PRIVATE VS. PUBLIC EXCHANGES
How Do They Stack Up? ⚖

97%
76%
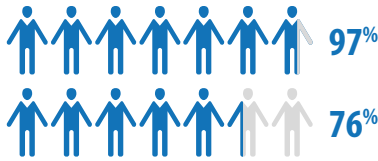
Employer-provided health benefits aren't going anywhere.
97% of employers are committed to offering health benefits to active employees.
76% of consumers see health insurance as either the primary factor or an important one for continuing to work at their current employer.

Health insurance exchanges **are changing the way** health benefits are being provided. There are two types: **private exchanges versus the public exchange.** How do they compare?

Private

80% of employers surveyed would prefer to purchase insurance from a private exchange over a public exchange

There are **4 BIG FACTORS** that are making private exchanges more attractive to employers:

1. Greater product choices (including ancillary products)
2. Design flexibility
3. Customer service
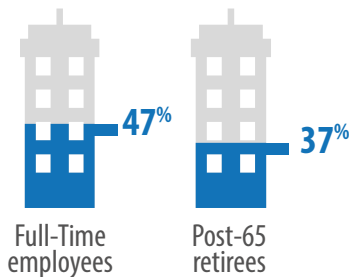4. General wariness of government-run entities

80%   **16%**

Public

Only **16%** of employers plan to consider encouraging full-time employees to seek health care coverage through the public exchange.

The number of available private exchanges far outnumbers the public exchange.

47%   **37%**

Full-Time employees   Post-65 retirees

Private exchanges keep on growing:

47% of employers have implemented (or are considering implementing) a private exchange for their active, full-time employees before **2018**

37% have implemented a private exchange (or are considering one) for post-65 retirees. By **2018**, private health insurance exchange enrollment is estimated to be **40 million**

By **2019**, private health insurance exchange enrollment could make up **20%** of the employer market.

$
64%
Saved money

A private exchange: what is it good for?
Saving money -

64% of employers that have moved to a private exchange said it saved money.

Reducing the administrative burden -
Private health insurance exchanges can provide robust reporting and compliance services. This can make administrative requirements, like the minimum essential coverage reports due to the IRS, less of a burden for employers.

Sources
PwC and Midwest Business Group on Health: Private Exchange Evaluation Collaborative, 2015
Booz & Company: The Emergence of Private Health Insurance Exchanges Fueling the "Consumerization" of Employer-Sponsored Health Insurance, 2012
Society for Human Resource Management: Employers Slow to Adopt Private Health Exchanges, 2015