

# Employer-Provided Benefits: Offerings, Enrollment, and Rising Costs

A close-up photograph of a hand placing a white puzzle piece into a larger assembly. The puzzle piece being placed has the word "BENEFITS" printed on it in a bold, red, sans-serif font. The background is a dark blue gradient.

**BENEFITS**

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# Executive Summary

The 2018 Oregon Benefits Survey asked private employers from all industries, class sizes, and regions of the state about the benefits offered to their full-time and part-time employees in June 2018. Employers' responses provided several key findings about overall offerings:

- Three-fourths (75%) of employers offered one or more health, retirement, leave, pay, fringe, or other insurance benefit to employees.
- More than half of Oregon employers offered health benefits (59%), and one-half (51%) offered retirement benefits to employees.
- Three-fourths (76%) of eligible employees enrolled for health care benefits, while 66 percent of eligible employees enrolled for retirement benefits.
- Larger shares of firms offered benefits to full-time employees than to part-time employees.

Employers reported details related to their health and retirement benefit costs. They widely reported increasing health insurance costs and burden due to the expense. Retirement costs showed relatively little change.

- Nearly three-fourths (73%) of employers that offered health benefits saw the total cost of their health plan increase over the past year.
- Two-thirds (67%) of employers providing health benefits cited high cost as the primary effect of health benefits on their business and workforce in the past year.
- Most employers offering retirement benefits (81%) reported no change in costs over the year. They were also more likely to cite positive effects of offering retirement benefits, such as hiring and retention advantages.

In addition to the more broadly recognized health and retirement categories, the survey also asked employers about the leave, pay, fringe, and other insurance benefits they offered to employees. Leave and pay benefits ranked among the highest of all employer offerings:

- A greater share of firms offered paid holidays (54%) to full-time employees than any other benefit. At least half of all employers also offered annual pay raises (51%) and unpaid leave time (50%) to full-timers.
- Unpaid leave and annual pay raises were also among the most-frequently offered benefits for part-time employees, with 36 percent of employers extending each option.

Larger employers (with 50+ employees) offered benefits more frequently than mid-sized (10 to 49 employees) or small (2 to 9 employees) firms.

- Among firms with less than 10 payroll employees, one-third (33%) offered health benefits, while 26 percent offered retirement benefits. More than one-third offered paid holidays (36%) and annual pay raises (35%).

- Meanwhile, 87 percent of firms with at least 50 employees offered health benefits, and 77 percent offered retirement benefits. Paid holidays (74%) and annual pay raises (69%) were also more widespread.

Regional differences also emerged: Portland-area and Willamette Valley employers generally offered benefits at the highest rates. The most rural areas of the state – the Columbia Gorge and Basin, the Oregon Coast, and Eastern Oregon – had the fewest employers offering benefits.

# Introduction

The Oregon Employment Department surveyed 12,300 private employers in all industries, class sizes, and regions of the state between June and August 2018. Nearly 4,600 employers responded with detailed information about the health, retirement, insurance, leave, pay, and fringe benefits they offered to full-time\* and part-time employees in June 2018.

Findings from the 2018 Oregon Benefits Survey provide information on a broad range of benefits offered within Oregon. This information is not publicly available through any other source. Other benefit and employer cost statistics published for general use cover the entire U.S., and not individual states. This report also serves as an update to the Employment Department's 2005 and 2012 employer benefits research.

*\*See Appendix 2 for full-time definition*



# Health Benefits: Eligibility and the Impacts of High Costs

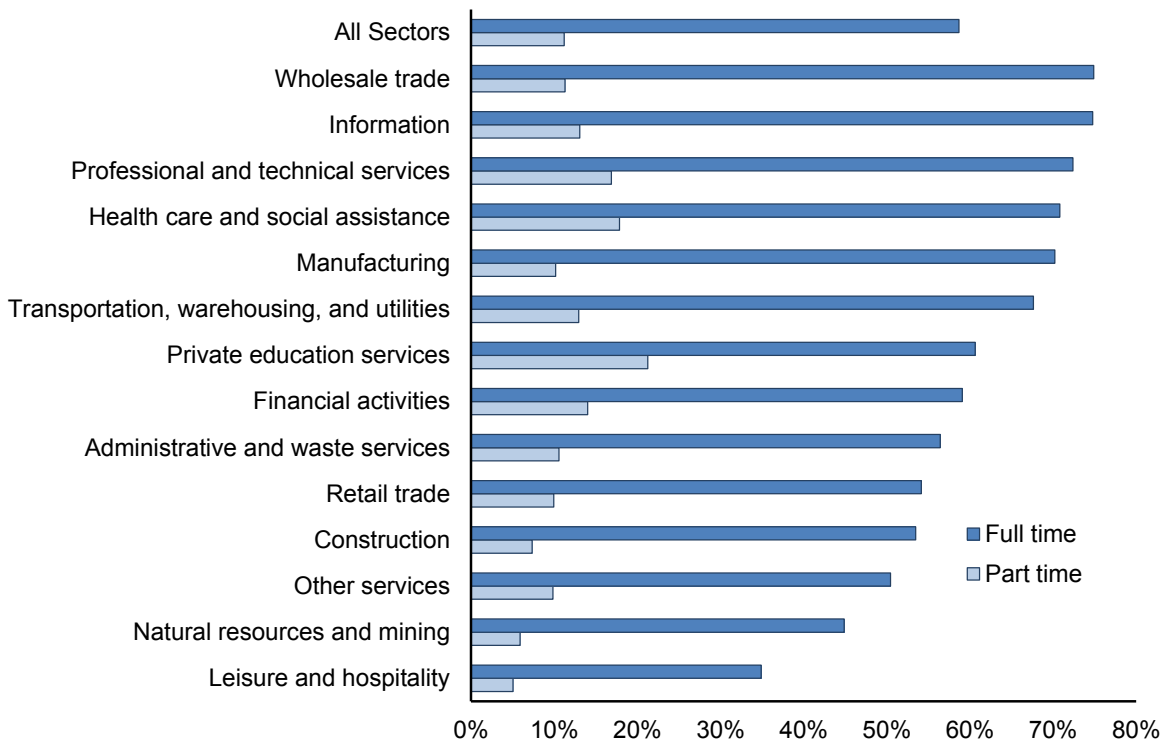
## More Employers Offer Health Benefits to Full-Time Employees

In June 2018, more than half (59%) of private employers in Oregon offered health benefits to employees. The wholesale trade and information sectors reported the highest shares of employers offering health benefits, at 75 percent each. Information sector employers include businesses engaged in software publishing, broadcasting, and telecommunications, among others.

Other sectors where at least seven out of 10 employers offered health benefits included professional and technical services (72%), health care and social assistance (70%), and manufacturing (70%). The only sectors where less than half of employers offered health benefits were natural resources and mining, and leisure and hospitality.

These overall rates mirrored the share of employers offering health benefits to full-time employees, which far exceeded the share of businesses that extended health benefit offerings to part-time employees. In sectors with the largest share of employers offering health benefits to part-timers – private education services, health care, and professional and technical services – these benefits were offered by two out of 10 employers.

**Share of Firms Offering Health Benefits  
by Sector and Employee Type**



## Medical and Dental Are the Most Common Health Benefits

Employers identified a variety of specific health benefits they offered to employees. The most commonly offered options included employee medical coverage, medical coverage for dependents, dental insurance, and vision insurance.

Again, far more employers offered these benefits to full-time employees. Medical coverage for employees was the only specific health benefit offered to more than half (57%) of full-time employees. Slightly smaller shares of employers offered dental insurance (46%), medical coverage for employees' dependents (44%), and vision insurance (40%). For part-time employees, the average share of employers across all sectors offering these benefits ranged from 8 percent to 10 percent.

Employee medical coverage was the most widespread health benefit across industries. At least half of all employers in 11 different sectors offered the option to full-time employees. At least 10 percent of employers in nine different sectors offered employee medical coverage to part-timers.

Some industries stood out for a majority of employers offering each of the most common health benefits to full-time employees. This was the case in wholesale trade; information; manufacturing; health care and social assistance; and transportation, warehousing, and utilities. For part-time workers, sectors where at least 10 percent of employers offered each of the most prevalent health benefits included information, professional and technical services, health care, financial activities, and private education services.

Share of Employers Offering Selected Health Benefits by Sector

Sector	Employee Medical		Medical for Dependents		Dental Insurance		Vision Insurance	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Wholesale trade	74%	10%	60%	10%	62%	10%	50%	8%
Information	73%	11%	60%	10%	58%	13%	54%	10%
Professional and technical services	70%	16%	48%	13%	52%	13%	48%	12%
Manufacturing	69%	9%	58%	7%	57%	8%	50%	7%
Health care and social assistance	69%	15%	51%	12%	58%	16%	53%	14%
Transportation, warehousing, and utilities	65%	10%	52%	9%	54%	8%	50%	8%
Financial activities	58%	14%	45%	11%	49%	12%	45%	12%
Private education services	57%	21%	44%	16%	54%	20%	43%	17%
Administrative and waste services	54%	11%	48%	9%	47%	10%	39%	8%
Construction	53%	6%	41%	5%	38%	4%	35%	4%
Retail trade	50%	5%	41%	4%	41%	5%	35%	5%
Other services	49%	10%	34%	7%	38%	9%	30%	7%
Natural resources and mining	43%	6%	30%	4%	26%	2%	24%	2%
Leisure and hospitality	33%	4%	25%	3%	28%	3%	23%	4%
<b>All Sectors</b>	<b>57%</b>	<b>10%</b>	<b>44%</b>	<b>8%</b>	<b>46%</b>	<b>9%</b>	<b>40%</b>	<b>8%</b>

## Businesses Bear Increasing Health Costs

Employers reported that insurance premiums averaged \$828 per month for individual plans and \$1,291 for family plans in June 2018. Their contributions accounted for the majority of the cost. On average, employers paid 88 percent of individual plan premiums, and 62 percent of family plan premiums.

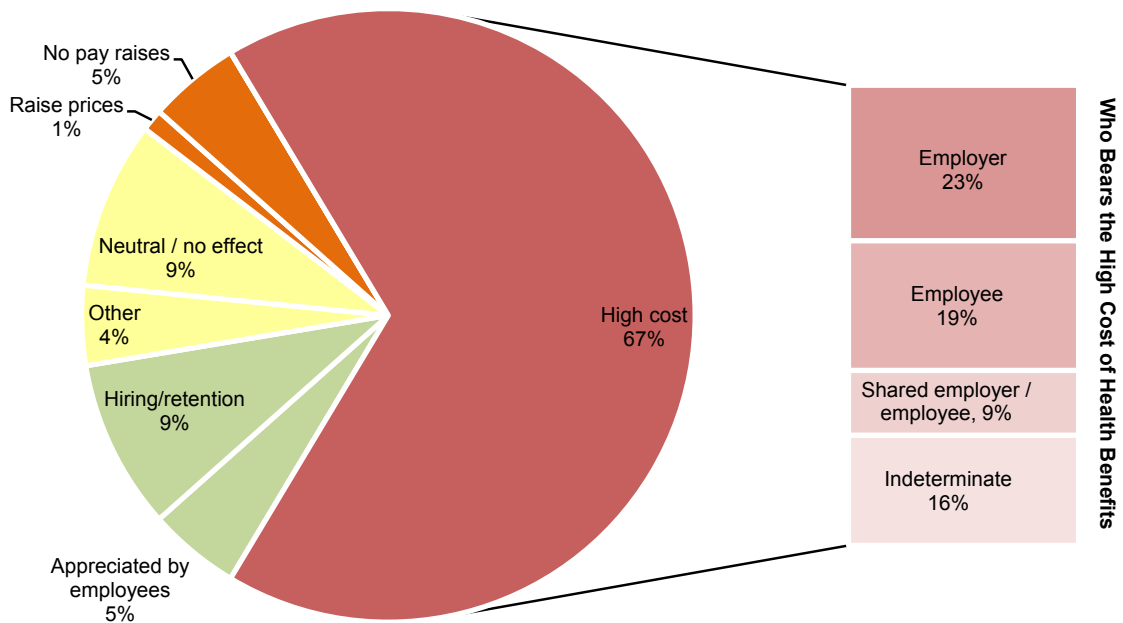


Nearly three-fourths (73%) of employers that offered health benefits saw the total cost of their health plan increase over the past year. More than half (53%) reported absorbing the cost by increasing the employer share of premiums over the past year. Employees faced extra costs as well, with 39 percent of employers increasing employee shares of health premiums over the past year. In addition, 27 percent of employers reported increases in employee deductibles or co-pays.

## Positive and Negative Impacts of Health Benefits on Workforce

The Oregon Benefits Survey also asked employers to describe the most important way health benefit costs affected their business or workforce in the past year. Some common themes

**Effects of Health Benefits on Oregon Business and Workforce**  
Based on 950 Responses of the 2,700 Employers Providing Health Benefits



emerged from the 950 open-ended responses they provided.

Most businesses generally cited the general high cost, the exact amount costs have increased, or ongoing increases in health insurance. They specifically noted how “costs increase every year” or how they’ve been “skyrocketing,” including multiple specific mentions of 15 to 25 percent increases from the previous year. This broad “high cost” category accounted for two-thirds (639 or 67%) of all responses provided.

Within the high cost category, many employers specified where the cost burden falls. On the

employer side, the high cost burdens were referenced as a business expense, additional strain on their budgets, or high overhead costs. Some employers also pinpointed benefits as reducing their profits. These types of employer burden made up 216 of the high-cost responses.

Another 180 of the high-cost responses noted increasing costs for their employees in the form of higher deductibles, or moving to plans with less coverage or more out-of-pocket requirements. Many high-cost responses also demonstrated a shared burden between employers and employees (90). One such employer summed up the effects of health benefit costs as “expensive for both employer and employee with benefits decreasing and costs increasing every year.” The remaining 153 employer responses related to high costs did not detail how those costs were handled.

An additional 5 percent of employer responses specifically cited increasing health benefit costs as taking money they would have otherwise given to employees in the form of wage increases. One response succinctly described this tradeoff: “Increasing costs have led to higher premiums, which so far, the company has absorbed in lieu of wage increases.”

Many employers also noted positive aspects of providing health benefits. One out of 10 responses explained how offering health benefits improved their ability to hire and retain workers. In addition, 5 percent of responses noted the ways employees appreciated and needed coverage. For example, one employer mentioned how “taking care of our employees boosts morale,” while another cited the “positive influence/relief from health care anxiety” for their employees.



# Retirement Benefits: Positive Impacts Despite Relatively Low Enrollment

## Half of Oregon’s Employers Offer Retirement Benefits to Full-Time Employees

Half (51%) of Oregon’s private employers offered retirement benefits to at least some of their employees in June 2018. By sector, retirement benefits were most frequently offered by employers in health care and social assistance (66%), professional and technical services (65%), wholesale trade (64%), and information (64%).

These same industries topped the list for offering retirement options, and in the same order, for both full-time and part-time employees. As with health benefits, more employers offered retirement benefits to full-time employees than their part-time counterparts. Sectors most likely to extend retirement benefits did so for roughly six or seven out of 10 full-time employees. Meanwhile, the same sectors offered retirement benefits to between two and four out of 10 part-time employees.

**Share of Employers Offering Retirement Benefits by Sector and Employee Type**

	<b>Full time</b>	<b>Part time</b>
Health care and social assistance	66%	42%
Professional and technical services	64%	34%
Wholesale trade	64%	26%
Information	64%	26%
Manufacturing	60%	20%
Transportation, warehousing, and utilities	59%	15%
Financial activities	53%	25%
Private education services	52%	33%
Administrative and waste services	49%	22%
Retail trade	48%	24%
Other services	46%	22%
Construction	44%	14%
Natural resources and mining	31%	8%
Leisure and hospitality	24%	16%
<b>All sectors</b>	<b>50%</b>	<b>23%</b>

*A small number of employers offering retirement benefits had only full-time or part-time employees. For this reason, the share of all employers offering retirement benefits (51%) was slightly larger than the share offering retirement benefits for any one employee type.*

## Defined Contribution Plans Are the Most Common Retirement Benefit

Employers also identified the specific retirement benefits offered to employees. The most-commonly offered retirement option was a defined contribution (401, 403, or 457) plan. One-third (33%) of private employers extended this benefit to at least some employees. These types of plans allow employees to set aside a portion of their pay on a pre-tax basis into a

retirement account. The 401k is the most common option among private employers. Some non-profit – yet privately owned – employers qualify for 403b or 457 plans; these offerings are also available at a variety of public-sector entities.

**Share of Employers Offering Selected Retirement Benefits by Sector**

	401/403/457 Plan		SEP or SIMPLE	
	Full time	Part time	Full time	Part time
Information	48%	21%	7%	1%
Health care and social assistance	45%	28%	12%	8%
Wholesale trade	44%	20%	8%	1%
Manufacturing	40%	14%	9%	3%
Administrative and waste services	37%	18%	6%	2%
Professional and technical services	35%	20%	20%	10%
Private education services	35%	21%	5%	3%
Transportation, warehousing, and utilities	34%	11%	11%	4%
Financial activities	31%	14%	11%	3%
Retail trade	27%	15%	10%	3%
Other services	24%	12%	9%	5%
Construction	23%	7%	13%	4%
Leisure and hospitality	15%	8%	3%	2%
Natural resources and mining	14%	5%	10%	2%
<b>All sectors</b>	<b>31%</b>	<b>15%</b>	<b>10%</b>	<b>4%</b>

Employers reported greater parity between full- and part-time employees in specific retirement benefits. That’s because private employers were generally less likely to offer retirement benefits at all. For example, the most common retirement option (defined contribution plan) was offered to full-time employees by 31 percent of employers. That’s far less than the 57 percent of full-time employees offered the most common health benefit (employee medical insurance). Meanwhile, a larger share of employers offered a defined contribution option to part-time employees (15%) than employee medical insurance (10%).

Aside from defined contributions, SEP or SIMPLE individual retirement accounts were the only other specific retirement account offered to full-time employees by at least 10 percent of employers (4% offered to part-time). These accounts differ from other types because they either mandate employer contributions to the account (SIMPLE) or only allow employers to contribute (SEP).

Few employers reported offering profit sharing plans, with 7 percent extending the option to full-time employees, and 3 percent to part-timers. Similarly small shares of private employers offered defined benefit pension plans to full-time (5%) or part-time (2%) employees.

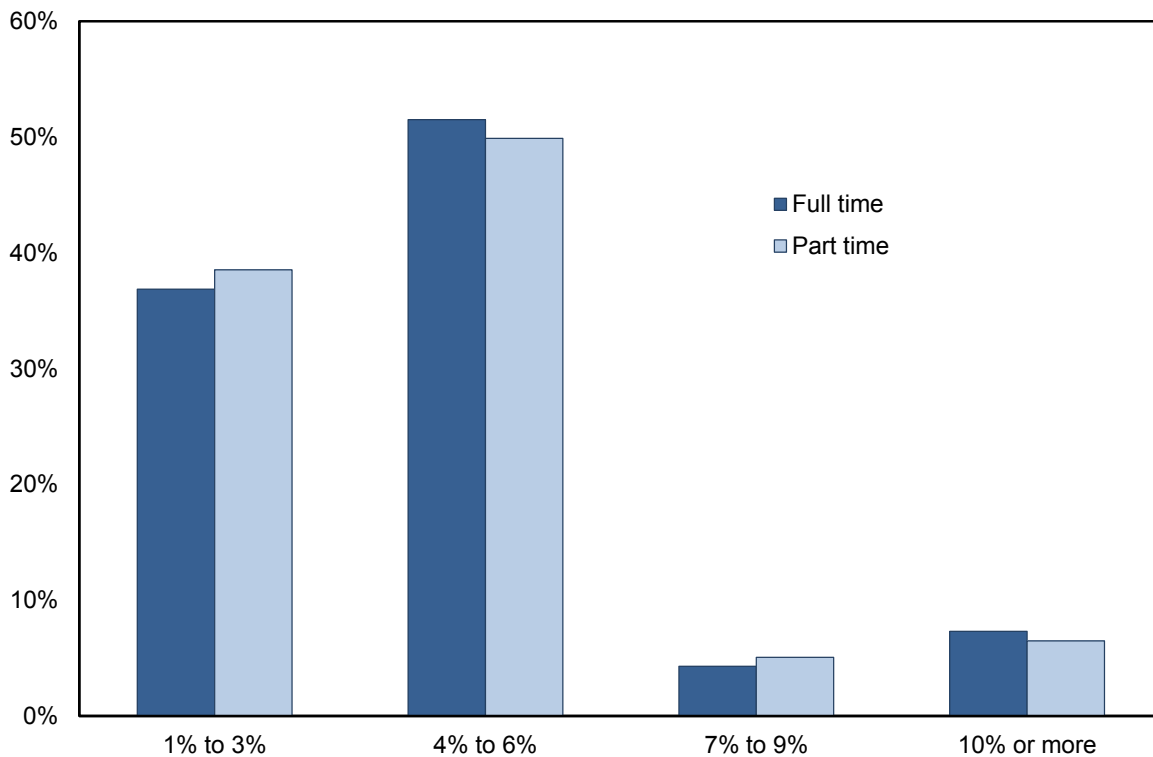
**Many Employers Match Retirement Contributions**

Of the 1,500 employers that offered a 401/403/457 defined contribution plan, more than 1,000 reported matching some portion of full-time employees’ retirement contributions. The majority of these employers (52%) matched employee contributions in the range between 4 percent and

6 percent of employee earnings placed in retirement funds. Another 37 percent of employers matched between 1 percent and 3 percent of employee earnings diverted to retirement.

The profile of employer matching looked similar for part-time employees, with 50 percent of employers matching between 4 percent and 6 percent. Another 39 percent of employers matched between 1 percent and 3 percent of employee retirement contributions. Yet, roughly half as many (500) of the private employers offering defined contributions extended matching to part-time employees.

**Employer Defined Contribution Maximum Match**  
from 1,000 responses for full time and 500 responses for part time



## Few Cost Changes and Positive Impacts of Retirement Offerings

Most employers that offered retirement benefits reported no change in their total costs over the past year. Eight out of 10 employers (81%) with retirement offerings indicated no change in the total cost of their plans over the past year. At the same time, 16 percent reported an increase, and 3 percent reported a decline in total retirement costs.

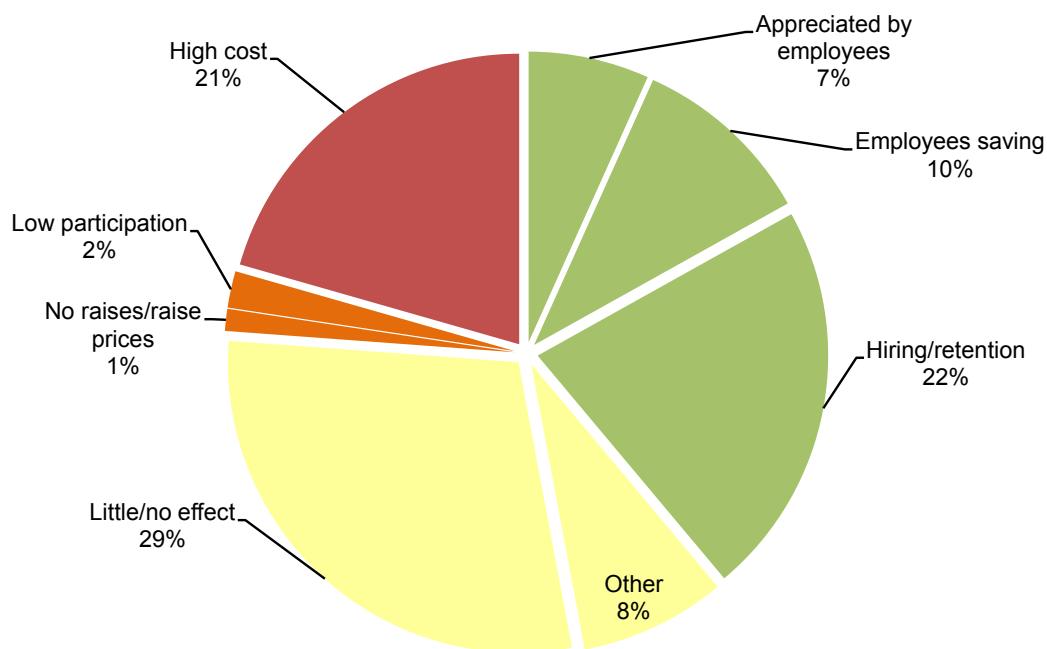
Among the nearly 500 responses about the most important way retirement benefits impacted the business or its workers over the past year, employers most commonly noted little or no effect (29%) related to retirement offerings. Employers also reiterated many of the business and workforce impacts they expressed related to health benefits. With retirement though, employers more often emphasized the positive aspects of offering benefits.

More than one-fifth (22%) of respondents cited worker hiring and retention advantages related to their retirement offerings. One employer elaborated on this by explaining, “Retirement benefits and the company match are another tool to attract potential workers in a tight labor market.” Another 10 percent noted the positive future impacts of helping employees save for retirement, and 7 percent of respondents emphasized the “employee satisfaction” and “improved morale” related to their retirement offerings.

Employers also noted some business downsides to the costs of their retirement offerings. One-fifth (21%) of respondents noted high or increasing costs. Many employers with defined contribution plans explained how their total contributions to retirement rose as wages have increased.

Some also noted the tradeoffs between different aspects of their overall benefit packages, again citing health benefit costs:

**Retirement Benefit Effects on Oregon Business and Workforce**  
Based on 490 Responses of 2,300 Employers Providing Retirement Benefits



- “This is a great way to reward employees and has helped (to some degree) to substitute for loss of health insurance benefits.”
- “We choose to offer retirement benefits to our employees in lieu of health care, due to the exorbitant and rising cost of health care.”
- “With the extreme cost of health benefits it affects how much we are able to contribute to retirement benefits.”

A small share of respondents (1%) also indicated raising prices to customers due to their retirement benefit costs.

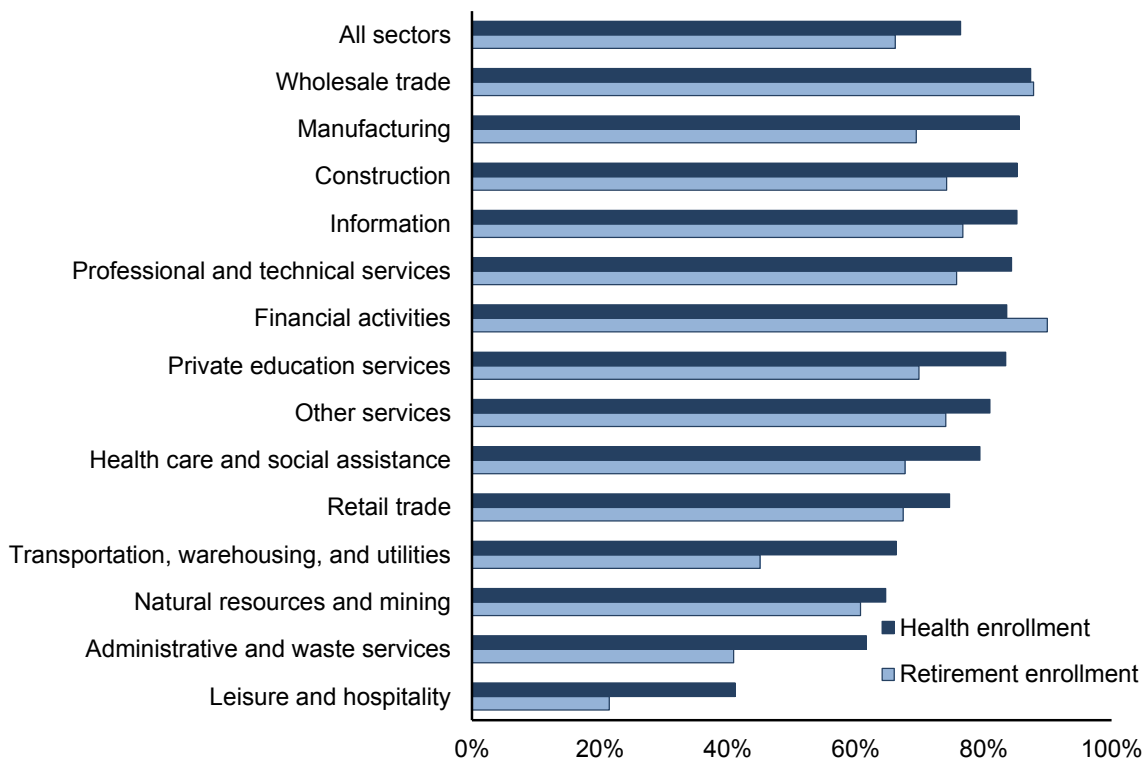
# Health and Retirement: Eligibility and Enrollment Differences

## Higher Enrollment for Health Benefits

Across all industries, 66 percent of eligible employees enrolled for retirement benefits. That's 10 percentage points below the health benefit enrollment rate of 76 percent for all industries in June 2018.

This pattern held across most industries. The largest differences in uptake rates for health and retirement benefits occurred in administrative and waste services and transportation, warehousing, and utilities. In each of these sectors, retirement enrollment lagged by 21 percentage points. Retirement enrollment also sat 20 percentage points below health enrollment in leisure and hospitality. Financial activities was the lone sector where retirement enrollment outpaced the rate for health benefits.

**Enrollment Generally Higher for Health than Retirement Benefits**



The disparity in enrollment also existed for each type of worker. Roughly three-fourths (77%) of eligible full-time employees enrolled for health benefits. By comparison, 59 percent of eligible full-time employees enrolled for retirement benefits. Similarly, retirement enrollment rates for part-time employees (52%) fell below the overall health benefits enrollment rates (68%).

## Why the Health and Retirement Disparity?

The reason for the disparity in enrollment for health benefits and retirement benefits is unknown. Several possible explanations could be at play. Industries with a larger share of younger workers – such as leisure and hospitality – may naturally tend toward lower rates of retirement plan enrollment. In 2017 (the most recent data available), leisure and hospitality reported the largest share of workers under the age of 25 among all sectors.

Another possibility could be that employees find fewer barriers to establishing an independent retirement account than establishing their own health care plan. Because of this, some individuals may adequately invest in retirement, just not through their employers' plans. Yet, a majority (68%) of Oregon employers who offered retirement benefits in June 2018 also offered some level of matching for employee contributions. These matching incentives would seemingly entice employees to enroll in the employer-sponsored plan.

Regardless of employer incentives, the time-value of money could affect retirement planning decisions: an extra \$20.00 in the pay check now seems more valuable than \$20.00 in an account with funds available 20 years from now, even with the enhanced value and economic security that comes with that money at the later date. One employer echoed this sentiment in a survey response: "More employees are becoming aware of 401Ks than before. Most do not want to give up money now to save it for later." Also, employees in tight financial situations may not feel they can sacrifice those extra dollars now.

Other possible deterrents could include dealing with the complex details of retirement plans, along with their opt-in setup. While health plans are also complex and require participants to opt in, the potential adverse effects of delaying or opting out of a retirement plan are less immediate than the risk and cost of a catastrophic medical event without a health plan. For those making routine visits to the dentist, an unexpected trip to the emergency room, or paying for prescription medications, health insurance brings a more immediate and tangible benefit. By comparison, for a large portion of the current workforce, retirement seems far-off and less concrete, and may seem a lower priority.

Some research suggests U.S. households could face negative outcomes due to delayed planning for retirement. The Center for Retirement Research at Boston College has reported that in 2016 half (50%) of U.S. households were at risk of not having enough resources to maintain their standard of living in retirement.

## OregonSaves

Recently, the State of Oregon started implementing the OregonSaves program to buoy up retirement participation. OregonSaves requires employers to offer the State's plan if no employer-sponsored 401, 403, 457, SEP, or SIMPLE retirement plan exists. OregonSaves does not allow employer contributions. Rather, it implements an automatic Roth individual retirement account with post-tax employee payroll deductions to workers without a plan. Employees must choose to opt out rather than opting into the plan.



OregonSaves registration began in November 2017 for employers with at least 100 employees. Registration for employers with 50 to 99 employees started in May 2018, and employer registration for those with 20 to 49 employees began in December 2018. Employer registration will continue in waves through May 2020. Employers not offering a retirement plan can register on or before their required deadline. OregonSaves is the first plan of its kind in a U.S. state. By design, it aims to increase the share of Oregon workers with access to and enrollment in retirement benefits, with employers as the conduit.

In the Oregon Benefits Survey, more than 50 employers indicated they offered OregonSaves to their employees as of June 2018. Some commented on the program as the most important retirement benefit impact on their business or workforce over the past year. One employer noted how the “OregonSaves program gave employees an incentive to save.” Another also echoed this benefit, although at some time cost to the employer: “OregonSaves is a great program for Oregon, but expensive as a time investment to set up, maintain, and execute each payroll.”



# Leave, Pay, Fringe, and Other Benefits

## Leave Benefits among Those Most Commonly Offered

In addition to the more commonly recognized health and retirement benefits, employers also detailed a broad range of leave, pay, other insurance, and fringe benefits provided to employees. The same as with health and retirement, larger shares of employers offered these benefits to full-time employees than part-time workers.

A variety of leave and pay benefits showed up as the most commonly offered for full-time employees. Paid holidays topped the list, with 54 percent of employers offering this perk. The next three most common benefits for full-time employees included annual pay raises (51%), unpaid leave (50%), paid vacation (48%), and paid sick leave (47%).

**Share of Employers Offering Leave, Pay, Fringe, and Other Benefits by Employee Type**

<b>Benefit type</b>	<b>Full time</b>	<b>Part time</b>
Paid holidays	54%	21%
Annual pay raises	51%	36%
Unpaid leave	50%	36%
Paid sick leave	47%	32%
Paid vacation	48%	15%
Flexible work schedule	35%	27%
Production or performance bonus	35%	16%
Consolidated/discretionary paid time off (PTOs or time bank)**	34%	15%
Paid professional development training	34%	14%
Life insurance	31%	7%
Discounted company merchandise	29%	23%
Long/short-term disability	29%	7%
Supplemental insurance	27%	11%
Employee assistance program	21%	13%
Financial planning / wealth management	17%	10%
Tuition reimbursement	17%	6%
Free or subsidized meals	16%	13%
Ability to telecommute	15%	7%
Paid family leave**	11%	4%
Relocation assistance	11%	1%

*\*\*The share of employers offering these benefits may be overstated. Some may have indicated PTOs due to the discretionary nature of employees' leave time in other categories. Some employers may also consider paid sick leave equivalent to offering paid family leave, or have reported the ability to use accrued vacation for family leave, although instructed otherwise.*

Employers reported that unpaid leave and annual pay raises were also among the most broadly offered leave and pay benefits for part-time workers. More than one-third offered these benefits (36% for each). Nearly one-third (32%) of private employers also offered paid sick leave to part-time employees.

## **Economic Conditions and Policy Interventions**

The prevalence of annual pay increases and sick leave could be affected in part by economic growth. Declining unemployment and resulting labor shortages put upward pressure on wages over the past handful of years. Recent state policies have also played a role, by mandating larger annual minimum wage increases and expanding paid sick leave requirements.

In the 2012 Oregon Benefits Survey, about one-third (31%) of employers offered paid sick leave to full-time workers, and 12 percent offered the benefit to part-timers. By June 2018, the share of employers offering paid sick leave to full-time employees increased by 16 percentage points. Now full-time workers are generally as likely to be offered paid sick leave as retirement benefits. For part-time workers, annual pay increases and paid sick leave are now offered by a larger share of employers than health insurance or retirement benefits. (Annual pay raises were asked in a different manner in the 2012 survey, so no comparable data are available.)

## **Telecommuting**

Among the less broadly offered benefits, telecommuting served as an interesting example. A relatively small share of employers offered this benefit to full-time (15%) and part-time (7%) employees. U.S. Census Bureau data from 2017 showed 7.3 percent of Oregon workers did their jobs from home. Yet that ranked third highest among all states and the District of Columbia. While telecommuting may be a less common benefit, the prevalence of remote workers appeared to be more common in Oregon than other states.

## **Leave Benefits by Industry**

In a variety of sectors, a large share of employers offered the most common leave and pay benefits. In six industries, a majority of employers reported offering paid holidays, annual pay raises, unpaid leave, and paid vacation to full-time employees: wholesale trade; information; professional and technical services; health care and social assistance; manufacturing; and private education services.

For part-time employees, information, health care, and private education services reported the largest shares of firms that offered this series of leave and pay benefits. More than half (57%) of health care and social assistance employers gave annual pay raises to part-time employees. Private education services and health care also topped the list of sectors with unpaid leave offerings for part-time employees (58% and 55%, respectively).

**Share of Oregon Employers Offering Selected Pay and Leave Benefits by Sector**

	Paid Holidays		Annual Pay Raises		Unpaid Leave		Paid Vacation	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Wholesale trade	75%	24%	54%	35%	62%	38%	62%	15%
Information	72%	27%	54%	35%	59%	38%	58%	21%
Professional and technical services	71%	29%	69%	49%	63%	44%	56%	17%
Health care and social assistance	70%	37%	63%	57%	63%	55%	56%	27%
Manufacturing	70%	21%	58%	33%	62%	35%	58%	13%
Private education services	69%	32%	50%	40%	62%	58%	63%	25%
Financial activities	63%	27%	56%	40%	47%	35%	45%	16%
Administrative and waste services	56%	24%	49%	35%	53%	42%	43%	17%
Transportation, warehousing, and utilities	54%	15%	52%	27%	51%	28%	52%	11%
Other services	53%	24%	47%	35%	46%	36%	50%	21%
Construction	45%	11%	49%	24%	41%	23%	43%	7%
Retail trade	43%	15%	42%	34%	45%	34%	42%	12%
Natural resources and mining	35%	7%	41%	22%	31%	20%	37%	5%
Leisure and hospitality	20%	7%	36%	32%	32%	31%	33%	10%
<b>All Sectors</b>	<b>54%</b>	<b>21%</b>	<b>51%</b>	<b>36%</b>	<b>50%</b>	<b>36%</b>	<b>48%</b>	<b>15%</b>

# Comparisons across Size Classes and Regions

## Larger Employers = Larger Share Offering Benefits

Another look at the most commonly offered benefits shows a clear trend across employer class sizes. For health, retirement, and the most commonly offered leave and pay benefits, a larger share of the biggest employers (50+ employees in Oregon) provided these offerings. In turn, mid-sized employers (10 to 49 employees) were consistently more likely to offer benefits than small employers (2 to 9 employees).

**Share of Employers Offering Selected Benefits by Size Class**  
**Size Class of Employees in All Oregon Locations**



While slightly more than half (54%) of small employers offered some type of benefit to employees, essentially all large employers (95%) did. Differences peaked in overall health and retirement offerings, where the share of large employers offering benefits outpaced small employers by more than 50 percentage points. Nine out of 10 large employers offered health benefits, compared with one-third (33%) of small firms. Roughly three-fourths (77%) of large employers offered retirement benefits, while one-fourth (26%) of small employers did. The share of mid-sized employers offering the most common benefits generally reflected the overall trend for all employer categories combined.

Large employers were also more likely to report increasing health insurance costs for themselves and their workers. Greater shares of mid-sized (75%) and large employers (74%) reported increases in total health plan costs than smaller firms (65%). As employer size class increased,

so did the likelihood that the firm saw its health premiums rise over the past year. Likewise, employee health premiums were more likely to have increased along with employer size.

**Share of Employers with Increased Health Benefit Costs  
Based on 1,200 Responses of 2,700 Employers with Health Benefits**

	<b>2 to 9</b>	<b>10 to 49</b>	<b>50+</b>
Total cost of health plan	65%	75%	74%
Employer health premiums	42%	51%	59%
Employee health premiums	20%	36%	48%
Employee deductibles or co-pays	25%	31%	26%

## Benefits More Likely in Larger Employment Hubs

Oregon’s largest private employers tend to be located in metropolitan areas. Metropolitan areas also tend to have more jobs in information, professional and technical services, and health care. Therefore it makes sense that higher shares of employers in Portland (the state’s largest metropolitan statistical area) and the Willamette Valley (which contains four smaller metro areas) reported offering benefits than other regions of the state.

At least half of all companies in Portland and the Willamette Valley offered health, retirement, and each of the most common leave and pay benefits in June 2018. Following them, the areas with employers most likely to offer benefits included Central Oregon and Southern Oregon. The Bend metropolitan area falls within Central Oregon, and Southern Oregon consists of the Medford and Grants Pass metros. Wholly non-metropolitan areas – the Columbia Gorge and Basin, the Oregon Coast, and Eastern Oregon – had the fewest employers with the most common benefit offerings.

**Share of Employers Offering Most Common Benefits by Region**

	<b>Any Benefit</b>	<b>Any Health</b>	<b>Any Retirement</b>	<b>Paid Holidays</b>	<b>Annual Pay Raises</b>	<b>Unpaid Leave</b>	<b>Paid Vacation</b>
<b>Oregon</b>	<b>75%</b>	<b>59%</b>	<b>51%</b>	<b>54%</b>	<b>52%</b>	<b>51%</b>	<b>49%</b>
Portland MSA	84%	73%	60%	68%	61%	63%	57%
Willamette Valley	77%	64%	54%	56%	54%	53%	51%
Central / South Central	74%	53%	46%	50%	51%	47%	45%
Southern	72%	54%	46%	51%	47%	47%	44%
Columbia Gorge/Basin	70%	50%	43%	46%	50%	46%	47%
Coast	65%	44%	40%	37%	40%	39%	41%
Eastern	60%	34%	39%	39%	37%	36%	38%

*See Appendix 1 for regional definitions*

# Conclusion

Over the past six years of the economic expansion in Oregon, the share of employers providing health benefits remained stable, and the share of employers offering retirement benefits increased slightly. As job growth occurred over the period, that means more Oregon workers gained access to employer-provided benefits.

Yet employers clearly cite high cost burdens related to health insurance, and half of Oregon employers do not offer retirement plans. National research also suggests that even in today's strong economy, half of U.S. households risk the inability to maintain their standard of living in retirement.

Full-time employees have much more widespread access to employer-provided benefits than part-time workers. For full-time employees, the industries where employers are most likely to offer a wide variety of benefits include wholesale trade, information, professional and technical services, and private health care and education services.

Oregon workers at large employers are more likely to be offered benefits, as well as employees at business establishments in the Oregon portion of the Portland metropolitan area and the Willamette Valley. There is certainly some interplay in these dynamics: Portland and the Willamette Valley are also home to most of the state's largest private employers, and most private education, health care, information, professional and technical services, and wholesale trade employers.

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# Appendix 1: About the Oregon Benefits Survey

## Methodology

The Oregon Employment Department conducted the 2018 Oregon Benefits Survey between June and August. We surveyed private firms with at least two employees covered by the state's Unemployment Insurance program in the second quarter of 2017. The survey universe consisted of 90,094 employers, categorized into 14 industries, seven regions, and three size classes.

Oregon Benefits Survey Response Rates

	Universe	Sample	Responses	Response rate	Error range (+/-)
<b>Industry Data</b>					
Natural resources and mining	3,269	684	254	37%	5.9%
Construction	8,481	966	503	52%	4.2%
Manufacturing	4,914	978	433	44%	4.5%
Wholesale trade	5,240	790	239	30%	6.2%
Retail trade	11,797	1,550	482	31%	4.4%
Transportation, warehousing, and utilities	2,461	512	170	33%	7.3%
Information	1,669	338	107	32%	9.2%
Financial activities	7,899	792	264	33%	5.9%
Professional and technical services	8,154	854	326	38%	5.3%
Administrative, management, and waste services	5,634	923	303	33%	5.5%
Private education services	1,360	287	127	44%	8.3%
Health care and social assistance	10,279	1,379	538	39%	4.1%
Leisure and hospitality	11,662	1,511	496	33%	4.3%
Other services	7,275	729	325	45%	5.3%
<b>All industries</b>	<b>90,094</b>	<b>12,293</b>	<b>4,567</b>	<b>37%</b>	<b>1.4%</b>
<b>Regional Data</b>					
Portland MSA	43,601	3,939	1,332	34%	2.6%
Willamette Valley	18,775	2,149	845	39%	3.3%
Southern	8,055	1,401	577	41%	3.9%
Columbia Gorge	3,224	967	369	38%	4.8%
Central / South Central	7,068	1,236	497	40%	4.2%
Eastern	2,236	819	374	46%	4.6%
Coast	4,989	1,034	432	42%	4.5%
Multi-area or unknown	2,146	748	141	19%	8.0%
<b>Oregon</b>	<b>90,094</b>	<b>12,293</b>	<b>4,567</b>	<b>37%</b>	<b>1.4%</b>
<b>Size Class Data</b>					
2 to 9 employees	57,654	4,535	1,711	38%	2.3%
10 to 49 employees	27,227	4,327	1,680	39%	2.3%
50+ employees	5,213	3,431	1,176	34%	2.5%
<b>All size classes</b>	<b>90,094</b>	<b>12,293</b>	<b>4,567</b>	<b>37%</b>	<b>1.4%</b>

Employers were selected by random sample. Each firm in the sample received an Oregon Benefits Survey form by mail (see form in Appendix 3). Employers could respond by mail, by fax, or by completing the online version of the survey. The Employment Department provided a



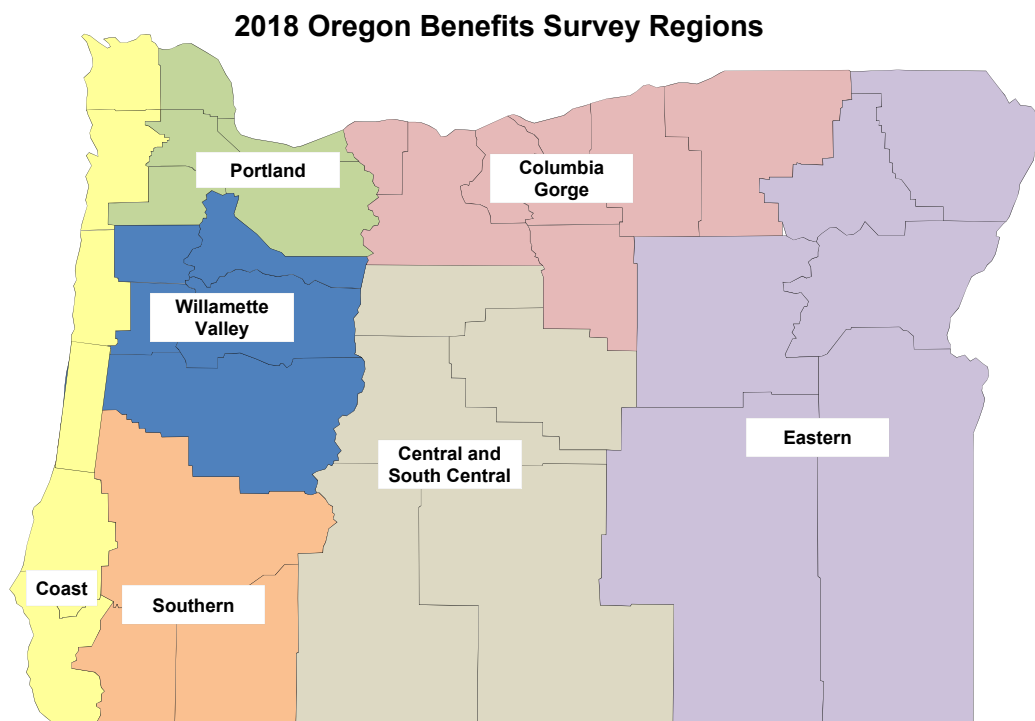
toll-free number for employers to call with questions about completing the form. Employers who did not respond to the first survey received a second mailing of the same form. As a final step in the data collection process, Employment Department staff members conducted non-response follow-up calls to a random selection of employers to increase the overall survey response rates.

Overall, the survey received a 37 percent response rate. Non-responses came from employers who elected not to participate, had no valid address to receive the form, were no longer in business, or responded after the data collection period ended.

## Survey Regions

The Oregon Benefits Survey responses were organized into seven broad regions: the Oregon Coast; the Portland area; the Willamette Valley; Southern Oregon; the Columbia Gorge; Central and South Central Oregon; and Eastern Oregon. For a representative sample, firms with locations in multiple regions or unidentified exact locations were also included in the sample.

The Oregon Coast region included Clatsop, Coos, Curry, Lincoln, and Tillamook counties, along with the coastal portions of Douglas and Lane counties. The Portland area consisted of Clackamas, Columbia, Multnomah, Washington, and Yamhill counties. Willamette Valley employers included those in Benton, Lane, Linn, Marion, and Polk counties. Southern Oregon counties consisted of Douglas, Jackson, and Josephine counties. The Columbia Gorge region was comprised of firms in Gilliam, Hood River, Morrow, Sherman, Umatilla, Wasco, and Wheeler counties. Central and South Central Oregon included Crook, Deschutes, Jefferson, Klamath, and Lake counties. The Eastern Oregon region included Baker, Grant, Harney, Malheur, Union, and Wallowa counties.



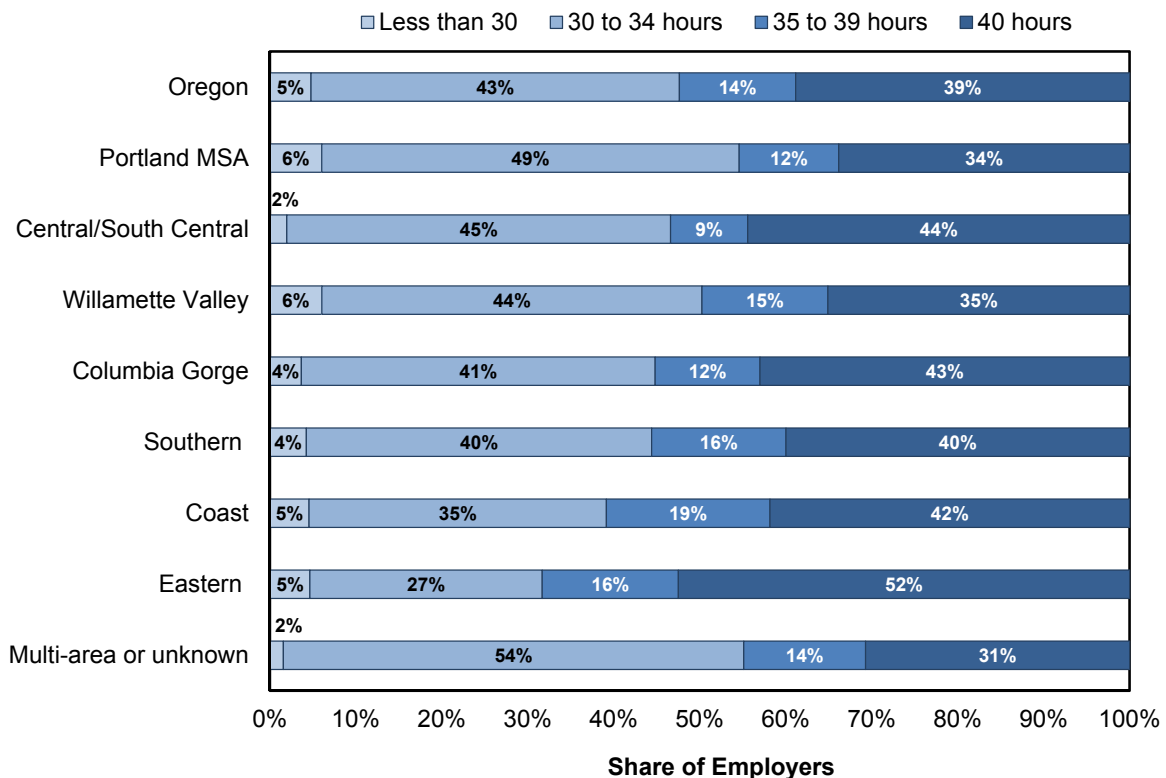
## Appendix 2: Defining Full-Time Employment

The Oregon Benefits Survey asked employers to identify benefits offered to full-time and part-time employees. As a first step, the survey asked each employer for their definition of full-time employment.

Overall, about two-fifths (43%) of employers considered employees to be full time when working at least 30 to 34 hours per week. Another two-fifths (39%) said full-time employment meant a 40-hour workweek. Smaller shares defined full-time employment between 35 and 39 hours per week (16%), or less than 30 hours per week (5%).

The full-time threshold varied by industry and region. A majority of employers in natural resources and mining (56%) and transportation, warehousing, and utilities (54%) considered 40 hours per week to be full-time employment. At least half of employers in health care and social assistance (62%), administrative and waste services (51%), and wholesale trade defined full-time employment in the range of 30 to 34 hours per week.

### Hours Per Workweek for Full-time Employment Status



Minimum requirements for full-time employment also varied by region. Nearly half (49%) of all employers in the Portland metropolitan area considered employees full-time if working between 30 and 34 hours per week. Regions where employers were more likely to consider full-time employment at 40 hours per week included Eastern Oregon (52%), Central and South Central Oregon (44%), and the Columbia Gorge (43%).

# Appendix 3: Oregon Benefits Survey Form

## About the Survey

Please direct this survey to your Employee Benefits Manager or Human Resources Department. Your response to this survey will help give Oregon's businesses and job seekers a valuable tool for understanding today's job market. Your information is important, as it will be used to produce estimates for your industry and local area. Your company information will not be made public in any way.

### Contact Person

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

### Three Options for Responding

1) Respond online at <http://bit.ly/OregonBenefits>

2) Return the survey in the postage-paid envelope

3) Fax all four pages to (503) 947-1210

Please e-mail a complimentary copy of the survey results.

## PLEASE REPORT FOR THIS LOCATION ONLY

Please respond no later than July 17, 2018

### Section 1: Company Information

How many of each category of employees did your firm have on its payroll in June 2018?

Full Time	+	Part Time	=	Total
_____		_____		_____

How many hours must an employee work per week to be considered full time at the company? \_\_\_\_\_

Did your company offer any health, retirement, leave, fringe, or other benefits to any employees?

Yes <input type="radio"/>	No <input type="radio"/>
<i>Continue on to Section 2 (below)</i>	<i>Skip to Section 6 (back page)</i>

### Section 2: Wages and Benefits Costs to Employers

How much did your company spend on each of the following during June 2018?

Wages and salaries ..... \$ \_\_\_\_\_

Health insurance (medical, dental, and vision).... \$ \_\_\_\_\_

Retirement plans ..... \$ \_\_\_\_\_

*Please continue on to Section 3 (next page)*

If you have questions, comments, or concerns about this survey,  
please contact our survey team at **855-710-5500** or [OED\\_Surveys@oregon.gov](mailto:OED_Surveys@oregon.gov).

Please reference June 2018 when completing this survey

**Section 3: Leave, Pay, Fringe, and Other Benefits Offered**

Please indicate all employee categories that are offered each benefit. If your company does not currently offer that benefit to any employees, please mark the "Not Offered" column.

<b>Leave Benefits</b>	<b>Not Offered</b>	<b>Full Time</b>	<b>Part Time</b>
Consolidated or discretionary paid time off (PTOs or time bank)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid vacation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid holidays	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (not accrued vacation/sick time)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Unpaid leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Pay Benefits</b>	<b>Not Offered</b>	<b>Full Time</b>	<b>Part Time</b>
Annual pay raises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pay premium for high-cost areas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Production or performance bonuses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stock option bonuses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Other Insurance Benefits</b>	<b>Not Offered</b>	<b>Full Time</b>	<b>Part Time</b>
Life insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Long- or short-term disability insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Long-term care insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supplemental insurance (AFLAC or similar)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Fringe Benefits</b>	<b>Not Offered</b>	<b>Full Time</b>	<b>Part Time</b>
Ability to telecommute	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flexible work schedule	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee assistance program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial planning and wealth management services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tuition reimbursement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid professional development or continuing education	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Relocation assistance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Child care assistance or on-site child care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free or subsidized refreshments or meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts on company products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please continue on to Section 4 (next page)

Save time. Respond online at  
<http://bit.ly/OregonBenefits>.

Please reference June 2018 when completing this survey

**Section 4: Health Benefits Offered**

Please indicate all employee categories that apply.	Not Offered	Full Time	Part Time
Did your company offer health benefits in June 2018?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*(if indicated as not offered, skip to Section 5 on the next page)*

Please indicate which health benefits were offered.	Full Time	Part Time
Medical insurance coverage for employee.....	<input type="radio"/>	<input type="radio"/>
Medical insurance coverage for dependents.....	<input type="radio"/>	<input type="radio"/>
Dental insurance coverage.....	<input type="radio"/>	<input type="radio"/>
Vision insurance coverage.....	<input type="radio"/>	<input type="radio"/>
Flexible spending account.....	<input type="radio"/>	<input type="radio"/>
Health savings account.....	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>

Please write the number for each employee category.	Full Time	Part Time
How many employees were eligible for health benefits?	_____	_____
How many eligible employees were enrolled?	_____	_____

How were health insurance costs covered by your company?	Employer Contribution		Employee Contribution	
	Single Plan	Family Plan	Single Plan	Family Plan
Average monthly premium cost per employee in June:	\$ _____	\$ _____	\$ _____	\$ _____

Please indicate one category for each item.	No Change	Decrease	Increase
Did any aspects of the health plan change over the last year?			
Total cost of health plan.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employer share of premiums.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee share of premiums.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee share of deductibles or co-payments.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flexible spending account or health savings plan..	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify): _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please describe the most important way health benefit costs affected your business or workforce in the past year.

*Please continue on to Section 5 (next page)*

If you have questions, comments, or concerns about this survey, please contact our survey team at **855-710-5500** or **OED\_Surveys@oregon.gov**.

Please reference June 2018 when completing this survey

**Section 5: Retirement Benefits Offered**

Please indicate all employee categories that apply.

Not Offered      Full Time      Part Time

Did your company offer retirement benefits in June 2018?

*(if indicated as not offered, skip to Section 6 below)*

Please indicate which retirement benefits your company offered.

Full Time      Part Time

- Defined benefit plan (annuity or pension).....
- Defined contribution plan.....
- 401/403/457 plan.....
- Stock ownership plan .....
- OregonSaves.....
- Profit sharing plan.....
- SEP/SIMPLE .....
- Other (please specify): \_\_\_\_\_

<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>

Please write the number for each employee category.

Full Time      Part Time

- How many employees were eligible for retirement benefits?
- How many eligible employees were enrolled?

\_\_\_\_\_

\_\_\_\_\_

Employer match for retirement plans.

Not Offered      Full Time      Part Time

- For which employees did your company match contributions?
- If offered, what was the maximum amount matched by the employer?

                     \_\_\_\_\_

\_\_\_\_\_ %      \_\_\_\_\_ %

Please indicate one category for each item.

Did any aspects of company retirement benefits change over the last year?

No Change      Decrease      Increase

- Total cost of retirement plan .....
- Contribution match limit.....
- Other (please specify): \_\_\_\_\_

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please describe the most important way retirement benefit costs affected your business or workforce in the past year.

*Please see Section 6 below*

**Section 6: Returning the Survey**

Surveys not returned by July 17 will receive additional mailings and follow-up calls.

**Thank you for participating!**

Your response provides critical insight for our understanding of employer-provided benefits across all industries and areas of Oregon's economy.

**Three Options for Responding**

- 1) Respond online at <http://bit.ly/OregonBenefits>
- 2) Return the survey in the postage-paid envelope
- 3) Fax all four pages to (503) 947-1210



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