



PROTECTING AMERICANS'
COVERAGE TOGETHER

Ten Ways Employer-Provided Coverage is Working for American Families—and Employers

Employer-provided coverage is the backbone of the American health care system. Almost 180 million Americans get their health insurance through an employer plan, and the coverage is overwhelmingly popular among workers and businesses alike. Here is what you should know about this valued system:

1. American workers are highly satisfied with their plans

There are few things that nine out of 10 Americans agree on, but satisfaction with employer-provided coverage is one of them. A poll commissioned by Protecting Americans' Coverage Together (PACT) found that 93% of respondents are satisfied with the insurance they get from their employers, and of that, 54% are “highly satisfied” with their insurance—a level of popularity rarely seen in consumer sentiment.

2. People with employer-provided insurance find their coverage is affordable and high-quality

A PACT poll revealed that 87% of American workers believe their employer-provided coverage is affordable. When asked to describe their coverage, the response was overwhelmingly positive with respondents choosing “affordability” as a top descriptor. Additionally, more than 75% of respondents reported that the quality of their workplace coverage was higher than plans they could get elsewhere.

3. Employers see a strong return on investment (ROI) from offering employer-provided coverage

A study conducted by Avalere Health found that businesses with 100 or more employees earn a ROI of 47% by offering workplace health coverage. This ROI is driven by lower direct medical costs, increased productivity, lower recruitment costs, stronger employee retention, lower short- and long-term disability costs, and greater tax benefits.

4. Employers are enhancing mental health care offerings in their plans

As the nation’s mental health crisis continues to evolve, quality mental health care is increasingly becoming a priority for workers and employers are investing in resources to support the behavioral health needs of their workforce. In a KFF survey on employer health benefits, about half of large firms say they have increased mental health counseling resources available to their workers through employee assistance programs or third-party vendors.

5. Employers are shielding workers from rising health care costs

American businesses are taking steps to absorb rising health care costs to secure reasonable premiums and costs for their workforce. A Mercer survey [found](#) that the majority of employers will not cut health benefits or raise employee contributions to coverage despite rising costs. Instead, many employers will make enhancements to their current programs.

6. Americans prefer health coverage through their workplace over other types of coverage

PACT's poll respondents [preferred](#) employer-provided coverage over other coverage by a 9-to-1 margin (89% preferred employer-provided coverage vs. 11% who preferred other coverage). In addition, 81% of respondents said employer coverage would be better for them than government-provided coverage, a finding consistent among Republicans, Independents, and Democrats. The survey found the affordability, convenience, and high quality of employer-provided plans are driving factors in employees' preference for this coverage compared to government-provided health coverage.

7. Employees consistently rank their workplace coverage as the most important benefit employers can offer

A Society for Human Resources Management poll [conducted](#) earlier this year found that 89% of Americans viewed health insurance as a "very important" or "extremely important" benefit that employers offer. Supporting that finding, a PACT-commissioned poll [found](#) that 96% of Americans considered health insurance as a "very important" or "extremely important" benefit. Both polls found health insurance to be the highest ranked employee benefit in terms of importance.

8. Income exclusion for employer-provided coverage delivers reliable, affordable health care

The current tax treatment of employer-provided health care has created a reliable, efficient system that gives employers the ability to offer affordable, responsive coverage to their employees and their families. Any changes to this policy would upend the foundational way health care is delivered for almost 180 million Americans who rely on it by increasing health care costs and taxes on middle-class Americans.

9. Workplace coverage helps employers attract and retain top talent

A report by the Employee Research Benefit Institute (EBRI) [found](#) that weakening the employer-provided coverage system could hurt the ability of companies to attract talent. PACT's poll [reaffirms](#) EBRI's findings, noting that a majority of Americans would not take a job that did not offer health insurance.

10. ERISA serves to protect and strengthen employer-provided insurance

The Employee Retirement Income Security Act (ERISA) is essential to keeping employer-provided coverage efficient and cost effective by allowing employers to offer and maintain uniform health plans through its preemption clause. These protections support employer-provided coverage and allow workers and employers to receive the employer-provided health coverage. A 2024 Business Group on Health [survey](#) found that employers' highest priority for Congress and the Administration is to protect ERISA preemption.

