....	11	12	9	9	10	8	12	12	10	13	14	9
\$125.00 - 149.99 .....	5	4	6	6	6	6	5	4	6	4	4	5
\$150.00 - 174.99 .....	6	7	5	7	7	6	7	7	6	6	6	4
\$175.00 - 199.99 .....	4	3	7	3	2	4	5	5	5	5	2	11
\$200.00 - 224.99 .....	3	3	3	3	3	3	4	6	2	3	2	4
\$225.00 - 249.99 .....	2	2	2	2	2	2	3	4	2	2	2	3
\$250.00 - 274.99 .....	1	1	2	1	2	1	2	1	3	1	1	1
\$275.00 - 299.99 .....	1	1	2	1	( <sup>2</sup> )	2	1	1	2	1	1	2
\$300.00 or greater .....	4	4	4	4	4	3	4	3	4	4	4	4
Composite rate <sup>3</sup> .....	1	1	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1	1	( <sup>2</sup> )	2	3	( <sup>2</sup> )
Varies <sup>4</sup> .....	3	3	3	3	3	3	3	3	3	3	3	3
Other .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Flexible benefits <sup>5</sup> .....	11	11	11	17	18	15	10	10	10	8	7	9
Percent of earnings .....	1	1	1	1	1	1	1	1	2	( <sup>2</sup> )	( <sup>2</sup> )	1
Exists, but unknown .....	8	7	11	7	6	8	11	7	18	8	7	8
Average <sup>6</sup> flat monthly contribution in dollars .....	130.07	132.37	125.79	124.62	127.76	120.16	135.27	134.01	137.87	130.85	134.22	123.61

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Excludes plans that provided only dental, vision or prescription drug coverage. If the amount of contribution varied by either size or composition of family, the rate for an employee with a spouse and one child was used. For a small percentage of employees, the employee contributes the same amount for single and family coverage.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> A composite rate is a set contribution covering more than one benefit area, for example, health care and sickness and accident insurance. Cost

data for health care cannot be determined.

<sup>4</sup> Based on worker attributes. For example, employee contributions may vary based on earnings, length of service, or age.

<sup>5</sup> Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

<sup>6</sup> The average is presented for all covered workers and excludes workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 53. Medical care benefits: Coverage for selected services, by type of plan, full-time employees, medium and large private establishments, 1997**

Categories of care	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans	All plans	Non-HMO plans	HMO plans
Number of employees (in thousands) .....	29,340	19,658	9,683	8,455	5,102	3,353	7,180	4,624	2,556	13,705	9,931	3,774
	Percent											
Hospital room and board .....	100	100	100	100	100	100	100	100	100	100	100	100
Inpatient surgery .....	100	100	100	100	100	100	100	100	100	100	100	100
Outpatient surgery <sup>1</sup> .....	100	100	100	100	100	100	100	100	100	100	100	100
Inpatient physician visits .....	100	100	100	100	100	100	100	100	99	99	99	100
Office physician visits .....	100	100	100	100	100	100	100	100	100	100	100	100
Diagnostic X-ray and laboratory	99	99	100	100	100	100	99	100	99	99	99	100
Extended care <sup>2</sup> .....	78	76	84	81	80	83	77	79	76	77	72	90
Home health care <sup>2</sup> .....	85	81	93	89	86	93	85	81	91	83	79	95
Hospice care .....	60	69	43	64	74	47	58	69	38	60	66	43
Inpatient mental health .....	96	97	95	98	98	97	95	96	94	96	96	95
Outpatient mental health .....	95	93	99	97	95	99	95	93	98	93	91	99
Inpatient alcohol detoxification <sup>3</sup>	98	97	99	99	99	99	98	96	99	97	96	99
Inpatient alcohol rehabilitation <sup>4</sup>	80	84	72	80	85	73	81	85	72	80	83	71
Outpatient alcohol rehabilitation <sup>4</sup> .....	84	85	82	85	86	84	84	86	80	83	84	82
Inpatient drug detoxification <sup>3</sup> ....	97	96	98	97	97	98	97	96	98	96	95	98
Inpatient drug rehabilitation <sup>4</sup> .....	80	84	72	80	84	73	81	86	72	79	83	70
Outpatient drug rehabilitation <sup>4</sup> ..	83	84	81	85	86	84	84	86	80	82	83	80
Hearing care <sup>5</sup> .....	35	12	84	42	15	84	37	10	86	30	11	82
Physical exam .....	63	47	97	72	56	97	65	48	95	57	41	98
Well-baby care .....	66	51	96	73	58	96	67	51	96	61	48	95
Immunization and inoculation ...	52	34	90	57	36	89	55	34	92	48	32	89

<sup>1</sup> Charges incurred in the outpatient department of a hospital and outside the hospital.

<sup>2</sup> Some plans provide this care only to a patient who was previously hospitalized and is recovering without need of the extensive care provided by a general hospital.

<sup>3</sup> Detoxification is the systematic use of medication and other methods

under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>4</sup> Rehabilitation is designed to alter abusive behavior in patients once they are free of acute physical and mental complications.

<sup>5</sup> Plans provide, as a minimum, coverage for hearing examination expenses.

**Table 54. Non-health maintenance organizations: Coverage for selected services, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Hospital room and board</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	7	9	8	6
Subject to separate limits only <sup>1</sup> .....	5	5	6	4
Subject to separate limits plus major medical .....	19	22	15	20
Major medical only <sup>2</sup> .....	68	64	70	70
<b>Inpatient surgery</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	14	18	14	13
Subject to separate limits only <sup>1</sup> .....	1	( <sup>3</sup> )	1	1
Subject to separate limits plus major medical .....	5	4	4	5
Major medical only <sup>2</sup> .....	80	78	81	81
<b>Outpatient surgery<sup>4</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	13	16	14	12
Subject to separate limits only <sup>1</sup> .....	2	2	4	2
Subject to separate limits plus major medical .....	6	6	5	7
Major medical only <sup>2</sup> .....	78	76	78	79
<b>Inpatient physician visits</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	13	16	14	11
Subject to separate limits only <sup>1</sup> .....	1	1	1	1
Subject to separate limits plus major medical .....	8	8	6	9
Major medical only <sup>2</sup> .....	78	75	80	79

See footnotes at end of table.

**Table 54. Non-health maintenance organizations: Coverage for selected services, full-time employees, medium and large private establishments, 1997 — Continued**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Office physician visits</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	2	2	1	4
Subject to separate limits only <sup>1</sup> .....	21	29	28	13
Subject to separate limits plus major medical .....	18	18	17	19
Major medical only <sup>2</sup> .....	59	52	55	64
<b>Diagnostic x-ray and laboratory</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	15	18	17	13
Subject to separate limits only <sup>1</sup> .....	1	1	1	1
Subject to separate limits plus major medical .....	8	8	7	8
Major medical only <sup>2</sup> .....	76	73	75	78

<sup>1</sup> Separate limits apply to individual categories of care; e.g., separate limits or benefits for hospitalization. Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of costs (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Charges incurred in the outpatient department of a hospital and outside of the hospital.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 55. Non-health maintenance organizations: Coverage for alternatives to hospital care, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
	Percent			
<b>Extended care<sup>1</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	4	4	4	3
Subject to separate limits only <sup>2</sup> .....	10	12	10	10
Subject to separate limits plus major medical .....	68	63	68	70
Major medical only <sup>3</sup> .....	18	21	17	18
<b>Home health care<sup>1</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	7	8	8	7
Subject to separate limits only <sup>2</sup> .....	9	12	9	8
Subject to separate limits plus major medical .....	52	52	53	52
Major medical only <sup>3</sup> .....	31	28	30	33
<b>Hospice care</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	9	9	12	7
Subject to separate limits only <sup>2</sup> .....	8	13	6	6
Subject to separate limits plus major medical .....	45	43	53	43
Major medical only <sup>3</sup> .....	37	35	30	43

<sup>1</sup> Some plans provide this care only to a patient who was previously hospitalized and is recovering without need of the extensive care provided by a general hospital.

<sup>2</sup> Separate limits apply to individual categories of care; e.g., separate limits or benefits for extended care. Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of costs (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

<sup>3</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 56. Non-health maintenance organizations: Coverage for mental health and substance abuse, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient mental health</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	1	1	2
Subject to separate limits only <sup>1</sup> .....	18	22	18	16
Subject to separate limits plus major medical .....	69	65	73	70
Major medical only <sup>2</sup> .....	11	12	8	13
<b>Outpatient mental health</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	( <sup>3</sup> )	1	1	( <sup>3</sup> )
Subject to separate limits only <sup>1</sup> .....	21	26	20	18
Subject to separate limits plus major medical .....	76	71	78	79
Major medical only <sup>2</sup> .....	2	2	1	3
<b>Inpatient alcohol detoxification<sup>4</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	2	1	1
Subject to separate limits only <sup>1</sup> .....	19	22	19	17
Subject to separate limits plus major medical .....	68	65	69	69
Major medical only <sup>2</sup> .....	12	11	10	13
<b>Inpatient alcohol rehabilitation<sup>5</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	1	( <sup>3</sup> )	1
Subject to separate limits only <sup>1</sup> .....	22	25	22	20
Subject to separate limits plus major medical .....	74	70	75	75
Major medical only <sup>2</sup> .....	3	3	3	4
<b>Outpatient alcohol rehabilitation<sup>5</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	( <sup>3</sup> )	1	1	( <sup>3</sup> )
Subject to separate limits only <sup>1</sup> .....	22	25	22	20
Subject to separate limits plus major medical .....	75	72	76	77
Major medical only <sup>2</sup> .....	3	2	2	3

See footnotes at end of table.

**Table 56. Non-health maintenance organizations: Coverage for mental health and substance abuse, full-time employees, medium and large private establishments, 1997 — Continued**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient drug detoxification<sup>4</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	2	2	1
Subject to separate limits only <sup>1</sup> .....	19	22	19	17
Subject to separate limits plus major medical .....	69	66	70	70
Major medical only <sup>2</sup> .....	11	10	10	12
<b>Inpatient drug rehabilitation<sup>5</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	1	1	1
Subject to separate limits only <sup>1</sup> .....	21	25	21	20
Subject to separate limits plus major medical .....	74	71	76	75
Major medical only <sup>2</sup> .....	3	3	3	4
<b>Outpatient drug rehabilitation<sup>5</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	( <sup>3</sup> )	1	1	( <sup>3</sup> )
Subject to separate limits only <sup>1</sup> .....	21	25	21	19
Subject to separate limits plus major medical .....	76	73	77	78
Major medical only <sup>2</sup> .....	2	2	2	3

<sup>1</sup> Separate limits apply to individual categories of care; e.g., separate limits or benefits for inpatient mental health. Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of costs (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>5</sup> Rehabilitation is designed to alter abusive behavior in patients once they are free of acute physical and mental complications

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 57. Health maintenance organizations: Coverage for selected services, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Hospital room and board</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	78	79	80	77
Subject to limits <sup>1</sup> .....	22	21	20	23
<b>Inpatient surgery</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	94	94	94	94
Subject to limits <sup>1</sup> .....	6	6	6	6
<b>Outpatient surgery<sup>2</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	83	83	82	83
Subject to limits <sup>1</sup> .....	17	17	18	17
<b>Inpatient physician visits</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	94	94	94	95
Subject to limits <sup>1</sup> .....	5	6	5	5
Not determinable .....	( <sup>3</sup> )	( <sup>3</sup> )	1	( <sup>3</sup> )
<b>Office physician visits</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	9	11	9	9
Subject to limits <sup>1</sup> .....	91	89	91	91
<b>Diagnostic x-ray and laboratory services</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	94	94	94	94
Subject to limits <sup>1</sup> .....	5	6	5	5
Not determinable .....	( <sup>3</sup> )	( <sup>3</sup> )	1	( <sup>3</sup> )

<sup>1</sup> Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of costs (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

<sup>2</sup> Charges incurred in the outpatient department of a hospital and outside of the hospital

<sup>3</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 58. Health maintenance organizations: Coverage for alternatives to hospital care, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Extended care<sup>1</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	16	12	16	20
Subject to limits <sup>2</sup> .....	84	88	84	80
<b>Home health care<sup>1</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	72	73	75	70
Subject to limits <sup>2</sup> .....	28	27	25	30
<b>Hospice care</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	55	56	56	54
Subject to limits <sup>2</sup> .....	45	44	44	46

<sup>1</sup> Some plans provide this care only to a patient who was previously hospitalized and is recovering without need of the extensive care provided by a general hospital.

<sup>2</sup> Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of cost (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 59. Health maintenance organizations: Coverage for mental health and substance abuse treatment, full-time employees, medium and large private establishments, 1997**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient mental health</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	9	9	10	7
Subject to limits <sup>1</sup> .....	91	91	90	93
<b>Outpatient mental health</b>				
Total with coverage .....	100	100	100	100
Covered in full .....	1	1	1	1
Subject to limits <sup>1</sup> .....	99	99	99	99
<b>Inpatient alcohol detoxification<sup>2</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	36	35	41	33
Subject to limits <sup>1</sup> .....	64	65	59	67
<b>Inpatient alcohol rehabilitation<sup>3</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	10	10	12	10
Subject to limits <sup>1</sup> .....	90	90	88	90
<b>Outpatient alcohol rehabilitation<sup>3</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	2	2	2	2
Subject to limits <sup>1</sup> .....	98	98	98	98

See footnotes at end of table.

**Table 59. Health maintenance organizations: Coverage for mental health and substance abuse treatment, full-time employees, medium and large private establishments, 1997 — Continued**

Category of care and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient drug detoxification<sup>2</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	36	35	41	33
Subject to limits <sup>1</sup> .....	64	65	59	67
<b>Inpatient drug rehabilitation<sup>3</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	10	9	12	10
Subject to limits <sup>1</sup> .....	90	91	88	90
<b>Outpatient drug rehabilitation<sup>3</sup></b>				
Total with coverage .....	100	100	100	100
Covered in full .....	2	2	2	3
Subject to limits <sup>1</sup> .....	98	98	98	97

<sup>1</sup> Limits may be set in terms of dollar or day ceilings on benefits, a requirement that the participant pay a percentage of cost (coinsurance), or a requirement that the participant pay a specific amount (deductible or copayment) before reimbursement begins or services are rendered.

<sup>2</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>3</sup> Rehabilitation is designed to alter abusive behavior in patients once they are free of acute physical and mental complications.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 60. Medical care benefits:<sup>1</sup> Fee arrangement and financial intermediary, full-time employees, medium and large private establishments, 1997**

Fee arrangement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care .....	29,340	8,455	7,180	13,705
	Percent			
Total with medical care .....	100	100	100	100
Traditional fee-for-service <sup>2</sup> ...	27	20	22	33
Self insured <sup>3</sup> .....	19	13	16	25
With administrative services only contract <sup>4</sup> .....	11	8	8	15
Without administrative services only contract .....	7	4	8	8
Not determinable .....	1	( <sup>5</sup> )	1	3
Commercial insurance company .....	4	4	4	3
Blue Cross/Blue Shield .....	3	3	1	4
Independent organization <sup>6</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
Combined financed <sup>7</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
Preferred provider organization <sup>8</sup> .....	40	40	42	39
Self insured <sup>3</sup> .....	28	27	28	28
With administrative services only contract <sup>4</sup> .....	16	18	17	15
Without administrative services only contract .....	10	8	9	11
Not determinable .....	2	1	3	1
Commercial insurance company .....	7	7	9	6
Blue Cross/Blue Shield .....	5	5	4	5

See footnotes at end of table.

**Table 60. Medical care benefits:<sup>1</sup> Fee arrangement and financial intermediary, full-time employees, medium and large private establishments, 1997 — Continued**

Fee arrangement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
	Percent			
Total with medical care				
Preferred provider organization <sup>8</sup>				
Independent organization <sup>6</sup> .....	( <sup>5</sup> )	1	1	( <sup>5</sup> )
Combined financed <sup>7</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
Health maintenance organization <sup>9</sup> .....	33	40	36	28
Commercial insurance company .....	6	7	9	5
Blue Cross/Blue Shield .....	5	6	4	4
Independent organization <sup>6</sup> .....	22	27	23	19
Combined financed <sup>7</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
Other <sup>10</sup> .....	1	1	1	1

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Excludes plans that provided only dental, vision, or prescription drug coverage.

<sup>2</sup> These plans pay for specific medical procedures as expenses are incurred.

<sup>3</sup> Includes plans that are financed on a pay-as-you-go basis, plans financed through contributions to a trust fund established to pay benefits, and plans operating their own facilities if at least partially financed by employer contributions. Includes plans that are administered by a commercial carrier through Administrative Services Only (ASO) contracts.

<sup>4</sup> An arrangement where an establishment pays the cost of benefits, but hires another establishment to handle administrative services.

<sup>5</sup> Less than 0.5 percent.

<sup>6</sup> These organizations typically provide and finance all benefits, but are not affiliated with an insurance company or Blue Cross/Blue Shield.

<sup>7</sup> These are plans where the financing comes from two different kinds of financial intermediaries. For example, an establishment contracts with Blue Cross/Blue Shield to pay part of the benefits and a commercial company to pay the other benefits.

<sup>8</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contracts to provide comprehensive medical services. To encourage use of organization members, the health care plan limits reimbursement rates when participants use nonmember services.

<sup>9</sup> Delivers comprehensive health care on a prepayment rather than fee-for-service basis.

<sup>10</sup> Includes exclusive provider organizations, which are groups of hospitals and physicians that contract to provide comprehensive medical services. Participants are required to obtain services from members of the organization in order to receive plan benefits.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 61. Health maintenance organizations: Summary of selected features, full-time employees, medium and large private establishments, 1997**

Selected features	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in HMO plans .....	9,683	3,353	2,556	3,774
	Percent			
Total in HMO plans .....	100	100	100	100
Model type:				
Group/staff <sup>1</sup> .....	24	27	21	23
Individual practice association <sup>2</sup> .....	41	39	41	43
Mixed model .....	24	24	28	21
Not determinable .....	11	10	10	13
Point of service feature <sup>3</sup> .....	19	19	19	19
Federally qualified .....	62	64	65	57
Limit on copayments <sup>4</sup> .....	30	30	28	32
Preventive dental care <sup>5</sup> .....	10	12	11	7
Vision screening or examinations .....	85	86	85	83

<sup>1</sup> Care is provided at centralized locations.

<sup>2</sup> Care is provided by doctors working out of their offices.

<sup>3</sup> Enrollees may obtain care from non-HMO providers, with limited reimbursement.

<sup>4</sup> In these plans, HMO's limit the dollar amount the individual pays after which coverage is in full. For example, there is a copayment limit of \$1,000 after which the HMO covers all services at 100 percent.

<sup>5</sup> Includes dental examinations and/or x-rays only.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 62. Non-health maintenance organizations: Amount of individual deductible,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Deductible <sup>2</sup>	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations
Number (in thousands) in non-HMO plans .....	19,658	7,784	11,608	5,102	1,679	3,344	4,624	1,560	2,986	9,931	4,545	5,279
	Percent											
Total in non-HMO plans .....	100	100	100	100	100	100	100	100	100	100	100	100
Deductible specified .....	72	93	60	70	94	59	66	93	53	77	92	66
Deductible on an annual basis <sup>4</sup> .....	72	91	60	69	91	59	66	93	53	76	91	65
Based on earnings <sup>5</sup> .....	5	7	4	5	7	4	6	10	4	4	6	3
Flat dollar amount <sup>6</sup> .....	67	84	57	63	84	55	60	83	49	72	85	62
\$100 .....	13	21	8	9	17	6	9	15	5	17	25	10
\$150 .....	9	8	9	9	7	11	5	3	6	10	10	10
\$200 .....	17	20	16	13	15	12	16	19	14	20	22	19
\$250 .....	10	12	8	11	16	8	12	15	11	8	10	6
\$300 .....	5	4	6	6	5	6	4	3	5	5	5	6
Over \$300 .....	12	17	9	14	24	9	13	26	7	10	11	10
Other .....	1	1	( <sup>7</sup> )	1	3	-	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	1	1	( <sup>7</sup> )
No deductible .....	28	7	40	30	6	41	34	7	47	23	8	34
Not determinable .....	( <sup>7</sup> )	( <sup>7</sup> )	-	( <sup>7</sup> )	( <sup>7</sup> )	-	( <sup>7</sup> )	( <sup>7</sup> )	-	( <sup>7</sup> )	( <sup>7</sup> )	-
	Average <sup>8</sup>											
Average annual deductible .....	\$268	\$281	\$254	\$310	\$355	\$275	\$298	\$354	\$250	\$237	\$230	\$245

<sup>1</sup> The deductible is the amount of covered expenses that an individual must pay before any charges are paid by the medical care plan. Deductibles that apply separately to a specific category of expense, such as a deductible for each hospital admission, were excluded from this tabulation.

<sup>2</sup> Amount of deductible described is for each insured person. However, many plans contain a maximum family deductible. In some plans, the individual and the family deductibles are identical. If the deductible applied only to dependents' coverage, it was not tabulated.

<sup>3</sup> These plans include fee-for-service, preferred provider organizations, and exclusive provider organizations. Data are not shown separately for exclusive provider organizations.

<sup>4</sup> Deductibles are calculated on an annual basis, with the enrollee responsible for satisfying a new deductible requirement each plan year.

<sup>5</sup> These plans have deductibles that vary by the amount of the participant's earnings. A typical provision is 1 percent of annual earnings with a maximum deductible of \$150.

<sup>6</sup> Includes other amounts not shown separately.

<sup>7</sup> Less than 0.5 percent.

<sup>8</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 63. Non-health maintenance organizations: Relationship of individual and family deductibles,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Relationship of individual and family deductibles	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations
Number (in thousands) in non-HMO plans .....	19,658	7,784	11,608	5,102	1,679	3,344	4,624	1,560	2,986	9,931	4,545	5,279
	Percent											
Total with non-HMO plans .....	100	100	100	100	100	100	100	100	100	100	100	100
Individual and family deductibles specified .....	61	74	54	61	79	53	56	77	46	64	71	59
Family deductible is multiple of individual deductible <sup>3</sup> .....	53	65	47	54	71	47	49	72	38	55	60	51
2 times .....	24	29	22	29	40	24	21	28	17	24	25	23
2.5 times .....	3	2	3	1	1	1	1	1	1	4	3	5
3 times .....	22	28	18	20	26	18	25	38	18	22	26	19
Specified number of individual deductibles must be met to satisfy family deductible <sup>4</sup> .....	8	9	7	6	8	6	7	4	8	9	10	8
Less than 3 individual deductibles .....	4	5	2	3	3	2	4	3	4	4	7	2
3 individual deductibles .....	4	3	5	4	5	3	3	1	4	5	3	6
More than 3 individual deductibles .....	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )	( <sup>5</sup> )	-	-	-	-	( <sup>5</sup> )	( <sup>5</sup> )	-
No individual and/or family deductible .....	39	26	46	39	21	47	44	23	54	36	29	41
Not determinable .....	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )	( <sup>5</sup> )	-

<sup>1</sup> Deductibles are calculated on an annual basis with the enrollee responsible for satisfying a new deductible requirement each plan year.

<sup>2</sup> These plans include fee-for-service, preferred provider organizations, and exclusive provider organizations. Data are not shown separately for exclusive provider organizations.

<sup>3</sup> For example, the individual deductible requirement is \$100 while the family deductible requirement is \$300. Includes some multiples not shown

separately.

<sup>4</sup> For example, the individual requirement is \$100 and three individual deductibles must be met to satisfy the family requirement.

<sup>5</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 64. Non-health maintenance organizations: Coinsurance rates, full-time employees, medium and large private establishments, 1997**

Coinsurance	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations
Number (in thousands) in non-HMO plans .....	19,658	7,784	11,608	5,102	1,679	3,344	4,624	1,560	2,986	9,931	4,545	5,279
	Percent											
Total with non-HMO plans .....	100	100	100	100	100	100	100	100	100	100	100	100
With coinsurance <sup>2</sup> .....	80	93	73	78	94	71	79	93	73	82	93	73
Coinsurance rate <sup>3</sup>												
80 percent .....	54	83	36	51	82	36	52	83	36	57	84	36
85 percent .....	3	2	4	2	1	3	3	1	4	3	2	4
90 percent .....	19	2	30	21	2	30	19	1	29	18	2	31
Other percent .....	4	5	3	4	8	2	5	7	4	3	4	2
Without coinsurance <sup>4</sup> .....	20	7	27	22	6	29	21	7	27	18	7	27

<sup>1</sup> These plans include fee-for-service, preferred provider organizations, and exclusive provider organizations. Data are not shown separately for exclusive provider organizations.

<sup>2</sup> Represents the initial coinsurance in plans that have 100 percent coverage after the individual pays a specified dollar amount toward expenses. For example, the plan pays 80 percent until the individual's out-of-pocket expenses reach \$1,000, and then coverage is at 100 percent.

<sup>3</sup> A few plans have more than one coinsurance rate. In those cases, the coinsurance rate shown is that which applies to the majority of benefits under the plan. Includes variable coinsurance rates not shown separately.

<sup>4</sup> Includes plans with overall benefit limitations, such as maximum dollar amounts and deductibles, where the coinsurance rate is 100 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 65. Non-health maintenance organizations: Maximum out-of-pocket expense provisions, full-time employees, medium and large private establishments, 1997**

Type and amount of out-of-pocket expense provision	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations
Number (in thousands) with non-HMO plans .....	19,658	7,784	11,608	5,102	1,679	3,344	4,624	1,560	2,986	9,931	4,545	5,279
	Percent											
Total with non-HMO plans .....	100	100	100	100	100	100	100	100	100	100	100	100
With limit on out-of-pocket expense .....	79	85	76	79	91	74	79	89	74	80	82	80
With an annual dollar maximum on out-of-pocket expense <sup>2</sup> .....	70	75	69	69	80	64	69	78	65	72	71	74
Per individual:												
Less than \$500 .....	5	6	5	6	9	4	4	5	4	5	5	6
\$500 .....	6	5	7	5	3	5	5	4	5	8	6	9
\$501 - \$999 .....	9	8	10	10	5	13	10	9	11	8	9	8
\$1,000 .....	16	12	18	16	17	15	13	9	15	17	12	21
\$1,001 - \$1,499 .....	7	9	6	5	6	4	8	12	5	8	9	7
\$1,500 .....	7	9	5	5	7	4	5	5	5	9	11	7
\$1,501 - \$1,999 .....	3	4	3	4	6	3	3	5	2	3	3	4
\$2,000 .....	7	8	7	9	10	8	8	8	8	7	7	6
Greater than \$2,000 .....	10	13	8	10	17	7	14	22	10	8	9	7
Per family:												
Less than \$1,000 .....	3	2	4	4	2	5	4	6	3	3	1	4
\$1,000 .....	4	4	4	2	2	2	3	3	3	6	5	6
\$1,001 - \$1,999 .....	8	6	9	8	4	10	8	4	10	8	8	9
\$2,000 .....	5	5	6	8	8	7	5	4	5	4	4	5
\$2,001 - \$2,999 .....	6	7	6	7	7	7	7	12	5	5	5	6
\$3,000 .....	8	7	9	5	6	5	6	4	7	11	9	13
Greater than \$3,000 .....	15	18	13	18	24	15	18	29	12	12	13	12
No family maximum ..	12	16	10	12	19	8	9	12	7	15	17	13
Family maximum cannot be computed <sup>3</sup> .....	7	8	7	5	7	4	9	6	11	7	9	6
Annual maximum on out-of-pocket expense based on earnings .....	6	6	6	7	6	7	8	8	8	4	5	4
Annual maximum on out-of-pocket expense varies by coinsurance rate <sup>4</sup> .....	3	4	2	2	2	3	2	3	1	3	5	2
Other .....	( <sup>5</sup> )	1	-	1	3	-	-	-	-	( <sup>5</sup> )	1	-
No out-of-pocket expense required <sup>6</sup> .....	9	4	11	9	2	13	11	5	14	7	4	9
No limit on out-of-pocket expense .....	11	11	11	12	7	14	9	6	10	12	14	11
Not determinable .....	1	( <sup>5</sup> )	1	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	2	( <sup>5</sup> )	2	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )

See footnotes at end of table.

**Table 65. Non-health maintenance organizations: Maximum out-of-pocket expense provisions, full-time employees, medium and large private establishments, 1997 — Continued**

Type and amount of out-of-pocket expense provision	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>1</sup>	Fee-for-service plans	Preferred provider organizations
	Average <sup>7</sup>											
Average annual dollar maximum on individual out-of-pocket expense .....	\$1,578	\$1,651	\$1,527	\$1,565	\$1,703	\$1,478	\$1,924	\$1,906	\$1,943	\$1,432	\$1,533	\$1,349
Average annual dollar maximum on family out-of-pocket expense .....	3,101	3,337	2,949	3,375	3,853	3,134	3,392	3,903	3,049	2,820	2,855	2,794

<sup>1</sup> These plans include fee-for-service, preferred provider organizations, and exclusive provider organizations. Data are not shown separately for exclusive provider organizations.

<sup>2</sup> Deductible amounts were excluded from computation of the out-of-pocket dollar limits. With rare exceptions, an out-of-pocket limit was specified on an annual basis. Few workers were in plans where the expense limit applied to a disability or a period other than a year. Charges for certain services, such as mental health care, may not be counted toward the out-of-pocket maximum.

<sup>3</sup> These are plans where a family maximum is stated in such a way that it cannot be computed. For example, the individual out-of-pocket expense is limited to \$1,000 per year and the family out-of-pocket expense is limited to three individuals. The family out-of-pocket expense cannot be computed because each of the three individuals must separately reach an out-of-pocket limit of \$1,000. Thus, if two individuals each reach \$1,000 in

their out-of-pocket expenses, and two other family members reach \$900 and \$800 respectively in out-of-pocket expenses, the family out-of-pocket limit would not have been met. A family dollar maximum cannot be computed in this example.

<sup>4</sup> Some plans reimburse medical expenses at more than one coinsurance rate. They impose a limit on out-of-pocket expenses by specifying a maximum on covered medical expenses beyond which all expenses are paid at 100 percent.

<sup>5</sup> Less than 0.5 percent.

<sup>6</sup> All covered expenses are paid at 100 percent.

<sup>7</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 66. Non-health maintenance organizations: Maximum benefit provisions, full-time employees, medium and large private establishments, 1997**

Maximum <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with non-HMO plans .....	19,658	5,102	4,624	9,931
	Percent			
Total with non-HMO plans .....	100	100	100	100
With maximum limits .....	68	67	59	74
Lifetime maximum only <sup>2</sup> ...	64	64	56	68
Less than \$250,000 .....	1	( <sup>3</sup> )	( <sup>3</sup> )	2
\$250,000 .....	4	2	2	6
\$500,000 .....	6	4	5	8
\$1,000,000 .....	41	43	36	42
More than \$1,000,000 ..	11	14	13	8
Annual or disability maximum only .....	2	1	1	2
Both lifetime and annual or disability maximums ...	2	1	2	2
Other maximum .....	( <sup>3</sup> )	( <sup>3</sup> )	-	1
Without maximum limits .....	30	32	40	25
Not determinable .....	1	1	1	1
	Average <sup>4</sup>			
Average lifetime maximum .....	\$1,089,175	\$1,245,636	\$1,225,040	\$963,175

<sup>1</sup> Maximum described is for each insured person. Where the maximum differed for employees and dependents, the employee maximum was tabulated.

<sup>2</sup> Includes other lifetime maximum limits not shown separately.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 67. Non-health maintenance organizations: Average major medical provisions, full-time employees, medium and large private establishments, 1997**

Average <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Annual deductible <sup>2</sup>				
Individual .....	\$268	\$310	\$298	\$237
Family .....	647	721	789	550
Annual out-of-pocket expense maximum <sup>3</sup>				
Individual .....	1,578	1,565	1,924	1,432
Family .....	3,101	3,375	3,392	2,820
Lifetime maximum <sup>4</sup> .....	1,089,175	1,245,636	1,225,040	963,175

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

<sup>2</sup> The deductible is the amount of covered expenses that an individual or family must pay before any charges are paid by the medical care plan. Deductibles that apply separately to a specific category of expense, such as a deductible for each hospital admission, were excluded from this tabulation.

<sup>3</sup> The out-of-pocket expense maximum is the amount an individual or family must pay before the plan will pay 100 percent of additional charges. Deductible amounts were excluded from computation of the out-of-pocket dollar limits. Usually, out-of-pocket limits were specified on an annual basis. Charges for certain services, such as mental health care, may not be counted toward the out-of-pocket maximum.

<sup>4</sup> The maximum is the total amount of expenses that the plan will pay. Maximum described is for each insured person. Where the maximum differed for employees and dependents, the employee maximum was tabulated.

**Table 68. Preferred provider organizations:<sup>1</sup> Summary of selected features, full-time employees, medium and large private establishments, 1997**

Type of services and incentives	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in PPO plans .....	11,608	3,344	2,986	5,279
	Percent			
Total with PPO plans .....	100	100	100	100
Services subject to PPO incentive:				
Hospital room and board ..	94	97	97	91
Surgery .....	96	96	96	95
Physician's in-hospital visits .....	95	96	96	94
Office visits .....	91	92	92	90
Outpatient prescription drugs .....	34	38	32	34
Type of PPO incentives: <sup>2</sup>				
Coinsurance rate differs ...	92	95	89	91
Lower annual deductible ...	54	57	57	51
Higher lifetime maximum benefit limit .....	9	10	13	6
Lower catastrophic maximum limit .....	62	64	62	61
Lower hospital deductible	17	19	19	16
Office visits copayment .....	53	55	60	48
Outpatient prescription drugs copayment .....	16	16	14	17
Discounted for PPO <sup>3</sup> .....	10	12	12	7
Not determinable .....	2	1	2	2

<sup>1</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contract to provide comprehensive medical services. To encourage use of organization members, the health care plan limits reimbursement rates when participants use nonmember services.

<sup>2</sup> Sum of individual items is greater than the total because many plan participants were in plans with more than one incentive.

<sup>3</sup> The amount of total expenses incurred by the individual is discounted under the PPO. For example, under the non-PPO, total expenses are \$10,000; under the PPO, total expenses are discounted by 10 percent.

**Table 69. Preferred provider organizations:<sup>1</sup> Coinsurance rate for preferred service providers versus other service providers, full-time employees, medium and large private establishments, 1997**

Coinsurance rate comparison	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in PPO plans .....	11,608	3,344	2,986	5,279
	Percent			
Total with PPO plans .....	100	100	100	100
Overall coinsurance rate differs .....	92	95	89	91
100 vs 80 .....	17	15	15	20
90 vs 80 .....	8	8	7	8
100 vs 70 .....	9	12	8	7
90 vs 70 .....	20	17	18	23
80 vs 70 .....	5	6	5	5
80 vs 60 .....	14	16	16	11
Other coinsurance rate .....	19	21	19	17
Overall coinsurance rate does not differ .....	7	5	9	7
Not determinable .....	2	1	2	2

<sup>1</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contract to provide comprehensive medical services. To encourage use of organization members, the health care plan limits reimbursement rates when participants use nonmember services.

NOTE: Because of rounding sums of individual items may not equal totals.

**Table 70. Medical care benefits: Availability of managed care benefits, full-time employees, medium and large private establishments, 1997**

Managed care plan	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care .....	29,340	8,455	7,180	13,705
	Percent			
Total with medical care .....	100	100	100	100
With managed care benefits	95	97	96	93
Traditional fee-for-service with managed care features <sup>1</sup> .....	21	16	17	26
Preferred provider organization <sup>2</sup> .....	40	40	42	39
Exclusive provider organization <sup>3</sup> .....	1	1	1	1
Prepaid health maintenance organization <sup>4</sup> .....	33	40	36	28
Without managed care .....	5	3	4	6
Not determinable .....	1	( <sup>5</sup> )	( <sup>5</sup> )	1

<sup>1</sup> Fee-for-service plans with preadmission certification or mandatory second surgical opinion features.

<sup>2</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contract to provide comprehensive medical services. To encourage use of organization members, the health care plan limits reimbursement rates when participants use nonmember services.

<sup>3</sup> An exclusive provider organization is a group of hospitals and physicians that contract to provide comprehensive medical services. Participants are required to obtain services from members of the organization to receive plan benefits.

<sup>4</sup> A health maintenance organization provides a prescribed set of benefits to enrollees for a fixed payment.

<sup>5</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 71. Non-health maintenance organizations: Availability of selected cost containment features, full-time employees, medium and large private establishments, 1997**

Cost containment features	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans .....	19,658	5,102	4,624	9,931
	Percent			
Total with non-HMO plans .....	100	100	100	100
With cost containment features .....	73	74	70	74
Preadmission certification requirement .....	59	59	57	60
Utilization or concurrent review .....	34	37	33	32
Preadmission testing .....	42	42	34	46
Nonemergency weekend admission restriction ...	11	8	8	14
Hospital audit program .....	8	8	12	6
Other feature .....	1	1	1	1

**Table 72. Non-health maintenance organizations: Prehospitalization certification requirements, full-time employees, medium and large private establishments, 1997**

Preadmission requirements	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with preadmission certification ...	11,595	3,006	2,638	5,951
	Percent			
Total with preadmission certification .....	100	100	100	100
Plan does not impose penalty .....	3	4	4	1
Plan does impose penalty ...	97	96	96	99
No benefit .....	3	2	3	4
Deductible on hospital admission .....	38	35	46	36
Less than \$200 .....	7	6	14	5
\$200 - \$299 .....	12	9	14	12
\$300 - \$399 .....	7	7	6	7
\$400 - \$499 .....	4	3	3	4
\$500 or greater .....	8	9	9	8
Reduced coinsurance .....	37	38	30	39
Without a maximum dollar penalty .....	26	26	22	28
With a maximum dollar penalty .....	10	11	8	11
Reduced coinsurance and separate deductible per admission .....	2	1	2	2
Other .....	3	2	4	3
Penalty not determinable ..	14	18	11	14

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 73. Non-health maintenance organizations: Second surgical opinion provisions, full-time employees, medium and large private establishments, 1997**

Second surgical opinion requirements	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans .....	19,658	5,102	4,624	9,931
	Percent			
Total with non-HMO plans .....	100	100	100	100
With second surgical opinion program .....	50	50	50	50
With no penalties for non-compliance .....	32	31	36	30
With penalties for non-compliance .....	18	19	14	20
Coinsurance reduced to:				
50 percent .....	6	8	5	6
Other .....	6	5	4	7
Lower schedule of payments .....	(1)	(1)	(1)	(1)
No coverage .....	(1)	(1)	(1)	(1)
Deductible imposed .....	4	3	3	5
Other penalties .....	1	(1)	1	1
Penalty not determinable .....	2	2	1	2
No second surgical opinion program <sup>2</sup> .....	50	50	50	50

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes plans in which documentation does not detail a second surgical opinion program. By definition, managed care plans, such as preferred provider organizations integrate second surgical opinion programs as part of their structure. These managed care plans are quite often responsible for initiating the second surgical opinion program. When this occurs, that program was not tabulated.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 74. Non-health maintenance organizations: Start of plan benefits for hospital room and board, full-time employees, medium and large private establishments, 1997**

Start of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with hospital room and board coverage .....	19,658	5,102	4,624	9,931
	Percent			
Total in non-HMO plans with hospital room and board coverage .....	100	100	100	100
First dollar coverage only <sup>1</sup> .....	12	14	14	10
First dollar coverage then major medical <sup>2</sup> .....	19	22	15	20
Major medical only .....	68	64	70	70

<sup>1</sup> Includes plans in which all expenses were reimbursed for the full semiprivate room rate up to a specified dollar amount, or for a limited or unlimited number of days.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 75. Non-health maintenance organizations: Types of limitations on hospital room and board coverage, full-time employees, medium and large private establishments, 1997**

Type of limit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with hospital room and board coverage .....	19,658	5,102	4,624	9,931
	Percent			
Total in non-HMO plans with hospital room and board coverage .....	100	100	100	100
Covered in full .....	7	9	8	6
Subject to limits other than major medical <sup>1</sup> .....	24	27	21	24
Separate copayment .....	14	17	14	12
Separate coinsurance .....	2	2	1	3
Limits on days .....	10	10	7	11
Per confinement .....	8	9	6	9
Per year .....	1	1	( <sup>2</sup> )	1
Limit on dollars .....	3	1	1	4
Other .....	1	1	1	( <sup>2</sup> )
Major medical limits only .....	68	64	70	70

<sup>1</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>2</sup> Less than 0.5 percent.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of limit.

**Table 76. Hospital room and board coverage: Copayment provisions,<sup>1</sup> by type of plan, full-time employees, medium and large private establishments, 1997**

Type of copayment provision	All employees			Professional, technical, and related employees			Clerical and sales employees			Blue-collar and service employees		
	HMO plans <sup>2</sup>	Non-HMO plans		HMO plans <sup>2</sup>	Non-HMO plans		HMO plans <sup>2</sup>	Non-HMO plans		HMO plans <sup>2</sup>	Non-HMO plans	
		Fee-for-service plans <sup>3</sup>	Preferred provider organization <sup>4</sup>		Fee-for-service plans <sup>3</sup>	Preferred provider organization <sup>4</sup>		Fee-for-service plans <sup>3</sup>	Preferred provider organization <sup>4</sup>		Fee-for-service plans <sup>3</sup>	Preferred provider organization <sup>4</sup>
Number (in thousands) with separate copayment .....	1,638	712	1,851	492	225	596	439	94	520	707	393	735
	Percent											
Total with separate copayment	100	100	100	100	100	100	100	100	100	100	100	100
Per confinement .....	70	77	79	74	93	79	64	91	80	70	64	77
\$100 .....	24	39	18	21	37	15	12	45	12	33	39	24
\$200 .....	9	17	21	5	12	20	16	23	25	7	18	19
\$250 .....	24	4	5	32	10	6	28	7	8	17	( <sup>5</sup> )	3
\$300 .....	3	13	6	4	31	5	1	-	3	3	6	8
\$400 .....	-	-	( <sup>5</sup> )	-	-	( <sup>5</sup> )	-	-	( <sup>5</sup> )	-	-	( <sup>5</sup> )
\$500 .....	1	-	6	1	-	9	1	-	7	2	-	3
Great than \$500 .....	1	1	-	( <sup>5</sup> )	-	-	1	9	-	( <sup>5</sup> )	-	-
Other .....	8	2	23	11	2	24	5	8	26	9	1	19
Limited to maximum amount per year <sup>6</sup> .....	26	13	15	34	12	15	33	34	14	16	9	15
Copayment per year .....	8	3	2	5	1	2	( <sup>5</sup> )	2	2	14	5	4
Copayment per day .....	25	2	21	22	2	23	36	-	22	21	2	19
Copayment limited to a specified number of days	-	20	-	-	5	-	-	6	-	-	31	-

<sup>1</sup> A copayment is the amount of covered expenses that an individual must pay before any charges are paid by the medical care plan.

<sup>2</sup> Delivers comprehensive health care on a prepayment rather than fee-for-service basis.

<sup>3</sup> These plans pay for specific medical procedures as expenses are incurred.

<sup>4</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contracts to provide comprehensive medical services. To encourage use of organization members, the health care plan limits

reimbursement rates when participants use nonmember services.

<sup>5</sup> Less than 0.5 percent.

<sup>6</sup> Limits placed on the maximum copayment an individual pays during the year. For example, an individual is subject to a copayment of \$100 per confinement with a limit of \$300 per year.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 77. Non-health maintenance organizations: Start of plan benefits for extended care facilities, full-time employees, medium and large private establishments, 1997**

Start of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with extended care benefits .....	14,922	4,103	3,630	7,189
	Percent			
Total in non-HMO plans with extended care benefits .....	100	100	100	100
First dollar coverage only <sup>1</sup> ....	14	16	14	13
First dollar coverage then major medical <sup>2</sup> .....	68	63	68	70
Major medical only .....	18	21	17	18

<sup>1</sup> Includes plans in which all expenses were reimbursed for the full semiprivate room rate, up to a specified dollar amount, or for a limited or unlimited number of days.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 78. Non-health maintenance organizations: Types of limitations on extended care facilities, full-time employees, medium and large private establishments, 1997**

Type of limit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with extended care benefits .....	14,922	4,103	3,630	7,189
	Percent			
Total in non-HMO plans with extended care benefits .....	100	100	100	100
Covered in full .....	4	4	4	3
Subject to limits other than major medical <sup>1</sup> .....	78	75	78	79
Limit on days .....	72	70	73	72
Limit on dollars .....	2	3	2	2
Separate coinsurance .....	7	8	7	7
Limited to maximum percentage rate of prior hospital confinement .....	14	10	16	15
Other limits .....	5	6	5	4
Limits not determinable ....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
Major medical limits only .....	18	21	17	18

<sup>1</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>2</sup> Less than 0.5 percent.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of limit. Where applicable, dash indicates no employees in this category.

**Table 79. Non-health maintenance organizations: Limitations on days of extended care facility coverage, full-time employees, medium and large private establishments, 1997**

Day limits	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with day limits on extended care .....	10,274	2,732	2,617	4,926
	Percent			
Total in non-HMO plans with day limits on extended care	100	100	100	100
First dollar coverage <sup>1</sup> for a limited number of days per confinement .....	9	8	6	10
Major medical coverage <sup>2</sup> for a limited number of days per confinement .....	43	39	44	45
60 days .....	16	15	18	16
90 days .....	3	4	3	3
100 days .....	4	4	8	1
120 days .....	12	11	12	14
Other .....	8	6	3	11
First dollar coverage <sup>1</sup> for a limited number of days per year .....	8	14	10	5
Major medical coverage <sup>2</sup> for a limited number of days per year .....	38	39	40	37
60 days .....	13	12	10	15
90 days .....	2	3	3	1
100 days .....	8	6	8	9
120 days .....	11	12	15	8
Other .....	5	5	5	5
First dollar coverage <sup>1</sup> for a limited number of days per lifetime .....	1	1	1	2
Major medical coverage <sup>2</sup> for a limited number of days per lifetime .....	1	1	( <sup>3</sup> )	1
Days not determinable .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-

<sup>1</sup> Includes plans in which all expenses were reimbursed for the full semiprivate room rate, up to a specified dollar amount, or for a limited or unlimited number of days.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>3</sup> Less than 0.5 percent.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of day limit. Where applicable, dash indicates no employees in this category.

**Table 80. Health maintenance organizations: Extent of coverage for extended care facilities, full-time employees, medium and large private establishments, 1997**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in HMO plans with extended care benefits .....	8,097	2,777	1,931	3,390
	Percent			
Total in HMO plans with extended care benefits .....	100	100	100	100
Covered in full .....	16	12	16	20
Day limit .....	79	84	80	74
Per year .....	62	66	57	60
30 days .....	3	4	3	2
60 days .....	11	9	8	15
90 days .....	3	3	2	3
100 days .....	33	38	37	27
Other .....	12	12	7	14
Per confinement .....	14	15	16	11
Per lifetime .....	1	2	1	1
Not determinable .....	2	1	6	2
A limit other than a day limit applies .....	5	5	5	6

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 81. Non-health maintenance organizations: Extent of coverage for surgical services, full-time employees, medium and large private establishments, 1997**

Type of surgery and extent of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans with inpatient surgery .....	19,658	5,102	4,624	9,931
Number (in thousands) in non-HMO plans with outpatient surgery .....	19,658	5,102	4,624	9,931
Percent				
<b>Inpatient surgery</b>				
Total in non-HMO plans with inpatient surgery .....	100	100	100	100
Covered in full .....	14	18	14	13
Subject to limits other than major medical .....	5	4	5	6
Dollar limit .....	2	1	2	4
Separate coinsurance ...	1	1	1	1
Separate deductible .....	2	1	2	2
Other limit .....	( <sup>1</sup> )	1	( <sup>1</sup> )	( <sup>1</sup> )
Major medical limits only <sup>2</sup>	80	78	81	81
<b>Outpatient surgery<sup>3</sup></b>				
Total in non-HMO plans with outpatient surgery .....	100	100	100	100
Covered in full .....	13	16	14	12
Subject to limits other than major medical .....	9	9	9	9
Dollar limit .....	2	1	1	3
Separate coinsurance ...	1	1	1	1
Separate deductible .....	5	6	7	4
Other limit .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Major medical limits only <sup>2</sup>	78	76	78	79

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Major medical limits apply to all benefits under the plan, not selected individual benefits. Major medical limits are deductibles and coinsurance percentages that must be paid by the participant before any plan benefits begin, and overall limits on plan benefits that can be paid.

<sup>3</sup> Charges incurred in the outpatient department of a hospital and outside of the hospital.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of limit. Where applicable, dash indicates no employees in this category.

**Table 82. Health maintenance organizations: Extent of coverage for physician's office visits, full-time employees, medium and large private establishments, 1997**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in HMO plans with physicians's office visits coverage .....	9,683	3,353	2,556	3,774
Percent				
Total in HMO plans with physicians's office visits coverage .....	100	100	100	100
Covered in full .....	9	11	9	9
Subject to a copayment .....	90	88	91	91
Less than \$5 per visit .....	2	1	1	2
\$5 per visit .....	29	30	29	28
\$6-9 per visit .....	1	1	2	1
\$10 per visit .....	45	44	44	45
More than \$10 per visit .....	12	10	14	13
Unspecified copayment .....	2	2	1	2
Subject to other limits only .....	( <sup>1</sup> )	1	( <sup>1</sup> )	( <sup>1</sup> )
Not determinable .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 83. Outpatient prescription drug benefits: Summary of coverage, full-time employees, medium and large private establishments, 1997**

Selected features	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number of employees (in thousands) with outpatient prescription drug coverage	28,029	8,110	6,992	12,927
	Percent			
Total with outpatient prescription drug coverage .....	100	100	100	100
Coverage for brand name drugs	100	100	100	100
Higher reimbursement for generic drugs .....	48	48	51	47
Coverage for mail order drugs <sup>1</sup>	43	43	39	44
Higher reimbursement for prescriptions filled at selected pharmacies .....	27	29	25	27

<sup>1</sup> Programs that provide drugs for maintenance purposes, that is, drugs required on a continuous basis.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of coverage.

**Table 84. Outpatient prescription drug benefits: Brand name drug provisions in non-health maintenance organization plans, full-time employees, medium and large private establishments, 1997**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number of employees (in thousands) in non-HMO plans with outpatient brand name drug coverage .....	18,451	4,765	4,413	9,273
	Percent			
Total in non-HMO plans with outpatient brand name drug coverage .....	100	100	100	100
Covered in full .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Subject to the major medical limits of plan .....	52	49	46	56
Subject to copayment per prescription <sup>2</sup> .....	46	47	50	44
Less than \$5.00 .....	3	2	1	5
\$5.00 .....	9	10	10	9
\$10.00 .....	17	14	22	15
Greater than \$10.00 .....	8	11	9	6
Unspecified copayment .....	1	1	1	2
Subject to a separate yearly deductible .....	8	7	12	7
Subject to a separate coinsurance rate .....	10	13	11	9
Subject to a separate yearly maximum .....	2	1	2	2
Difference in cost between generic and brand name drugs <sup>3</sup> .....	8	7	7	8
Other .....	2	1	2	2

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes copayment amounts between \$5 and \$10 not presented separately.

<sup>3</sup> These are plans where the individual participant is required to use a generic equivalent when available; if a generic equivalent is not chosen, the individual must pay the difference in total cost between the brand name and generic drug plus the cost to the individual. For example, if an individual is subject to a \$5 copayment for generic drugs and the brand name equivalent is purchased, the individual must pay the difference in total cost between the brand name and generic drug, plus the \$5 copayment.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of coverage.

**Table 85. Outpatient prescription drug benefits: Brand name drug provisions in health maintenance organization plans, full-time employees, medium and large private establishments, 1997**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number of employees (in thousands) in HMO plans with outpatient brand name drug coverage .....	9,162	3,179	2,415	3,569
	Percent			
Total in HMO plans with outpatient brand name drug coverage .....	100	100	100	100
Covered in full .....	1	2	1	1
Subject to copayment per prescription <sup>1</sup> .....	85	87	87	83
Less than \$5.00 .....	5	4	4	6
\$5.00 .....	31	31	30	32
\$7.00 .....	6	8	6	5
\$10.00 .....	28	28	30	25
Greater than \$10.00 .....	7	5	9	7
Unspecified copayment .....	1	2	1	2
Subject to a separate yearly deductible .....	3	3	3	3
Subject to a separate yearly maximum .....	3	4	2	3
Difference in cost between generic and brand name drugs <sup>2</sup> .....	9	7	8	11
Other .....	5	6	5	4
Not determinable .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1

<sup>1</sup> Includes copayment amounts that are not presented separately.

<sup>2</sup> These are plans where the individual participant is required to use a generic equivalent when available; if a generic equivalent is not chosen, the individual must pay the difference in total cost between the brand name and generic drug plus the cost to the individual. For example, if an individual is subject to a \$5 copayment for generic drugs and the brand name equivalent is purchased, the individual must pay the difference in total cost between the brand name and generic drug, plus the \$5 copayment.

<sup>3</sup> Less than 0.5 percent.

NOTE: Sum of individual items is greater than the total because some participants were in plans with more than one type of coverage.

**Table 86. Mental health care benefits: Comparison of coverage for hospital room and board and outpatient care with other illnesses, full-time employees, medium and large private establishments, 1997**

Relationship to coverage for other illnesses	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
	Percent			
<b>Hospital room and board</b>				
Total covered .....	100	100	100	100
Covered the same .....	12	13	10	13
Covered differently .....	88	87	90	87
<b>Outpatient care<sup>1</sup></b>				
Total covered .....	100	100	100	100
Covered the same .....	2	3	3	2
Covered differently .....	98	97	97	98

<sup>1</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

**Table 87. Mental health care benefits: Separate limits on coverage, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with mental health care benefits	28,236	8,249	6,835	13,152
Number (in thousands) with outpatient mental health care benefits .....	27,796	8,171	6,828	12,797
	Percent			
<b>Hospital room and board</b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>1</sup> .....	14	14	12	15
Subject to separate limits <sup>2</sup>	86	86	88	85
Days .....	61	62	65	58
Dollars .....	41	39	39	44
Coinsurance .....	13	13	15	12
Copayment .....	7	7	9	6
Other .....	1	2	1	1
<b>Outpatient care<sup>3</sup></b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>1</sup> .....	4	4	4	3
Subject to separate limits <sup>2</sup>	96	96	96	97
Days .....	53	59	53	50
Dollars .....	55	50	57	56
Coinsurance .....	36	31	37	38
Copayment .....	30	35	30	28
Other .....	2	2	1	1

<sup>1</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>2</sup> Separate limitations indicate that mental health care benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient mental health care to 30 days per year, that plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>3</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, doctor's office care was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 88. Mental health care benefits: Separate limits on coverage in health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with mental health care benefits	9,238	3,243	2,396	3,599
Number (in thousands) with outpatient mental health care benefits .....	9,569	3,310	2,513	3,746
	Percent			
<b>Hospital room and board</b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>1</sup> .....	10	10	11	8
Subject to separate limits <sup>2</sup>	90	90	89	92
Days .....	84	82	83	88
Dollars .....	12	16	11	10
Coinsurance .....	10	10	10	9
Copayment .....	16	14	17	17
Other .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
<b>Outpatient care<sup>4</sup></b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>1</sup> .....	3	3	5	2
Subject to separate limits <sup>2</sup>	97	97	95	98
Days .....	83	83	83	82
Dollars .....	19	19	19	18
Coinsurance .....	13	15	11	13
Copayment .....	61	64	57	62
Other .....	1	1	1	( <sup>3</sup> )

<sup>1</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>2</sup> Separate limitations indicate that mental health care benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient mental health care to 30 days per year, that plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, doctor's office care was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 89. Mental health care benefits: Separate limits on coverage in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with mental health care benefits	18,998	5,006	4,439	9,553
Number (in thousands) with outpatient mental health care benefits .....	18,227	4,860	4,315	9,051
Percent				
<b>Hospital room and board<sup>1</sup></b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	16	17	12	18
Subject to separate limits <sup>3</sup>	84	83	88	82
Days .....	50	49	56	47
Dollars .....	55	53	55	56
Coinsurance .....	15	15	18	13
Copayment .....	3	3	5	2
Other .....	2	3	2	1
<b>Outpatient care<sup>4</sup></b>				
Total with mental health care benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	4	4	3	4
Subject to separate limits <sup>3</sup>	96	96	97	96
Days .....	38	42	35	37
Dollars .....	74	72	78	72
Coinsurance .....	47	42	52	48
Copayment .....	14	15	15	13
Other .....	2	3	2	1

<sup>1</sup> Excludes doctor's charges in the hospital.  
<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.  
<sup>3</sup> Separate limitations indicate that mental health care benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient mental health care to 30 days per year, that plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.  
<sup>4</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, doctor's office care was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 90. Alcohol and drug abuse: Relationship between provisions, full-time employees, medium and large private establishments, 1997**

Relationship of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care .....	29,340	8,455	7,180	13,705
Percent				
Total .....	100	100	100	100
Covered together <sup>1</sup> .....	78	80	78	76
Covered separately but with the same limits <sup>2</sup> .....	1	1	1	2
Other <sup>3</sup> .....	19	17	19	19
Not determinable .....	2	2	2	3

<sup>1</sup> These are plans where all limits that apply to alcohol abuse treatment also apply to drug abuse treatment. When care is received for one of these types of treatment, it reduces the availability of care from the other. For example, if alcohol and drug abuse are limited to 30 days per year and 20 days are used for alcohol abuse, then there are 10 days left for drug abuse.  
<sup>2</sup> These are plans where alcohol and drug abuse are subject to separate and identical limits. For example, alcohol abuse treatment is limited to 30 days per year and drug abuse treatment is limited to a separate 30 days per year.  
<sup>3</sup> Includes plans where alcoholism coverage differs from drug coverage; and where some limits for alcohol and drug abuse treatment are separate and identical and different limits reduce the availability of care from the other; and where there is no coverage for alcohol and drug abuse treatment.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 91. Substance abuse treatment benefits: Relationship to coverage for other illnesses, full-time employees, medium and large private establishments, 1997**

Relationship to coverage for other illnesses	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Alcohol abuse</b>				
Total with inpatient detoxification <sup>1</sup> .....	100	100	100	100
Covered the same .....	25	26	25	24
Covered differently .....	75	74	75	76
Total with inpatient rehabilitation <sup>2</sup> .....	100	100	100	100
Covered the same .....	7	7	6	6
Covered differently .....	93	93	94	94
Total with outpatient rehabilitation <sup>3</sup> .....	100	100	100	100
Covered the same .....	6	7	6	6
Covered differently .....	94	93	94	94
<b>Drug abuse</b>				
Total with inpatient detoxification <sup>1</sup> .....	100	100	100	100
Covered the same .....	24	25	24	23
Covered differently .....	76	75	76	77
Total with inpatient rehabilitation <sup>2</sup> .....	100	100	100	100
Covered the same .....	7	7	6	6
Covered differently .....	93	93	94	94
Total with outpatient rehabilitation <sup>3</sup> .....	100	100	100	100
Covered the same .....	6	7	6	5
Covered differently .....	94	93	94	95

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>3</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

**Table 92. Alcohol abuse treatment benefits: Separate limits on coverage, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	28,689	8,381	7,002	13,305
Number (in thousands) with inpatient rehabilitation benefits .....	23,538	6,785	5,789	10,965
Number (in thousands) with outpatient rehabilitation benefits .....	24,592	7,190	6,017	11,385
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	26	27	27	25
Subject to separate limits <sup>3</sup>	74	73	73	75
Days .....	53	51	54	54
Dollars .....	37	36	34	38
Coinsurance .....	12	12	14	11
Copayment .....	4	6	4	4
Other .....	2	3	1	1
<b>Inpatient rehabilitation<sup>4</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	7	7	7	7
Subject to separate limits <sup>3</sup>	93	93	93	93
Days .....	69	68	71	68
Dollars .....	45	44	42	46
Coinsurance .....	15	15	18	13
Copayment .....	6	8	7	5
Other .....	2	4	2	2

See footnotes at end of table.

**Table 92. Alcohol abuse treatment benefits: Separate limits on coverage, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>5</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	7	7	7	6
Subject to separate limits <sup>3</sup>	93	93	93	94
Days .....	49	52	51	47
Dollars .....	51	48	55	51
Coinsurance .....	26	24	31	25
Copayment .....	23	25	23	21
Other .....	2	3	2	1

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that alcohol abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>5</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 93. Drug abuse treatment benefits: Separate limits on coverage, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	28,314	8,233	6,932	13,149
Number (in thousands) with inpatient rehabilitation benefits .....	23,459	6,762	5,805	10,892
Number (in thousands) with outpatient rehabilitation benefits .....	24,476	7,173	6,028	11,274
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	26	26	27	24
Subject to separate limits <sup>3</sup>	74	74	73	76
Days .....	53	51	54	54
Dollars .....	37	37	35	39
Coinsurance .....	12	12	14	11
Copayment .....	5	6	4	4
Other .....	2	3	1	1
<b>Inpatient rehabilitation<sup>4</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	7	7	8	7
Subject to separate limits <sup>3</sup>	93	93	92	93
Days .....	68	68	71	68
Dollars .....	45	45	42	46
Coinsurance .....	15	15	18	13
Copayment .....	6	8	7	5
Other .....	2	4	2	2

See footnotes at end of table.

**Table 93. Drug abuse treatment benefits: Separate limits on coverage, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>5</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	7	7	7	6
Subject to separate limits <sup>3</sup>	93	93	93	94
Days .....	50	53	52	46
Dollars .....	51	48	55	51
Coinsurance .....	26	24	31	25
Copayment .....	23	25	23	21
Other .....	2	3	2	1

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that drug abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>5</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 94. Alcohol abuse treatment benefits: Separate limits on coverage in health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	9,595	3,330	2,543	3,722
Number (in thousands) with inpatient rehabilitation benefits .....	6,969	2,442	1,842	2,685
Number (in thousands) with outpatient rehabilitation benefits .....	7,942	2,809	2,049	3,083
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	42	40	47	40
Subject to separate limits <sup>3</sup>	58	60	53	60
Days .....	50	51	47	51
Dollars .....	14	17	13	12
Coinsurance .....	9	9	10	9
Copayment .....	10	9	7	12
Other .....	1	2	1	( <sup>4</sup> )
<b>Inpatient rehabilitation<sup>5</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	12	11	15	12
Subject to separate limits <sup>3</sup>	88	89	85	88
Days .....	79	77	78	81
Dollars .....	20	24	18	16
Coinsurance .....	13	13	14	13
Copayment .....	14	13	11	17
Other .....	2	3	2	1

See footnotes at end of table.

**Table 94. Alcohol abuse treatment benefits: Separate limits on coverage in health maintenance organizations, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>6</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	12	12	14	10
Subject to separate limits <sup>3</sup>	88	88	86	90
Days .....	70	67	72	71
Dollars .....	21	22	23	20
Coinsurance .....	9	10	8	9
Copayment .....	42	42	38	45
Other .....	1	2	1	1

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that alcohol abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Less than 0.5 percent.

<sup>5</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>6</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 95. Drug abuse treatment benefits: Separate limits on coverage in health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	9,492	3,292	2,509	3,691
Number (in thousands) with inpatient rehabilitation benefits .....	6,933	2,452	1,841	2,640
Number (in thousands) with outpatient rehabilitation benefits .....	7,881	2,805	2,044	3,032
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	42	40	47	40
Subject to separate limits <sup>3</sup>	58	60	53	60
Days .....	50	51	47	51
Dollars .....	14	17	14	12
Coinsurance .....	9	9	10	10
Copayment .....	10	9	7	12
Other .....	1	2	1	( <sup>4</sup> )
<b>Inpatient rehabilitation<sup>5</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	12	11	15	12
Subject to separate limits <sup>3</sup>	88	89	85	88
Days .....	78	77	78	79
Dollars .....	20	24	18	17
Coinsurance .....	13	13	14	13
Copayment .....	14	13	11	16
Other .....	2	3	2	1

See footnotes at end of table.

**Table 95. Drug abuse treatment benefits: Separate limits on coverage in health maintenance organizations, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>6</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	12	12	14	10
Subject to separate limits <sup>3</sup>	88	88	86	90
Days .....	70	67	73	71
Dollars .....	21	22	23	20
Coinsurance .....	9	11	8	9
Copayment .....	42	42	38	45
Other .....	1	2	1	1

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that drug abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Less than 0.5 percent.

<sup>5</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>6</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 96. Alcohol abuse treatment benefits: Separate limits on coverage in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	19,093	5,051	4,459	9,583
Number (in thousands) with inpatient rehabilitation benefits .....	16,570	4,343	3,947	8,280
Number (in thousands) with outpatient rehabilitation benefits .....	16,650	4,381	3,968	8,302
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	18	19	15	19
Subject to separate limits <sup>3</sup>	82	81	85	81
Days .....	54	51	59	55
Dollars .....	48	49	46	49
Coinsurance .....	13	13	17	11
Copayment .....	2	3	3	1
Other .....	2	4	2	2
<b>Inpatient rehabilitation<sup>4</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	5	5	4	6
Subject to separate limits <sup>3</sup>	95	95	96	94
Days .....	64	62	68	64
Dollars .....	55	56	53	56
Coinsurance .....	15	17	19	13
Copayment .....	3	5	5	2
Other .....	2	4	2	2

See footnotes at end of table.

**Table 96. Alcohol abuse treatment benefits: Separate limits on coverage in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>5</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	4	4	4	5
Subject to separate limits <sup>3</sup>	96	96	96	95
Days .....	40	43	41	38
Dollars .....	65	65	71	63
Coinsurance .....	34	32	43	31
Copayment .....	13	15	15	12
Other .....	2	3	2	2

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that alcohol abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>5</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 97. Drug abuse treatment benefits: Separate limits on coverage in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with inpatient detoxification benefits .....	18,822	4,941	4,423	9,458
Number (in thousands) with inpatient rehabilitation benefits .....	16,526	4,310	3,964	8,252
Number (in thousands) with outpatient rehabilitation benefits .....	16,595	4,369	3,984	8,242
	Percent			
<b>Inpatient detoxification<sup>1</sup></b>				
Total with inpatient detoxification benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	17	17	15	18
Subject to separate limits <sup>3</sup>	83	83	85	82
Days .....	55	51	59	55
Dollars .....	49	50	48	49
Coinsurance .....	13	14	17	11
Copayment .....	2	3	3	1
Other .....	2	4	2	2
<b>Inpatient rehabilitation<sup>4</sup></b>				
Total with inpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	5	6	4	6
Subject to separate limits <sup>3</sup>	95	94	96	94
Days .....	64	62	68	64
Dollars .....	55	56	53	56
Coinsurance .....	16	17	19	13
Copayment .....	3	5	5	2
Other .....	2	4	2	2

See footnotes at end of table.

**Table 97. Drug abuse treatment benefits: Separate limits on coverage in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997 — Continued**

Coverage limitation	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Outpatient rehabilitation<sup>5</sup></b>				
Total with outpatient rehabilitation benefits .....	100	100	100	100
No separate limits <sup>2</sup> .....	4	4	3	5
Subject to separate limits <sup>3</sup>	96	96	97	95
Days .....	40	43	41	37
Dollars .....	66	65	71	63
Coinsurance .....	34	33	43	31
Copayment .....	13	14	15	12
Other .....	2	3	2	2

<sup>1</sup> Detoxification is the systematic use of medication and other methods under medical supervision to reduce or eliminate the effects of substance abuse.

<sup>2</sup> These include plans that provide coverage without any separate limits; they also include plans that provide coverage subject to only the major medical limits of the plan.

<sup>3</sup> Separate limitations indicate that drug abuse treatment benefits are more restrictive than benefits for other treatments. For example, if a plan limits inpatient rehabilitation care to 30 days per year, but the limit on inpatient care for any other type of illness is greater than 30 days per year, the plan contains separate limits. The total is less than the sum of the individual items because many plans had more than one type of limitation.

<sup>4</sup> Rehabilitation is designed to alter the abusive behavior in patients once they are free of acute physical and mental complications.

<sup>5</sup> Includes treatment in one or more of the following: outpatient department of a hospital, residential treatment center, organized outpatient clinic, day-night treatment center, or doctor's office. If benefits differed by location of treatment, the location offering the most beneficial coverage was tabulated.

NOTE: Sum of individual items is greater than total because some participants were in plans with more than one type of limit.

**Table 98. Mental health care and substance abuse treatment benefits: Application to out-of-pocket expense provisions<sup>1</sup> in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient mental health care</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	62	63	57	64
Not applied to out-of-pocket limits .....	38	37	43	36
<b>Outpatient mental health care</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	37	40	32	38
Not applied to out-of-pocket limits .....	63	60	68	62
<b>Inpatient alcohol detoxification</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	63	64	58	66
Not applied to out-of-pocket limits .....	37	36	42	34
<b>Inpatient alcohol rehabilitation</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limit .....	57	58	52	60
Not applied to out-of-pocket limits .....	43	42	48	40
<b>Outpatient alcohol rehabilitation</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	45	45	38	49
Not applied to out-of-pocket limits .....	55	55	62	51

See footnotes at end of table.

**Table 98. Mental health care and substance abuse treatment benefits: Application to out-of-pocket expense provisions<sup>1</sup> in non-health maintenance organizations, full-time employees, medium and large private establishments, 1997 — Continued**

Type of coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Inpatient drug detoxification</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	63	63	57	65
Not applied to out-of-pocket limits .....	37	37	43	35
<b>Inpatient drug rehabilitation</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	57	57	52	60
Not applied to out-of-pocket limits .....	43	43	48	40
<b>Outpatient drug rehabilitation</b>				
Total .....	100	100	100	100
Applied to out-of-pocket limits .....	45	44	37	48
Not applied to out-of-pocket limits .....	55	56	63	52

<sup>1</sup> Each total relates to a plan's overall out-of-pocket limits. In addition, the specified inpatient benefit and hospital room and board must be subject to the plan's overall limits while the specified outpatient benefit and office physician's care must be subject to the plan's overall benefits. For example, the total for inpatient mental health care includes the following: there is a plan out-of-pocket limit, and both inpatient mental health care and hospital room and board are subject to the plan's overall limits.

**Table 99. Medical care plans: Eligibility requirements, full-time employees, medium and large private establishments, 1997**

Eligibility requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care .....	29,340	8,455	7,180	13,705
	Percent			
Total .....	100	100	100	100
With a service requirement ...	67	55	65	76
1 month .....	22	26	21	20
2 months .....	7	4	5	10
3 months .....	26	19	30	29
4 -5 months .....	1	( <sup>1</sup> )	1	2
6 months .....	6	4	6	6
7 - 11 months .....	4	( <sup>1</sup> )	1	7
12 months .....	1	1	2	1
Greater than 12 months ....	( <sup>1</sup> )	-	-	( <sup>1</sup> )
Without a service requirement .....	30	44	32	22
Not determinable .....	2	2	3	2

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 100. Non-health maintenance organizations: Pre-existing condition provisions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Pre-existing provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) in non-HMO plans .....	19,658	5,102	4,624	9,931
	Percent			
Total with non-HMO plans .....	100	100	100	100
Pre-existing condition clause	55	52	58	54
No pre-existing condition clause .....	42	45	39	41
Not determinable .....	4	4	3	5

<sup>1</sup> A pre-existing condition is any ailment present at the time the participant enrolls in the plan. Plans will typically deny or limit coverage of such conditions for a specific time period following enrollment.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 101. Retiree medical care benefits: Source of plan funding,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with medical care .....	29,340	8,455	7,180	13,705
	Percent			
Total with medical care .....	100	100	100	100
<b>Under age 65</b>				
Retiree coverage provided ...	42	46	42	40
Employer paid .....	10	10	7	12
Employee paid .....	7	10	7	6
Jointly paid .....	22	22	27	20
Payment unknown .....	3	4	1	3
No retiree coverage .....	49	47	50	51
Not determinable .....	8	7	8	10
<b>Over age 65</b>				
Retiree coverage provided ...	38	40	38	37
Employer paid .....	11	10	8	12
Employee paid .....	5	6	5	4
Jointly paid .....	20	20	24	17
Payment unknown .....	3	4	1	3
No retiree coverage .....	54	53	54	54
Not determinable .....	8	7	8	10

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Excludes plans that provided only dental, vision, or

prescription drug coverage.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 102. Dental care benefits: Eligibility requirements, full-time employees, medium and large private establishments, 1997**

Eligibility requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
	Percent			
Total with dental care .....	100	100	100	100
With a service requirement ...	68	60	65	74
1 month .....	21	24	19	19
2 months .....	7	5	5	10
3 months .....	23	19	26	23
4 -5 months .....	1	1	( <sup>1</sup> )	2
6 months .....	7	6	8	6
7 - 11 months .....	5	1	2	10
12 months .....	4	5	4	4
Greater than 12 months ...	( <sup>1</sup> )	-	( <sup>1</sup> )	( <sup>1</sup> )
Without a service requirement .....	30	39	33	23
Not determinable .....	2	1	2	2

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 103. Dental care benefits: Fee arrangement and financial intermediary, full-time employees, medium and large private establishments, 1997**

Fee arrangement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
	Percent			
Total with dental care .....	100	100	100	100
Traditional fee-for-service <sup>1</sup> ...	81	81	77	83
Self insured <sup>2</sup> .....	47	44	45	51
Commercial insurance company .....	13	15	15	12
Blue Cross/Blue Shield .....	4	5	3	4
Independent organization <sup>3</sup> .....	2	2	1	2
Dental society <sup>4</sup> .....	14	14	14	14
Preferred provider organization <sup>5</sup> .....	11	10	12	10
Self insured <sup>2</sup> .....	5	4	7	4
Commercial insurance company .....	2	3	2	2
Blue Cross/Blue Shield .....	1	1	( <sup>6</sup> )	1
Independent organization <sup>3</sup> .....	1	1	1	2
Dental society <sup>4</sup> .....	1	2	1	1

See footnotes at end of table.

**Table 103. Dental care benefits: Fee arrangement and financial intermediary, full-time employees, medium and large private establishments, 1997 — Continued**

Fee arrangement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
	Percent			
Total with dental care				
Health maintenance organization <sup>7</sup> .....	8	8	11	7
Commercial insurance company .....	3	3	6	3
Blue Cross/Blue Shield .....	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )
Independent organization <sup>3</sup> .....	3	3	3	3
Dental society <sup>4</sup> .....	1	2	1	1
Other <sup>8</sup> .....	( <sup>6</sup> )	1	( <sup>6</sup> )	( <sup>6</sup> )
Fee arrangement unknown ...	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	1

<sup>1</sup> These plans pay for specific dental procedures as expenses are incurred.

<sup>2</sup> Includes plans that are financed on a pay-as-you-go basis, plans financed through contributions to a trust fund established to pay benefits, and plans operating their own facilities if at least partially financed by employer contributions. Includes plans that are administered by a commercial carrier through Administrative Services Only (ASO) contracts.

<sup>3</sup> These organizations typically provide and finance all benefits, but are not affiliated with an insurance company or Blue Cross/Blue Shield.

<sup>4</sup> Organizations of providers other than Blue Cross/Blue Shield.

<sup>5</sup> A preferred provider organization (PPO) is a group of hospitals and dentists that contracts to provide comprehensive dental services. To encourage use of organization members, the dental care plan limits reimbursement rates when participants use nonmember services.

<sup>6</sup> Less than 0.5 percent.

<sup>7</sup> Delivers comprehensive dental care on a prepayment rather than fee-for-service basis.

<sup>8</sup> Includes exclusive provider organizations, which are groups of hospitals and dentists that contract to provide comprehensive dental services. Participants are required to obtain services from members of the organization in order to receive plan benefits.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 104. Dental care benefits: Coverage for selected procedures, full-time employees, medium and large private establishments, 1997**

Extent of coverage	Type of dental procedure								
	Exams	X-rays	Surgery <sup>1</sup>	Fillings	Periodontal care	Endodontics	Crowns	Prosthetics	Orthodontia <sup>2</sup>
Number (in thousands) with dental care .....	22,588	22,588	22,588	22,588	22,588	22,588	22,588	22,588	22,588
Professional, technical, and related employees .....	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776	6,776
Clerical and sales employees	5,438	5,438	5,438	5,438	5,438	5,438	5,438	5,438	5,438
Blue-collar and service employees .....	10,374	10,374	10,374	10,374	10,374	10,374	10,374	10,374	10,374
	Percent								
<b>All employees</b>									
Total .....	100	100	100	100	100	100	100	100	100
Covered <sup>3</sup> .....	100	100	99	100	99	99	98	98	75
In full <sup>4</sup> .....	14	14	4	7	4	4	2	2	1
Scheduled cash allowance	6	6	8	8	8	8	8	9	6
Subject to copayment <sup>5</sup> .....	2	2	5	3	5	5	5	5	7
Percent of usual, customary and reasonable charge .....	77	77	82	81	81	81	82	82	64
Other <sup>6</sup> .....	2	2	2	2	2	2	2	2	1
Not covered .....	-	-	1	( <sup>7</sup> )	1	1	2	2	23
Not determinable .....	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	1	1	2
<b>Professional, technical, and related</b>									
Total .....	100	100	100	100	100	100	100	100	100
Covered <sup>3</sup> .....	100	100	99	100	99	99	98	98	77
In full <sup>4</sup> .....	13	13	4	7	5	4	2	2	( <sup>7</sup> )
Scheduled cash allowance	5	5	8	8	8	8	8	8	5
Subject to copayment <sup>5</sup> .....	1	1	4	2	4	4	4	4	8
Percent of usual, customary and reasonable charge .....	80	80	83	82	82	83	84	84	67
Other <sup>6</sup> .....	2	2	2	2	2	2	1	1	1
Not covered .....	-	-	1	( <sup>7</sup> )	1	1	2	2	21
Not determinable .....	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	2

See footnotes at end of table.

**Table 104. Dental care benefits: Coverage for selected procedures, full-time employees, medium and large private establishments, 1997 — Continued**

Extent of coverage	Type of dental procedure								
	Exams	X-rays	Surgery <sup>1</sup>	Fillings	Periodontal care	Endodontics	Crowns	Prosthetics	Orthodontia <sup>2</sup>
	Percent								
<b>Clerical and sales</b>									
Total .....	100	100	100	100	100	100	100	100	100
Covered <sup>3</sup> .....	100	100	99	100	99	100	98	98	76
In full <sup>4</sup> .....	15	15	3	7	4	4	2	2	1
Scheduled cash allowance	5	5	8	9	8	8	9	9	7
Subject to copayment <sup>5</sup> .....	5	6	8	5	7	7	8	8	9
Percent of usual, customary and reasonable charge .....	74	74	79	78	78	80	79	79	62
Other <sup>6</sup> .....	2	2	2	2	3	3	2	1	1
Not covered .....	—	—	1	( <sup>7</sup> )	1	( <sup>7</sup> )	2	2	21
Not determinable .....	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	( <sup>7</sup> )	2
<b>Blue-collar and service</b>									
Total .....	100	100	100	100	100	100	100	100	100
Covered <sup>3</sup> .....	99	99	99	99	99	98	98	98	73
In full <sup>4</sup> .....	14	14	4	7	4	4	2	2	1
Scheduled cash allowance	7	7	8	8	8	8	8	9	6
Subject to copayment <sup>5</sup> .....	1	1	5	2	5	5	5	5	4
Percent of usual, customary and reasonable charge .....	77	77	82	82	82	82	83	83	63
Other <sup>6</sup> .....	1	1	2	1	2	2	2	2	( <sup>7</sup> )
Not covered .....	—	—	1	( <sup>7</sup> )	1	1	1	1	26
Not determinable .....	1	1	1	1	1	1	1	1	2

<sup>1</sup> Excludes plans that limited coverage to accidental injuries, removal of impacted wisdom teeth, or repair of jaw.

<sup>2</sup> Participants were included as having coverage for orthodontia in cases where benefits were limited to children.

<sup>3</sup> Sum of individual items is greater than total because some participants were in plans with more than one limit.

<sup>4</sup> Includes plans that paid the full cost with no deductible or maximum dollar amount.

<sup>5</sup> Participant pays a specific amount per procedure and plan pays all remaining expenses. In the case of orthodontia, the copayment is

generally applied once per lifetime.

<sup>6</sup> Includes plans that provide care based on an incentive schedule or discounted benefit. An incentive schedule is a reimbursement arrangement in which the percentage of dental expenses paid by the plan increases if regular dental appointments are scheduled. Discounted benefits are available if obtained from an approved provider.

<sup>7</sup> Less than 0.5 percent.

NOTE: Where applicable, dash indicates no employees in this category. Because of rounding, sums of individual items may not equal totals.

**Table 105. Dental care benefits: Percent of charges paid by plan for selected procedures, full-time employees, medium and large private establishments, 1997**

Percent of usual, customary, and reasonable charge	Type of dental procedure								
	Exams	X-rays	Surgery <sup>1</sup>	Fillings	Periodontal care	Endodontics	Crowns	Prosthetics	Orthodontia
Number of employees (in thousands) in dental plans with coverage based on a percentage of charges .....	17,405	17,417	18,441	18,278	18,290	18,403	18,582	18,579	14,415
Professional, technical, and related employees .....	5,432	5,438	5,651	5,545	5,542	5,609	5,683	5,693	4,534
Clerical and sales employees .....	3,978	3,980	4,297	4,243	4,255	4,319	4,307	4,308	3,387
Blue-collar and service employees .....	7,994	7,999	8,492	8,491	8,494	8,475	8,592	8,578	6,493
	Percent								
<b>All employees</b>									
Total with dental care based on a percentage of charges <sup>2</sup> .....	100	100	100	100	100	100	100	100	100
50 .....	1	1	9	9	12	10	71	77	83
60 .....	( <sup>3</sup> )	( <sup>3</sup> )	2	1	1	2	9	10	5
75 .....	( <sup>3</sup> )	( <sup>3</sup> )	5	5	5	5	2	2	2
80 .....	17	18	63	64	64	65	10	8	5
90 .....	3	6	9	9	9	9	4	( <sup>3</sup> )	( <sup>3</sup> )
100 <sup>4</sup> .....	78	74	7	8	4	5	1	1	4
<b>Professional, technical, and related</b>									
Total with dental care based on a percentage of charges <sup>2</sup> .....	100	100	100	100	100	100	100	100	100
50 .....	( <sup>3</sup> )	1	6	6	10	7	73	77	81
60 .....	1	1	2	1	1	2	9	10	7
75 .....	( <sup>3</sup> )	( <sup>3</sup> )	4	3	5	5	3	3	3
80 .....	16	16	68	71	71	71	10	7	3
90 .....	3	5	7	5	5	5	1	( <sup>3</sup> )	-
100 <sup>4</sup> .....	80	77	7	9	4	5	1	1	5
<b>Clerical and sales</b>									
Total with dental care based on a percentage of charges <sup>2</sup> .....	100	100	100	100	100	100	100	100	100
50 .....	1	1	6	5	8	7	71	73	81
60 .....	( <sup>3</sup> )	( <sup>3</sup> )	1	( <sup>3</sup> )	2	3	10	10	4
75 .....	1	1	6	6	7	6	3	3	1
80 .....	16	17	69	69	68	70	12	11	8
90 .....	5	6	5	5	5	5	1	( <sup>3</sup> )	( <sup>3</sup> )
100 <sup>4</sup> .....	77	75	9	9	6	4	1	1	4
<b>Blue-collar and service</b>									
Total with dental care based on a percentage of charges <sup>2</sup> .....	100	100	100	100	100	100	100	100	100
50 .....	1	1	12	12	15	12	70	79	85

See footnotes at end of table.

**Table 105. Dental care benefits: Percent of charges paid by plan for selected procedures, full-time employees, medium and large private establishments, 1997 — Continued**

Percent of usual, customary, and reasonable charge	Type of dental procedure								
	Exams	X-rays	Surgery <sup>1</sup>	Fillings	Periodontal care	Endodontics	Crowns	Prosthetics	Orthodontia
	Percent								
<b>Blue-collar and service</b>									
60 .....	-	-	1	1	1	1	9	10	3
75 .....	( <sup>3</sup> )	( <sup>3</sup> )	4	4	4	4	1	1	1
80 .....	18	19	58	56	57	58	9	8	6
90 .....	3	6	13	13	13	13	7	( <sup>3</sup> )	( <sup>3</sup> )
100 <sup>4</sup> .....	77	71	6	7	3	5	1	1	4

<sup>1</sup> Excludes plans that limited coverage to accidental injuries, removal of impacted wisdom teeth, or repair of jaw.

<sup>2</sup> Includes other percentages not presented separately.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Includes plans that paid 100 percent of charges, but imposed a

deductible and limited payment to a maximum dollar amount.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 106. Dental care benefits: Amount of individual deductibles,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Type of deductible	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
Percent				
Total with dental care .....	100	100	100	100
Subject to separate dental deductible <sup>2</sup> .....	59	60	62	54
Yearly deductible only ..	55	57	58	51
\$25 .....	16	18	15	15
\$50 .....	33	32	35	31
Other .....	6	6	7	6
Lifetime deductible only	1	1	2	1
Both yearly and lifetime deductibles .....	2	2	2	2
No deductible .....	40	39	37	44
Not determinable .....	1	1	1	1
Average <sup>3</sup>				
Average employee yearly deductible .....	\$46	\$45	\$48	\$46

<sup>1</sup> Amount of deductible described is for each insured person. In some plans, the individual and family deductibles are identical. Excludes separate deductibles for orthodontic procedures.

<sup>2</sup> A single deductible may not apply to all covered dental procedures. If separate deductibles applied to different procedures, the sum of the deductible amounts was tabulated.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 107. Dental care benefits: Relationship of yearly family deductibles to yearly individual deductibles, full-time employees, medium and large private establishments, 1997**

Relationship	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
Percent				
Total with dental care .....	100	100	100	100
With individual and family deductible .....	42	46	46	38
Family deductible is:				
2 times individual deductible .....	16	17	15	15
3 times individual deductible .....	26	29	30	22
Other .....	1	( <sup>1</sup> )	1	1
No individual or family deductible .....	58	54	54	62

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 108. Dental care benefits: Services covered by deductible<sup>1</sup> provision, full-time employees, medium and large establishments, 1997**

Categories of care	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number of employees (in thousands) with a dental deductible .....	13,901	4,451	3,439	6,011
	Percent			
Total with a dental deductible .....	100	100	100	100
All categories <sup>2</sup> .....	17	16	17	19
All except exams and x-rays .....	46	49	44	45
All except exams, x-rays, and orthodontia .....	25	24	29	21
All except orthodontia .....	4	4	3	5
All except exams and orthodontia .....	2	1	1	3
Other <sup>3</sup> .....	6	6	6	7

<sup>1</sup> Includes plans with both a yearly deductible only, and a yearly and lifetime deductible.

<sup>2</sup> This applies to all categories of care covered by the plan. The categories of dental care are exams, x-rays, surgery, fillings, periodontal care, endodontics, crowns, prosthetics, and orthodontia.

<sup>3</sup> Includes other category combinations.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 109. Dental care benefits: Maximum benefit provisions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Dollar amount <sup>2</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
	Percent			
Total with dental care .....	100	100	100	100
Yearly maximum specified <sup>3</sup> .....	82	84	79	83
Less than \$1,000 .....	7	5	5	9
\$1,000 .....	39	36	40	40
\$1,001-\$1,499 .....	11	10	7	14
\$1,500 .....	17	22	18	13
Greater than \$1500 .....	8	12	8	6
No yearly maximum .....	17	16	21	16
Maximum provision not determinable .....	1	( <sup>4</sup> )	1	1
	Average <sup>5</sup>			
Average yearly maximum .....	\$1,216	\$1,282	\$1,222	\$1,170

<sup>1</sup> Includes all covered dental procedures except orthodontia. Amount of maximum specified is for each insured person.

<sup>2</sup> Coverage for dental procedures may also be subject to scheduled allowance, deductible, or coinsurance provisions in addition to maximum dollar limitations.

<sup>3</sup> If separate yearly maximums applied to different procedures, the sum of the maximums was tabulated. Maximums applied to dental expenses only.

<sup>4</sup> Less than 0.5 percent.

<sup>5</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 110. Orthodontic care benefits: Maximum benefit provisions, full-time employees, medium and large private establishments, 1997**

Dollar amount <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with orthodontic care .....	17,330	5,336	4,270	7,723
	Percent			
Total with orthodontic care	100	100	100	100
Lifetime maximum specified ....	81	81	76	83
Less than \$1000 .....	10	9	11	11
\$1,000 .....	32	30	32	32
\$1,001-\$1,499 .....	11	8	7	15
\$1,500 .....	21	27	19	17
Greater than \$1,500 .....	7	6	6	8
Dollar amount unspecified ....	( <sup>2</sup> )	1	1	( <sup>2</sup> )
No lifetime maximum .....	17	17	21	14
Provision not determinable .....	3	3	3	2
	Average <sup>3</sup>			
Average lifetime maximum .....	\$1,206	\$1,243	\$1,198	\$1,185

<sup>1</sup> Coverage for orthodontia procedure may also be subject to scheduled allowance, deductible, or coinsurance provisions in addition to maximum dollar limitations.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 111. Dental care benefits: Pretreatment authorization provisions, full-time employees, medium and large private establishments, 1997**

Pretreatment authorization provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dental care .....	22,588	6,776	5,438	10,374
	Percent			
Total with dental care .....	100	100	100	100
Pretreatment authorization required .....	49	51	47	50
Minimum expense requiring pretreatment authorization:				
\$100 .....	5	6	4	6
\$101-\$199 .....	8	8	9	7
\$200 .....	12	12	11	11
Greater than \$200 .....	20	19	16	21
Dollar amount unspecified	5	6	6	4
Pretreatment authorization not required ...	45	44	47	45
Provision not determinable .....	6	6	6	6
	Average <sup>1</sup>			
Average minimum expense requiring pretreatment authorization ...	\$226	\$220	\$221	\$231

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 112. Vision care benefits: Coverage for selected services, full-time employees, medium and large private establishments, 1997**

Type of vision benefit	Total	Covered <sup>1</sup>	Covered in full	Sched-uled allowance	Copay-ment	Other <sup>2</sup>	Not covered	Not deter-minable
	Percent							
<b>All employees</b>								
Eye exam .....	100	97	16	33	45	6	1	2
Contact lenses <sup>3</sup> .....	100	93	2	68	24	14	4	3
Eyeglasses .....	100	98	10	48	32	16	–	2
<b>Professional, technical, and related</b>								
Eye exam .....	100	97	20	24	49	6	1	2
Contact lenses <sup>3</sup> .....	100	92	2	67	20	16	4	4
Eyeglasses .....	100	99	14	43	32	19	–	1
<b>Clerical and sales</b>								
Eye exam .....	100	97	14	35	43	11	2	2
Contact lenses <sup>3</sup> .....	100	94	3	63	22	19	3	3
Eyeglasses .....	100	99	8	52	27	21	–	1
<b>Blue-collar and service</b>								
Eye exam .....	100	97	14	38	43	5	1	2
Contact lenses <sup>3</sup> .....	100	94	2	72	28	10	4	2
Eyeglasses .....	100	98	9	49	34	11	–	2

<sup>1</sup> The total is less than the sum of individual items because many participants are in plans with more than one type of limitation.

<sup>2</sup> Includes plans subject to coinsurance and retail discount.

<sup>3</sup> Includes plans that provide coverage for elected contact lenses; medically necessary contact lenses, i.e., cataract surgery,

is normally provided under the surgical portion of the medical plan and is not described in this table.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

# Chapter 5.

## Life Insurance

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**L**ife insurance provides a benefit in the event of death or dismemberment. Benefits are usually distributed as a lump sum but can also be paid out in the form of an annuity. Definitions of major plan types, key provisions, and related terms follow.

### Basic Life Insurance

A basic life plan provides the beneficiary a set sum of money upon the death of a covered employee. Benefit amounts are usually based either on a multiple of earnings formula or a flat dollar formula.

### Benefit formulas

**Multiple of earnings benefit plans.** These plans link the benefit amount to employees' earnings, usually up to a stated dollar amount. This link enables the level of protection to increase automatically as income rises. Benefit formulas can be a fixed multiple or a multiple that varies by earnings or length-of-service.

**Dollar amount benefit plans.** These plans provide a fixed life insurance benefit amount. Insurance amounts ranging from \$5,000 to \$25,000 are common in such plans. Like multiple of earnings benefit plans, dollar amount benefits can be a flat amount or can vary by earnings or length-of-service.

### Variations in benefit formulas

**Fixed multiple of earnings formula.** Under this formula, benefits are calculated by multiplying the employee's annual earnings by a factor, such as one or two.

**Multiple varies by earnings formula.** Benefit calculations under this formula use multiples that are based on employee earnings. For example, employees earning up to \$30,000 per year might receive a benefit equal to 1 times annual earnings, whereas employees earning more than \$30,000 per year might receive a benefit equal to 2 times annual earnings.

**Multiple varies by service formula.** Under this formula, benefits are calculated using multiples that are based on employees' length-of-service. Participants covered by these plans often have a limit placed on the amount of coverage

available, for example \$50,000.

### Provisions and related terms

**Accidental death and dismemberment insurance (AD&D).** Often referred to as double indemnity, this type of life insurance plan provides benefits to the employee or the employee's beneficiary in the event of accidental death or bodily dismemberment. The AD&D benefit commonly equals the basic life insurance benefit in the case of death and a portion of the life benefit for dismemberment.

**Survivor coverage.** This plan provides a monthly income to surviving members of a deceased employee's family. These benefits are in addition to other benefits, such as basic life insurance and survivor pension benefits. Survivor income payments are generally a percentage of the employee's pay or a flat dollar amount. Benefits usually continue for 24 months, although some continue until a specific event occurs, such as the surviving spouse remarries or reaches age 65, or surviving children reach a given age.

**Retiree life insurance.** When the employee has retired from active work, basic life insurance may be continued, usually in a lesser amount. Should the retiree die while still insured, the plan pays the face amount to the employee's named beneficiary.

**Life insurance benefit reduction.** Life insurance benefits may be reduced for older active workers to offset the higher cost of insurance extended to these workers. Such reductions generally begin near age 65. There may be one reduction at a given age, or several reductions at different ages.

**Supplemental life insurance.** A supplemental plan is an option that increases the basic life plan's benefit amount. Employees may participate only if they are also enrolled in one or more basic life insurance plans. Supplemental plans may be partially or fully employee financed.

**Dependent life insurance.** This plan provides life insurance coverage to the spouse or dependent children, or both, of a covered employee. These policies may be fully employee financed, fully employer financed, or jointly financed.

**Table 113. Life insurance: Summary of provisions, full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
Multiple of earnings benefit ...	58	75	71	39
With AD&D .....	74	70	69	78
With survivor coverage .....	6	5	3	7
Dollar amount benefit .....	41	24	28	61
Benefits reduced for older active workers .....	38	43	39	34
Retiree coverage available ...	33	36	35	30
Supplemental coverage available .....	62	73	70	50
Dependent coverage available .....	55	60	59	49
Required employee contribution .....	13	15	12	12

**Table 114. Life insurance: Method of determining basic coverage, full-time employees, medium and large private establishments, 1997**

Type	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
Multiple of earnings benefit	58	75	71	39
Fixed multiple of earnings <sup>2</sup> .....	57	74	71	38
Multiple varies by earnings .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Multiple varies by service .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Dollar amount benefit .....	41	24	28	61
Flat dollar amount .....	36	21	24	52
Dollar amount varies by earnings .....	5	3	3	7
Dollar amount varies by service .....	1	( <sup>1</sup> )	( <sup>1</sup> )	2
Other .....	1	1	1	1
Not determinable .....	( <sup>1</sup> )	( <sup>1</sup> )	-	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes participants in plans in which insurance equaled a multiple of earnings, plus or minus a specified amount.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 115. Life insurance: Dollar benefit amounts, full-time employees, medium and large private establishments, 1997**

Amount of insurance	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with dollar amount of basic life insurance .....	13,868	2,392	2,304	9,172
	Percent			
Total with dollar amount of basic life insurance .....	100	100	100	100
Flat dollar amount .....	86	89	87	85
Less than \$5,000 .....	3	1	2	3
\$5,000 - \$9,999 .....	17	15	17	18
\$10,000 - \$14,999 .....	28	33	33	25
\$15,000 - \$19,999 .....	13	5	9	16
\$20,000 - \$24,999 .....	10	5	10	11
\$25,000 - \$29,999 .....	6	14	6	4
\$30,000 - \$49,999 .....	5	4	5	5
\$50,000 - \$99,999 .....	3	9	4	2
\$100,000 and over .....	1	5	1	( <sup>1</sup> )
Dollar amount varies by earnings .....	12	11	11	12
Dollar amount varies by service .....	2	( <sup>1</sup> )	2	3
	Average <sup>2</sup>			
Average flat dollar amount of basic life insurance .....	\$16,947	\$23,625	\$16,965	\$15,122

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 116. Life insurance: Multiple of earnings benefit amounts, full-time employees, medium and large private establishments, 1997**

Formula	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with multiple of earnings basic life insurance .....	19,303	7,493	5,945	5,865
	Percent			
Total with multiple of earnings formula .....	100	100	100	100
Flat multiple-of-earnings <sup>1</sup> .....	99	99	100	98
Less than 1.0 .....	5	7	4	5
1.0 .....	53	46	58	56
1.1 - 1.9 .....	11	11	9	12
2.0 .....	22	28	19	19
2.1 - 2.9 .....	4	4	5	2
3.0 .....	3	3	3	4
Greater than 3.0 .....	1	1	1	1
Multiple varies by earnings .....	1	( <sup>2</sup> )	( <sup>2</sup> )	1
Multiple varies by service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	Average <sup>3</sup>			
Average flat multiple of earnings formula .....	1.5	1.5	1.4	1.4

<sup>1</sup> Includes participants in plans in which insurance equaled a multiple of earnings, plus or minus a specified amount.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 117. Life insurance: Maximum benefits placed on multiple of earnings formulas, full-time employees, medium and large private establishments, 1997**

Maximum	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with multiple of earnings formula ...	19,303	7,493	5,945	5,865
	Percent			
Total with multiple of earnings formula .....	100	100	100	100
With maximum benefit amount .....	60	62	58	60
Less than \$50,000 .....	2	1	1	4
\$50,000 - \$99,999 .....	16	13	18	16
\$100,000 .....	6	4	6	8
\$100,001 - \$249,999 .....	7	8	6	7
\$250,000 - \$499,999 .....	15	19	12	13
\$500,000 .....	5	5	6	5
\$500,001 - \$999,999 .....	4	5	5	2
\$1,000,000 or more .....	5	7	4	5
No maximum specified .....	36	35	39	36
Not determinable .....	3	3	3	4
	Average <sup>1</sup>			
Average maximum .....	\$441,331	\$588,252	\$383,831	\$304,275

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 118. Life insurance: Minimum benefits placed on multiple of earnings formulas, full-time employees, medium and large private establishments, 1997**

Minimum	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with multiple of earnings formula ...	19,303	7,493	5,945	5,865
	Percent			
Total with multiple of earnings formula .....	100	100	100	100
With minimum benefit amount .....	5	5	5	6
No minimum specified .....	93	94	92	92
Not determinable .....	2	1	3	2

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 119. Life insurance: Retiree coverage, full-time employees, medium and large private establishments, 1997**

Coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With retiree coverage .....	33	36	35	30
No retiree coverage .....	58	55	57	60
Not determinable .....	9	9	8	10

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 120. Life insurance: Reductions in benefits for retirees, full-time employees, medium and large private establishments, 1997**

Reduction policy	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With retiree coverage .....	33	36	35	30
No reductions .....	5	6	5	4
With reductions .....	25	29	27	22
Reduced once .....	17	20	17	15
Reduced more than once .....	8	9	10	7
Reduction not determinable .....	3	2	2	4
No retiree coverage .....	58	55	57	60
Not determinable .....	9	9	8	10

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 121. Life insurance: Supplemental coverage, full-time employees, medium and large private establishments, 1997**

Coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With supplemental coverage ....	62	73	70	50
Employee paid .....	51	56	57	44
Jointly paid .....	1	1	1	1
Flexible benefits .....	10	16	12	5
No supplemental coverage .....	34	24	27	45
Not determinable .....	4	3	3	5

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 122. Life insurance: Dependent coverage, full-time employees, medium and large private establishments, 1997**

Coverage	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With dependent coverage .....	55	60	59	49
Employer paid .....	7	7	6	8
Employee paid .....	36	37	39	33
Jointly paid .....	2	1	2	2
Flexible benefits .....	10	15	12	5
No dependent coverage .....	40	36	37	45
Not determinable .....	5	5	4	6

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 123. Life insurance: Eligibility requirement, full-time employees, medium and large private establishments, 1997**

Length-of-service requirement	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With service requirement .....	66	54	65	74
1 month .....	22	25	19	23
2 months .....	7	3	5	10
3 months .....	27	18	32	29
4 - 5 months .....	1	1	1	2
6 months .....	6	5	6	7
7 - 11 months .....	1	( <sup>1</sup> )	( <sup>1</sup> )	1
12 months .....	2	2	1	2
Greater than 12 months .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
No service requirement .....	32	44	33	23
Not determinable .....	2	2	2	3
	Average <sup>2</sup>			
Average service requirement (in months) .....	2.9	2.7	2.9	2.9

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 124. Life insurance: Basic life insurance employee contributions, full-time employees, medium and large private establishments, 1997**

Type of contribution	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with basic life insurance .....	33,495	10,035	8,327	15,133
	Percent			
Total with basic life insurance ...	100	100	100	100
With required employee contribution .....	13	15	12	12
Dollar amount per month ..	1	1	1	2
Percent of earnings .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Varies .....	1	1	1	1
Composition rate .....	3	1	2	4
Flexible benefits .....	6	11	6	2
Other .....	1	( <sup>1</sup> )	1	1
Contribution unknown .....	1	1	1	1
No required employee contribution .....	86	84	87	87
Not determinable .....	1	1	1	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals.

# Chapter 6.

## Defined Benefit Plans

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**D**efined benefit pension plans provide employees with guaranteed retirement benefits based on predetermined benefit formulas. A participant's retirement age, length of service, and preretirement earnings may also affect the benefits received. Definitions, key provisions, and related terms follow.

### Benefit formulas

**Terminal earnings formulas.** Benefits under these formulas are based on a percentage of average earnings during a specified number of years at the end of a worker's career (or when earnings are highest) multiplied by the number of years of service recognized by the plan.

**Career-earnings formulas.** Under this formula, benefits are based on a percentage of an average of career earnings for every year of service recognized by the plan.

**Dollar amount formulas.** This formula calculates benefits based on a dollar amount for each year of service recognized by the plan.

**Cash account formulas.** Benefits under these formulas are based on the total amount of employer contributions plus interest, which is called a cash balance. The employer contribution is usually a percentage of the participant's pay. The benefit at retirement is either paid as a lump sum, in the amount equal to the participant's cash balance, or as an annuity, calculated on its actuarial amount.

**Percent of contribution formulas.** These formulas base benefits on employer, and, occasionally, employee contributions. Benefits equal a percent of total contributions.

### Normal retirement

Normal retirement is the age at which plan participants could retire and receive all accrued benefits.

### Early retirement

Early retirement is the age (or a combination of age and service) at which plan participants could retire and receive all accrued benefits less a reduction for the years prior to their normal retirement age.<sup>10</sup>

### Benefit payment methods

Payments from defined benefit plans may be in the form of

a straight-life annuity, joint-and-survivor annuity, percent of unreduced accrued benefit, or a lump sum.

**Straight life annuity.** This is a periodic payment made for the life of the retiree, with no additional payments to survivors.

**Joint and survivor annuity.** The Employee Retirement Income Security Act of 1974 (ERISA) requires defined benefit pension plans that offer an annuity as a payment option to provide a qualified joint and survivor annuity (QJSA) as the normal benefit payment for married participants. A QJSA is an immediate annuity for the life of the participant and a survivor annuity for the life of the participant's spouse. The amount of the survivor annuity may not be less than 50 percent nor more than 100 percent of the amount payable during the time that the participant and spouse are both alive. The annuity payable for the life of the participant is lower than that for a straight-life annuity. To account for the increased length of time over which payments will be made, this reduction may be a percent of the straight-life benefit, such as 10 percent, or based on the life expectancy of the participant and spouse (the so-called actuarial reduction).<sup>11</sup>

**Percent of unreduced accrued benefit.** Under this method, the participant's pension is not reduced to adjust for survivor benefits. The participant receives an amount equal to the straight-life annuity and the spouse receives a proportion of that amount, often 50 percent, should the participant die.

**Lump-sum payment.** The participant may opt for a full lump sum, with no further benefits received from the plan. If a plan provides for a partial lump-sum payment, the participant usually receives a reduced annuity as well.

### Vesting

Vesting refers to the amount of time a participant must work before earning a nonforfeitable right to a pension benefit. Once vested, the accrued benefit is retained even if the worker leaves the establishment before reaching retirement age. Vesting methods include cliff and graduated vesting.

**Cliff vesting.** This form of vesting is when no vesting occurs until an employee satisfies the service requirements for 100-percent vesting, for example, after 5 years.

**Graduated vesting.** Under this form of vesting, an employee's

## Defined Benefit Plans

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nonforfeitable percentage of employer contributions increases over time until vesting reaches 100 percent.

### Integration with Social Security

Defined benefit plans may “integrate” retirement benefits with Social Security benefits. Under this approach the employer’s contribution to Social Security (FICA taxes) is taken into account when computing plan benefits. Integration may be accomplished by an offset or a step-rate method.

**Offset.** When part of a participant’s Social Security benefit is subtracted from the benefit otherwise payable by the plan, the benefit has been offset. The maximum allowable offset is half of the annual Social Security benefit.

**Step-rate.** Such rates are lower benefit rates that are applied to earnings up to the specified taxable Social Security wage base (that is, the earnings subject to Social Security tax) in a given year.<sup>12</sup>

### Portability

Portability is a participant’s ability to maintain and transfer accumulated pension benefits when changing jobs. Portability provisions in defined benefit plans generally cover portability of assets, portability of credited service, or both.

**Portability of assets.** Withdrawing accumulated pension benefits or transferring them to another retirement arrangement, provides participants with portability of assets.

**Portability of credited service.** Allowing participants to count the years of service with a previous employer when determining benefits from a later employer, provides them with portability of credited service.<sup>13</sup>

### Disability retirement

When an employee suffers a totally disabling injury or illness before eligibility for early or normal retirement, she or he may be eligible for disability retirement. Plans providing disability retirement benefits may have a service requirement of 10 years or more. Benefits may be immediate or deferred.

### Post-retirement pension increases

Benefits received by retired participants may be adjusted to account for loss of purchasing power due to inflation. Some plans specify automatic cost-of-living increases, usually based on changes in the Consumer Price Index. Some employers provide discretionary or ad hoc increases to adjust retiree benefits for inflation.<sup>14</sup>

## — Endnotes —

<sup>10</sup> For more information about early retirement provisions, see Ann C. Foster, “Early Retirement Provisions in Defined Benefit Pension Plans,” *Compensation and Working Conditions*, December 1996, pp. 12-16.

<sup>11</sup> For more information see “Looking Out for #2: A Married Couple’s Guide to Understanding Your Benefit Choices at Retirement from a Defined Benefit Plan,” Publication 1566, Department of the Treasury, Internal Revenue Service, 1991.

<sup>12</sup> For more information see Jules Lichtenstein, “Social Security Reform: Pension Plan Integration with Social Security, Washington, DC: AARP,

1998 and Avy D. Graham, “Coordinating Private Pension Benefits with Social Security,” *Monthly Labor Review*, March 1994, pp. 35-38.

<sup>13</sup> For more information on portability provisions, see Ann C. Foster, “Portability of Pension Benefits Among Jobs,” *Monthly Labor Review*, July 1994, pp. 45-50.

<sup>14</sup> For more information on post-retirement pension increases, see Harriet Weinstein, “Post-retirement Pension Increases,” *Compensation and Working Conditions*, Fall 1997, pp. 47-50.

**Table 125. Defined benefit plans: Summary of plan provisions, full-time employees, medium and large private establishments, 1997**

Provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
<b>Basic provisions</b>				
Employee contribution required .....	5	6	4	4
Benefits based on earnings ..	67	79	78	55
Benefits integrated with Social Security .....	49	54	60	41
Benefits subject to maximum <sup>1</sup> .....	33	34	41	28
Early retirement benefits available .....	95	94	93	96
Disability retirement benefits available .....	75	64	71	83
Portability provisions .....	8	4	6	10
Availability of lump sum benefits at retirement .....	23	26	31	16
Automatic cost-of-living increase .....	3	3	4	3
<b>Other provisions</b>				
Normal retirement supplement available .....	4	7	3	4
Early retirement supplement available .....	7	10	4	6
Minimum benefits provision ..	4	4	5	3
Early retirement requires employer approval .....	3	2	2	4
Deferred vested benefits available prior to normal retirement age .....	90	90	92	89
Lump-sum postretirement survivor benefits .....	4	7	2	3
Lump-sum preretirement survivor benefits .....	2	1	2	2
Full pension restored if spouse predeceases retiree .....	12	11	15	12
Survivor benefits for children	8	11	7	7

<sup>1</sup> Provisions that restrict benefits, such as limits on the number of years of service included in benefit computations.

NOTE: Where applicable, dash indicates no employees in this category.

**Table 126. Defined benefit plans: Primary formula and availability of alternative formula, full-time employees, medium and large private establishments, 1997**

Benefit formula <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Percent of terminal earnings	56	67	66	45
With alternative formula ....	19	20	20	18
Percent of career earnings ...	11	13	12	9
With alternative formula ....	3	5	3	2
Dollar amount formula .....	23	10	12	36
With alternative formula ....	( <sup>2</sup> )	1	( <sup>2</sup> )	1
Percent of contribution formula .....	3	( <sup>2</sup> )	1	5
With alternative formula ....	( <sup>2</sup> )	-	-	1
Cash account .....	6	9	5	4
With alternative formula ....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Other .....	1	1	3	( <sup>2</sup> )

<sup>1</sup> Alternative formulas are generally designed to provide a minimum benefit for employees with short service or low earnings.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 127. Defined benefit plans: Terminal earnings formula, full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with terminal earnings formula ...	10,812	3,660	2,975	4,176
	Percent			
Total with terminal earnings formula .....	100	100	100	100
Flat percent per year of service .....	35	35	26	40
Less than 1.00 percent .....	2	( <sup>1</sup> )	1	3
1.00 - 1.24 percent .....	9	10	7	11
1.25 - 1.49 percent .....	3	3	5	3
1.50 - 1.74 percent .....	11	12	8	13
1.75 - 1.99 percent .....	4	5	2	5
2.00 - 2.24 percent .....	5	5	3	6
2.25 percent or greater .....	( <sup>1</sup> )	-	( <sup>1</sup> )	-
Percent per year varies .....	65	65	74	60
By service .....	11	11	15	7
By earnings .....	39	39	41	36
By earnings and service ...	16	14	18	17
	Average <sup>2</sup>			
Average flat percent per year of service .....	1.48	1.50	1.47	1.47

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 128. Defined benefit plans: Definition of terminal earnings, full-time employees, medium and large private establishments, 1997**

Definition of earnings	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with terminal earnings formula ...	10,812	3,660	2,975	4,176
	Percent			
Total with terminal earnings formula .....	100	100	100	100
One year .....	1	2	( <sup>1</sup> )	1
Three years .....	17	24	10	17
Last 3 .....	1	1	( <sup>1</sup> )	1
High 3 .....	5	7	2	5
Of last 10 .....	2	3	1	2
Of career .....	3	4	1	3
Of other time period .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
High consecutive 3 .....	12	16	7	11
Of last 10 .....	7	11	4	7
Of career .....	2	2	2	3
Of other time period .....	2	2	1	1
Five years .....	78	71	88	78
Last 5 .....	1	1	3	( <sup>1</sup> )
High 5 .....	13	10	14	14
Of last 10 .....	8	7	9	8
Of career .....	4	2	3	5
Of other time period .....	1	1	1	( <sup>1</sup> )
High consecutive 5 .....	65	60	72	64
Of last 10 .....	44	45	54	36
Of career .....	20	15	17	27
Of other time period .....	1	( <sup>1</sup> )	1	1
Other period <sup>2</sup> .....	3	3	2	4

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Formulas based on earnings during period other than 3 or 5 years' service, or period not immediately before retirement (for example, first 5 of last 10 years' service).

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 129. Defined benefit plans: Types of earnings included in earnings-based formulas, full-time employees, medium and large private establishments, 1997**

Definition of earnings	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with earnings-based formula .....	12,910	4,356	3,527	5,026
	Percent			
Total with earnings-based formula .....	100	100	100	100
Straight-time earnings only ...	59	64	60	54
Straight-time earnings plus other earnings .....	41	36	40	46
Overtime .....	31	30	29	32
Shift differentials .....	26	27	22	29
Commissions .....	22	17	23	26
Other .....	17	13	16	21

NOTE: Sums of individual items may be greater than totals because more than one type of earnings may be included in this definition. Where applicable, dash indicates no employees in this category.

**Table 130. Defined benefit plans: Dollar amount formula, full-time employees, medium and large private establishments, 1997**

Item	All employees	Blue-collar and service employees
Number (in thousands) with dollar amount formula .....	4,453	3,347
	Percent	
Total with dollar amount formula .....	100	100
Flat monthly amount per year of service .....	97	98
Less than \$5.00 .....	8	9
\$5.00 - \$9.99 .....	4	4
\$10.00 - \$14.99 .....	3	2
\$15.00 - \$19.99 .....	10	9
\$20.00 - \$24.99 .....	12	14
\$25.00 - \$29.99 .....	11	10
\$30.00 - \$34.99 .....	10	7
\$35.00 - \$39.99 .....	29	30
\$40.00 or more .....	11	10
Dollar amount varies .....	3	2
By service .....	3	2
	Average <sup>1</sup>	
Average flat dollar amount per year of service .....	\$28.79	\$27.63

<sup>1</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Data were insufficient to show professional, technical, and related employees and clerical and sales employees separately. Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 131. Defined benefit plans: Integration with Social Security, full-time employees, medium and large private establishments, 1997**

Integration with Social Security	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit pension .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit pension .....	100	100	100	100
With integrated formula .....	49	54	60	41
Step-rate excess <sup>1</sup> .....	36	40	46	30
Social Security breakpoint .....	33	37	44	26
Dollar amount breakpoint .....	3	3	2	3
Offset by Social Security <sup>2</sup> .....	13	14	14	12
Without integrated formula ...	51	46	40	59
Terminal earnings .....	18	25	18	13
Other formulas .....	34	21	22	47
Not covered under Social Security .....	1	1	( <sup>3</sup> )	1

<sup>1</sup> Formula applies lower benefit rate to earnings subject to FICA (Social Security) taxes or below a specific dollar breakpoint.

<sup>2</sup> Benefit as calculated by formula is reduced by portion of primary Social Security payments, for example, 50 percent.

<sup>3</sup> Less than 0.5 percent.

**Table 132. Defined benefit plans: Maximum benefit provisions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Maximum benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Subject to maximum .....	33	34	41	28
Limit on years of credited service .....	31	31	39	26
Less than 30 .....	6	7	5	5
30 .....	7	8	9	5
31 - 34 .....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )
35 .....	12	10	16	10
36 - 39 .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-
40 .....	5	5	8	4
Greater than 40 .....	1	1	1	2
Other maximum <sup>3</sup> .....	2	2	2	2
Not subject to maximum .....	67	66	59	72
	Average <sup>4</sup>			
Average credited service maximum (in years) .....	33.2	32.5	33.9	33.3

<sup>1</sup> These maximum provisions are independent of Internal Revenue Code ceilings on pensions payable from defined benefit plans.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The benefit yielded under the formula is limited to a percent of terminal earnings or to a flat dollar amount.

<sup>4</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Sums of individual items may not equal totals because some benefit formulas contain a limit on years of credited service and another maximum provision. Where applicable, dash indicates no employees in this category.

**Table 133. Defined benefit plans: Availability of lump sum benefits at retirement, full-time employees, medium and large private establishments, 1997**

Option	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With lump sum available .....	23	26	31	16
Full lump sum available ....	22	25	30	16
Limited to specified amount .....	7	8	9	6
No limit .....	15	18	21	10
Partial lump sum with reduced annuity .....	1	1	(1)	1
Other .....	(1)	(1)	(1)	-
No lump sum available .....	76	73	68	82
Not determinable .....	1	1	1	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 134. Defined benefit plans: Postretirement survivor benefits, full-time employees, medium and large private establishments, 1997**

Survivor benefit provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With postretirement survivor benefits .....	100	100	100	100
Joint and survivor annuity <sup>1</sup>	98	98	99	97
50 percent only .....	28	29	28	28
51 - 99 percent only .....	3	3	1	5
Retiree choice of percentages .....	65	65	69	63
Highest:				
51 - 99 percent .....	3	3	4	3
100 percent .....	61	61	65	59
Not determinable .....	2	2	2	2
Percent of unreduced accrued benefits .....	2	2	1	3

<sup>1</sup> An annuity that provides income during the lifetime of both the retiree and the surviving spouse. The accrued pension will usually be actuarially reduced at retirement because of the longer time that payments are expected to be made. Employees and their spouses are required to waive the spouse annuity in writing if they desire a pension during the employee's lifetime only or another option offered by the plan, such as guarantee of payment for a specified period.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 135. Defined benefit plans: Preretirement survivor benefits, full-time employees, medium and large private establishments, 1997**

Survivor benefit provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With preretirement survivor benefits <sup>1</sup> .....	97	97	96	98
Equivalent to joint-and-survivor annuity <sup>2</sup> .....	93	90	93	94
50 percent of employee's pension	78	73	79	81
With additional employee cost <sup>3</sup> ...	7	8	6	7
Other percent of employee's pension <sup>4</sup> .....	3	3	3	4
With additional employee cost <sup>3</sup> ...	1	1	1	1
Employee choice of percent <sup>5</sup> .....	10	13	8	9
With additional employee cost <sup>3</sup> ...	1	3	( <sup>6</sup> )	1
Not determinable .....	1	1	2	( <sup>6</sup> )
Percent of accrued benefits .....	5	7	3	4
No preretirement survivor benefits .....	2	2	3	( <sup>6</sup> )
Not determinable .....	1	1	1	1

<sup>1</sup> Survivor annuity is based upon the benefit the employee would have received if retirement had occurred on the date of death.

<sup>2</sup> The spouse annuity is computed as if the employee had retired with a joint-and-survivor annuity. That is, the accrued pension is first reduced because of the longer time that payments were expected to be made to both the retiree and the surviving spouse. The spouse's share is then the specified percent of the reduced amount.

<sup>3</sup> Plan reduces the accrued employee pension benefit for each year survivor protection is in force.

<sup>4</sup> Other percentages range from 51 - 100 percent of retiree's pension.

<sup>5</sup> Alternative percentages were usually 50 or 100 percent.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 136. Defined benefit plans: Requirements for normal retirement, full-time employees, medium and large private establishments, 1997**

Requirements for normal retirement <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
No age requirement .....	5	5	4	5
20 - 29 years of service ....	( <sup>2</sup> )	-	-	( <sup>2</sup> )
30 years of service .....	4	5	4	4
35 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
At age 55 .....	6	7	6	5
No service requirement ....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
5 years of service .....	1	1	1	1
10 years of service .....	1	1	1	( <sup>2</sup> )
15 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
20 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	2	( <sup>2</sup> )
25 years of service .....	1	1	( <sup>2</sup> )	1
30 years of service .....	2	4	2	2
More than 30 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
At age 56 - 59 .....	1	1	( <sup>2</sup> )	1
5 years of service .....	( <sup>2</sup> )	-	-	( <sup>2</sup> )
20 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-
26 - 29 years of service ....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )
30 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
More than 30 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
At age 60 .....	9	10	9	9
No service requirement ....	3	3	3	3
5 years of service .....	1	1	1	1
10 years of service .....	2	3	2	2
15 years of service .....	1	( <sup>2</sup> )	( <sup>2</sup> )	1
20 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
25 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
30 years of service .....	2	2	3	1
At age 62 .....	23	16	18	29
No service requirement ....	3	5	3	3
5 years of service .....	3	3	4	4
6 - 9 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-
10 years of service .....	11	6	5	16
15 years of service .....	1	1	1	2
20 years of service .....	2	( <sup>2</sup> )	3	2
21 - 24 years of service ....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-
25 years of service .....	1	( <sup>2</sup> )	1	1

See footnotes at end of table.

**Table 136. Defined benefit plans: Requirements for normal retirement, full-time employees, medium and large private establishments, 1997 — Continued**

Requirements for normal retirement <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Total with defined benefit plan				
At age 62				
30 years of service .....	1	( <sup>2</sup> )	( <sup>2</sup> )	1
More than 30 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
At age 63 - 64 .....	1	( <sup>2</sup> )	1	1
No service requirement .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
5 years of service .....	( <sup>2</sup> )	-	( <sup>2</sup> )	1
At age 65 .....	48	54	54	43
No service requirement .....	29	33	34	25
1 - 4 years of service .....	1	1	1	( <sup>2</sup> )
5 years of service .....	15	16	16	14
10 years of service .....	3	3	2	3
15 years of service .....	( <sup>2</sup> )	-	-	( <sup>2</sup> )
25 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
Sum of age plus service <sup>3</sup> .....	8	8	7	8
Equals less than 80 .....	2	1	2	2
Equals 80 .....	1	1	( <sup>2</sup> )	2
Equals 81 - 89 .....	5	6	5	4
Equals 90 .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> Normal retirement is defined as the point at which the participant could retire and immediately receive all accrued benefits by virtue of service and earnings, without reduction due to age. If a plan had alternative age and service requirements, the earliest age and associated service were tabulated; if one alternative did not specify an age, it was the requirement tabulated.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> In some plans, participants must also satisfy a minimum age or service requirement.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 137. Defined benefit plans: Requirements for early retirement, full-time employees, medium and large private establishments, 1997**

Requirements for early retirement <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
Total with defined benefit plan ..	100	100	100	100
With early retirement available .....	95	94	93	96
No age requirement <sup>2</sup> .....	8	4	5	12
Less than 20 years of service .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
20 - 29 years of service .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1
30 years of service .....	8	3	5	12
Less than age 55 .....	8	7	11	6
No service requirement <sup>2</sup> .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
5 years of service .....	3	2	5	2
6 - 9 years of service .....	( <sup>3</sup> )	( <sup>3</sup> )	-	( <sup>3</sup> )
10 years of service .....	1	1	1	1
15 years of service .....	1	1	1	1
20 years of service .....	1	1	1	1
25 years of service .....	2	3	3	( <sup>3</sup> )
At age 55 .....	64	66	67	61
No service requirement <sup>2</sup> .....	3	3	2	2
1 - 4 years of service .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
5 years of service .....	20	22	23	17
6 - 9 years of service .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
10 years of service .....	30	30	30	30
15 years of service .....	9	8	9	10
20 years of service .....	1	1	2	1
25 years of service .....	1	1	1	1
Between ages 56 - 59 .....	1	1	1	( <sup>3</sup> )
No service requirement <sup>2</sup> .....	( <sup>3</sup> )	1	1	( <sup>3</sup> )
30 years of service .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )

See footnotes at end of table.

**Table 137. Defined benefit plans: Requirements for early retirement, full-time employees, medium and large private establishments, 1997 — Continued**

Requirements for early retirement <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Total with defined benefit plan				
With early retirement available				
At age 60 .....	3	2	2	4
No service requirement <sup>2</sup>	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-
5 years of service .....	1	1	1	( <sup>3</sup> )
10 years of service .....	2	1	1	3
15 years of service .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1
20 years of service .....	( <sup>3</sup> )	-	-	( <sup>3</sup> )
At age 62 .....	3	3	2	4
5 years of service .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1
10 years of service .....	1	1	( <sup>3</sup> )	1
15 years of service .....	1	2	2	1
16 - 19 years of service	( <sup>3</sup> )	-	-	1
20 years of service .....	( <sup>3</sup> )	-	-	( <sup>3</sup> )
Sum of age plus service <sup>4</sup> ..	8	11	5	7
Equals less than 80 .....	6	8	5	6
Equals 80 .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
Equals 81 - 89 .....	1	2	( <sup>3</sup> )	1
Early retirement not available	5	5	7	4
Not determinable .....	1	1	1	1

<sup>1</sup> Early retirement is defined as the point at which a worker could retire and immediately receive accrued benefits based on service and earnings but reduced for each year prior to normal retirement age. If a plan had alternative age and service requirements, the earliest age and associated service were tabulated; if one alternative did not specify an age, it was the requirement tabulated.

<sup>2</sup> Where no service requirement is specified for early retirement, the service required for full vesting, usually 5 years, applies.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> In most plans, participants must satisfy a minimum age or service requirement.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 138. Defined benefit plans: Early retirement reduction, full-time employees, medium and large private establishments, 1997**

Early retirement reduction <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with early retirement available ...	18,164	5,177	4,167	8,821
Total with early retirement available .....	100	100	100	100
Uniform percentage reduction <sup>2</sup> .....	43	39	35	49
Less than 3.0 .....	3	5	2	2
3.0 .....	6	4	4	7
3.1 - 3.9 .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1
4.0 .....	4	5	4	3
4.1 - 4.9 .....	1	( <sup>3</sup> )	2	1
5.0 .....	9	7	8	10
6.0 .....	17	15	15	19
6.1 - 6.9 .....	2	1	( <sup>3</sup> )	2
7.0 .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1
Greater than 7.0 .....	1	1	( <sup>3</sup> )	1
Reduction varies .....	57	61	65	51
By service .....	4	4	5	3
By age .....	53	56	60	48
Other reduction <sup>4</sup> .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Not determinable .....	( <sup>3</sup> )	-	( <sup>3</sup> )	( <sup>3</sup> )
Average uniform reduction percentage .....	4.9	4.8	4.9	5.0

<sup>1</sup> Reduction for each year prior to normal retirement.

<sup>2</sup> In specific cases, uniform percentage reductions may approximate actuarial reductions, such as early retirement at age 55 with a reduction of 6 percent per year between age 55 and the plan's normal retirement age of 62.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Reduced amount was not derived from normal retirement formula.

<sup>5</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 139. Defined benefit plans: Method of calculating disability retirement benefits, full-time employees, medium and large private establishments, 1997**

Benefit provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With disability retirement available .....	75	64	71	83
Immediate disability retirement <sup>1</sup> .....	46	33	39	58
Unreduced normal benefits <sup>2</sup> .....	30	18	29	37
Reduced normal benefits <sup>3</sup> .....	14	13	9	18
Other than normal benefits <sup>4</sup> .....	2	1	1	3
Not determinable .....	( <sup>5</sup> )	( <sup>5</sup> )	-	-
Deferred disability retirement .....	28	31	32	25
With benefits based on:				
Service when disabled .....	4	4	5	4
Service to retirement age .....	24	28	27	21
Not determinable .....	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )
Disability retirement not available .....	24	35	27	16
Not determinable .....	2	2	2	1

<sup>1</sup> Immediate disability pensions may be supplemented by additional allowances until an employee reaches a specified age or becomes eligible for Social Security.

<sup>2</sup> The disabled worker's pension is computed under the plan's normal benefit formula and is paid as if retirement had occurred on the plan's normal retirement date, either based on years of service actually completed or projected to a later date.

<sup>3</sup> The disabled worker's pension is computed under plan's normal benefit formula, based on years of service actually completed, and then reduced for early receipt.

<sup>4</sup> The disabled worker's benefit is not computed by the plan's normal benefit formula. The methods used include flat amount benefits, dollar amount formulas, percent of unreduced normal benefits less Social Security, and percent of earnings formula both with and without Social Security offsets.

<sup>5</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 140. Defined benefit plans: Requirements for disability retirement, full-time employees, medium and large private establishments, 1997**

Requirements for disability retirement <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With disability retirement available .....	75	64	71	83
No minimum requirements	13	10	14	15
No age requirement .....	31	26	27	36
5 years of service .....	1	( <sup>2</sup> )	( <sup>2</sup> )	1
6 - 9 years of service ....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
10 years of service .....	17	15	13	20
11 - 14 years of service ..	( <sup>2</sup> )	-	-	( <sup>2</sup> )
15 years of service .....	11	10	11	12
Greater than 15 years of service .....	2	1	2	2
Less than age 40 .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
No service requirement	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
10 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Ages 40 - 49 .....	1	2	1	1
No service requirement	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
10 years of service .....	1	1	1	1
Greater than 10 years of service .....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )
Age 50 or more .....	5	4	5	6
No service requirement	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
Less than 10 years of service .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
10 years of service .....	3	2	2	4
Greater than 10 years of service .....	1	1	1	2
Sum of age plus service ...	1	1	2	1
Receipt of long-term disability insurance benefits .....	13	16	16	10
Minimum vesting requirement <sup>3</sup> .....	9	5	7	13
Disability retirement not available .....	24	35	27	16
Not determinable .....	2	2	2	1

<sup>1</sup> If a plan had alternative age and service requirements, the earliest age and associated service were tabulated; if one alternative did not specify an age, it was the requirement tabulated.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> An employee may be entitled to pension benefits after satisfying vesting service requirements, usually 5 years.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 141. Defined benefit plans: Vesting requirements, full-time employees, medium and large private establishments, 1997**

Vesting requirements	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Immediate full vesting .....	1	2	( <sup>1</sup> )	1
Cliff vesting <sup>2</sup> .....	96	95	95	96
With full vesting:				
At any age .....	91	90	90	93
Less than 5 years .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
5 years .....	85	88	87	83
6 - 9 years .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	-
10 years .....	6	2	2	10
After specified age <sup>3</sup> .....	4	5	5	4
5 years .....	4	5	5	4
10 years .....	( <sup>1</sup> )	-	( <sup>1</sup> )	( <sup>1</sup> )
Graduated vesting <sup>4</sup> .....	3	3	5	2
With full vesting after:				
Less than 7 years .....	2	1	2	2
7 years .....	1	1	2	( <sup>1</sup> )
More than 7 years .....	( <sup>1</sup> )	1	( <sup>1</sup> )	-
Not determinable .....	( <sup>1</sup> )	( <sup>1</sup> )	-	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Under a cliff vesting schedule, an employee is not entitled to any benefits accrued under a pension plan until satisfying the requirement for 100-percent vesting (usually after 5 years).

<sup>3</sup> Sponsors may exclude years of service completed before age 18 from counting towards satisfaction of minimum vesting standards.

<sup>4</sup> Graduated vesting schedules give an employee rights to a gradually increasing share of pension benefits determined by years of service, eventually reaching 100-percent vesting status (usually after 7 years).

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 142. Defined benefit plans: Provisions for early receipt of deferred vested benefits, full-time employees, medium and large private establishments, 1997**

Receipt of deferred vested benefits	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Deferred vested benefits available prior to normal retirement age .....	90	90	92	89
Reduced same as early retirement .....	52	49	54	54
Other reduction .....	38	42	38	36
Actuarial reduction .....	30	34	30	27
Uniform percent reduction .....	6	6	5	6
Other .....	2	2	2	3
Deferred vested benefits not available prior to normal retirement age .....	9	9	7	9
Not determinable .....	1	1	1	1

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 143. Defined benefit plans: Portability provisions, full-time employees, medium and large private establishments, 1997**

Portability provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
With portability provisions .....	8	5	6	10
Transfer of service credits .....	1	2	1	1
Transfer of assets .....	( <sup>1</sup> )	1	1	( <sup>1</sup> )
Transfer of service credits and assets .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	-
Multi-employer plans .....	6	2	4	9
Reciprocity with other plans/jurisdictions ...	3	1	3	4
Contribution sent to home fund .....	( <sup>1</sup> )	-	1	1
Pro rata pension paid by several funds .....	3	1	2	4
No reciprocity .....	3	1	1	5
Not determinable .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Other .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	-
No portability provisions .....	91	94	93	88
Not determinable .....	2	1	1	2

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 144. Defined benefit plans: Employee contribution requirements, full-time employees, medium and large private establishments, 1997**

Employee contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Employee contribution required .....	5	6	4	4
Pretax contribution allowed .....	1	1	1	( <sup>1</sup> )
Pretax contribution not allowed .....	4	4	3	4
No employee contribution required .....	95	93	96	95
Not determinable .....	1	1	( <sup>1</sup> )	( <sup>1</sup> )

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 145. Defined benefit plans: Eligibility requirements, full-time employees, medium and large private establishments, 1997**

Eligibility requirements <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with defined benefit plan .....	19,202	5,498	4,504	9,200
	Percent			
Total with defined benefit plan ..	100	100	100	100
Plan participation available to new employees .....	98	99	99	98
With minimum age and/or service requirement ....	68	69	82	60
Service requirement only .....	28	23	26	32
3 months and less ....	2	2	3	1
4 - 5 months .....	2	( <sup>2</sup> )	1	3
6 months .....	1	1	2	1
7 - 11 months .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
1 year .....	22	18	20	25
2 years .....	1	2	1	1
Age 20 or less .....	3	6	3	2
No service requirement .....	2	4	1	1
1 - 11 months .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1 year .....	1	2	2	( <sup>2</sup> )
Over 1 year .....	( <sup>2</sup> )	-	1	( <sup>2</sup> )
Age 21 <sup>3</sup> .....	36	39	52	26
No service requirement .....	1	2	1	1
1 - 11 months .....	( <sup>2</sup> )	1	1	( <sup>2</sup> )
1 year .....	34	37	50	25
Age 22 and over .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
1 year .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
Over 1 year .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
No minimum age or service requirement ....	31	30	17	38
Plan participation not available to new employees .....	1	1	1	1
Not determinable .....	( <sup>2</sup> )	( <sup>2</sup> )	-	1
	Average <sup>4</sup>			
Average service requirement (in months) .....	11.7	12.0	11.6	11.5

<sup>1</sup> Excludes administrative time lags.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The Internal Revenue Code requires that nearly all plans must allow participation to full-time employees who have reached the age of 21 who have completed one year of service. Plans that provide immediate vesting of accrued benefits may require up to three years. Church plans are exempt from the Internal Revenue Code.

<sup>4</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

# Chapter 7.

## Defined Contribution Plans

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**R**etirement plans that specify the level of employer contributions and place those contributions into individual employee accounts are called defined contribution plans. EBS collects data on the following defined contribution plans: Savings and thrift, deferred profit-sharing, money purchase pension, stock bonus, and employee stock ownership plans. Definitions of major plan types, key provisions, and related terms follow.

### Plan types

**Savings and thrift plans.** Under these retirement plans, employees may contribute a predetermined portion of earnings (usually pretax) to an individual account, all or part of which the employer matches. Employers may match a fixed percent of employee contributions or a percent that varies by length of service, the amount of employee contribution, or other factors. Contributions are invested as directed by the employee or employer. Although usually designed as a long-term savings vehicle, savings and thrift plans may allow pre-retirement withdrawals and loans.

**Deferred profit-sharing plans.** This is a retirement plan under which a company credits a portion of company profits to employees' accounts. Plans may set a fixed formula for sharing profits, but this is not a requirement. Most plans hold money in employee accounts until retirement, disability, or death.

**Money purchase pension plans.** Under these retirement plans, fixed employer contributions (usually calculated as a percentage of employee earnings) are allocated to individual employee accounts. Some of these plans may allow employee contributions, but employees are usually not required to make any contributions. Employers may also make profit-sharing contributions to these plans at their discretion.

**Employee Stock Ownership Plan (ESOP).** Under ESOP retirement plans, the employer pays a designated amount, often borrowed, into a fund which then invests primarily in company stock. Any debt incurred in the purchase of the stock is repaid by the company. The stocks are then distributed to employees according to an allocation formula.

**Stock Bonus Plans.** A Stock Bonus plan specifies employer or employee and employer contributions to a trust fund that invests in various securities.

### Investment choices

**Company stock.** Employees receive equity, in the form of company stock, in the company that sponsors the defined contribution plan.

**Common stock fund.** This is a professionally managed fund that invests in the common stock of a variety of companies.

**Fixed interest securities.** These are bonds and other non-Federal instruments that pay a fixed interest rate over a period of time.

**Diversified investments.** These are any professionally managed funds that invest in more than one type of equity or debt instrument.

**U.S. Government securities.** These investments include Treasury Bills, Treasury Notes, and Savings Bonds that pay a fixed rate of interest guaranteed by the U.S. Government.

**Guaranteed investment contract (GIC).** Some insurance companies offer a guaranteed investment contract that guarantees the principal and a fixed rate of return for a specified time period.

**Money market fund.** This is a professionally managed mutual fund that buys high-quality, short-term notes, acceptances, or certificates of deposit. Such funds sell shares to investors who receive regular payments of interest.

**Certificate of deposit.** Receipts issued by banks or savings and loans associations for deposits of funds are known as certificates of deposit. Interest accrues on the amount deposited and is paid at maturity.

### Withdrawals, loans, and distributions

**Withdrawals.** Prior to normal payout (usually at retirement), defined contribution plan participants may be allowed to withdraw all or a portion of the money in their accounts. While most early withdrawals incur tax penalties, hardship withdrawals do not. (See below.) To avoid tax penalties, many plans have loan provisions that allow employees to borrow from their accounts, with interest, for a specified period of time.

## Defined Contribution Plans

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**Hardship withdrawals.** Employees are usually not penalized when money is withdrawn as a result of a hardship often defined as a death or illness of a family member, education expenses, sudden uninsured losses, or a need to prevent eviction from one's primary residence.

**Loans.** Defined contribution plans may allow participants to borrow money, with interest, from their accounts. These loan amounts are often limited to a portion of the account balance. They usually have to be repaid within 5 years, but longer payment periods may apply for home purchase or renovation loans.

**Rollovers and transfers.** These are direct payments of plan benefits from a defined contribution plan into an IRA or another employer's plan. In a direct rollover or transfer, the employee is not taxed on the payment until it is later withdrawn or distributed.

**Distribution.** At retirement, defined contribution plans normally allow for payout in the form of a lump sum, a lifetime annuity, or installments over a specified period. While there is no tax penalties if the distribution takes place after age 59 and a half, the individual must pay taxes as if it were income.

**Lump sum distribution.** This is an immediate disbursement of all employer and employee contributions and any investment earnings to the employee.

**Annuity.** Annuities are a form of distribution that provides periodic payments for various periods of time. Straight-life annuities provide payments, usually monthly, for the lifetime of a retiree. Joint-and-survivor annuities provide payments to a retiree, and upon the retiree's death, payments to a surviving spouse.

**Installment payments.** These are payments from the employer at fixed intervals, for example, equal payments over 5 years. Employees may or may not receive interest or other remuneration on the nondispersed portion.

### Vesting

Vesting is the amount of time an individual must work before earning a nonforfeitable right to a retirement benefit. When a worker is fully vested, the accrued benefit is retained even if the worker leaves the company before reaching retirement age. While defined contribution plans are subject to the same vesting rules under the Employee Retirement Income Security Act as defined benefit plans, vesting schedules vary significantly. Vesting schedules only apply to employer contributions; employee contributions (including pretax contributions) are always 100-percent vested.

**Immediate full vesting.** This occurs when employees are immediately eligible to receive 100 percent of employer contributions.

**Graduated vesting.** This is an employee's nonforfeitable percentage of employer contributions increases over time until it reaches 100 percent.

**Cliff vesting.** Under this form of vesting, no vesting occurs until an employee satisfies the service requirements for 100-percent vesting, for example after 7 years.

**Class-year vesting.** Under this form of vesting, employees become fully vested in employer contributions made during a specific period after a period of time, often 3 years.

### Employer contribution methods

**Specified matching percent.** Common in savings and thrift plans, this employer method matches a specified percent of employee contributions. The matching percent can vary by length of service, amount of employee contribution, and other factors.

**Fixed percent of profits formula.** Common in deferred profit-sharing plans, under this formula the employer contributes a fixed percent of total annual profits to the plan. For example, no matter what the level of profits, 5 percent is contributed to the plan. Profits may include those for the entire company or just those in a specific business unit. A variation of this formula is when employers set aside a "reserve amount" of profits, for example \$1,000,000, and only pay a fixed percent on those profits above this amount into the employees' defined contribution plan.

**Percentage of employee earnings.** Common in money purchase plans, under this plan the employer contributes a fixed percent of each employee's earnings into their individual account.

### Related plans and terms

**Stock bonus plans.** These plans place contributions in a trust fund that invests in securities, including those of the employing company. These plans are either financed by the employer, or jointly by the employer and employee. Upon retirement or separation from the company, proceeds from the trust fund are paid out to eligible employees in the form of company stock or cash.

**Stock purchase plans.** Such plans permit a participating employee to purchase shares of company stock, usually

through payroll deduction, at less than the open-market rate. No individual employee account is established; stock is distributed immediately upon purchase. (The EBS does not collect data on these plans.)

**Stock option plans.** These plans give employees the right to purchase company stock at a given time in the future at a predetermined price. The employee chooses whether and when to purchase stock. These plans are usually available to higher-level management. (The EBS does not collect data on these plans.)

**TIAA-CREF Affiliation.** TIAA-CREF plans are provided to employees at educational institutions and non-profit educational associations. They are most commonly money purchase plans but may contain matching formulas.

**Internal Revenue Code (IRC) section 401(k) plans.** This law allows employees in private, for-profit establishments to make pre-tax contributions into deferred compensation plans via salary reduction agreements. These arrangements are often associated with savings and thrift and other defined contribution plans.

**IRC section 403(b) plans.** This law allows employees of cer-

tain not-for-profit organizations and public schools to make pre-tax contributions into deferred compensation plans via salary reduction agreements. 403 (b) plans often are associated with savings and thrift and other defined contribution plans.

**IRC section 457 plans.** This law allows employees of State and local governments and tax-exempt organizations to make pre-tax contributions into deferred compensation plans via salary reduction agreements. These plans often are associated with savings and thrift and other defined contribution plans.

**Salary reduction plans.** These plans are authorized under the Internal Revenue Code, which allows employees to divert a portion of their salary or wages to fund benefit plans. The contribution to the benefit plan are made on a pre-tax basis.

**Discretionary profit sharing contributions.** This is a money purchase pension and savings and thrift plan that may require the plan sponsor to make payments to the plan, directly from company profits, in addition to the employer's usual contributions.

**Table 146. Savings and thrift plans: Summary of provisions, full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Pre-tax contributions allowed	98	99	97	98
Transfer/rollover contributions allowed .....	53	52	58	50
Employee choice of investments for employee contributions .....	87	89	87	85
Employee choice of investments for employer contributions .....	65	68	62	65
Immediate full vesting .....	29	34	33	22
Loans permitted .....	54	56	57	48
Withdrawals permitted .....	52	50	57	51

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 147. Savings and thrift plans: Transfer and rollover provisions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Transfers/rollovers allowed ...	53	52	58	50
Transfers/rollovers not allowed .....	37	42	33	36
Not determinable .....	10	6	10	14

<sup>1</sup> Relates to the allowance of transfers/rollovers of contributions and earnings from the previous employer's plan.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 148. Savings and thrift plans: Maximum employee contributions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Maximum employee contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Percent of employee earnings .....	89	88	92	88
5 percent or less .....	2	2	2	3
6 percent .....	2	3	3	1
7 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
8 percent .....	1	1	( <sup>2</sup> )	2
9 percent .....	1	1	1	( <sup>2</sup> )
10 percent .....	7	4	8	9
11 percent .....	2	3	1	1
12 percent .....	6	8	6	4
13 percent .....	4	4	4	3
14 percent .....	3	2	2	5
15 percent .....	33	28	38	33
16 percent .....	17	17	16	18
17 percent .....	3	4	3	3
17.01 - 17.99 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
18 percent .....	5	6	7	2
19 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
20 percent .....	2	4	2	2
20.01 - 24.99 percent .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
25 percent or more .....	1	2	1	1
Specified dollar amount .....	1	( <sup>2</sup> )	1	1
Up to the Internal Revenue Code limit .....	10	11	7	11
Not determinable .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	Average <sup>3</sup>			
Average maximum contribution (percent of earnings) .....	14.3	14.6	14.3	14.1

<sup>1</sup> Includes contributions that are not matched by the employer. If maximum contributions vary, such as by length of service, the highest possible contribution was tabulated.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 149. Savings and thrift plans: Method of determining pretax contribution, full-time employees, medium and large private establishments, 1997**

Pretax contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Pretax contributions allowed	98	99	97	98
All contributions must be pretax .....	54	49	55	58
All contributions may be pretax .....	31	36	29	26
Contributions up to specified percent may be pretax .....	6	6	6	5
Initial contributions must be pretax; additional contributions can not be pretax .....	4	3	4	5
Initial contributions must be pretax; all additional contributions may be pretax .....	2	3	1	2
Initial contributions must be pretax; additional contributions up to a specified percent may be pretax .....	( <sup>1</sup> )	-	-	( <sup>1</sup> )
Pre-tax allowed, options unknown .....	2	2	2	2
No pretax contributions allowed .....	1	1	1	1
Not determinable .....	1	1	2	1

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 150. Savings and thrift plans: Maximum pretax employee contributions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Maximum pretax contributions				
Number (in thousands) with savings and thrift plans that allow pretax contributions ...	14,577	5,199	3,990	5,388
	Percent			
Total with savings and thrift plans that allow pretax contributions .....	100	100	100	100
Percent of employee earnings .....				
5 percent or less .....	89	88	93	88
6 percent .....	3	3	2	4
7 percent .....	2	2	3	1
8 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
9 percent .....	2	2	3	3
10 percent .....	1	1	1	1
11 percent .....	10	6	11	13
12 percent .....	2	3	1	2
13 percent .....	6	8	6	4
14 percent .....	2	2	2	2
15 percent .....	3	2	2	4
16 percent .....	32	29	37	32
17 percent .....	13	14	10	14
17.01 - 17.99 percent .....	3	3	2	3
18 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
19 percent .....	5	5	7	2
20 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
25 percent or more .....	2	4	2	1
Not determinable .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Specified dollar amount .....	2	2	2	2
Up to the Internal Revenue Code limit .....	1	( <sup>2</sup> )	1	1
Not determinable .....	10	11	7	11
	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
	Average <sup>3</sup>			
Average maximum pretax contribution (percent of earnings) .....	13.7	14.0	13.7	13.5

<sup>1</sup> Includes contributions that are not matched by the employer. If maximum contributions vary, such as by length of service, the highest possible contribution was tabulated.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 151. Savings and thrift plans: Methods of employer matching contributions, full-time employees, medium and large private establishments, 1997**

	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Employer matching rates				
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Specified matching percent <sup>1</sup>	81	80	80	84
Varies by service .....	5	6	5	5
Varies by amount of contribution .....	8	11	8	7
Varies by investment choice .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Varies by profit level .....	3	3	5	2
Other .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
Not determinable .....	1	1	2	1

<sup>1</sup> Plans where the employer matches a specified percent of employee contributions. For example, the employer matches 50 percent of employee earnings up to 6 percent.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 152. Savings and thrift plans: Employee contributions by employer specified matching percentage, full-time employees, medium and large private establishments, 1997**

Employee contribution <sup>1</sup>	Total <sup>2</sup>	Specified matching percentage			
		1 - 49	50	51 - 99	100
Percent					
<b>All employees</b>					
Total <sup>3</sup> .....	100	23	47	13	15
Under 2 percent .....	2	1	( <sup>4</sup> )	-	( <sup>4</sup> )
2 percent .....	3	1	1	-	1
3 percent .....	10	1	2	1	5
4 percent .....	16	3	10	( <sup>4</sup> )	2
5 percent .....	10	2	4	( <sup>4</sup> )	2
6 percent .....	48	11	25	8	3
Greater than 6 percent .....	10	3	3	3	1
<b>Professional, technical, and related</b>					
Total <sup>3</sup> .....	100	23	48	14	12
Under 2 percent .....	1	1	-	-	-
2 percent .....	5	2	1	-	( <sup>4</sup> )
3 percent .....	7	1	2	( <sup>4</sup> )	4
4 percent .....	13	1	7	1	3
5 percent .....	8	1	6	( <sup>4</sup> )	2
6 percent .....	50	12	27	8	2
Greater than 6 percent .....	15	4	5	5	1
<b>Clerical and sales</b>					
Total <sup>3</sup> .....	100	19	42	16	19
Under 2 percent .....	1	1	( <sup>4</sup> )	-	-
2 percent .....	3	1	2	-	1
3 percent .....	12	1	3	-	9
4 percent .....	13	4	7	( <sup>4</sup> )	2
5 percent .....	9	3	4	( <sup>4</sup> )	2
6 percent .....	54	8	25	14	4
Greater than 6 percent .....	6	1	2	2	( <sup>4</sup> )
<b>Blue collar and service</b>					
Total <sup>3</sup> .....	100	27	49	9	14
Under 2 percent .....	3	2	( <sup>4</sup> )	-	1
2 percent .....	2	1	( <sup>4</sup> )	-	( <sup>4</sup> )
3 percent .....	10	2	2	2	4
4 percent .....	22	4	15	1	2
5 percent .....	11	4	3	1	3
6 percent .....	42	11	24	4	3
Greater than 6 percent .....	9	4	3	2	1

<sup>1</sup> Employee may contribute a percent of salary up to a specified maximum; ceilings on contributions to be matched by employers generally are lower.

<sup>2</sup> Total includes workers with an employer matching percentage of greater than 100 percent, but those matching percentages are not presented separately.

<sup>3</sup> Includes other employee contribution rates not shown separately.

<sup>4</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 153. Savings and thrift plans: Discretionary profit-sharing contributions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
With discretionary profit-sharing contributions .....	17	14	21	17
No discretionary profit-sharing contributions .....	78	82	75	77
Not determinable .....	5	4	5	6

<sup>1</sup> Employer contributions in addition to matching funds, provided at employer discretion based on profitability.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 154. Savings and thrift plans: Investment choices, full-time employees, medium and large private establishments, 1997**

Investment choices	All employees		Professional, technical, and related employees		Clerical and sales employees		Blue-collar and service employees	
	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions
Number (in thousands) with savings and thrift plans .....	14,882	14,882	5,262	5,262	4,113	4,113	5,507	5,507
	Percent							
Total with savings and thrift plans .....	100	100	100	100	100	100	100	100
Employee permitted to choose investments .....	87	65	89	68	87	62	85	65
Two choices .....	2	2	1	1	2	2	4	4
Three choices .....	11	8	8	6	14	9	12	8
Four choices .....	21	14	19	12	23	12	20	18
Five choices .....	14	10	16	13	12	10	14	8
Six choices .....	8	5	9	7	9	5	6	4
Seven choices .....	8	6	10	7	7	6	8	5
Eight choices .....	7	5	7	7	6	6	7	4
Nine choices .....	2	2	2	2	2	2	2	2
Ten choices .....	3	2	6	2	2	1	2	2
More than ten choices .....	5	4	7	7	4	4	3	3
Not determinable .....	6	6	4	4	6	6	8	9
Employee not permitted to choose investments .....	4	25	5	25	3	30	4	21
Not determinable .....	9	10	6	7	9	8	11	13

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 155. Savings and thrift plans: Types of investments allowed in plans permitting employees to choose investments, full-time employees, medium and large private establishments, 1997**

Investment	All employees		Professional, technical, and related employees		Clerical and sales employees		Blue-collar and service employees	
	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions
Number (in thousands) with savings and thrift plans .....	14,882	14,882	5,262	5,262	4,113	4,113	5,507	5,507
	Percent							
Total with savings and thrift plans .....	100	100	100	100	100	100	100	100
Total with employee investment choice allowed .....	87	65	89	68	87	62	85	65
Company stock .....	42	25	47	29	43	24	36	20
Common stock fund .....	69	50	73	53	66	47	66	50
Long-term interest bearing securities .....	59	43	65	47	58	40	54	42
Diversified stock and bond fund .....	54	40	56	41	60	41	48	38
Government securities .....	20	15	24	19	17	13	17	12
Guaranteed investment contracts .....	20	15	21	18	19	13	21	14
Money market funds .....	35	28	40	31	31	25	35	28
Certificates of deposit .....	3	2	2	2	4	3	3	3
Other <sup>1</sup> .....	8	6	9	8	8	5	7	5
Determinable by trustee ...	1	( <sup>2</sup> )	( <sup>2</sup> )	-	1	-	1	( <sup>2</sup> )
Not determinable .....	9	8	9	9	7	6	10	10
Investment choice not allowed .....	4	25	5	25	3	30	4	21
Investment choice not determinable .....	9	10	6	7	9	8	11	13

<sup>1</sup> Includes purchase of life insurance, annuities, real estate, mortgage, and deposits in credit unions or savings accounts.  
<sup>2</sup> Less than 0.5 percent.

NOTE: Sums of individual items do not equal totals because employees are often offered a number of investment choices. Where applicable, dash indicates no employees in this category.

**Table 156. Savings and thrift plans: Method of allocating contributions to investment options, full-time employees, medium and large private establishments, 1997**

Item	All employees		Professional, technical, and related employees		Clerical and sales employees		Blue-collar and service employees	
	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions
Number (in thousands) with savings and thrift plans .....	14,882	14,882	5,262	5,262	4,113	4,113	5,507	5,507
	Percent							
Total with savings and thrift plans .....	100	100	100	100	100	100	100	100
Total with employee investment choice allowed .....	87	65	89	68	87	62	85	65
Any multiple .....	42	34	45	36	39	30	41	35
Specified multiples .....	37	23	37	25	41	24	34	22
Other .....	1	1	( <sup>1</sup> )	( <sup>1</sup> )	1	1	( <sup>1</sup> )	( <sup>1</sup> )
Not determinable .....	8	7	7	6	7	6	10	9
Investment choice not allowed .....	4	25	5	25	3	30	4	21
Investment choice not determinable .....	9	10	6	7	9	8	11	13

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 157. Savings and thrift plans: Frequency of investment changes, full-time employees, medium and large private establishments, 1997**

Item	All employees		Professional, technical, and related employees		Clerical and sales employees		Blue-collar and service employees	
	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions
Number (in thousands) with savings and thrift plans .....	14,882	14,882	5,262	5,262	4,113	4,113	5,507	5,507
	Percent							
Total with savings and thrift plans .....	100	100	100	100	100	100	100	100
Total with employee investment choice allowed .....	87	65	89	68	87	62	85	65
At any time .....	47	36	55	43	46	33	41	31
Specified number of times per year .....	32	22	27	19	35	23	34	25
One .....	2	1	1	1	1	1	2	1
Two .....	6	6	5	5	5	4	7	8
Three .....	( <sup>1</sup> )	( <sup>1</sup> )	1	1	-	-	( <sup>1</sup> )	( <sup>1</sup> )
Four .....	16	11	13	8	17	10	19	13
Five or more .....	8	4	7	4	13	8	6	3
Other .....	1	1	2	1	1	1	( <sup>1</sup> )	( <sup>1</sup> )
Never .....	( <sup>1</sup> )	-	( <sup>1</sup> )	-	( <sup>1</sup> )	-	-	-
Not determinable .....	7	6	5	4	5	4	10	10
Investment choice not allowed .....	4	25	5	25	3	30	4	21
Investment choice not determinable .....	9	10	6	7	9	8	11	13

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 158. Savings and thrift plans: Withdrawal availability, full-time employees, medium and large private establishments, 1997**

Withdrawal provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Withdrawals permitted .....	52	50	57	51
Any reason .....	18	20	18	15
Hardship reasons only <sup>1</sup> .....	35	30	39	36
Withdrawals not permitted .....	39	44	33	38
Not determinable .....	9	7	9	11

<sup>1</sup> Hardship reasons may include death or illness of a family member, education expenses, sudden uninsured losses, or purchase of a primary residence.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 159. Savings and thrift plans: Withdrawal requirements in plans permitting withdrawals, full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with withdrawals permitted .....	7,792	2,611	2,357	2,824
	Percent			
Total with savings and thrift plans with withdrawals permitted .....	100	100	100	100
At any time .....	55	52	62	51
After meeting an age and/or service requirement .....	8	12	8	6
Once per time period .....	21	23	21	21
Other limit .....	9	8	3	14
Not determinable .....	7	6	6	9

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 160. Savings and thrift plans: Maximum amount that may be withdrawn in plans permitting withdrawals, full-time employees, medium and large private establishments, 1997**

Maximum amount of withdrawal	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with withdrawals permitted .....	7,792	2,611	2,357	2,824
	Percent			
Total with savings and thrift plans with withdrawals permitted .....	100	100	100	100
Full account balance .....	63	59	73	59
Partial account balance .....	32	35	22	38
Not determinable .....	5	6	6	3

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 161. Savings and thrift plans: Penalties imposed upon withdrawal of funds in plans permitting withdrawals, full-time employees, medium and large private establishments, 1997**

Penalties for withdrawals	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with withdrawals permitted .....	7,792	2,611	2,357	2,824
	Percent			
Total with savings and thrift plans with withdrawals permitted .....	100	100	100	100
With penalty .....	47	44	41	54
Employer contributions suspended .....	10	16	9	7
All contributions suspended .....	29	21	26	40
Other .....	7	7	6	7
No penalty .....	45	50	53	33
Not determinable .....	8	6	6	12

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 162. Savings and thrift plans: Loan availability, full-time employees, medium and large private establishments, 1997**

Loan availability	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Loans permitted .....	54	56	57	48
Any reason .....	48	52	50	43
Hardship reasons only <sup>1</sup> ....	6	5	7	5
Loans not permitted .....	37	36	33	41
Not determinable .....	9	7	10	11

<sup>1</sup> Hardship reasons may include death or illness of a family member, education expenses, sudden uninsured losses, or purchase of a primary residence.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 163. Savings and thrift plans: Loan requirements in plans permitting loans, full-time employees, medium and large private establishments, 1997**

Loan provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with loans permitted .....	7,963	2,969	2,351	2,644
	Percent			
Total with savings and thrift plans with loans permitted ..	100	100	100	100
At any time .....	58	60	60	54
After meeting an age/or service requirement .....	2	1	4	2
Once per time period .....	36	35	34	38
Other limit .....	1	1	1	2
Not determinable .....	2	2	2	3

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 164. Savings and thrift plans: Maximum amount that may be borrowed in plans permitting loans, full-time employees, medium and large private establishments, 1997**

Loan provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with loans permitted .....	7,963	2,969	2,351	2,644
	Percent			
Total with savings and thrift plans with loans permitted ..	100	100	100	100
Full account balance available .....	1	1	2	( <sup>1</sup> )
Partial account balance available .....	97	96	95	98
Not determinable .....	3	3	3	2

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 165. Savings and thrift plans: Interest provisions in plans permitting loans, full-time employees, medium and large private establishments, 1997**

Loan provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with loans permitted .....	7,963	2,969	2,351	2,644
	Percent			
Total with savings and thrift plans with loans permitted ..	100	100	100	100
Fixed percent .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Tied to other rates .....	69	67	73	68
Varies .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
At the discretion of plan administrators .....	15	16	14	15
Other .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Not determinable .....	15	17	13	16

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 166. Savings and thrift plans: Repayment provisions in plans permitting loans, full-time employees, medium and large private establishments, 1997**

Repayment provisions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans with loans permitted .....	7,963	2,969	2,351	2,644
	Percent			
Total with savings and thrift plans with loans permitted ..	100	100	100	100
Repayment after specified period .....	80	79	85	76
For purchase of a home <sup>1</sup> ..	48	49	46	50
Less than 15 years .....	17	16	17	18
15 years .....	17	18	17	15
20 years .....	3	2	4	3
Greater than 20 and less than 25 years ..	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
25 years .....	5	7	3	4
Greater than 25 years ...	1	2	1	1
Not determinable .....	5	4	4	8
For any reason .....	32	30	39	26
Less than 5 years .....	11	13	15	4
5 years .....	21	17	25	22
Greater than 5 years and less than 10 years .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
At discretion of plan administrators .....	2	1	2	2
Other .....	3	5	1	1
Not determinable .....	16	15	11	20

<sup>1</sup> Plan specifies longer repayment period for purchase of a home than for other reasons.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 167. Savings and thrift plans: Methods of distribution, full-time employees, medium and large private establishments, 1997**

Methods of distribution <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
Lump sum .....	91	93	89	90
Annuity .....	25	25	21	27
Installments .....	41	40	43	40
Other .....	3	3	3	3
Not determinable .....	10	11	7	11

<sup>1</sup> Sums of individual items may exceed totals because plans frequently permit more than one distribution option.

NOTE: Where applicable, dash indicates no employees in this category.

**Table 168. Savings and thrift plans: Service requirements<sup>1</sup>, full-time employees, medium and large private establishments, 1997**

Eligibility requirements <sup>2</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with savings and thrift plans .....	100	100	100	100
With minimum service requirement .....	75	70	78	79
3 months or less .....	12	13	7	15
4 - 5 months .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-
6 months .....	10	10	9	11
1 year .....	52	44	61	52
2 years .....	2	2	1	1
3 years .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-
No minimum service requirement .....	19	24	16	16
Not determinable .....	6	6	5	6
	Average <sup>4</sup>			
Average service requirement (in months) .....	10.0	9.8	10.7	9.6

<sup>1</sup> In many of these plans, there is also an age requirement. For example, some plans have participation requirements of age 21 and 12 months of service. This table's eligibility requirements are based on when the employee can first join the plan, not when the employer first begins contributing. In past surveys the eligibility requirements were based on when the employer first contributes to the plan. Thus this table is not strictly comparable to the same table from past surveys.

<sup>2</sup> If a plan had alternate eligibility requirements, one of which was service only, the service only requirement was tabulated.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 169. Savings and thrift plans: Vesting provisions, full-time employees, medium and large private establishments, 1997**

Vesting provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with savings and thrift plans .....	14,882	5,262	4,113	5,507
	Percent			
Total with with savings and thrift plans .....	100	100	100	100
Immediate full vesting .....	29	34	33	22
Cliff vesting <sup>1</sup> .....	30	33	22	33
With full vesting after:				
1 - 2 years .....	3	3	2	4
3 - 4 years .....	6	5	7	6
5 years .....	21	25	13	22
More than 5 years .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
Graduated vesting <sup>3</sup> .....	33	29	37	35
With full vesting after:				
4 years or less .....	10	7	10	13
5 years .....	15	13	19	13
6 years .....	6	7	3	8
7 years .....	3	2	4	2
Class year vesting <sup>4</sup> .....	2	2	2	4
With each class vested after:				
1 year .....	1	( <sup>2</sup> )	( <sup>2</sup> )	3
2 years .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
3 years .....	1	1	( <sup>2</sup> )	1
Other .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
Not determinable .....	5	3	5	6

<sup>1</sup> Under cliff vesting, an employee is not entitled to any benefits until satisfying requirements for 100 percent vesting.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> Under graduated vesting, an employee's rights to benefits increase with length of service, eventually reaching 100 percent.

<sup>4</sup> Under class year vesting, employee contributions for a given year (class) become nonforfeitable after meeting vesting requirements. Subsequent contributions must meet similar requirements.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 170. Deferred profit-sharing plans: Employer contributions, full-time employees, medium and large private establishments, 1997**

Employer contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with deferred profit-sharing plans	5,084	1,562	1,351	2,171
	Percent			
Total with deferred profit-sharing plans .....	100	100	100	100
Based on stated formula .....	62	61	50	71
Fixed percent of profits .....	17	26	19	10
Based on unit profitability .....	4	8	4	1
Fixed percent of profits in excess of reserved amount .....	3	2	2	4
Sliding percentage based on profits, sales, or return on assets .....	27	12	12	47
Other stated formula .....	11	13	12	9
No predetermined formula .....	38	39	50	29

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 171. Deferred profit-sharing plans: Allocation of employer contributions to individual employee accounts, full-time employees, medium and large private establishments, 1997**

Allocation of employer contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with deferred profit-sharing plans	5,084	1,562	1,351	2,171
	Percent			
Total with deferred profit-sharing plans .....	100	100	100	100
Equally to all participants .....	18	7	8	32
Proportional to earnings .....	49	61	51	40
Proportional to employee contributions .....	15	13	17	15
Based on earnings and service .....	8	8	5	10
Based on earnings and unit performance .....	2	5	( <sup>1</sup> )	( <sup>1</sup> )
Other allocation formula .....	2	( <sup>1</sup> )	6	( <sup>1</sup> )
Allocation formula not available .....	6	6	13	2
Employee permitted to receive part of allocation in cash .....	23	7	13	41

<sup>1</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 172. Deferred profit-sharing plans: Selected plan features, full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with deferred profit sharing plans	5,084	1,562	1,351	2,171
	Percent			
Total with deferred profit sharing plans .....	100	100	100	100
Loans permitted .....	32	43	45	16
Withdrawals permitted .....	26	24	29	25
Employee contributions required .....	7	9	9	4
Employee contributions not required but allowed .....	24	23	27	23
Pretax contributions allowed	26	24	33	23
Employee permitted to choose investments .....	64	60	58	70

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 173. Deferred profit-sharing: Service requirements,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Eligibility requirements <sup>2</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with deferred profit-sharing plans	5,084	1,562	1,351	2,171
	Percent			
Total with deferred profit-sharing plans .....	100	100	100	100
With minimum service requirement .....	69	84	68	58
3 months or less .....	5	4	4	5
4 - 5 months .....	( <sup>3</sup> )	( <sup>3</sup> )	1	( <sup>3</sup> )
6 months .....	8	13	9	4
1 year .....	54	65	55	47
2 years .....	1	1	( <sup>3</sup> )	2
No minimum service requirement .....	27	14	24	39
Not determinable .....	4	2	8	3
	Average <sup>4</sup>			
Average service requirement (in months) .....	10.7	10.5	10.7	11.0

<sup>1</sup> In many of these plans, there is also an age requirement. For example, some plans have participation requirements of age 21 and 12 months of service. This table's eligibility requirements are based on when the employee can first join the plan, not when the employer first begins contributing. In past surveys the eligibility requirements were based on when the employer first contributes to the plan. Thus this table is not strictly comparable to the same table from past surveys.

<sup>2</sup> If a plan had alternate eligibility requirements, one of which was service only, the service only requirement was tabulated.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 174. Deferred profit-sharing plans: Vesting provisions, full-time employees, medium and large private establishments, 1997**

Vesting provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number with deferred profit-sharing plans .....	5,084	1,562	1,351	2,171
	Percent			
Total with deferred profit-sharing plans .....	100	100	100	100
Immediate full vesting .....	29	24	35	28
Cliff vesting <sup>1</sup> .....	32	22	25	45
With full vesting after:				
3 - 4 years .....	4	8	4	( <sup>2</sup> )
5 years .....	28	14	18	44
More than 5 years .....	1	-	3	-
Graduated vesting <sup>3</sup> .....	35	51	37	22
With full vesting after:				
4 years or less .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
5 years .....	4	7	5	1
6 years .....	15	23	17	9
7 years .....	16	21	16	12
Not determinable .....	4	3	3	5

<sup>1</sup> Under cliff vesting, an employee is not entitled to any benefits until satisfying requirements for 100 percent vesting.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> Under graduated vesting, an employee's rights to benefits increase with length of service, eventually reaching 100 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 175. 401(k) salary reduction plans: Maximum pretax employee contributions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Maximum pretax contributions	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) pretax salary reduction plans .....	100	100	100	100
Percent of employee earnings .....	87	85	91	86
5 percent or less .....	4	4	3	4
6 percent .....	1	2	2	( <sup>2</sup> )
7 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
8 percent .....	3	2	3	4
9 percent .....	1	1	1	( <sup>2</sup> )
10 percent .....	11	7	12	14
11 percent .....	2	3	1	2
12 percent .....	6	7	5	4
13 percent .....	3	3	3	2
13.01 - 13.99 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
14 percent .....	2	2	2	3
15 percent .....	31	28	35	30
16 percent .....	11	12	9	12
16.01 - 16.99 percent .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
17 percent .....	3	4	4	3
17.01 - 17.99 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
18 percent .....	4	5	6	2
19 percent .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
20 percent .....	3	4	2	2
25 percent or more .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Specified dollar amount .....	1	( <sup>2</sup> )	1	1
Up to the Internal Revenue Code limit .....	12	14	9	13
Not determinable .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	Average <sup>3</sup>			
Average maximum pretax contribution (percent of earnings) .....	13.3	13.6	13.4	13.1

<sup>1</sup> Includes contributions that are not matched by the employer. If maximum contributions vary, such as by length of service, the highest possible contribution was tabulated.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> The average is presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 176. 401(k) salary reduction plans: Service requirements,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Eligibility requirements <sup>2</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
With minimum service requirement .....	76	71	79	80
3 months or less .....	12	13	7	14
4 - 5 months .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-
6 months .....	9	9	8	10
1 year .....	53	45	62	54
2 years .....	3	4	2	2
3 years .....	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	-
No minimum service requirement .....	18	23	16	15
Not determinable .....	5	6	5	5
	Average <sup>4</sup>			
Average service requirement (in months) .....	10.4	10.3	10.9	10.0

<sup>1</sup> In many of these plans, there is also an age requirement. For example, some plans have participation requirements of age 21 and 12 months of service. This table's eligibility requirements are based on when the employee can first join the plan, not when the employer first begins contributing. In past surveys the eligibility requirements were based on when the employer first contributes to the plan. Thus this table is not strictly comparable to the same table from past surveys.

<sup>2</sup> If a plan had alternate eligibility requirements, one of which was service only, the service only requirement was tabulated.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> The averages are presented for all covered workers; averages exclude workers without the plan provision.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 177. 401(k) salary reduction plans: Investment choices, full-time employees, medium and large private establishments, 1997**

Investment choices for employer contributions	All employees		Professional, technical, and related employees		Clerical and sales employees		Blue-collar and service employees	
	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions	Employee contributions	Employer contributions
Number (in thousands) with 401(k) salary reduction plans .....	16,756	16,756	5,927	5,927	4,573	4,573	6,255	6,255
	Percent							
Total with 401(k) salary reduction plans .....	100	100	100	100	100	100	100	100
Employee permitted to choose investments .....	86	65	88	67	87	61	83	65
Two choices .....	3	2	1	1	2	1	4	4
Three choices .....	11	8	9	7	15	10	11	8
Four choices .....	21	14	19	12	22	12	22	19
Five choices .....	15	11	17	15	13	10	13	8
Six choices .....	8	6	9	7	10	6	7	5
Seven choices .....	8	6	9	6	7	6	7	4
Eight choices .....	6	5	6	6	6	6	6	3
Nine choices .....	2	2	2	2	2	1	1	1
Ten choices .....	3	2	5	2	1	1	2	2
More than ten choices .....	4	3	6	6	3	3	2	2
Not determinable .....	6	6	4	4	5	5	8	9
Employee not permitted to choose investments .....	6	27	7	27	5	32	6	23
Not determinable .....	8	8	5	6	8	7	10	12

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 178. 401(k) salary reduction plans: Vesting provisions, full-time employees, medium and large private establishments, 1997**

Vesting provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
Immediate full vesting .....	34	38	38	26
Cliff vesting <sup>1</sup> .....	27	29	20	31
With full vesting after:				
1 -2 years .....	3	2	2	3
3 - 4 years .....	5	4	6	6
5 years .....	19	23	12	21
More than 5 years .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
Graduated vesting <sup>3</sup> .....	32	28	35	35
With full vesting after:				
4 years or less .....	11	7	11	14
5 years .....	13	12	17	11
6 years .....	6	7	3	7
7 years .....	3	3	4	2
Class year vesting <sup>4</sup> .....	2	1	1	3
With each class vested after:				
1 year .....	1	( <sup>2</sup> )	( <sup>2</sup> )	2
2 years .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
3 years .....	1	1	( <sup>2</sup> )	1
Other .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
Not determinable .....	4	2	4	5

<sup>1</sup> Under cliff vesting, an employee is not entitled to any benefits until satisfying requirements for 100 percent vesting.

<sup>2</sup> Less than 0.5 percent.

<sup>3</sup> Under graduated vesting, an employee's rights to benefits increase with length of service, eventually reaching 100 percent.

<sup>4</sup> Under class year vesting, employee contributions for a given year (class) become nonforfeitable after meeting vesting requirements. Subsequent contributions must meet similar requirements.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 179. 401(k) salary reduction plans: Transfer and rollover provisions,<sup>1</sup> full-time employees, medium and large private establishments, 1997**

Item	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
Transfers/rollovers allowed ...	52	50	57	50
Transfers/rollovers not allowed .....	39	44	34	38
Not determinable .....	9	6	9	12

<sup>1</sup> Relates to the allowance of transfers/rollovers of contributions and earnings from the previous employer's plan.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 180. 401(k) salary reduction plans: Withdrawal availability, full-time employees, medium and large private establishments, 1997**

Withdrawal provision	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
Withdrawals permitted .....	50	47	55	49
Any reason .....	17	19	18	14
Hardship reasons only <sup>1</sup> ....	33	28	37	35
Withdrawals not permitted ....	42	46	37	43
Not determinable .....	8	7	8	9

<sup>1</sup> Hardship reasons may include death or illness of a family member, education expenses, sudden uninsured losses, or purchase of a primary residence.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 181. 401(k) salary reduction plans: Loan availability, full-time employees, medium and large private establishments, 1997**

Loan availability	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
Loans permitted .....	51	53	56	47
Any reason .....	45	49	47	41
Hardship reasons only <sup>1</sup> ....	6	5	8	6
Loans not permitted .....	40	38	36	44
Not determinable .....	9	8	9	9

<sup>1</sup> Hardship reasons may include death or illness of a family member, education expenses, sudden uninsured losses, or purchase of a primary residence.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table 182. 401(k) salary reduction plans: Methods of distribution, full-time employees, medium and large private establishments, 1997**

Methods of distribution <sup>1</sup>	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with 401(k) salary reduction plans .....	16,756	5,927	4,573	6,255
	Percent			
Total with 401(k) salary reduction plans .....	100	100	100	100
Lump sum .....	91	93	90	91
Annuity .....	27	27	23	30
Installments .....	41	41	43	40
Other .....	6	7	4	6
Not determinable .....	8	6	9	8

<sup>1</sup> Sums of individual items may exceed totals because plans frequently permit more than one distribution option.

NOTE: Where applicable, dash indicates no employees in this category.

# Chapter 8.

## Flexible Benefits Plans and Reimbursement Accounts

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Employers have traditionally offered their workers a variety of benefits, such as health benefits, life insurance, and paid leave. Starting in the 1980s, new approaches to providing benefits emerged, including giving employees a choice of benefits and plan types. Commonly known as “cafeteria plans,” they allow employees to design individually tailored benefit packages.<sup>15</sup> EBS collects data on two types of arrangements: Flexible benefits plans and reimbursement accounts. Definitions of major plan types, key provisions, and related terms follow.

**Internal Revenue Code section 125.** This section of the Internal Revenue Code governs flexible benefits plans, reimbursement accounts, and premium conversion plans. Contributions must be made through a salary reduction agreement, and the plan must meet the nondiscrimination, election, and enrollment requirements specified under the Code.

### Flexible Benefits Plans

Under flexible benefits plans, employers provide each worker with an amount of “benefits credits.” The employee uses these credits to purchase various benefits and plans to create a desired benefits package. Flexible benefits plans usually provide several options, including various levels of life insurance, separate dental choices, participation in fee-for-service medical plans (with varying deductibles and out-of-pocket maximums) or in alternative medical plans (such as health maintenance organizations or preferred provider organizations), among other options. If the benefits credits are not sufficient to pay for the desired benefit package, the employee may have the option to fund the difference with pretax contributions. Similarly, an employee who does not use all of his or her credits may receive cash in lieu of benefits or may deposit the unused credits into a reimbursement account. However, participants are often required to purchase some minimum level of coverage, such as a basic level of life and health insurance coverage.

**Benefits credits.** This is a fixed dollar amount provided to

each worker to purchase various benefits, or an amount that varies among workers according to earnings, length of service, size of family, or other characteristics.

### Reimbursement Accounts

Reimbursement accounts, also known as “flexible spending accounts,” are funded by employee pretax contributions to pay for health care deductibles, coinsurances, cost of services not covered by a health care plan, child-care expenses, and the nonmedical expenses that allow a person to work while ensuring a qualified dependent’s well-being. Accounts may be partially funded by employers. Usually reimbursement accounts are a part of a flexible benefits plan, but can also be stand-alone. The following types of reimbursement accounts are common:

#### Account types

**Health care accounts.** Employees with health care reimbursement accounts may allocate pre-tax funds, up to a set limit, for either health care deductibles, coinsurances, or the costs of services not covered by their medical care plan, such as dental expenses and vision exams.

**Dependent care accounts.** Employees with dependent care reimbursement accounts may allocate pre-tax funds, up to a set limit, for childcare, elder care, or services to the disabled.

### Premium Conversion Plans

Premium conversion plans allow medical plan participants to pay the required plan premium with pretax dollars; they have no other function. Unlike reimbursement accounts, premium conversion plan participants do not “deposit” pretax money for the purpose of being reimbursed in the future. Rather, their pretax contributions go directly to pay for plan premiums.

### — Endnotes —

<sup>15</sup> Individual benefit plans offered through a flexible benefits plan arrangement are analyzed and included in the tabulations for specific benefit plans

and in the tables found in this bulletin.

**Table 183. Stand-alone reimbursement accounts: Expenses covered, full-time employees, medium and large private establishments, 1997**

Expenses	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Number (in thousands) with reimbursement account .....	12,185	4,835	3,355	3,995
	Percent			
Total with reimbursement account <sup>1</sup> .....	100	100	100	100
Expenses known .....	99	99	99	100
Health premiums .....	71	70	69	73
Other health expenses .....	88	87	88	91
Dependent care expenses .....	91	90	93	91
Legal expenses .....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )
Other premiums .....	12	13	11	12
Other .....	4	6	2	2
Expense not determinable .....	1	1	1	( <sup>2</sup> )

<sup>1</sup> Total is less than the sum of individual items because many plans allow funds to be used for multiple purposes.

<sup>2</sup> Less than 0.5 percent.

NOTE: Where applicable, dash indicates no employees in this category.

# Chapter 9.

## Benefits by Selected Characteristics

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This chapter presents data on the frequency of employee benefits by region, major industry segment, union status, and part-time employment. Key definitions are provided below.

### Region

The incidence of employee benefits for full-time employees is presented for four regions: Northeast, South, North Central, and West.

**Northeast.** Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

**South.** Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

**North Central.** Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

**West.** Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

### Industry

The incidence of employee benefits for full-time employees is presented by two major industry divisions: Goods-producing and service producing.

**Goods-producing.** Included in this sector are the manufacturing, mining, and construction industries.

**Service producing.** This sector includes the transportation, communications, electric, gas and sanitary services; wholesale trade; retail trade; finance, insurance, and real estate; and services industries.

### Union Status

Occupations are categorized as union or nonunion at the time of data collection, based on a number of criteria. These include: 1) A labor organization must be recognized as the bargaining agent for workers in the occupation; 2) wage and salary rates must be determined through collective bargaining or negotiations; and 3) settlement terms must be embodied in a signed, mutually binding collective bargaining agreement.

### Part-time Employees

Employees are classified as full-time or part-time in accordance with the practices of surveyed establishments.

**Table 184. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees, by geographic region, medium and large private establishments, 1997**

Benefit	Northeast	South	North Central	West
Paid time off:				
Holidays .....	91	88	91	85
Vacations .....	96	95	95	95
Personal leave .....	32	18	18	13
Funeral leave .....	85	75	87	74
Jury duty leave .....	91	88	90	75
Military leave .....	54	45	52	36
Family leave .....	3	3	1	1
Unpaid family leave .....	94	95	92	91
Disability benefits <sup>3</sup> :				
Paid sick leave .....	65	54	48	59
Short-term disability .....	78	49	59	32
Long-term disability insurance .....	42	44	42	46
Survivor benefits:				
Life insurance .....	86	88	89	84
Accidental death and dismemberment .....	64	66	71	70
Survivor income benefits .....	2	3	11	4
Health care benefits:				
Medical care .....	73	76	78	79
Dental care .....	58	52	62	67
Vision care .....	23	18	28	38
Outpatient prescription drug coverage .....	69	72	74	78

See footnotes at end of table.

**Table 184. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup> by geographic region, medium and large private establishments, 1997 — Continued**

Benefit	Northeast	South	North Central	West
Retirement income benefits:				
All retirement <sup>4</sup> .....	80	79	78	80
Defined benefit .....	56	45	54	46
Defined contribution <sup>5</sup> .....	52	59	54	63
Savings and thrift .....	36	40	35	46
Deferred profit sharing .....	9	12	19	12
Employee stock ownership .....	4	4	3	8
Money purchase pension .....	10	7	6	8
Stock bonus .....	( <sup>6</sup> )	2	1	1
Other .....	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	2
Cash or deferred arrangements:				
With employer contributions .....	43	45	46	53
Salary reduction .....	42	44	39	52
Savings and thrift .....	36	38	34	45
Deferred profit sharing .....	3	4	3	4
Other .....	3	1	2	3
Deferral of profit sharing allocation .....	2	1	7	2
No employer contributions .....	9	7	11	11

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 185. Other benefits: Eligibility for specified benefits, full-time employees, by geographic region, medium and large private establishments, 1997 (In percent)**

Benefit	Northeast	South	North Central	West
Income continuation plans:				
Severance pay .....	49	30	32	38
Supplemental unemployment benefits .....	1	1	13	1
Family benefits:				
Employer assistance for child care .....	10	8	10	11
Employer provided funds ..	6	5	8	5
On-site child care .....	4	3	2	5
Off-site child care .....	3	1	1	1
Adoption assistance .....	12	7	10	14
Long-term care insurance .....	7	5	9	10
Flexible workplace .....	2	3	3	1
Health promotion programs:				
Wellness programs .....	39	35	39	32
Employee assistance programs .....	61	60	61	62
Fitness center .....	24	15	22	25
Miscellaneous benefits:				
Job-related travel accident insurance .....	46	35	48	41
Nonproduction bonuses .....	43	39	43	42
Subsidized commuting .....	6	3	3	15
Education assistance:				
Job-related .....	66	69	69	62
Not job-related .....	19	22	22	18
Section 125 cafeteria benefits <sup>1</sup> :	52	57	48	48
Flexible benefit plans .....	13	13	10	14
Reimbursement plans .....	33	31	31	32
Premium conversion plans ...	6	13	7	1

<sup>1</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 186. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees in goods-producing industries, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Paid time off:				
Holidays .....	96	98	100	95
Vacations .....	96	99	99	94
Personal leave .....	14	17	26	11
Funeral leave .....	85	86	87	84
Jury duty leave .....	90	95	91	88
Military leave .....	57	76	57	50
Family leave .....	1	2	1	1
Unpaid family leave .....	95	96	98	94
Disability benefits <sup>3</sup> :				
Paid sick leave .....	38	68	66	24
Short-term disability .....	71	68	58	74
Long-term disability insurance .....	37	58	51	28
Survivor benefits:				
Life insurance .....	91	95	94	90
Accidental death and dismemberment .....	74	74	76	74
Survivor income benefits .....	9	9	5	9
Health care benefits:				
Medical care .....	84	82	81	85
Dental care .....	65	74	67	62
Vision care .....	25	31	21	24
Outpatient prescription drug coverage .....	82	81	80	82

See footnotes at end of table.

**Table 186. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees in goods-producing industries, medium and large private establishments, 1997  
(In percent) — Continued**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Retirement income benefits:				
All retirement <sup>4</sup> .....	88	93	84	86
Defined benefit .....	62	61	57	63
Defined contribution <sup>5</sup> .....	62	79	62	56
Savings and thrift .....	43	63	47	35
Deferred profit sharing .....	16	15	16	16
Employee stock ownership .....	5	9	3	4
Money purchase pension .....	6	7	5	5
Stock bonus .....	1	( <sup>6</sup> )	3	1
Other .....	1	2	( <sup>6</sup> )	1
Cash or deferred arrangements:				
With employer contributions .....	55	71	56	49
Salary reduction .....	49	69	54	41
Savings and thrift .....	43	63	47	35
Deferred profit sharing .....	4	4	4	3
Other .....	3	2	3	3
Deferral of profit sharing allocation .....	6	2	2	8
No employer contributions .....	9	9	11	8

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 187. Other benefits: Eligibility for specified benefits, full-time employees in goods-producing industries, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Income continuation plans:				
Severance pay .....	40	66	48	31
Supplemental unemployment benefits .....	9	5	2	11
Family benefits:				
Employer assistance for child care .....	7	12	4	6
Employer provided funds ..	7	12	3	5
On-site child care .....	( <sup>1</sup> )	2	-	-
Off-site child care .....	( <sup>1</sup> )	1	( <sup>1</sup> )	( <sup>1</sup> )
Adoption assistance .....	12	23	12	9
Long-term care insurance .....	7	14	9	4
Flexible workplace .....	2	5	1	1
Health promotion programs:				
Wellness programs .....	46	55	42	43
Employee assistance programs .....	64	77	58	60
Fitness center .....	23	40	18	19
Miscellaneous benefits:				
Job-related travel accident insurance .....	53	74	55	45
Nonproduction bonuses .....	46	47	45	46
Subsidized commuting .....	4	13	4	1
Education assistance:				
Job-related .....	73	87	71	68
Not job-related .....	24	27	25	23
Section 125 cafeteria benefits <sup>2</sup> :	47	72	60	37
Flexible benefit plans .....	11	21	11	7
Reimbursement plans .....	29	46	35	23
Premium conversion plans ...	7	4	13	7

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 188. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees in service-producing industries, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
<b>Paid time off:</b>				
Holidays .....	85	85	90	80
Vacations .....	95	95	97	93
Personal leave .....	24	25	34	15
Funeral leave .....	78	83	85	67
Jury duty leave .....	85	91	88	78
Military leave .....	41	53	49	25
Family leave .....	2	3	3	1
Unpaid family leave .....	92	94	96	87
<b>Disability benefits<sup>3</sup>:</b>				
Paid sick leave .....	67	75	74	53
Short-term disability .....	46	48	51	40
Long-term disability insurance .....	47	64	52	29
<b>Survivor benefits:</b>				
Life insurance .....	85	94	90	72
Accidental death and dismemberment .....	64	68	69	57
Survivor income benefits .....	3	3	2	3
<b>Health care benefits:</b>				
Medical care .....	72	78	78	61
Dental care .....	55	59	58	49
Vision care .....	26	27	25	25
Outpatient prescription drug coverage .....	68	74	76	56

See footnotes at end of table.

**Table 188. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, full-time employees in service-producing industries, medium and large private establishments, 1997  
(In percent) — Continued**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Retirement income benefits:				
All retirement <sup>4</sup> .....	74	87	81	56
Defined benefit .....	43	47	48	35
Defined contribution <sup>5</sup> .....	53	66	63	34
Savings and thrift .....	36	43	44	23
Deferred profit sharing .....	12	15	15	7
Employee stock ownership .....	4	5	6	2
Money purchase pension .....	9	15	6	6
Stock bonus .....	2	1	3	1
Other .....	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	1
Cash or deferred arrangements:				
With employer contributions .....	41	50	50	26
Salary reduction .....	40	50	49	25
Savings and thrift .....	35	42	43	22
Deferred profit sharing .....	3	3	5	2
Other .....	2	4	1	1
Deferral of profit sharing allocation .....	1	1	2	2
No employer contributions .....	9	13	8	8

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 189. Other benefits: Eligibility for specified benefits, full-time employees in service-producing industries, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Income continuation plans:				
Severance pay .....	34	40	43	21
Supplemental unemployment benefits .....	2	1	1	3
Family benefits:				
Employer assistance for child care .....	11	14	11	8
Employer provided funds ..	6	6	7	4
On-site child care .....	5	7	5	4
Off-site child care .....	2	3	2	1
Adoption assistance .....	9	12	12	4
Long-term care insurance .....	8	9	11	4
Flexible workplace .....	2	4	3	( <sup>1</sup> )
Health promotion programs:				
Wellness programs .....	31	38	36	21
Employee assistance programs .....	59	74	64	43
Fitness center .....	19	27	19	12
Miscellaneous benefits:				
Job-related travel accident insurance .....	36	48	44	18
Nonproduction bonuses .....	39	41	42	33
Subsidized commuting .....	7	9	8	5
Education assistance:				
Job-related .....	63	79	68	47
Not job-related .....	18	24	17	13
Section 125 cafeteria benefits <sup>2</sup> :	55	70	63	35
Flexible benefit plans .....	14	19	16	8
Reimbursement plans .....	33	45	37	20
Premium conversion plans ...	8	5	10	8

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals.

**Table 190. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, by union status, full-time union employees, medium and large private establishments, 1997(In percent)**

Benefit	Union employees	Nonunion employees
Paid time off:		
Holidays .....	91	88
Vacations .....	96	95
Personal leave .....	16	21
Funeral leave .....	90	78
Jury duty leave .....	88	86
Military leave .....	42	49
Family leave .....	1	2
Unpaid family leave .....	93	93
Disability benefits <sup>3</sup> :		
Paid sick leave .....	40	60
Short-term disability .....	73	50
Long-term disability insurance .....	24	49
Survivor benefits:		
Life insurance .....	91	86
Accidental death and dismemberment .....	78	65
Survivor income benefits .....	13	3
Health care benefits:		
Medical care .....	86	74
Dental care .....	70	56
Vision care .....	45	20
Outpatient prescription drug coverage .....	81	71

See footnotes at end of table.

**Table 190. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, by union status, full-time union employees, medium and large private establishments, 1997(In percent) — Continued**

Benefit	Union employees	Nonunion employees
Retirement income benefits:		
All retirement <sup>4</sup> .....	90	76
Defined benefit .....	79	42
Defined contribution <sup>5</sup> .....	41	61
Savings and thrift .....	21	44
Deferred profit sharing .....	13	13
Employee stock ownership .....	2	5
Money purchase pension .....	7	8
Stock bonus .....	( <sup>6</sup> )	2
Other .....	( <sup>6</sup> )	1
Cash or deferred arrangements:		
With employer contributions .....	33	50
Salary reduction .....	24	49
Savings and thrift .....	21	43
Deferred profit sharing .....	1	4
Other .....	2	2
Deferral of profit sharing allocation .....	9	1
No employer contributions .....	13	8

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>4</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>5</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 191. Other benefits: Eligibility for specified benefits, by union status, full-time employees, medium and large private establishments, 1997  
(In percent)**

Benefit	Union employees	Nonunion employees
Income continuation plans:		
Severance pay .....	38	36
Supplemental unemployment benefits .....	16	1
Family benefits:		
Employer assistance for child care .....	7	10
Employer provided funds ..	7	6
On-site child care .....	1	4
Off-site child care .....	( <sup>1</sup> )	2
Adoption assistance .....	5	12
Long-term care insurance .....	5	8
Flexible workplace .....	( <sup>1</sup> )	3
Health promotion programs:		
Wellness programs .....	37	36
Employee assistance programs .....	61	61
Fitness center .....	17	22
Miscellaneous benefits:		
Job-related travel accident insurance .....	36	44
Nonproduction bonuses .....	41	42
Subsidized commuting .....	1	7
Education assistance:		
Job-related .....	64	68
Not job-related .....	26	19
Section 125 cafeteria benefits <sup>2</sup> :	29	58
Flexible benefit plans .....	5	15
Reimbursement plans .....	23	34
Premium conversion plans ...	2	9

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 192. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, part-time employees, medium and large private establishments, 1997 (In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Paid time off:				
Holidays .....	40	27	49	37
Vacations .....	44	48	47	42
Personal leave .....	9	10	10	7
Funeral leave .....	34	40	34	33
Jury duty leave .....	37	47	36	35
Military leave .....	9	17	10	7
Family leave .....	1	( <sup>3</sup> )	( <sup>3</sup> )	1
Unpaid family leave .....	54	63	53	53
Disability benefits <sup>4</sup> :				
Paid sick leave .....	18	27	19	15
Short-term disability .....	18	13	16	21
Long-term disability insurance .....	4	14	3	1
Survivor benefits:				
Life insurance .....	18	28	19	15
Accidental death and dismemberment .....	13	21	14	11
Survivor income benefits .....	( <sup>3</sup> )	1	( <sup>3</sup> )	( <sup>3</sup> )
Health care benefits:				
Medical care .....	21	29	20	19
Dental care .....	16	22	17	14
Vision care .....	9	9	9	8
Outpatient prescription drug coverage .....	20	26	19	18

See footnotes at end of table.

**Table 192. Summary: Participation<sup>1</sup> in selected employee benefit programs<sup>2</sup>, part-time employees, medium and large private establishments, 1997 (In percent) — Continued**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Retirement income benefits:				
All retirement <sup>5</sup> .....	34	47	40	26
Defined benefit .....	17	23	21	13
Defined contribution <sup>6</sup> .....	23	27	29	17
Savings and thrift .....	13	19	18	7
Deferred profit sharing .....	7	( <sup>3</sup> )	9	8
Employee stock ownership .....	1	( <sup>3</sup> )	2	( <sup>3</sup> )
Money purchase pension .....	3	10	2	2
Stock bonus .....	( <sup>3</sup> )	1	( <sup>3</sup> )	-
Cash or deferred arrangements:				
With employer contributions .....	15	21	23	7
Salary reduction .....	15	21	23	7
Savings and thrift .....	12	19	18	6
Deferred profit sharing .....	2	( <sup>3</sup> )	4	1
Other .....	1	2	1	( <sup>3</sup> )
No employer contributions .....	4	8	5	3

<sup>1</sup> Only current employees are counted as participants. Participants in insurance and retirement benefits have met minimum length of service requirements and paid any required employee share of the benefit cost. Participants in all other benefits include all employees in occupations offered the benefit.

<sup>2</sup> Employee benefit programs in this survey almost always include those sponsored by employers, who pay some share of the cost. Except for unpaid family leave, postretirement medical care and life insurance, dependent life insurance, supplemental life insurance, some salary reduction plans, benefits for which the employees pay the full cost are excluded from the survey.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> The definitions for paid sick leave and short-term disability (previously sickness and accident insurance) were changed for the 1995 survey. Paid sick leave now only includes plans that either specify a maximum number of days per year or unlimited days. Short-term disability now includes all insured, self-insured, and state-mandated plans available on a per disability basis as well as the unfunded per disability plans previously reported as sick leave. Sickness and accident insurance, reported in years prior to the 1995 survey, only included insured, self-insured, and state-mandated plans providing per disability benefits at less than full pay.

<sup>5</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>6</sup> The total is less than the sum of the individual items because some employees participated in more than one type of plan.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

**Table 193. Other benefits: Eligibility for specified benefits, part-time employees, medium and large private establishments, 1997  
(In percent)**

Benefit	All employees	Professional, technical, and related employees	Clerical and sales employees	Blue-collar and service employees
Income continuation plans:				
Severance pay .....	10	14	15	5
Supplemental unemployment benefits .....	( <sup>1</sup> )	-	( <sup>1</sup> )	( <sup>1</sup> )
Family benefits:				
Employer assistance for child care .....	7	28	3	4
Employer provided funds ..	3	6	2	3
On-site child care .....	5	19	1	3
Off-site child care .....	1	6	1	1
Adoption assistance .....	3	4	5	2
Long-term care insurance .....	3	5	5	1
Flexible workplace .....	1	4	1	( <sup>1</sup> )
Health promotion programs:				
Wellness programs .....	17	38	20	9
Employee assistance programs .....	36	62	39	25
Fitness center .....	11	33	10	5
Miscellaneous benefits:				
Job-related travel accident insurance .....	18	18	31	9
Nonproduction bonuses .....	17	23	17	16
Subsidized commuting .....	2	6	2	1
Education assistance:				
Job-related .....	34	66	32	27
Not job-related .....	6	12	5	6
Section 125 cafeteria benefits <sup>2</sup> :	15	35	20	6
Flexible benefit plans .....	3	8	5	1
Reimbursement plans .....	11	26	13	4
Premium conversion plans ...	1	1	1	1

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> Includes all types of plans under Internal Revenue Code Section 125. Flexible benefits plans include reimbursement account features.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates that no data were reported.

# Appendix A: Technical Note

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## Scope of survey

The Employee Benefits Survey—the Bureau of Labor Statistics’ survey of the incidence and characteristics of employee benefit plans—is conducted jointly with the Bureau’s Employment Cost Index (ECI). The portion of the EBS sample from which these EBS estimates are made covers all private-sector establishments<sup>16</sup> in the United States employing 100 or more workers at the time of sample selection.<sup>17</sup> All private-sector industries are covered in the survey with the exception of farms and private households.

The industrial and establishment size coverage of the survey varies on a rotating basis. All surveys cover full-time and part-time workers in all 50 States and the District of Columbia. In the past, EBS data were collected for small private establishments (those employing fewer than 100 workers) and State and local governments of all employment sizes in even-numbered years. In odd-numbered years, data were collected for medium and large private establishments (those employing 100 workers or more). Data on State and local governments will be published for 1998. Thereafter, the EBS will be integrated into the National Compensation Program. The format of the new benefit survey is under development.

Prior to 1990, the industrial coverage, establishment size coverage, and geographic coverage for the survey were different than the current round of surveys. Surveys conducted from 1979 to 1986 covered only medium and large private establishments and excluded most of the service industries. Establishments employing at least 50, 100, or 250 workers, depending on the industry, were included. The survey conducted in 1987 consisted of State and local governments with 50 or more employees. The surveys in 1988 and 1989 included all private-sector establishments that employed 100 or more workers. All surveys conducted from 1979 to 1989 excluded part-time employees and establishments in Alaska and Hawaii.

Data in appendix B indicate the estimated number of full- and part-time employees within the scope of the survey, the number of responding sample establishments, and the number of sampled (and responding) occupational quotes<sup>18</sup> within those establishments that are actually studied for each major industry division.

## Occupational groups

Narrowly defined occupations selected for study are classified into one of the following three broad occupational groups:

*Professional, technical, and related.* This group includes professional, technical, executive, administrative, managerial, and related occupations.

*Clerical and sales.* Included in this group are clerical, administrative support, and sales occupations.

*Blue-collar and service.* Precision production, craft, and repair occupations; machine operators and inspectors; transportation and moving occupations; handlers, equipment cleaners, helpers, and laborers; and service occupations make up this major group.

*Exclusions.* The survey excludes self-employed persons, proprietors, major stockholders, members of a corporate board who are not otherwise officers of the corporation, volunteers, unpaid workers, family members who are paid token wages, the permanently disabled, partners in unincorporated firms, and U.S. citizens working overseas.

## Benefit areas

BLS requests that establishments provide data for sampled occupations on work schedules and plan details in the following benefit areas: Paid holidays, paid vacations, paid personal leave, paid funeral leave, paid military leave, paid jury-duty leave, paid and unpaid family leave, paid sick leave, short-term disability benefits, long-term disability insurance, medical care, dental care, vision care, life insurance, defined benefit pension plans, defined contribution plans, flexible benefit plans, and reimbursement accounts.

Data are also collected on the incidence of the following additional benefits: Severance pay, supplemental unemployment benefits, job-related travel accident insurance, nonproduction cash bonuses, child care, adoption assistance, long-term care insurance, flexible workplace, wellness programs, fitness centers, job-related and non-job-related educational assistance, employee assistance programs, and subsidized commuting.

## Sample design

The Bureau of Labor Statistics is in the process of integrating three compensation surveys—the Employee Benefits Survey (EBS), the Employment Cost Index (ECI), and the Occupational Compensation Survey (OCS)—into a single survey with a common sample design and sample of establish-

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ments, the National Compensation Survey (NCS). During the first phase of integration, the NCS focused on measures of occupational earnings. During the next phase, the EBS and the ECI will be incorporated into the NCS.

This publication is the last survey of medium and large private establishments appearing in its current format. The 1998 survey will be the last survey to cover benefits in State and local governments in this format. New benefit incidence and provision publications are being developed under the NCS.

Beginning in 1997, the method of selecting samples for the ECI and EBS changed from an industry-based sample to an area-based sample. This new sampling methodology is being phased in over 5 years as the ECI and EBS are integrated into the NCS. The majority of the 1997 EBS sample was selected using traditional industry-based techniques, as described below. A small portion of the sample was selected under the new cross-area, cross-industry design. Future surveys will be based on the new sample design.

The State Unemployment Insurance (UI) reports for the 50 States and the District of Columbia comprise the list of establishments from which the sample is selected (called the sampling frame). The sample design for this survey and the Employment Cost Index (ECI) is a 2-stage probability sample of detailed occupations. The first stage of sample selection is a probability sample of establishments; the second stage is a probability sample of occupations within those establishments.

The sample of establishments has traditionally been a subset of the ECI sample that covers establishments having more than 100 employees at the time of selection. The ECI sample is replaced approximately every 5 years. Each year during this cycle, new sample establishments are introduced into the survey, replacing previously selected sample units.

The sample of establishments is selected by first stratifying the sampling frame by industry group, and then by region and establishment employment. The industry groups usually consist of 3-digit Standard Industrial Classification groups, as defined by the Office of Management and Budget.

The number of sample establishments allocated to each stratum (defined by industry) reflects the ratio of employment in the stratum to employment in all sampling frame establishments. Thus, a stratum that contains 1 percent of the total employment within the scope of the survey receives approximately 1 percent of the total sample establishments. Some industries are sampled at a higher rate than other industries because of publication requirements or highly variable data.

Each sampled establishment within an industry group (stratum) has a probability of selection proportional to its employment. For example, consider two establishments, A and B, with respective employment of 5,000 and 1,000. Estab-

lishment A is five times more likely to be selected than establishment B.

At the beginning of each visit by a Bureau field economist to sampled establishments, a second-stage probability sample of occupations is selected. Data are then collected for these sampled occupations. The number of occupations selected from an establishment is six or eight, depending on the employment size of the establishment. The probability of an occupation being selected is proportional to its employment size within the establishment.

The narrowly defined occupations are based on the Standard Occupational Classification (SOC) system compiled by the Department of Commerce. These narrowly defined occupations are then classified into the three occupational groups shown in this bulletin.

### Data collection

Bureau field economists visit or contact sampled establishments by telephone to collect data for the survey. To reduce the reporting burden, respondents are asked to provide documents describing their flexible benefits plans; reimbursement accounts; defined benefit pensions; defined contribution plans; medical, dental, and vision care plans; and insurance plans. BLS analyzes these plans in Washington to garner the required data on plan provisions. When these booklets were unavailable, a few questions about specific benefit provisions were asked directly of the employer. Data on paid leave benefits generally are obtained directly from the employer at the time of the visit.

### Data calculation

Tabulations in this bulletin show the percent of all employees who receive specified benefits, such as paid holidays or medical care, as well as information on the provisions of many of these benefits. To present provision data, tabulations generally indicate the percent of all employees (participants) receiving a benefit who are covered by specified features. For example, a tabulation may show the percent of workers with medical care benefits who are covered by a health maintenance organization.

The majority of tables in the bulletin indicate the percent of employees covered by a particular benefit plan or provision. Average benefit provisions also are presented, for example, the average number of paid holidays per year. In some cases, tabulations indicate both the percent of employees with a given provision and the average value of that provision. For example, EBS tabulations indicate the percent of employees in fee-for-service medical care plans who must pay selected deductibles (such as \$100, \$150, and \$200 per year), as well as the average deductible. (All tabulations of averages include only those employees actually covered by the provision being averaged.)

Most tables in this bulletin also include the number of

employees receiving the benefit. This provides the reader with additional information on the prevalence of various benefit plans and provisions.

### Survey estimation methods

The survey design uses an estimator that assigns the inverse of each sample unit's probability of selection as a weight to the unit's data at each of the two stages of sample selection. Three weight-adjustment factors are applied to the establishment data. The first factor is introduced to account for establishment non-response, a second factor for occupational non-response, and a third poststratification factor is introduced to adjust the estimated employment totals to actual counts of the employment by industry for the survey reference date.

The general form of the estimator for a population total  $Y$  is:

$$\text{where, } Y = \sum_{i=1}^{n'} \frac{f_{2i} f_{1i}}{P_i} \sum_{j=1}^{o_i} \frac{Y_{ij} f_{ij}}{P_{ij}}$$

$n'$  = number of responding sample establishments;

$o_i$  = occupation sample size selected from the  $i^{\text{th}}$  establishment;

$Y_{ij}$  = value for the characteristics of the  $j^{\text{th}}$  selected occupation in the  $i^{\text{th}}$  selected establishment;

$P_i$  = the probability of including the  $i^{\text{th}}$  establishment in the sample;

$P_{ij}$  = the probability of including the  $j^{\text{th}}$  occupation in the sample of occupations from the  $i^{\text{th}}$  establishment;

$f_{1i}$  = weight adjustment factor for nonresponse for the  $i^{\text{th}}$  establishment;

$f_{ij}$  = weight adjustment factor for nonresponse for the  $j^{\text{th}}$  occupation in the  $i^{\text{th}}$  establishment;

$f_{2i}$  = weight adjustment factor for poststratification totals for the  $i^{\text{th}}$  establishment.

Appropriate employment or establishment totals are used to calculate the proportion, mean, or percentage that is desired.

### Reliability of estimates

The statistics in this bulletin are estimates derived from a sample of usable occupation quotes selected from the responding establishments. They are not tabulations based on data from all employees in medium and large establishments within scope of the survey. Consequently, the data are subject to sampling and nonsampling errors.

*Sampling errors* are the differences that can arise between results derived from a sample and those computed from observations of all units in the population being studied. When probability techniques are used to select a sample, as in the Employee Benefits Survey, statistical measures called "standard errors" can be calculated to measure possible sampling errors. No estimates of sample error were calculated for this survey.

*Nonsampling errors* also affect survey results. They can be attributed to many sources: Inability to obtain information about all establishments in the sample; definitional difficulties; differences in the interpretation of questions; inability or unwillingness of respondents to provide correct information; mistakes in recording or coding the data; and other errors of collection, response, processing, coverage, and estimation for missing data.

Computer edits of the data and professional review of both individual and summarized data reduce the nonsampling errors in recording, coding, and processing the data. However, to the extent that the characteristics of nonrespondents are not the same as those of respondents, nonsampling errors are introduced in the development of estimates. Because the influence of these limitations on the EBS estimates is unknown, reliability measurements are incomplete.

## — Endnotes —

<sup>16</sup> BLS defines an establishment as an economic unit that produces goods or services (such as a factory or a store) usually at a single location. An establishment is not necessarily a firm; it may be a branch plant, for example, or a warehouse.

<sup>17</sup> The establishments included in this survey had to be determined in advance of the actual collection because BLS only surveyed the medium and large establishments. BLS classified establishments by size as of the reference date of the sampling frame. All establishments with 100 or more

employees that were sampled are included in the survey, even if they employed fewer workers at the time of data collection.

<sup>18</sup> Data are collected individually for narrowly defined occupations that are sampled within establishments. All of the employees in the detailed occupation selected may not be surveyed. Data for a group (manageable number) of employees in the detailed occupation that included the selected employee position are collected. This group is called a quote.

**Table A-1: Number of establishments and full-time occupational quotes studied and estimated number of full-time workers within scope of survey, medium and large private establishments, United States, 1997**

Industry division <sup>1</sup>	Number of establishments studied	Number of occupational quotes studied <sup>2</sup>			
		Total	Professional, technical, and related	Clerical and sales	Blue-collar and service
All industries .....	1,945	8,793	2,981	2,651	3,161
Manufacturing .....	329	1,892	472	198	1,222
Nonmanufacturing .....	1,616	6,901	2,509	2,453	1,939
Mining .....	17	82	16	4	62
Construction .....	46	192	45	18	129
Transportation, communications, electric, gas, and sanitary services .....	187	968	284	279	405
Wholesale trade .....	77	331	55	129	147
Retail trade .....	239	665	89	413	163
Finance, insurance, and real estate .....	335	1,530	566	913	51
Services .....	715	3,133	1,454	697	982
Estimated number of full-time workers within scope of survey					
All industries .....		38,409,120	10,659,842	9,168,433	18,580,845
Manufacturing .....		12,885,835	2,858,406	1,244,121	8,783,308
Nonmanufacturing .....		25,523,285	7,801,436	7,924,312	9,797,537
Mining .....		301,721	86,518	8,700	206,504
Construction .....		1,160,587	339,398	84,604	736,585
Transportation, communications, electric, gas, and sanitary services .....		3,366,403	836,880	863,536	1,665,986
Wholesale trade .....		1,643,249	225,806	584,659	832,784
Retail trade .....		3,319,661	349,655	1,952,036	1,017,969
Finance, insurance, and real estate .....		2,770,206	927,531	1,685,195	157,479
Services .....		12,961,459	5,035,649	2,745,581	5,180,230

<sup>1</sup> As defined in the 1987 edition of the *Standard Industrial Classification Manual*, U.S. Office of Management and Budget. Industry data are shown for informational purposes only and are subject to larger than normal sample error. See section on reliability of estimates.

<sup>2</sup> These figures refer to all respondents to the survey, whether or

not they provided data for all items studied. See the section on survey response.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

**Table A-2: Number of establishments and part-time occupational quotes studied and estimated number of part-time workers within scope of survey, medium and large private establishments, United States, 1997**

Industry division <sup>1</sup>	Number of establishments studied	Number of occupational quotes studied <sup>2</sup>			
		Total	Professional, technical, and related	Clerical and sales	Blue-collar and service
All industries .....	1,945	1,379	262	598	519
Manufacturing .....	329	25	5	12	8
Nonmanufacturing .....	1,616	1,352	257	585	510
Mining .....	17	1	-	1	-
Construction .....	46	3	-	2	1
Transportation, communications, electric, gas, and sanitary services .....	187	46	5	23	18
Wholesale trade .....	77	19	-	5	14
Retail trade .....	239	536	2	351	183
Finance, insurance, and real estate .....	335	64	1	55	8
Services .....	715	683	249	148	286
Estimated number of part-time workers within scope of survey					
All industries .....		7,587,840	1,098,473	2,729,738	3,759,628
Manufacturing .....		182,748	37,604	66,524	78,620
Nonmanufacturing .....		7,405,092	1,060,869	2,663,215	3,681,009
Mining .....		6,114	-	6,114	-
Construction .....		10,825	-	5,736	5,089
Transportation, communications, electric, gas, and sanitary services .....		360,925	21,313	160,561	179,051
Wholesale trade .....		63,048	-	17,918	45,131
Retail trade .....		3,089,242	12,832	1,570,465	1,505,945
Finance, insurance, and real estate .....		214,039	1,973	186,839	25,227
Services .....		3,660,898	1,024,750	715,581	1,920,566

<sup>1</sup> As defined in the 1987 edition of the *Standard Industrial Classification Manual*, U.S. Office of Management and Budget. Industry data are shown for informational purposes only and are subject to larger than normal sample error. See section on reliability of estimates.

<sup>2</sup> These figures refer to all respondents to the survey, whether or

not they provided data for all items studied. See the section on survey response.

NOTE: Because of rounding, sums of individual items may not equal totals.

# Appendix B: Survey Response

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## Information on 1997 survey response

Data for the 1997 Employee Benefits Survey were collected from November 1996 to December 1997, reflecting an average reference period of June 1997. A sample of 3,640 establishments was chosen from Unemployment Insurance reports with reference dates from 1986 to 1996; also included was the “birth” sample, which represents establishments beginning operations through 1996. (A description of sampling procedures appears in appendix A.) Respondents were asked for information as of the time of the data collection contact.

The following summary is a composite of establishment responses to the survey:

<i>Establishments</i>	<i>Number</i>
In sample	3,640
Out of business and out of scope	216
Refusing to respond	1,479
Responding fully or partially	1,945

The 1,945 responding establishments yielded 10,172 occupational observations (quotes) for which data were collected.

There were four procedures used to adjust for missing data from partial and full refusals. First, imputations for the number of plan participants are made for cases in which this number is not reported (approximately 28 percent of participants in medical plans, 33 percent in retirement plans, and less than 3 percent of participants in all other types of plans). Each of these participant values is imputed by selecting a similar plan from another establishment with similar employment in a similar industry. The participant rate from this selected plan is then used to approximate the number of participants for

the plan that is missing a participation value.

Second, imputations for plan provisions were made when they are not available in a responding establishment. These plan provisions are imputed by selecting a plan from another establishment with similar characteristics. Provisions from this selected plan are then used to represent the missing data. (This was necessary for about 6 percent of the participants in short-term disability plans; 28 percent of medical, dental, and vision care participants; 9 percent of long-term disability insurance participants; 32 percent of retirement plan participants; and 4 percent of life insurance plan participants. Imputations were done for 1 percent of the participants in paid leave plans.) The rates of nonresponse for detailed plan provisions in the health and retirement benefit areas precludes publishing most estimates of their plan features.

For establishments that refuse, or are unable to provide the minimum amount of usable data, a weight adjustment is made using the sample unit employment. This technique assumes that the mean value of the nonrespondents equals the mean value of the respondents at some “detailed” cell level. These cells are defined in a manner that groups establishments together that are homogeneous with respect to the characteristics of interest. In most cases, these cells are the same as those used for sample selection.

For establishments that refuse, or are unable to provide data for a specific occupation, a similar cell approach is used to make adjustments to the sampled occupation weights in responding establishments. The characteristics of interest include the major occupation group of the unreported occupations.

## Standard errors

Standard errors are not available for the 1997 survey year.

## Appendix C: Availability of Survey Data

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The tables published in this bulletin present the major findings of the Employee Benefits Survey of medium and large private establishments. Survey data are also available in research articles, special bulletins and reports, short publications, and electronic media.

### Articles

Articles based on Employee Benefits Survey data are published periodically in two of the Bureau's periodicals, the *Monthly Labor Review* and *Compensation and Working Conditions*. The following is a list of recent articles:

Moore, James H. "Hospital room and board benefits," *Compensation and Working Conditions*, summer 1998, pp. 23-30.

Foster, Ann C. "Dental care benefits, 1995," *Compensation and Working Conditions*, summer 1998, pp. 45-49.

Blostin, Allan P. and Pfuntner, Jordan N. "Employee Medical Care Contributions on the Rise," *Compensation and Working Conditions*, spring 1998, pp. 46-51.

Foster, Ann C. "Employee Benefits in the United States, 1994-95," *Compensation and Working Conditions*, spring 1998, pp. 56-61.

Wiatrowski, William J. "Family Retirement Benefits," *Compensation and Working Conditions*, spring 1998, pp. 12-17.

Weinstein, Harriet G. "Linking Retirement Plan Measures," *Compensation and Working Conditions*, spring 1998, pp. 52-55.

Foster, Ann C. "Life Insurance," *Compensation and Working Conditions*, winter 1997, pp. 47-50.

Simpson, Hilery "Paid Personal, Funeral, Jury Duty, and Military Leave: Highlights from the Employee Benefits Survey, 1979-95," *Compensation and Working Conditions*, winter 1997, pp. 35-46.

Weinstein, Harriet G. "Post-retirement Pension Increases," *Compensation and Working Conditions*, fall 1997, pp. 47-50.

Foster, Ann C. "Public and Private Sector Defined Benefit Pension Plans: A Comparison," *Compensation and Working Conditions*, summer 1997, pp. 37-43.

Simpson, Hilery "Short-term Disability Benefits," *Compensation and Working Conditions*, summer 1997, pp. 52-56.

Foster, Ann C. "Employee Benefits in the United States, 1993-94," *Compensation and Working Conditions*, spring 1997, pp. 46-50.

Simpson, Hilery "Paid Lunch and Paid Rest Time Benefits: Highlights from the Employee Benefits Survey, 1979-93," *Compensation and Working Conditions*, December 1996, pp. 18-23.

Foster, Ann C. "Early Retirement Provisions in Defined Benefit Pension Plans," *Compensation and Working Conditions*, December 1996, pp. 12-17.

Blostin, Allan P., Kane, John J., and Pfuntner, Jordan N. "Changing Survey Strategies in the Evolution of Health Care Plans," *Compensation and Working Conditions*, September 1996, pp. 3-10.

Foster, Ann C. "Employee Contributions for Medical Care Coverage," *Compensation and Working Conditions*, September 1996, pp. 51-53.

Wiatrowski, William J. "Counting the Incidence of Employee Benefits," *Compensation and Working Conditions*, June 1996, pp. 10-18.

Foster, Ann C. "Defined Contribution Retirement Plans Become More Prevalent," *Compensation and Working Conditions*, June 1996, pp. 42-44.

Foster, Ann C. "Employee Participation in Savings and Thrift Plans, 1993," *Monthly Labor Review*, March 1996, pp. 17-22.

Bucci, Michael and Grant, Robert B. "Employer-sponsored Health Insurance: What's Offered, What's Chosen?" *Monthly Labor Review*, October 1995, pp. 38-44.

## Availability of Survey Data

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Wiatrowski, William J. "Who Really Has Access to Employer-provided Health Benefits?" *Monthly Labor Review*, June 1995, pp. 36-44.

Wiatrowski, William J. "Methods of Providing Child-care Benefits to Employees," *Compensation and Working Conditions*, May 1995, pp. 5-6.

Kramer, Natalie G. "Employee Benefits for Older Workers," *Monthly Labor Review*, April 1995, pp. 21-27.

Wiatrowski, William J. "Small Businesses and Their Employees," *Monthly Labor Review*, October 1994, pp. 29-35.

Blostin, Allan P. "An Overview of the EBS and the NCS," *Compensation and Working Conditions*, spring 1999, pp. 2-5.

Graham Avy D. and Scheible, Paul "BLS Retirement Plan Surveys Look to the Future," *Compensation and Working Conditions*, spring 1999, pp. 6-13.

Blostin, Allan P. and Díaz, Iris S., "Health Insurance Provisions Captured by the EBS and the NCS," *Compensation and Working Conditions*, spring 1999, pp. 14-18.

### Special Bulletins and Reports

Special bulletins and reports focus on a single topic or combine related themes. Recent publications include:

*Employee Benefits in Medium and Large Private Establishments, 1995*, Bulletin 2496, April 1998.

*Employee Benefits in Small Private Establishments, 1996*, News Release, June 15, 1998.

*Employee Benefits in State and Local Governments, 1994*, Bulletin 2477, May 1996.

*Employee Benefits Survey: A BLS Reader*, Bulletin 2459, February 1995.

### Issues in Labor Statistics

*Issues in Labor Statistics* is one of a series of BLS occasional reports that present information of current interest. Recent *Issues* on employee benefits include:

*Employer-sponsored Childcare Benefits*, Summary 98-9, August 1998.

*Unpaid Family Leave*, Summary 95-4, January, 1995.

*Parental Leave Benefits Provided by Employers*, Summary 93-1, March 1993.

*Health Care Benefits Under Close Scrutiny*, Summary 93-2, March 1993.

The public may access Employee Benefits Survey data through the Bureau of Labor Statistics' Internet site at: <http://stats.bls.gov/ebshome.htm>.

Questions on data in this publication should be referred to the staff of the Employee Benefits Survey at (202) 606-6222; via E-mail: [ocltinfo.bls.gov](mailto:ocltinfo.bls.gov); or by writing to the Employee Benefits Survey, Bureau of Labor Statistics, 2 Massachusetts Avenue, N.E. Room 4175, Washington, DC 20212-0001. Sensory impaired individuals may obtain information in this publication upon request. Voice phone: (202) 606-7828; Federal Relay Service: 1-800-877-8339.