

**August 2005**  
**Virginia Business Health Insurance Survey**  
**Virginia Department of Business Assistance**

Survey Results

An electronic mail survey of Virginia small employers about health insurance, conducted by the Virginia Department of Business Assistance in July 2005, has yielded 357 respondents as of August 22, 2005. Below are the main findings:

- Nearly all (97%) of the respondents acknowledge that employee health insurance coverage is valuable and would like to offer it.
- *Over two-thirds* (67%) of the respondents consider an individual non-HMO insurance product **costing no more than \$150 per month** to be affordable and would offer it to their employees. Another 16 percent would offer the product if there were other incentives. In relation, *nearly 80 percent* of the respondents say their company would be **willing to pay \$100 or more per month** for individual coverage.
- When asked about what was most important to consider when purchasing health insurance for their employees, respondents ranked *premium amount highest* followed closely by the *nature of coverage*.
- Regarding the nature of coverage, *69 percent* of respondents would purchase the proposed prototype policy (i.e., first-dollar coverage for preventative and primary care, catastrophic protection, limited out-of-pocket payments), assuming the individual premium cost was no more than \$150 per month.
- Although most respondents remain concerned about the administrative burdens associated with offering health insurance, half (49.9%) say that such burdens would not be enough to keep them from offering affordable coverage to their employees.
- About 59 percent of the respondents say that the best way for small employers to be informed about a new health insurance product is by electronic or direct mail.