

# Washington State Employee Benefits Report



## Washington State Employment Security Department

Labor Market and Economic Analysis

March 2008



---

---

# Washington State Employee Benefits Report

Project Management and Design by Rick Lockhart  
Report Co-authored by Rick Lockhart and Jami Mills, *Economists*  
*Labor Market and Economic Analysis*

## **Washington State Employment Security Department**

Karen T. Lee, *Commissioner*

## **Labor Market and Economic Analysis**

Greg Weeks, Ph.D., *Director*

## **Economic and Policy Analysis**

Evelina Tainer, Ph.D., *Chief Economist*

### **Acknowledgements:**

The *2007 Washington Employee Benefits Survey* was produced by the Labor Market and Economic Analysis branch of the Washington State Employment Security Department.

Management wishes to thank the following individuals for their contributions: Robert Haglund, survey collection; data gathering and processing by: Dana Bristol, Lestina Burrington, Virginia Prigge, Rhonda Robinson, and Carrie Smith; Bonnie Dalebout and Sandra Jones for graphic design and layout work; and Ann Leal, Michael Janke, and Carmen Serrano for administrative support.

**For more information, contact Jami Mills at the Labor Market and Economic Analysis branch of the Employment Security Department: (360) 438-4874 or [jmills@esd.wa.gov](mailto:jmills@esd.wa.gov).**

Employment Security is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities.

## Table of Contents

Introduction .....	1
Summary of Benefits Offerings.....	2
Firms and Employment.....	3
Distribution of Firms and Employment by Size Class and Industry .....	3
Size Class – Where are the Majority of Workers?.....	3
Industry Breakdown.....	4
Medical Insurance .....	5
Decreasing Coverage for Part-time Workers .....	5
Cost of Insurance.....	6
Dependent Coverage.....	7
Retirement Plans.....	8
Paid Leave.....	10
Appendices .....	11
Response Rates .....	16
Error Ranges .....	17
Industry Group Definitions.....	18
Washington Employee Benefits Survey.....	19

## **Introduction**

Each year the Labor Market and Economic Analysis branch of the Employment Security Department surveys a large number of Washington employers about fringe benefits offered to employees. In the survey, employers are asked several detailed questions about medical insurance, retirement plans, and paid leave. The primary goal is to provide job seekers, employers, and policy makers with timely and reliable employee benefits information for decision making.

In 2007, 15,368 employers were in the survey sample, with 7,334 (48 percent) responding. As a result, the overall estimates have a standard error range of +/- 1.1 percent and the detailed estimates have error ranges between +/-2.0 percent and +/-12.0 percent, depending on industry or size class.

Minor modifications and additions based on customer and/or respondent request have been implemented each year in the survey. The 2007 survey was no different.

- Questions about dental insurance offerings were replaced with ones about year-to-year changes in medical insurance offerings and the reasons for such changes. These questions will be rotated every other year.
- Data regarding employee/dependent enrollment in medical insurance had to be suppressed for the 2007 survey due to a methodology bias that seriously affected the series.

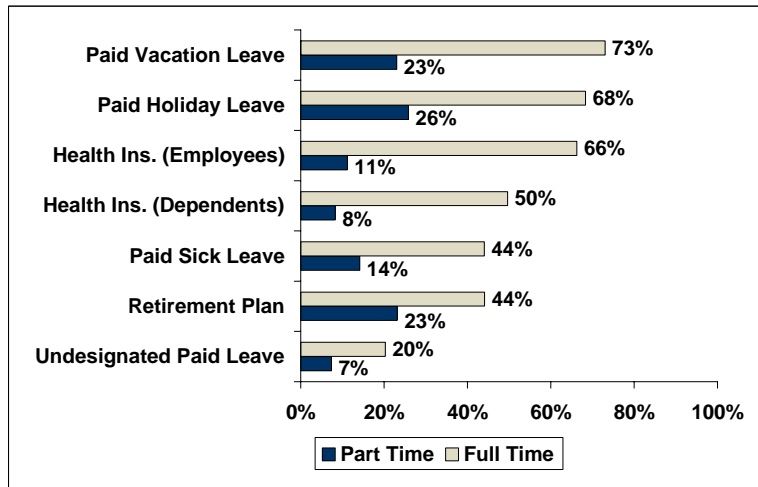
Detailed results from the 2007 Employee Benefits Survey are published at the end of the report in several appendices along with a copy of the survey instrument, error ranges, and response rates.

## Summary of Benefits Offerings

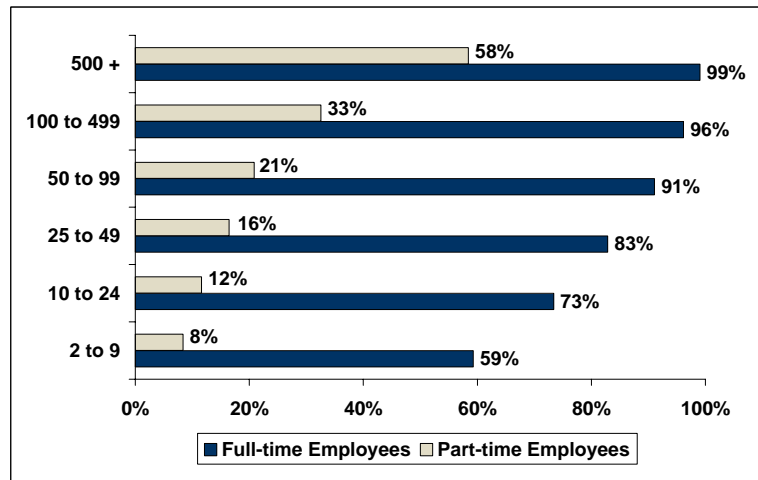
There were several reasons why employers were more or less likely to offer fringe benefits and which employees were eligible to receive them.

- Full-time employees were much more likely to be offered benefits than part-time employees in all cases (*Figure 1*).
- Large firms were more likely to offer benefits than small firms regardless of industry (*Figure 2*).
- Firms in higher wage industries were more likely to offer benefits than firms in industries with relatively low wages.

**Figure 1. Percent of Firms Offering Benefits to Full-time and Part-time Employees Washington State, 2007**



**Figure 2. Percent of Firms Offering Medical Insurance to Full-time and Part-time Employees, Washington State, 2007**



## Firms and Employment

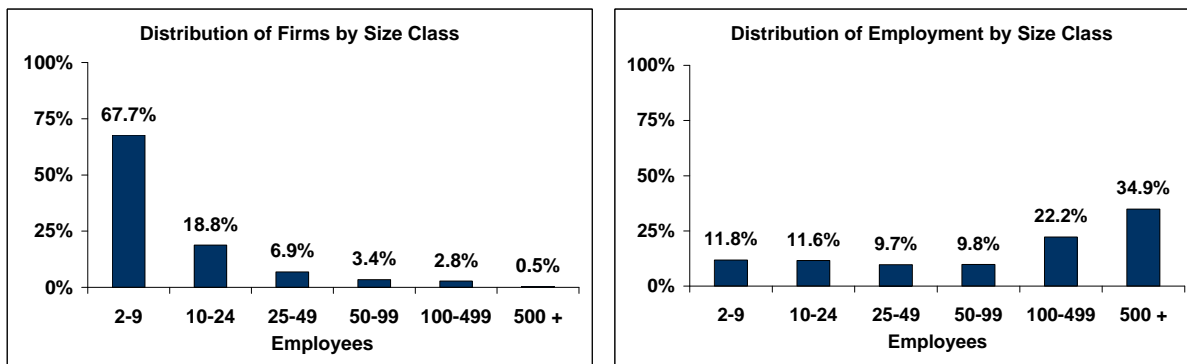
### Distribution of Firms and Employment by Size Class and Industry

Examining how Washington’s employers and workers are spread across employment size classes and industries gives context to the information presented in this report. Since this was a survey of *employers*, most results will be presented in terms of “percent of firms” relative to some type of benefit offered to workers. Results presented in terms of “percent of employment” are estimates based on employer responses to questions on the numbers of workers employed full time and part time. The employers included in these estimates are limited to those covered by the state’s unemployment insurance law, which have two or more employees, and are not government entities (with the exception of the education and health care industries).

### Size Class – Where are the Majority of Workers?

- Most firms (67.7 percent) employed between two and nine workers, but accounted for only 11.8 percent of employment in the third quarter of 2006.
- The opposite is true for very large firms (those who employed 500 or more workers). While making up a tiny portion of total firms (0.5 percent), they employed 34.9 percent of the workforce.

**Figure 3. Distribution of Firms and Employment by Size Class (Quarter 3, 2006)  
Washington State**

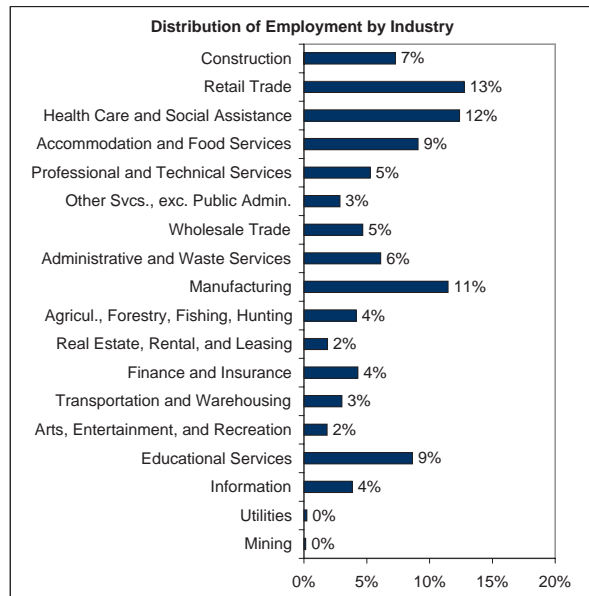
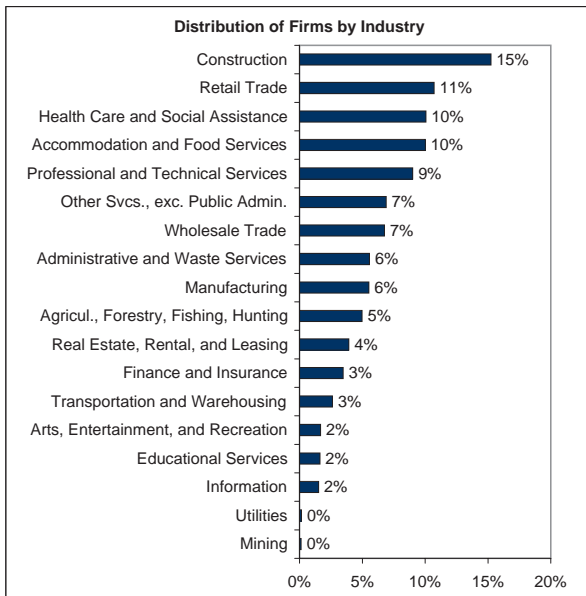


## Industry Breakdown

- During the third quarter of 2006, the construction, retail trade, and health care and social assistance industries had the largest shares of firms; 15, 11, and 10 percent respectively (*Figure 4a*).
- The retail trade, health care and social assistance, and manufacturing industries made up the largest shares of employment at 13, 12, and 11 percent, respectively (*Figure 4b*).



**Figures 4a & 4b. Distribution of Firms and Employment by Industry (Quarter 3, 2006)  
Washington State**



## Medical Insurance

The questions relating to medical insurance were more detailed than for the other benefits categories. We have comparable results back to 2004, providing four years worth of data and giving us an idea of some trends in benefits offerings. As we have shown in the past, benefits offerings were very much affected by the size of the employer, employee status (full time vs. part time), and the average wage paid by the employer.

### Decreasing Coverage for Part-time Workers

Medical insurance offerings for full-time workers declined for three consecutive years before stabilizing in 2007. This stabilization may have been at the expense of part-time workers, though. Medical insurance offerings for part-time workers dropped by a substantial 3.0 percent, after posting a moderate 0.9 percent decline from 2005 to 2006 (*Figure 5*).

**Figure 5. Percent of Firms Offering Medical Insurance to Employees**

	Full Time	Part Time
2004	67.8%	15.1%
2005	67.1%	15.1%
2006	66.4%	14.2%
2007	66.3%	11.2%

The decline affected workers at all employer size levels. Hardest hit were those working for firms with 10 to 24 employees, experiencing a 4.0 percent decrease (*Figure 6*). Employers with 50 to 99 workers had the smallest decline at 0.5 percent.

**Figure 6. Medical Insurance Offerings by Size of Firm**

Employer Size Class	2006		2007		Year-Over-Year Change	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
2 to 9	59.9%	11.2%	59.3%	8.4%	-0.6%	-2.8%
10 to 24	72.4%	15.6%	73.4%	11.6%	1.0%	-4.0%
25 to 49	82.4%	18.6%	82.9%	16.5%	0.5%	-2.1%
50 to 99	91.3%	21.4%	91.1%	20.9%	-0.2%	-0.5%
100 to 499	96.0%	34.9%	96.2%	32.6%	0.2%	-2.3%
500 +	99.4%	60.8%	99.1%	58.4%	-0.3%	-2.4%
<b>Total</b>	<b>66.4%</b>	<b>14.2%</b>	<b>66.3%</b>	<b>11.2%</b>	<b>-0.1%</b>	<b>-3.0%</b>



## Cost of Insurance

It is no secret that insurance premiums and total medical costs have been increasing for years. Perhaps the drop in offerings for part-time workers was a response by employers who are attempting to balance the morale of their full-time workforce with the affects of increasing costs on profits. We asked employers if they had changed medical insurance offerings in the past year. Of the 1,033 that indicated they had made a change, 697 said they had reduced the coverage offered and 45 said they had stopped offering altogether. On the other side, 291 employers said they began offering medical insurance to employees in the previous year. Cost was the primary reason given by employers who reduced or eliminated medical coverage. Some were able to secure a lower cost package with another insurance provider. Others reduced plan options or the employer premium contribution rate.

Employers paid 85 percent of the premium on average for employee medical insurance. For dependents, employers paid 34 percent. Not only was the employee contribution rate higher for dependents, but the cost was greater too. Employee coverage cost \$345 on average, while dependent coverage<sup>1</sup> was significantly higher at \$553. These numbers represent a 2.1 percent increase over 2006 for employees and a 1.8 percent increase for dependents.

**Figure 7. Medical Insurance Costs and Premium Coverage by Size of Firm Washington State, 2007**

Employer Size Class	Average Employee Premium	Average Total Dependent Premium	Average Employer Contribution for Employees	Average Employer Contribution for Dependents
2 to 9	\$350	\$513	87.5%	39.8%
10 to 24	\$339	\$514	85.9%	29.2%
25 to 49	\$340	\$548	85.7%	29.9%
50 to 99	\$331	\$544	85.7%	34.6%
100 to 499	\$360	\$633	83.9%	42.3%
500 +	\$418	\$698	85.0%	54.0%
<b>Total</b>	<b>\$345</b>	<b>\$553</b>	<b>85.8%</b>	<b>34.8%</b>

<sup>1</sup> Premium estimates for dependent coverage are an average that is not based on the number of dependents. It should be understood as the average cost per employee for dependent coverage.

## Dependent Coverage

It can be quite easy to misunderstand data about medical insurance coverage for dependents. Estimates from the Employee Benefits Survey are based around the employee and whether or not they are offered medical benefits for their dependents. We do not know if the dependents are covered by a spouse/partner who is offered medical insurance or by some other means. It is therefore very important to view the Employee Benefits Survey data on dependent coverage as a benefit offered to the employee, and abstain from viewing it as a baseline for understanding incidence of medical insurance offerings for children and/or spouses/partners.

In 2007, half (50 percent) of Washington employers offered medical insurance for the dependents of employees. That is approximately 16 percent lower than the rate that firms offered medical insurance for employees. As with most of the benefits data, the percentages are affected by size of firm and industry, however the main differences between these two groups are the total premium cost and how much of the premium is paid by the employer.



---

---

## Retirement Plans

The 2007 Washington State Employee Benefits Survey asked questions regarding two common categories of retirement plans: defined contribution and defined benefit. As the names imply, *defined contribution plans* guarantee a predetermined employer contribution; *defined benefit plans* guarantee a predetermined retirement benefit at retirement age. Contributions to the defined benefit plans are determined by plan actuaries.

*Defined contribution plans* are more common. Examples include target-benefit and money-purchase pensions, profit sharing, 401(k) plans, and stock bonus plans.

*Defined benefit plans* have become less common with a gradual move toward less traditional plans. Examples include defined benefits pensions and cash balance pension plans. The Washington State Public Employees Retirement System (PERS) plans one and two are examples of defined benefit plans.

These two categories are not mutually exclusive – firms can and do offer both.

The number of firms that offered defined benefit retirement plans remained relatively flat for full-time employees and declined for part-time employees relative to 2006. Defined contribution retirement plans increased slightly. In 2006, 37.5 percent of firms offered defined contribution retirement plans to full-time employees whereas 38.6 percent of firms offered these plans in 2007. This comes against a background in recent years of many firms switching from the traditional defined benefits plans to defined contribution plans (typically 401(k)).

While some employers offer the same benefits to their part-time workers, the reality is, those working less than full time were not as likely to enjoy fringe benefits. This survey showed that benefits offered declined at a faster rate for part-time employees compared to their full-time counterparts. In 2007, 23.2 percent of firms offered retirement benefits to part-time employees compared to 44.1 percent of firms that offered retirement benefits to full-time employees. The majority of retirement plans offered were defined contribution plans regardless of hours worked.

**Washington State Employee Benefits Survey**  
**March 2008**

---

---

Today, these and other benefits are an important part of how workers are compensated. The frequency and type of benefits offered vary, not only by the number of hours worked but, by industry and firm size. Benefits are more common in some industry sectors than in others. Workers in larger establishments are more likely to be offered benefits than those in smaller establishments.

The number of employees working in an organization influence the number and types of employee benefits offered to employees. Not only were smaller-sized firms less likely to pay any portion of health care coverage for their employees, they were also less likely to offer any type of retirement plan (*Figure 8*).

**Figure 8. Percentage of Firms Offering Retirement Plans by Type of Plan\***  
**Washington State, 2007**

<b>Employer Size Class</b>	<b>Defined Contribution</b>	<b>Defined Benefit</b>
2 to 9	30%	5%
10 to 24	45%	7%
25 to 49	59%	8%
50 to 99	72%	11%
100 to 499	81%	15%
500 +	84%	42%
<b>Total</b>	<b>39%</b>	<b>7%</b>

*\*The two types are not mutually exclusive; some firms offer both.*

As the size of firm grows, the time and resources required to manage employee benefits also grow. Still, they were more likely (perhaps more capable) to provide benefits.

## Paid Leave

Fewer employers reported offering paid leave to full-time employees in 2007 compared to 2006 (*Figure 9*). Leave offered for part-time employees also declined, but at a slightly faster rate (*Figure 10*). On average, the finance and insurance sector was most likely to offer paid leave to full-time employees. Contrarily, the accommodation and food services industry was least likely to offer paid leave to full-time employees.



**Figure 9. Percent of Firms Offering Paid Leave to Full-time Employees by Leave Type Washington State, 2007**

	Undesignated	Sick	Vacation	Holiday
2006	23%	46%	74%	71%
2007	20%	44%	73%	68%

**Figure 10. Percent of Firms Offering Paid Leave to Part-time Employees by Leave Type Washington State, 2007**

	Undesignated	Sick	Vacation	Holiday
2006	9.1%	17.6%	26.4%	28.9%
2007	7.4%	14.1%	23.0%	25.8%

The findings from the 2007 Washington Employee Benefits Survey illustrate the challenge Washington employers confront in their attempts to offer employee benefits to meet employee needs, while simultaneously managing employer cost-efficiency goals. This remains a constant challenge.

## Appendix 1 Medical and Dental Insurance for Employees by Industry

2007 Industry Sector	Full-time Employees		Part-time Employees	
	Percent of Firms	Percent of Employees	Percent of Firms	Percent of Employees
	Offering Medical	Offered Medical	Offering Medical	Offered Medical
Accommodation and Food Services	27.0%	59.6%	2.8%	7.6%
Administrative and Waste Services	58.2%	81.9%	6.7%	8.9%
Agric., Forestry, Fishing, Hunting	43.9%	51.2%	3.7%	3.9%
Arts, Entertainment, and Recreation	62.4%	66.4%	7.2%	4.5%
Construction	61.4%	68.6%	5.2%	6.1%
Educational Services	77.6%	93.2%	33.8%	52.4%
Finance and Insurance	84.8%	93.7%	26.4%	44.0%
Health Care and Social Assistance	79.1%	90.1%	19.3%	33.6%
Information	80.5%	93.6%	19.4%	27.7%
Management of Companies	93.2%	91.0%	26.0%	15.4%
Manufacturing	79.6%	92.6%	10.2%	15.5%
Mining	80.4%	88.9%	8.9%	3.6%
Other Services, except Public Admin.	66.7%	81.9%	13.4%	11.9%
Professional and Technical Services	84.7%	92.6%	20.5%	17.6%
Real Estate and Rental and Leasing	72.0%	83.4%	12.3%	10.7%
Retail Trade	57.9%	87.0%	6.6%	16.6%
Transportation and Warehousing	78.4%	90.2%	13.1%	20.5%
Utilities	70.5%	94.0%	12.6%	24.6%
Wholesale Trade	82.8%	90.5%	11.8%	11.1%
<b>Total</b>	<b>66.3%</b>	<b>84.9%</b>	<b>11.2%</b>	<b>19.8%</b>

## Appendix 2 Medical and Dental Insurance for Dependents of Employees by Industry

2007 Industry Sector	Dependents of Full-time Employees		Dependents of Part-time Employees	
	Percent of Firms	Percent of Employees	Percent of Firms	Percent of Employees
	Offering Medical	Offered Medical	Offering Medical	Offered Medical
Accommodation and Food Services	17.0%	43.5%	2.2%	5.8%
Administrative and Waste Services	40.4%	77.7%	5.4%	5.3%
Agriculture, Forestry, Fishing, and Hunting	34.2%	38.7%	3.1%	1.2%
Arts, Entertainment, and Recreation	41.9%	66.3%	4.7%	3.8%
Construction	49.3%	61.9%	5.0%	4.8%
Educational Services	64.6%	89.4%	31.6%	57.3%
Finance and Insurance	66.2%	88.8%	19.7%	39.3%
Health Care and Social Assistance	44.4%	80.5%	12.0%	27.8%
Information	69.3%	89.2%	17.2%	37.5%
Management of Companies	84.2%	87.4%	22.5%	15.1%
Manufacturing	67.5%	90.6%	8.9%	9.9%
Mining	69.6%	89.1%	3.2%	2.1%
Other Services, except Public Admin.	43.7%	70.8%	9.2%	14.7%
Professional and Technical Services	66.2%	85.6%	15.9%	15.8%
Real Estate and Rental and Leasing	52.5%	69.8%	9.0%	7.1%
Retail Trade	42.5%	65.0%	4.1%	16.8%
Transportation and Warehousing	63.2%	82.9%	9.6%	17.3%
Utilities	54.9%	94.6%	8.8%	22.2%
Wholesale Trade	73.5%	82.1%	8.1%	9.9%
<b>Total</b>	<b>49.6%</b>	<b>76.1%</b>	<b>8.3%</b>	<b>18.1%</b>

### Appendix 3 Medical and Dental Insurance for Employees by Size of Firm

2007 Firm Size (number of employees)	Full-time Employees		Part-time Employees	
	Percent of Firms	Percent of Employees	Percent of Firms	Percent of Employees
	Offering Medical	Offered Medical	Offering Medical	Offered Medical
2 to 9	59.3%	59.2%	8.4%	5.1%
10 to 24	73.4%	75.4%	11.6%	7.2%
25 to 49	82.9%	79.5%	16.5%	7.3%
50 to 99	91.1%	86.7%	20.9%	14.1%
100 to 499	96.2%	90.4%	32.6%	22.7%
500 +	99.1%	92.8%	58.4%	34.6%
<b>Total</b>	<b>66.3%</b>	<b>84.9%</b>	<b>11.2%</b>	<b>19.8%</b>

### Appendix 4 Medical and Dental Insurance for Dependents of Employees by Size of Firm

2007 Firm Size (number of employees)	Full-time Employees		Part-time Employees	
	Percent of Firms	Percent of Employees	Percent of Firms	Percent of Employees
	Offering Medical	Offered Medical	Offering Medical	Offered Medical
2 to 9	39.8%	46.0%	5.1%	2.8%
10 to 24	58.9%	62.4%	9.4%	5.8%
25 to 49	73.8%	70.6%	15.0%	6.9%
50 to 99	86.4%	81.9%	18.9%	13.0%
100 to 499	92.7%	85.9%	30.0%	21.0%
500 +	93.9%	87.8%	54.8%	45.8%
<b>Total</b>	<b>49.6%</b>	<b>76.0%</b>	<b>8.3%</b>	<b>18.1%</b>

## Appendix 5 Average Medical Insurance Premiums by Industry

2007 Industry Sector	Average Monthly Premium	
	Single Coverage Medical Insurance	Dependent Coverage Medical Insurance
Accommodation and Food Services	\$315	\$524
Administrative and Waste Services	\$323	\$498
Agriculture, Forestry, Fishing, and Hunting	\$340	\$542
Arts, Entertainment, and Recreation	\$341	\$493
Construction	\$329	\$495
Educational Services	\$444	\$628
Finance and Insurance	\$356	\$565
Health Care and Social Assistance	\$361	\$558
Information	\$334	\$634
Management of Companies	\$343	\$900
Manufacturing	\$319	\$547
Mining	\$343	\$483
Other Services, except Public Admin.	\$351	\$514
Professional and Technical Services	\$341	\$582
Real Estate and Rental and Leasing	\$356	\$538
Retail Trade	\$326	\$502
Transportation and Warehousing	\$366	\$517
Utilities	\$413	\$667
Wholesale Trade	\$363	\$626
<b>Total</b>	<b>\$345</b>	<b>\$553</b>

## Appendix 6 Average Medical Insurance Premiums by Size of Firm

2007 Firm Size (number of employees)	Average Monthly Premium	
	Single Coverage Medical Insurance	Dependent Coverage Medical Insurance
2 to 9	\$350	\$513
10 to 24	\$339	\$514
25 to 49	\$340	\$548
50 to 99	\$331	\$544
100 to 499	\$360	\$633
500 +	\$418	\$698
<b>Total</b>	<b>\$345</b>	<b>\$553</b>



## Appendix 7 Percent of Firms Offering Retirement Plans by Industry

2007 Industry Sector	Full-time Employees			Part-time Employees		
	Defined Contribution	Defined Benefit	None Offered	Defined Contribution	Defined Benefit	None Offered
Accommodation and Food Services	9.4%	1.3%	87.0%	3.9%	0.7%	92.7%
Administrative and Waste Services	30.9%	9.1%	61.1%	7.0%	1.8%	83.1%
Agriculture, Forestry, Fishing, and Hunting	21.3%	3.2%	75.1%	6.4%	0.3%	87.5%
Arts, Entertainment, and Recreation	27.6%	2.4%	67.5%	10.5%	1.0%	86.3%
Construction	26.1%	4.8%	69.4%	10.6%	0.5%	78.7%
Educational Services	55.6%	26.6%	39.4%	33.1%	19.9%	62.9%
Finance and Insurance	58.2%	9.2%	34.1%	35.0%	7.7%	54.8%
Health Care and Social Assistance	63.0%	12.1%	29.4%	35.3%	2.9%	54.4%
Information	57.7%	7.1%	37.8%	31.6%	3.7%	65.4%
Management of Companies	68.8%	8.9%	29.0%	37.6%	0.0%	62.4%
Manufacturing	48.3%	7.5%	44.2%	15.6%	2.2%	75.5%
Mining	43.1%	9.0%	48.8%	9.3%	0.0%	85.8%
Other Services, except Public Admin.	34.6%	6.4%	59.7%	9.6%	3.1%	78.8%
Professional and Technical Services	60.3%	8.4%	35.3%	26.0%	3.3%	67.6%
Real Estate and Rental and Leasing	31.4%	4.4%	62.7%	13.1%	1.7%	78.6%
Retail Trade	26.3%	3.8%	69.2%	9.2%	0.9%	87.5%
Transportation and Warehousing	43.1%	6.8%	53.2%	15.3%	2.1%	77.5%
Utilities	59.3%	21.6%	38.7%	12.6%	7.5%	80.8%
Wholesale Trade	55.8%	8.2%	36.2%	21.5%	0.5%	73.8%
<b>Total</b>	<b>38.6%</b>	<b>6.7%</b>	<b>55.9%</b>	<b>16.0%</b>	<b>2.2%</b>	<b>76.8%</b>

## Appendix 8 Percent of Firms Offering Retirement Plans by Size of Firm

2007 Firm Size (number of employees)	Full-time Employees			Part-time Employees		
	Defined Contribution	Defined Benefit	None Offered	Defined Contribution	Defined Benefit	None Offered
2 to 9	30.2%	5.5%	64.0%	10.8%	1.2%	81.7%
10 to 24	45.3%	7.5%	49.4%	17.6%	2.2%	76.1%
25 to 49	58.6%	7.9%	35.8%	25.0%	2.4%	66.5%
50 to 99	72.0%	10.5%	23.7%	36.5%	4.4%	58.8%
100 to 499	80.6%	14.8%	15.5%	54.3%	10.9%	39.5%
500 +	83.6%	42.1%	9.8%	71.3%	33.6%	20.2%
<b>Total</b>	<b>38.6%</b>	<b>6.7%</b>	<b>55.9%</b>	<b>16.0%</b>	<b>2.2%</b>	<b>76.8%</b>

## Appendix 9 Percent of Firms Offering Paid Leave by Industry

2007 Industry Sector	Paid Leave							
	Full-time Employees				Part-time Employees			
	Undesignated	Sick	Vacation	Holiday	Undesignated	Sick	Vacation	Holiday
Accommodation and Food Services	5.4%	14.3%	45.9%	23.0%	2.2%	1.7%	11.3%	5.2%
Administrative and Waste Services	22.1%	42.0%	70.9%	69.6%	5.7%	9.1%	17.9%	23.7%
Agriculture, Forestry, Fishing, and Hunting	11.3%	17.4%	50.2%	32.7%	2.8%	1.4%	5.4%	7.8%
Arts, Entertainment, and Recreation	21.2%	47.5%	65.0%	56.9%	6.5%	9.5%	16.3%	16.4%
Construction	12.2%	25.8%	61.8%	54.5%	5.9%	5.5%	11.4%	18.0%
Educational Services	36.9%	72.2%	75.7%	81.1%	18.8%	38.0%	28.4%	37.5%
Finance and Insurance	38.3%	78.4%	87.7%	90.1%	14.9%	32.6%	40.1%	45.4%
Health Care and Social Assistance	30.1%	62.1%	88.8%	85.1%	14.6%	30.3%	43.7%	48.8%
Information	32.3%	74.5%	84.5%	89.6%	14.8%	25.0%	29.7%	37.1%
Management of Companies	25.7%	62.1%	85.5%	88.7%	13.3%	22.5%	26.7%	33.0%
Manufacturing	20.0%	38.2%	84.3%	86.7%	5.5%	11.2%	23.6%	32.2%
Mining	15.6%	20.0%	62.9%	54.0%	0.0%	4.8%	10.6%	22.9%
Other Services, except Public Admin.	15.6%	43.1%	76.9%	73.4%	4.6%	16.9%	27.2%	30.8%
Professional and Technical Services	38.0%	69.4%	84.2%	89.0%	11.6%	28.4%	36.2%	36.3%
Real Estate and Rental and Leasing	19.8%	64.1%	83.4%	84.7%	7.9%	18.7%	26.8%	29.9%
Retail Trade	11.9%	32.6%	71.2%	62.8%	4.1%	6.7%	19.0%	19.5%
Transportation and Warehousing	22.5%	33.9%	73.8%	64.6%	7.9%	6.8%	19.7%	16.2%
Utilities	28.0%	66.3%	72.9%	73.4%	4.6%	12.3%	11.0%	13.6%
Wholesale Trade	24.8%	66.3%	86.7%	91.8%	7.4%	15.6%	21.9%	30.4%
<b>Total</b>	<b>20.3%</b>	<b>44.0%</b>	<b>73.1%</b>	<b>68.3%</b>	<b>7.4%</b>	<b>14.1%</b>	<b>23.0%</b>	<b>25.8%</b>

## Appendix 10 Percent of Firms Offering Paid Leave by Size of Firm

2007 Firm Size (number of employees)	Paid Leave							
	Full-time Employees				Part-time Employees			
	Undesignated	Sick	Vacation	Holiday	Undesignated	Sick	Vacation	Holiday
2 to 9	19.6%	42.3%	70.3%	65.9%	6.6%	12.4%	21.2%	23.7%
10 to 24	18.9%	42.8%	76.1%	68.2%	6.2%	12.8%	22.6%	25.6%
25 to 49	21.1%	46.2%	78.7%	72.8%	8.4%	17.3%	27.0%	28.7%
50 to 99	25.1%	53.1%	82.6%	83.2%	11.0%	20.9%	28.9%	33.7%
100 to 499	32.5%	67.0%	85.7%	88.7%	19.5%	34.2%	40.3%	45.9%
500 +	44.4%	78.9%	86.2%	93.1%	29.0%	52.7%	59.0%	66.3%
<b>Total</b>	<b>20.3%</b>	<b>44.0%</b>	<b>73.1%</b>	<b>68.3%</b>	<b>7.4%</b>	<b>14.1%</b>	<b>23.0%</b>	<b>25.8%</b>

## Response Rates

The sample for the *2007 Employee Benefits Survey* included establishments covered by unemployment insurance tax law in Washington state, that employed an average of two or more employees during the third quarter of 2006. Estimates do not include individual parts of multi-master accounts (a company with multiple locations was counted as a single firm). Also excluded are establishments that fall under government (except public sector education and health care) ownership.

<b>Sample Summary</b>	
<b>Population of Firms</b>	<b>106,262</b>
Original Sample Drawn	17,095
Number of firms in sample (see reason code below)	15,368
<b>Valid Response (status 1 and 2)</b>	<b>7,334</b>

<b>Total In and Out of Sample, by Reason</b>		
<b>Reason Code</b>	<b>Number of Establishments</b>	<b>In/out of Sample</b>
Null - Did not respond	6,786	In
1 - Responded/questionnaire complete	6,903	In
2 - Responded/questionnaire incomplete	431	In
3 - Refusal	391	In
4 - Invalid location	1,292	Out
5 - Out of business	252	Out
6 - Inactive/Out of scope	130	Out
7 - Inactive/Out of state	53	Out
X - Removed from status 1 due to bias	857	In

<b>Response Rate</b>	
Number of firms in-sample (see reason codes, above)	15,368
1 - Responded/questionnaire complete	6,903
2 - Responded/questionnaire incomplete	431
<b>Total Response</b>	<b>7,334</b>
<b>Response Rate</b>	<b>48%</b>

## Error Ranges

The number of employers chosen in each cell for the *Employee Benefits Survey* was based on a stratified random sample with a desired +/- 5.0 percent confidence level at the 95 percent confidence interval. To meet our goal we assumed a 50 percent response rate to the survey and adjusted the sample to double the number of responses we needed. Survey collection was done based on a combination of an initial mail-out, followed by extensive phone calling.

Error Rates by Size of Firm			
Employer Size Class	Valid Responses	Employer Universe Count	Standard Error Range (+/-)
2 to 9	2,001	71,899	2.0%
10 to 24	1,915	19,926	2.0%
25 to 49	1,256	7,301	2.3%
50 to 99	934	3,661	2.6%
100 to 499	897	2,943	2.6%
500 +	127	545	6.1%
<b>Total</b>	<b>6,704</b>	<b>106,275</b>	<b>1.1%</b>

Error Rates by Industry			
Industry Title	Valid Responses	Employer Universe Count	Standard Error Range (+/-)
Agriculture, Forestry, Fishing and Hunting	327	5,285	5.2%
Mining	62	130	9.0%
Utilities	96	172	6.7%
Construction	445	16,197	4.6%
Manufacturing	1,148	5,868	2.6%
Wholesale Trade	358	7,186	5.0%
Retail Trade	732	11,383	3.5%
Transportation And Warehousing	433	2,789	4.3%
Information	305	1,619	5.1%
Finance And Insurance	349	3,685	5.0%
Real Estate and Rental and Leasing	337	4,164	5.1%
Professional and Technical Services	396	9,567	4.8%
Management of Companies	46	147	12.0%
Administrative and Waste Services	310	5,916	5.4%
Educational Services	332	1,728	4.8%
Health Care and Social Assistance	429	10,687	4.6%
Arts, Entertainment, and Recreation	321	1,776	5.0%
Accommodation and Food Services	278	10,647	5.8%
Other Services, except Public Admin.	426	7,329	4.6%
<b>Total</b>	<b>6,704</b>	<b>106,275</b>	<b>1.1%</b>

## Industry Group Definitions

Washington's *Employee Benefits Survey* used a sample of firms representative of the industry composition of Washington employers. The North American Industry Classification System (NAICS) was used to define and group firms by common production features. Firms are classified by industry as part of the ongoing administration of the unemployment insurance tax program. Major NAICS codes are outlined below:

	NAICS Industry	Industry Description
11	Agriculture, Forestry, Fishing, Hunting	Firms engaged in growing crops, raising animals, harvesting timber, harvesting fish and other animals from farms, ranches, or the animals' natural habitat.
21	Mining	Firms that extract naturally occurring mineral solids, liquid minerals, and gases.
22	Utilities	Firms engaged in generating, transmitting, and/or distributing electricity, gas, steam, and water, and removing sewage through a permanent infrastructure.
23	Construction	Firms engaged in erecting buildings and other structures; heavy construction other than buildings; and alterations, reconstruction, installation, and maintenance and repairs.
31-33	Manufacturing	Firms engaged in the mechanical, physical, or chemical transformation of material, substances, or components into new products.
42	Wholesale Trade	Firms engaged in selling or arranging for the purchase or sale of goods for resale; capital or durable nonconsumer goods; and raw and intermediate materials and supplies used in productions, and providing services incidental to the sale of the merchandise.
44-45	Retail Trade	Firms engaged in retailing merchandise generally in small quantities to the general public and providing services incidental to the sale of the merchandise.
48-49	Transportation and Warehousing	Firms that provide transportation of passengers and cargo, warehousing and storing goods, scenic and sightseeing transportation, and supporting these activities.
51	Information	Firms engaged in distributing information and cultural products, providing the means to transmit or distribute these products as data or communications, and processing data.
52	Finance and Insurance	Firms engaged in the creation, liquidation, or change in ownership of financial assets (financial transactions) and/or facilitating financial transactions.
53	Real Estate and Rental and Leasing	Firms engaging in renting, leasing, or otherwise allowing the use of tangible or intangible assets (except copyrighted works), and providing related services.
54	Professional, Scientific, and Technical Services	Firms specializing in performing professional, scientific, and technical services for the operations of other organizations.
55	Management of Companies and Enterprises	Firms that hold securities of companies and enterprises, for the purpose of owning controlling interest or influencing their management decision, or administering, overseeing, and managing other establishments of the same company or enterprise and normally undertaking the strategic or organizational planning and decision making of the company or enterprise.
56	Administrative and Support and Waste Management and Remediation Services	Firms performing routine support activities for the day-to-day operation of other organizations.
61	Educational Services	Firms providing instruction and training in a wide variety of subjects.
62	Health Care and Social Assistance	Firms providing health care and social assistance for individuals.
71	Arts, Entertainment, and Recreation	Firms engaged in operating or providing services to meet varied cultural, entertainment, and recreational interests of their patrons.
72	Accommodation and Food Services	Firms providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.
81	Other Services (except Public Administration)	Firms providing services not elsewhere specified, including repairs, religious activities, grant making, advocacy, laundry, personal care, death care, and other personal services.

# WASHINGTON EMPLOYEE BENEFITS SURVEY 1

## ABOUT THE SURVEY

Please direct this survey to your Employee Benefits Manager or Human Resources Department. Your response to this survey will help give Washington's businesses, job seekers, and employment counselors a valuable tool for navigating in today's job market. Your information is important, as it will be used to produce estimates for your industry and location. Information in this survey is confidential and will not be sold or transferred to any other entity; it is used for survey purposes only. Summary results from the last survey are available at <http://www.workforceexplorer.com>

## THREE OPTIONS FOR RESPONDING TO THE SURVEY

- 1) Return the survey in the enclosed postage-paid envelope,
- 2) Fax both sides to (360) 438-3215; or
- 3) Contact us at (800) 837-3074 to report by telephone.

Please respond by *September 14, 2007*.

**Choose the option that works best for you.**

## PLEASE REPORT FOR ALL WASHINGTON EMPLOYEES

How many employees do you currently have in your firm? \_\_\_\_\_

Number of employees who are full time: \_\_\_\_\_

Number employees who are part time: \_\_\_\_\_

How many hours per week do employees need to work to be considered full time? \_\_\_\_\_

## THANK YOU FOR PARTICIPATING!

## CONTACT PERSON

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

Title: \_\_\_\_\_

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

Date: \_\_\_\_\_

Please continue with sections:

### 1 MEDICAL INSURANCE

### 2 RETIREMENT BENEFITS

### and 3 OTHER BENEFITS

## CONTACT US FOR INFORMATION

Washington State Employment Security Department  
Labor Market and Economic Analysis  
P.O. Box 9046, Olympia, WA 98507-9046  
Phone: (800) 837-3074; (360) 438-3214;  
Fax: (360) 438-3215;  
Email: [Rhaglund@esd.wa.gov](mailto:Rhaglund@esd.wa.gov)

# EMPLOYEE BENEFITS

2

## PART 1: MEDICAL INSURANCE

<p><b>FOR EMPLOYEES</b></p> <p>Does your organization offer medical insurance to any employees?          How many of the employees are <b>offered</b> medical insurance?          Of the employees <b>offered</b> medical insurance, how many are enrolled?          For the majority of employees, what percentage of medical insurance premiums are <b>employer</b> paid?</p>	<p><b>Full Time Employees</b></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>_____ Employees</p> <p>_____ Employees</p> <p>_____ %</p>	<p><b>Part Time Employees</b></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>_____ Employees</p> <p>_____ Employees</p> <p>_____ %</p>
<p><b>FOR SPOUSES AND DEPENDENTS</b></p> <p>Do you offer medical insurance for employees' spouses or dependents?          How many of the employees are <b>offered</b> medical insurance for their spouses or dependents?          Of the employees <b>offered</b> medical insurance for their spouses or dependents, how many are <b>enrolled</b>?          For the majority of employees, what percentage of medical insurance premiums for employees' spouses or dependents are <b>employer</b> paid?</p>	<p><b>Full Time Employees</b></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>_____ Employees</p> <p>_____ Employees</p> <p>_____ %</p>	<p><b>Part Time Employees</b></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>_____ Employees</p> <p>_____ Employees</p> <p>_____ %</p>
<p><b>INSURANCE COSTS</b></p> <p>What is the <b>average</b> cost per employee for individual medical insurance benefits?          (Include the employee-paid and employer-paid portion of the premium.)          What is the <b>average</b> cost per employee for dependent coverage medical insurance benefits?          (Include the employee-paid and employer-paid portion of the premium.)</p>	<p>\$ _____</p> <p>\$ _____</p>	<p><b>Monthly</b>    <b>Yearly</b></p> <p><input type="checkbox"/>            <input type="checkbox"/></p> <p><input type="checkbox"/>            <input type="checkbox"/></p>
<p><b>CHANGES IN COVERAGE</b></p> <p>Has your company changed the medical coverage offered in the past two years?</p> <p>Reason for change(s): _____</p>	<p><b>Employee Coverage</b></p> <p>Started Offering <input type="checkbox"/></p> <p>Reduced Coverage <input type="checkbox"/></p> <p>Stopped Offering <input type="checkbox"/></p>	<p><b>Dependent Coverage</b></p> <p>Started Offering <input type="checkbox"/></p> <p>Reduced Coverage <input type="checkbox"/></p> <p>Stopped Offering <input type="checkbox"/></p>

## PART 2: RETIREMENT BENEFITS

<p><b>RETIREMENT PLANS</b> (Multiple responses are okay for this section.)</p> <p>Full Time Employees</p> <p>Part Time Employees</p> <p><i>Defined contribution</i> plans include target-benefit, profit sharing, and 401(k) plans to name a few.  <i>Defined benefit</i> plans provide a guaranteed benefit upon retirement.</p>	<table border="1"> <thead> <tr> <th>Defined Contribution</th> <th>Defined Benefit</th> <th>None</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Defined Contribution	Defined Benefit	None	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Defined Contribution	Defined Benefit	None								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>								

## PART 3: OTHER BENEFITS

<p><b>OTHER BENEFITS</b> (Fill in yes or no for each question.)</p> <p>Full Time Employees</p> <p>Part Time Employees</p> <p><i>*(Undesignated leave may be referred to as a "Time Bank, paid time off," etc. This leave may be offered in addition to other types of leave or may be offered in place of separate leave.)</i></p>	<table border="1"> <thead> <tr> <th>Undesignated* Leave</th> <th>Paid Sick Leave</th> <th>Paid Vacation Leave</th> <th>Paid Holidays</th> </tr> </thead> <tbody> <tr> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> </tr> <tr> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> <tr> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> <td>Yes <input type="checkbox"/></td> </tr> <tr> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> </tbody> </table>	Undesignated* Leave	Paid Sick Leave	Paid Vacation Leave	Paid Holidays	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>
Undesignated* Leave	Paid Sick Leave	Paid Vacation Leave	Paid Holidays																		
Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>																		
No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>																		
Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>																		
No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>																		

If more space is needed, please call us for another copy or make a photocopy of this page.  
 Toll free at 1-800-837-3074; Fax: (360) 438-3215; or Email: Rhaglund@esd.wa.gov