

# EMPLOYER-SPONSORED MARKET:

## Taking steps to protect access for all employees

Most people get their health insurance through their employer. In fact, on a national level, 55% of people receive employer-based coverage and CareFirst serves nearly 2.5 million of our 3.4 million members through their workplace. In Maryland, Washington D.C. and Northern Virginia, over 70% of small businesses offering health insurance choose CareFirst.

## Here's how policymakers can help employers continue to offer access to healthcare:

### 1 Maintain the tax treatment of employer-sponsored coverage

Premiums paid for employer-sponsored coverage are exempt from taxable income for both employers and employees. Preserving the tax treatment of employer coverage is important to maintaining coverage for the millions who receive insurance through their employer.

### 2 Preserve federal risk adjustment for small employers

The federal risk adjustment program plays a vital role in ensuring health insurers do not cherry-pick those with least risk. CareFirst opposes changes to diminish the effectiveness of this program in the small group market, which would leave those who need coverage the most with fewer options.

### 3 Retain streamlined rules for self-insured employers


Self-insured employer coverage is primarily governed by the Employee Retirement Income Security Act (ERISA), with state regulation focusing on plan activity in the fully-insured market. CareFirst believes it is important to maintain a single, uniform regulatory infrastructure for self-insured employer coverage. State regulation of the self-insured market has been subject to significant litigation, which creates uncertainty for employers and jeopardizes coverage for workers.

MORE THAN  
**183 MILLION**

Americans have healthcare coverage through an employer\*

\*Source: AHIP

EMPLOYERS COVER MORE THAN

**70%**   
of the cost of healthcare coverage for families\*\* and

**82%**   
of the healthcare cost for individuals\*\*

\*\*Average, KFF Foundation

CAREFIRST SERVES NEARLY

**2,500,000**   
members through their workplace

**45%**   
OF MARYLANDERS,

 **46%**  
OF VIRGINIANS &

**45%**   
OF WASHINGTONIANS are covered by employer-sponsored insurance\*

\*Source: AHIP