



Covering The Rising Cost of Health Insurance

By

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Health Insurance Costs Rising

The cost of private health insurance is rising every year — for individuals, couples, and families. According to the statistics and trends, it appears costs will continue to increase for years to come.

After decades of doing financial stories and watching other journalists cover these stories, I'd like to make an observation. Tell financial stories through 'real people.' 'Profile' members of your community affected by the 'facts.'

You may be surprised that many people will allow a journalist to tell a financial story by profiling the person (individual) or persons (family). You might have to ask several people before you find someone to agree to do it, but that usually doesn't take too long.

When your audience sees how something affects ‘real’ people like them, the story becomes more ‘real’ to them. It’s no longer just numbers on a screen, online, or in print. It’s real, flesh and blood people who are struggling to make ends meet — just like most of your audience.

I’d like to expand a bit on a ‘Notes’ I published a couple of weeks ago. It’s a good story for local and national journalists to cover —

CNN Business has an interesting story you might want to consider for coverage in your local community.

Premiums for family health insurance have increased more than the inflation rate. Find a family and a single individual to profile about how the increase is affecting them. Talk with employers who are also paying higher prices for their employees to have health insurance. How long will they be able to continue doing that. Talk with health insurance company reps to see what’s behind the increase. Do they see an end to these increases in the near future?

Good story that affects many individuals and families in your community.

[cnn.com/2023/10/18/business/health-insu...](https://www.cnn.com/2023/10/18/business/health-insu...)

CNN's headline for that story is — **Premiums for family health insurance at work jump to nearly \$24,000 this year**

Keep in mind that more than 150 million Americans get health insurance through the workplace ([USA Today](#))

Let's begin by gathering some facts about health insurance premiums, starting with 2022 —

KEY TAKEAWAYS

- Many factors contribute to the price of health insurance premiums, including state and federal laws, where you live, whether you get insurance through your employer, and which type of plan you choose.
- In 2022, annual premiums for health coverage for a family of four averaged \$22,463, but employers picked up 73% of that cost.

- The rise in employer health costs may be one reason wages haven't risen much over the past two decades.
- Deductibles can vary according to the size of the firm you work for or the type of plan you buy on a federal or state government exchange. [Investopedia](#)

Here's a health insurance survey report by KFF (formerly Kaiser Family Foundation) for 2023 —

On average, workers this year contribute \$6,575 annually toward the cost of family premium, up nearly \$500 from 2022, with employers paying the rest. Future increases may be on the horizon, as nearly a quarter (23%) of employers say they will increase workers' contributions in the next two years.

Workers at firms with fewer than 200 workers on average contribute nearly \$2,500 more toward family premiums than those at larger firms (\$8,334 vs. \$5,889). In fact, a quarter of covered workers at small firms pay at

least \$12,000 annually in premiums for family coverage.

This year's 7% increase in average premiums is similar to the year-over-year rise in workers' wages (5.2%) and inflation (5.8%). Over the past five years, premiums rose 22%, in line with wages (27%) and inflation (21%). [KFF](#)

U.S. News & World Report covered the KFF survey this way

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The analysis also found annual premiums were a bit higher at small companies compared with larger firms. Companies with more than two but fewer than 200 workers had an average cost for single coverage of \$8,722 and an average cost for family coverage of \$23,621, while larger companies posted comparative costs of \$8,321 and \$24,104.

The rise in premiums coincides with an increase in the amount that workers are paying themselves for coverage, with annual employee contributions for

family coverage up by an average of nearly \$500, from \$6,106 in 2022 to \$6,575 in 2023. Worker contributions for single coverage were up by an average of \$74.

Overall, workers with employer-sponsored coverage contribute 17% of the premium for single coverage and close to 30% of the premium for family coverage, on average, according to the report and accompanying data. Workers in smaller firms, however, pay 38% of the premium for family coverage compared with a 25% share among workers at large firms, and contribute \$8,334 on average annually compared with \$5,889, the report says. U.S. News & World Report

Health Insurance Profiles

Okay, you've done your research. You have the facts. You've talked with experts — maybe interviewed a couple to demonstrate confirmation of the facts. Now it's time to tell the story through 'real people.' How do you do that? Profile.

Introduce your audience to the individual or family. Show us where they live, work, play, etc. Give us a little sense of who they are, then bring in the interview, graphics, and other methods you have to demonstrate their situation.

Learning How to Profile

Here's a little challenge for you — just to get the journalistic juices flowing. Imagine this story. You find a man or woman who is the sole financial provider for a family of four. Their take-home pay is about \$125 thousand a year and their employer just notified them of what their HSA Insurance rates will be for 2024. Here's the information they show you —

Rate per pay period to have insurance is \$195.00 (twice a month). Total is \$5,070 a year.

Annual deductible is \$6,200. That's the amount of health care they have to pay before insurance will cover anything.

The total out-of-pocket amount they'll pay, if they max out their health care, is \$10,400.

If they max out their health care for 2024, they'll end up paying a total of \$15,470. That's the insurance rate per pay period plus total out of pocket health expenses.

If their total amount for 2023 was \$14,800, then the increase for the employee would be about 4.5% in 2024.

Cost to Employers

Keep in mind that doesn't include how much more their employer will have to pay. Small businesses with less than 50 full-time equivalent employees do not have to provide health insurance. Many companies with 50 or more employees are doing what they can to bring their health care costs down. That can include everything from increasing deductibles to offering wellness programs to employees to encouraging employees 65 and older to enroll in Medicare. Some companies have even moved to self-insurance to save money.

How would you tell the company's story? Profile how a small company and large company are dealing with annual increases in health care. Ask owners to allow you to tell their story through a company profile.

Don't Forget the Profile

Facts, experts, and graphics are fine, but don't forget the profile. An increase of 4.5% means a lot to individuals and families, especially when many employees aren't getting raises that keep up with inflation. What does that mean for moms, dads, sons, and daughters? How will the continual increase in health care costs, along with other inflationary items impact a family's ability to do the things families used to be able to do.

In order to afford rising health care costs, many families (and individuals) are having to cut back in other areas — often discretionary items like vacations, meals out, entertainment, home improvements, buying a new house, upgraded transportation (new & used), etc. Interestingly, one researcher pointed out that the cost of health insurance costs 'what a new car costs' each year.' ([Bloomberg News](#))



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