



# **Catamount Health: A Solution for Vermont Small Businesses**



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**Report Prepared by  
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## Executive Summary

In Vermont, AARP has been a proponent of Catamount Health and its mission to provide affordable, quality health care to uninsured individuals in the state, and now is focused on expanding this health plan to small businesses and the self-employed. The purpose of this study was to better understand what Vermont's small business owners have been experiencing due to health care costs, their opinions surrounding the issue, as well as whether and how Catamount Health might appeal to them if it was made available to small businesses and the self-employed. As such, AARP's Vermont office commissioned this telephone survey of 400 Vermont businesses with 50 or fewer employees which took place between March 19 and April 2, 2008.

The survey results show the majority of small businesses surveyed in Vermont are doing their best to provide health insurance for their employees. Beyond providing access, the majority are also contributing a large share of the cost of insurance for their employees. But, their motivation for providing insurance for their employees is not driven by their need to stay competitive. Instead, business owners appear to believe that they have an obligation to do so: three-quarters say they offer insurance because they feel they have a responsibility to provide it, and two-thirds strongly agree that it is important to be able to provide comprehensive and affordable coverage to their employees.

Despite this desire by most respondents to provide comprehensive, affordable health insurance, many businesses are not able to due to cost, and increasingly, even more are beginning to face this reality. Nearly all who are providing insurance say their premiums have increased over the past several years. In response, a considerable number of businesses have changed to high-deductible plans, increased employee contributions, reduced benefits, and even dropped their coverage. More troubling, this pattern is likely to continue with larger proportions of businesses reporting they will likely have to take these similar actions in the next few years as premiums continue to rise.

If Catamount Health was made available, affordably, to small businesses and the self-employed, the majority of small businesses—both those currently offering insurance and not—are likely to consider enrolling in the plan. Catamount Health's greatest appeal would be affordability. Respondents say they would be much more likely to consider enrolling in the plan if their premiums would be less than what they or their employees currently pay. More specifically, the vast majority of respondents say in order for the premiums to be affordable, they would have to be less than \$400 a month per individual.

Policy makers in the State of Vermont should recognize the valuable contributions of small businesses in making Vermont one of the states with the lowest rates of uninsured residents in the country.<sup>1</sup> Further, as policy makers plan for an expansion of Catamount Health, they should consider the results of this survey showing the shift toward high-deductible health care plans among small businesses who are faced with rapidly rising health care costs. These plans run counter to state efforts to control health care costs, embodied in the Vermont Health Care Affordability Act and the Vermont Blueprint for Health, which promote prevention and improved chronic care disease management.

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<sup>1</sup> *Vermont: Health Insurance Coverage of the Total Population, states (2005-2006), U.S. State Health Facts.* Retrieved April 17, 2008 from <http://www.statehealthfacts.org/profileind.jsp?cmp=31&cat=3&rgn=47&ind=125&sub=39>

## Background

Vermont is well-known for its independent and entrepreneurial character--a place where small businesses thrive and grow and are the engine of the state's economy. In fact, the Census reports, in 2005, there were 19,591 businesses in Vermont—three-quarters of these businesses had fewer than 10 employees.<sup>2</sup> In addition, there were nearly 50,000 self-employed individuals in Vermont in 2002.<sup>3</sup>

Nearly all of Vermont's large businesses (100% of businesses with 1000 or more employees; 90% of those with 100 or more employees) provided health insurance to their employees in 2005.<sup>4</sup> But for smaller businesses, the picture is different: only about half (48%) of businesses with less than 50 employees provided health insurance for their employees in this same year.

The lack of affordable health care is a growing problem for Vermont, and one that affects businesses and employees both given the reliance of most adults on their employers for health insurance.<sup>5</sup> In a state like Vermont, where the majority of businesses are small, rapidly increasing health care costs can have detrimental affects on a business's ability to stay competitive and thrive. For employees, rising costs may mean being moved to a high-deductible plan, increased cost-sharing with their employers, or a loss of insurance.

With those working for businesses with fewer than 10 employees being twice as likely to be uninsured than those who work for businesses with 100 or more,<sup>6</sup> AARP is working to help small businesses maintain their role in ensuring that residents have access to affordable, quality health care. In Vermont, AARP has been a proponent of Catamount Health and its mission to provide affordable, quality health care to uninsured individuals in the state, and now is focused on expanding this health plan to small businesses and the self-employed.

The purpose of this study was to better understand what Vermont's small business owners have been experiencing due to health care costs, their opinions surrounding the issue, and whether and how Catamount Health might appeal to them if it was made available to small businesses and the self-employed. As such, AARP's Vermont office commissioned WRI to conduct telephone interviews with business owners and decisions makers in 400 Vermont businesses that have 50 or fewer employees. Interviews for the study took place between March 19 and April 2, 2008. A full description of the methodology and the questionnaire used for this study can be found at the end of this report.

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<sup>2</sup> *Statistics of U.S. Businesses: 2005, Vermont*. U.S. Census Bureau. Retrieved April 17, 2008 from <http://www.census.gov/epcd/susb/2005/vt/VT--.HTM>

<sup>3</sup> *Earnings and Employment Data for Workers Covered Under Social Security and Medicare, by State and County, 2002: Vermont*. Social Security Administration. Retrieved April 17, 2008 from [http://www.socialsecurity.gov/policy/docs/statcomps/eedata\\_sc/2002/vt.html](http://www.socialsecurity.gov/policy/docs/statcomps/eedata_sc/2002/vt.html)

<sup>4</sup> *Percent of private-sector establishments that offer health insurance by firm size and State: United States, 2005*. Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Retrieved April 17, 2008 from [http://www.meps.ahrq.gov/mepsweb/data\\_stats/summ\\_tables/insr/state/series\\_2/2005/tia2.htm](http://www.meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/state/series_2/2005/tia2.htm)

<sup>5</sup> *Sources of Health Insurance and Characteristics of the Uninsured: Analysis of the 2006 Current Population Survey*. Employee Benefit Research Institute. Retrieved April 17, 2008 from [http://www.ebri.org/pdf/briefspdf/EBRI\\_IB\\_10a-20061.pdf](http://www.ebri.org/pdf/briefspdf/EBRI_IB_10a-20061.pdf)

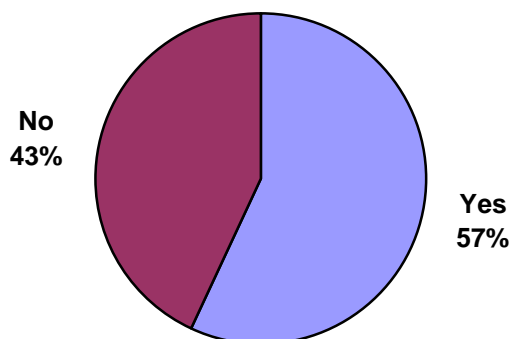
<sup>6</sup> Ibid.

## Health Insurance Among Vermont's Small Businesses

Of the Vermont small businesses surveyed, over half of respondents (57%) say they offer health insurance for their employees, or as self-employed individuals, they have insurance on their own. The likelihood of offering coverage substantially increases as the number of employees increases, with nearly all (91%) of the businesses surveyed with more than ten employees offering insurance.

Three out of five businesses with health insurance (62%) say they purchase this insurance through a group, such as the Chamber of Commerce, or other business group or member organization.

### Whether Vermont Small Businesses/Self-Employed Have Health Insurance (N=400)

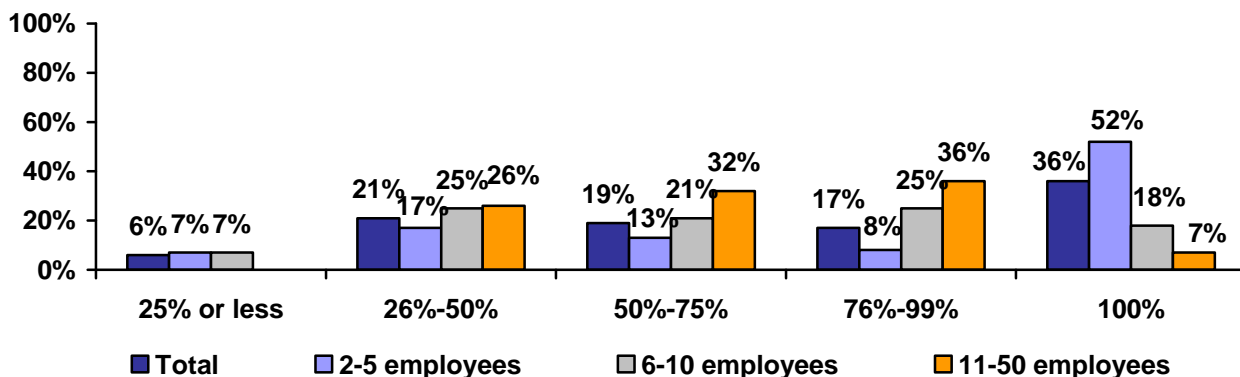


The primary reasons for not offering insurance is cost: two-thirds (67%) of businesses who are not currently offering insurance say they are not offering it because the business cannot afford it, and another eight percent say they do not offer it because their employees cannot afford it.

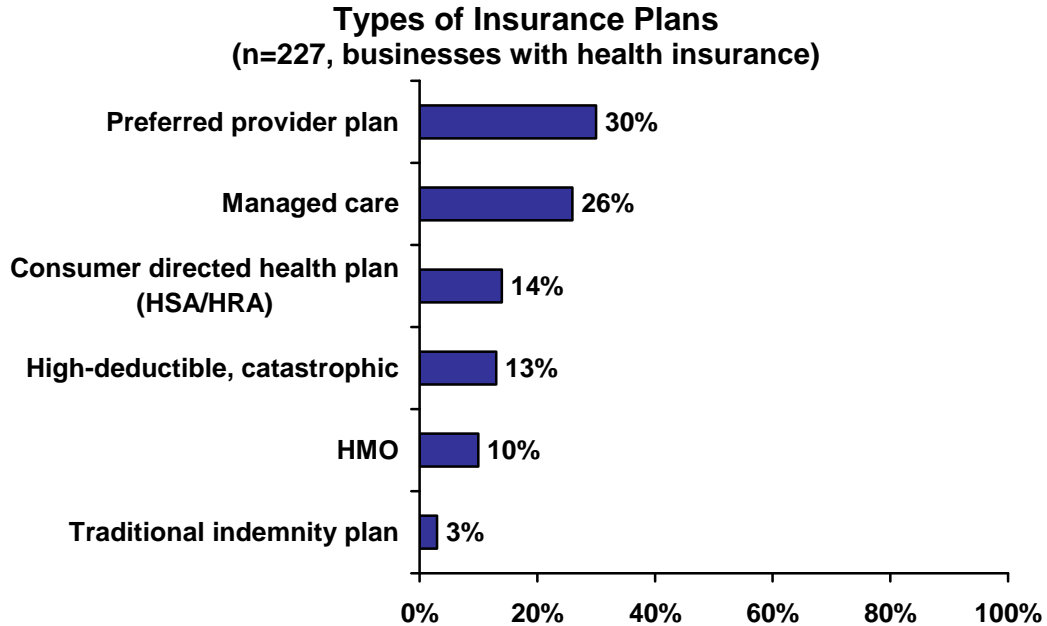
Conversely, most businesses that are providing insurance are paying for a large portion of it for their employees. Of the small businesses surveyed that offer insurance, nine out of ten (89%) pay a portion of the cost for the employees' coverage, with businesses of 11 to 50 employees being most apt to contribute to the coverage costs (97%).

Regardless of size, over half of businesses surveyed that contribute to the cost of the insurance they offer for their employees pay at least 50 percent of the premiums. Interestingly, the smallest of these—those with 2 to 5 employees—are most likely to pay the entire premium costs for their employees.

### Percentage of Premium Costs Paid for by Employer (n=145, businesses paying a portion of premiums)



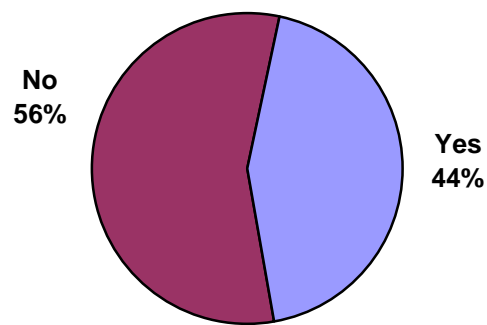
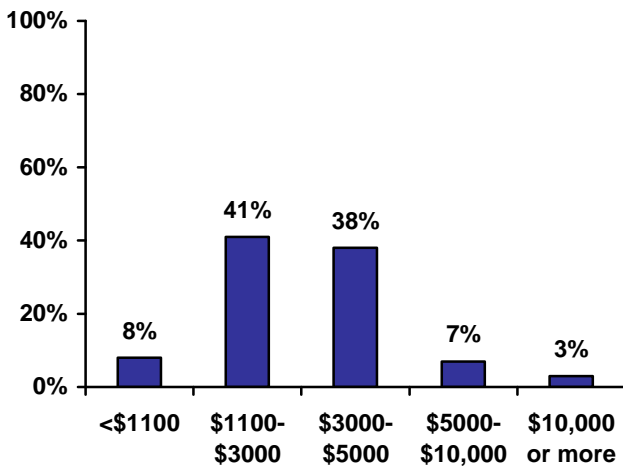
Employees of Vermont’s small businesses are covered by a variety of types of health insurance plans. Most frequently, businesses have preferred provider plans and managed care products that likely provide considerable access to medical care for their employees. However, nearly as many businesses currently have plans—high-deductible and consumer directed health plans—that require employees to pay high deductible amounts before they benefit from coverage.



Among businesses offering high-deductible plans, about half report that the deductibles for their plans are \$3000 or less. In addition, to help offset employees’ medical expenses, more than two out of five businesses with high-deductible plans are contributing a health savings account for their employees.

**Deductible Amounts for High-Deductible Plans**  
(n=61, businesses with high-deductible plans\*)

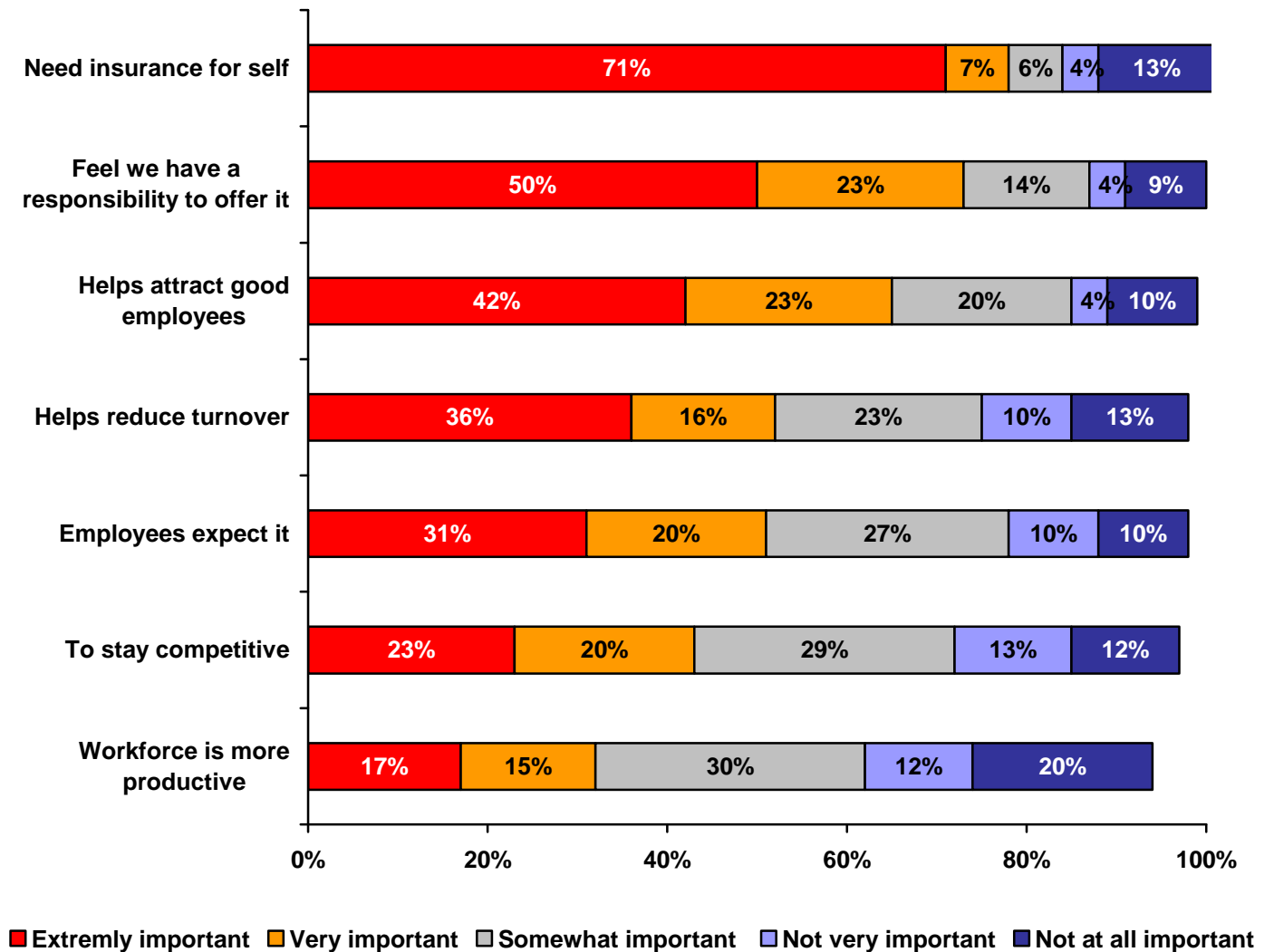
**Whether Businesses with High Deductible Plans Contribute to Medical Savings for Employees**  
(n=61, businesses with high-deductible plans\*)



## Opinions on Health Insurance Access

Small businesses in Vermont offer insurance for their employees for a variety of reasons. However, the reasons given most often are not those relative to the businesses' bottom line. Instead, respondents most often say they either need insurance for themselves, or they offer insurance because they feel they have a responsibility to do so.

**Reasons for Offering Insurance**  
(n=227, businesses with health insurance)

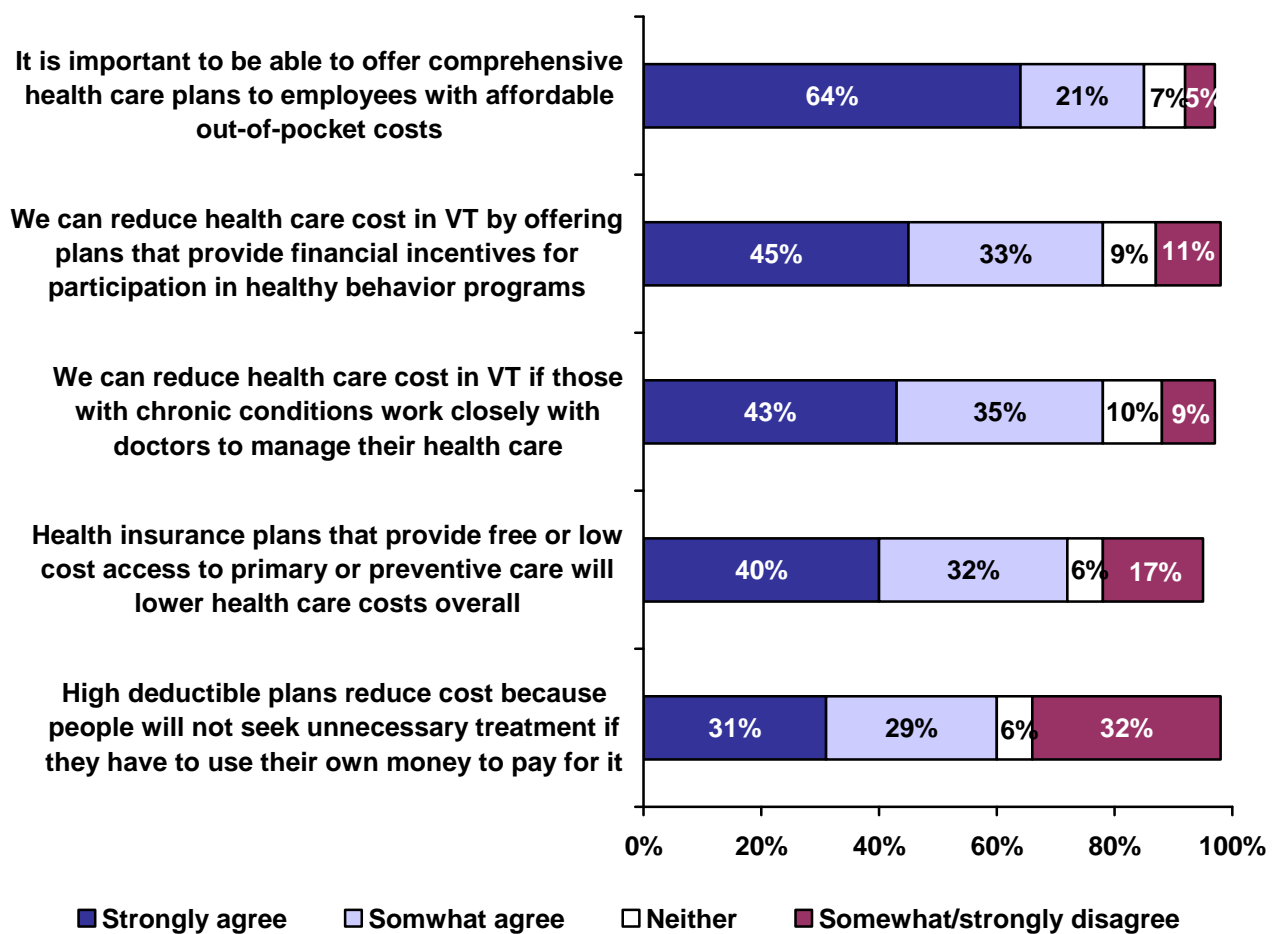


Another indication of small business representatives believing that businesses have a responsibility to provide affordable access to health insurance for employees is that two-thirds of respondents agree that it is important to be able to offer comprehensive health care plans to employees at affordable, out-of-pocket costs.

However, there is also belief among this business community that prevention and financial incentives for participating in healthy behavior programs are important aspects of controlling health care costs. At least three-quarters of respondents agree, strongly or somewhat, that health care costs in Vermont can be reduced by: offering plans that provide financial incentives for participation in healthy behavior programs, having those with chronic conditions work closely with their physicians to manage their health, and offering insurance plans that provide free or low cost access to primary and preventive care.

There is less agreement with the notion that high deductible plans will reduce health care costs because people will not seek unnecessary medical treatment if they have to use their own money to pay for it.

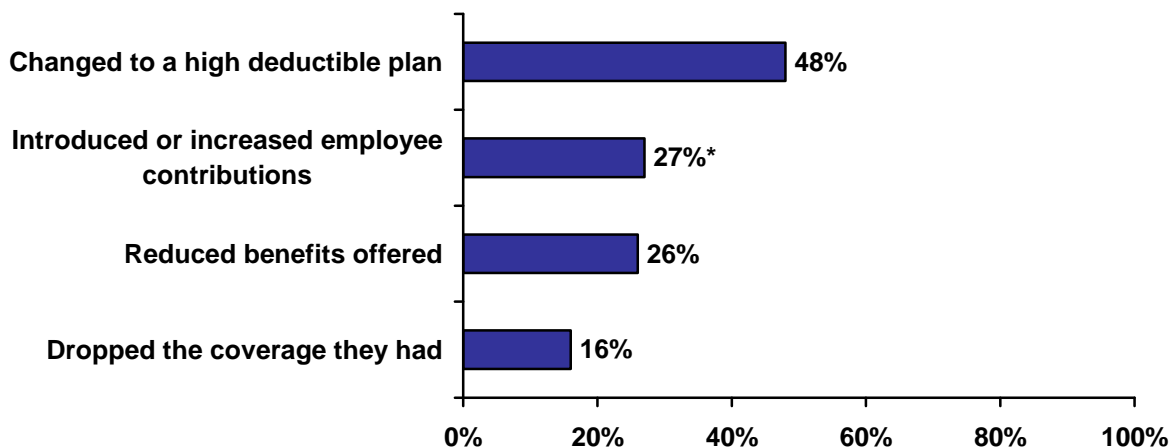
### Agreement with Statements About Access to Health Insurance (N=400)



## Impact of Rising Health Care Costs on Small Businesses

Nearly all (91%) respondents who offer health insurance to their employees and pay a portion of the premiums say these costs have increased over the past three years. Further, many of them have had to take actions as a result of these rising premium costs. Most notably, nearly half of these businesses say they have changed to high-deductible plans. In addition, companies with more than ten employees have increased employee contributions at a far greater rate than smaller companies (48% vs. 21%).

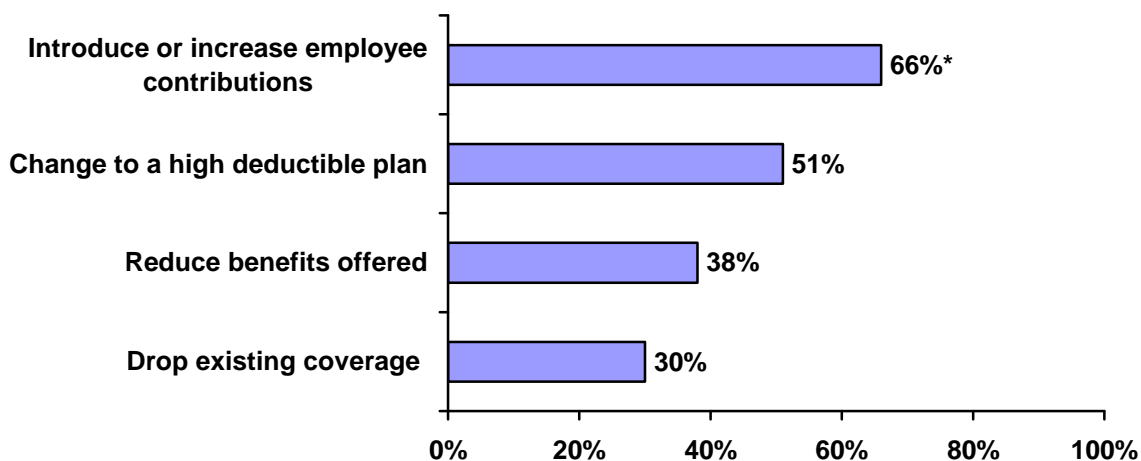
### Actions Taken as a Result of Rising Premium Costs (n=191, businesses reporting premium increases)



\*n=138, self-employed were not asked this item.

Looking ahead to the next few years, with premiums likely to continue rising, many businesses currently offering health insurance say they anticipate having to make changes to their insurance offerings. Here again, about half of respondents note changing to a high-deductible plan as their likely response to projected premium increases. Businesses with 2-5 employees are the most likely to anticipate having to make changes if premiums continue to rise, with 39 percent projecting dropping their coverage and 60 percent projecting a change to a high-deductible plan in response to rising premiums.

### Anticipated Actions as a Result of Rising Premium Costs (n=227, businesses with health insurance)

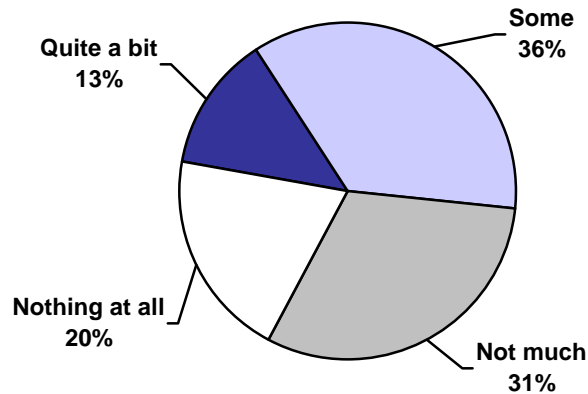


\*n=163, self-employed were not asked this item

## Awareness and Opinions of Catamount Health

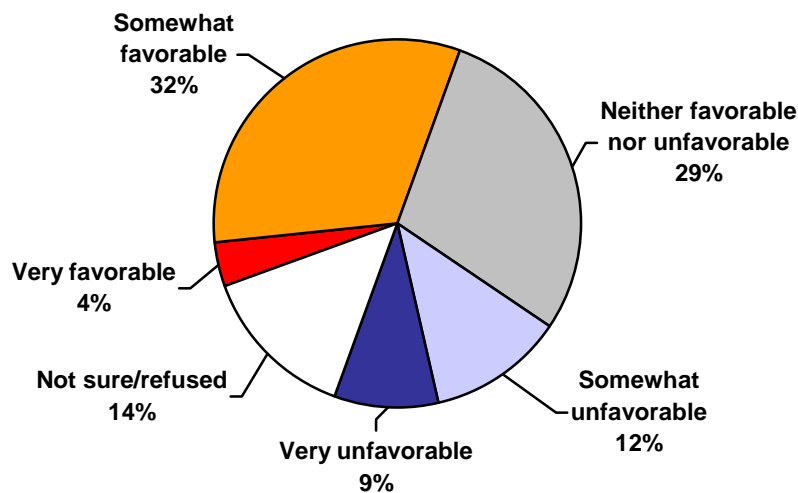
Four out of five respondents say they know something about Catamount Health, if only a small amount, but one in five say they know nothing at all about the program. Self-employed respondents have the least amount of awareness of the program: six out of ten report knowing not much (39%) or nothing at all (21%) about Catamount Health.

**Amount of Respondents' Awareness of Catamount Health  
(N=400)**



There are varied opinions about Catamount Health among respondents who report knowing something about the program. While there are a considerable number with neutral opinions, more have favorable opinions based on what they have seen, read, or heard in the media or from others than have unfavorable ones. Businesses with ten or fewer employees are more likely to have favorable views of the program compared to those with 11 to 50 employees (41% vs. 19%).

**Favorability Ratings of Catamount Health  
(n=320, respondents aware of Catamount)**

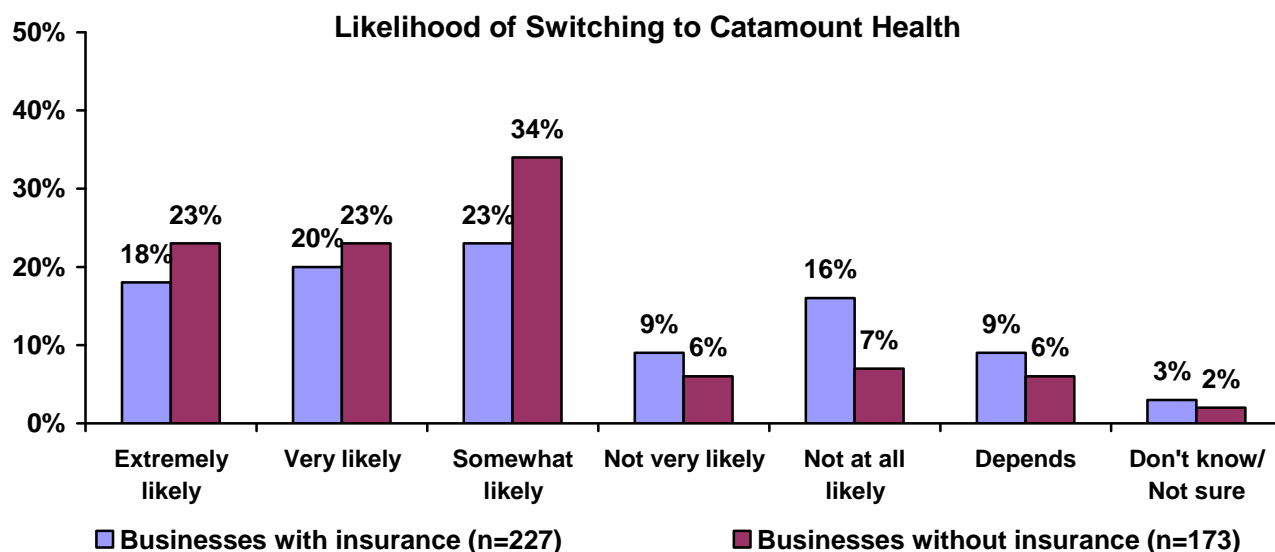


## Likelihood of Enrolling in Catamount

All respondents, regardless of reported awareness of Catamount Health, were read a description of the plan, and then asked a series of questions related to their interest in the plan. The following is the description read to respondents:

*As you may know, Catamount Health is a new health insurance plan that became available on October 1, 2007 for Vermonters who don't have health insurance. This health insurance plan offers a comprehensive set of benefits that includes coverage for prescription drugs, hospital stays and preventive care. Premiums are affordable and available on a sliding scale with limited additional out of pocket costs. Catamount Health is a private insurance product offered by Blue Cross Blue Shield of Vermont and MVP Health Plan.*

After hearing this description, six in ten businesses currently offering coverage said they would be at least somewhat likely to drop their existing health care plan and switch to Catamount Health, if the plan was available and affordable to small businesses. Interest among businesses not currently offering insurance and the uninsured self-employed appears to be even greater: eight in ten say they are at least somewhat likely to enroll if Catamount Health was available and affordable to them.



Businesses with ten or fewer employees that currently offer insurance are more likely to say they are extremely or very likely to switch to Catamount Health compared to larger businesses (47% vs. 16%). However, this pattern does not hold true for businesses without coverage where likelihood of enrolling is the same regardless of the number of employees.

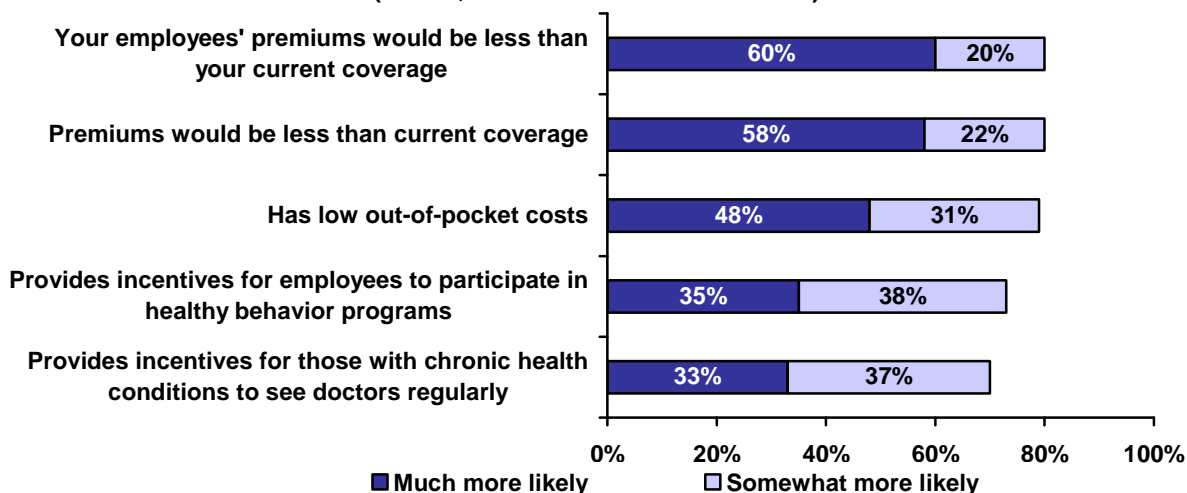
Among the self-employed, two out of five (38%) of those who are currently insured say they would be extremely or very likely to switch to Catamount Health if it was available and affordable to them; and nearly half (46%) of the uninsured self-employed say they would be extremely or very likely to enroll under these conditions.

## Incentives for Enrolling in Catamount Health

Not surprisingly, cost factors rise to the top of conditions that businesses say would make them more likely to switch to Catamount Health. Specifically, six in ten respondents from businesses currently offering insurance say if the premiums for Catamount Health were less than those currently paid by the business and those paid by their employees, they would be much more likely to consider switching to Catamount. Businesses with 2 to 5 employees are particularly likely to find appeal in the promise of these costs savings: 70 percent are much more likely to consider changing to Catamount if their employees' premiums were less, and 68 percent are much more likely to consider the change if the businesses' premium costs would be less under this plan.

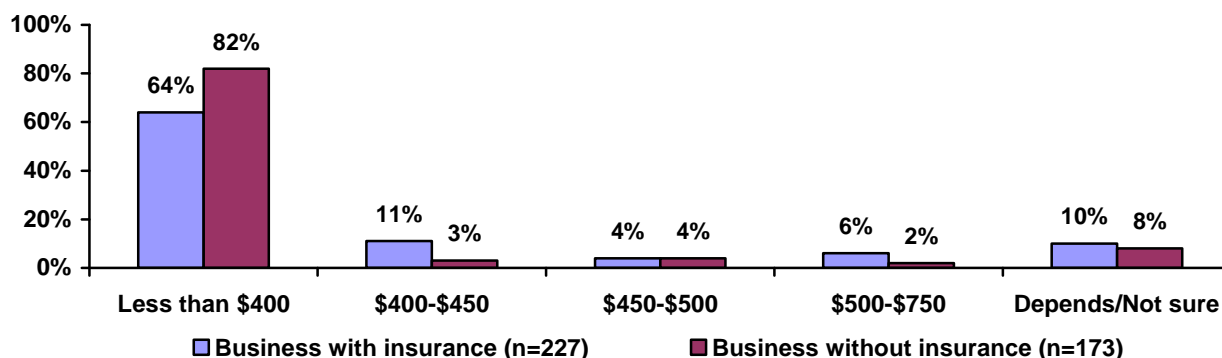
Incentives for improving employee health and thereby lowering overall health care costs appear to be less motivating for businesses. However, seven in ten do indicate that they would be at least somewhat more likely to consider switching to Catamount Health if the plan included incentives for employees to participate in healthy behavior programs and to better manage their chronic health conditions.

**Factors That Would Make Businesses More Likely to Switch to Catamount Health**  
(n=227, businesses with insurance)

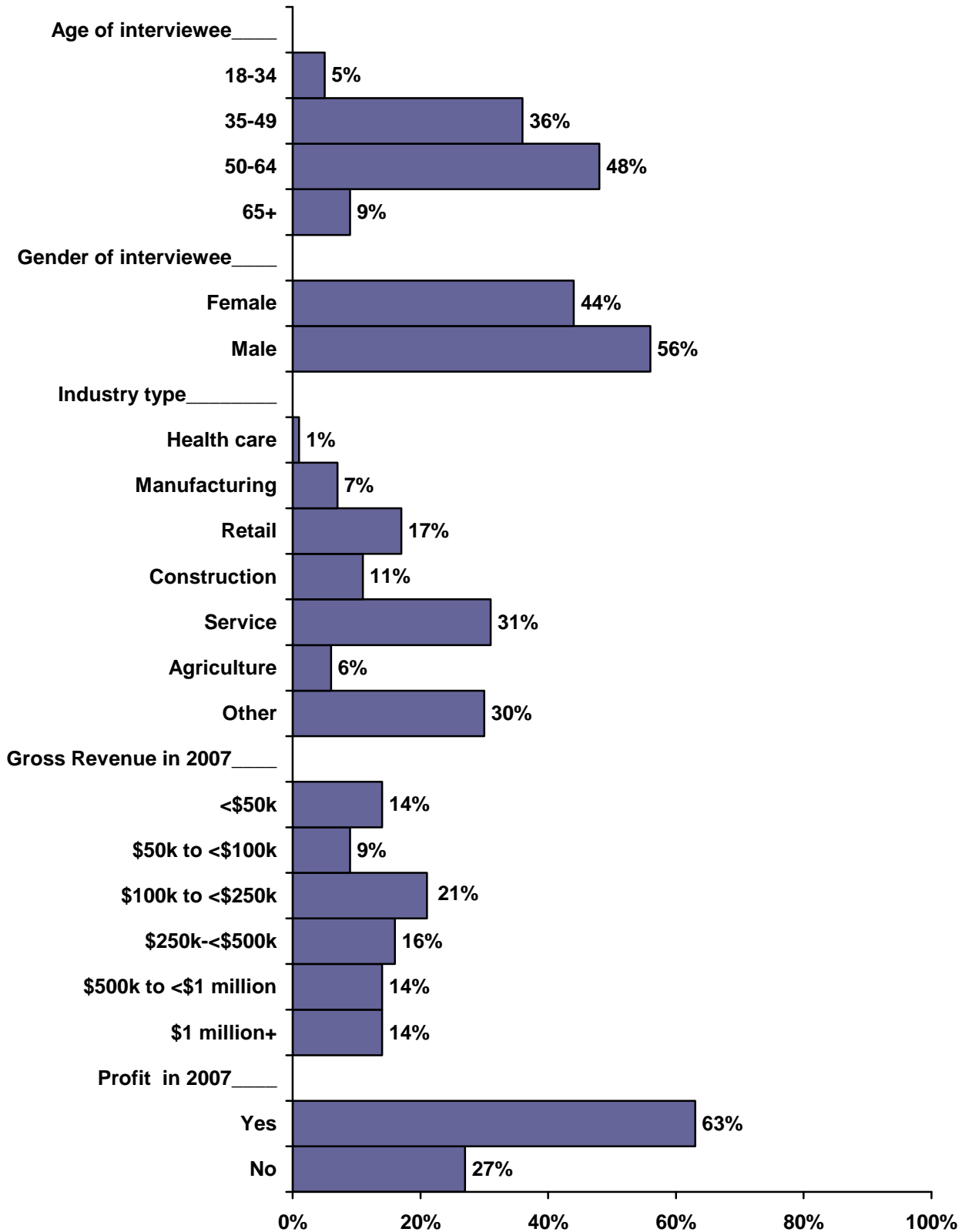


As further evidence of cost being a driving influence in potential enrollment in Catamount Health, respondents from businesses of all sizes, including the self-employed, say that premiums would need to be less than \$400 a month per individual to lead them to consider enrolling in Catamount Health—this is particularly true among businesses and the self-employed without health insurance.

**Premium Cost Ranges Needed for Businesses to Consider Enrolling in Catamount**



## Profile of Responding Vermont Businesses (N=400)



# Methodology

The AARP Business Survey on Health Benefits in Vermont obtained telephone interviews with 400 Vermont Businesses with between 1 and 50 employees drawn at random from the state. Respondents within the company were screened to insure that they were the person who makes the final decision on what health insurance is offered by the company. Self-employed respondents were eliminated from the sample if they had health insurance but did not pay for the insurance by themselves.

The interviews were conducted in English by Woelfel Research, Inc. from March 19 to April 2, 2008. The margin of sampling error for the overall sample is  $\pm 4.9\%$ .

## Sample Design

The sample of Vermont Businesses was drawn at random from the population of Vermont Businesses compiled by Dun & Bradstreet and obtained from Accudata, Inc. A total of 5400 businesses were selected at random from all businesses with 1-50 employees. Government offices were excluded from the sample.

## Questionnaire Development and Testing

The questionnaire was developed by AARP staff. In order to improve the quality of the data, the questionnaire was pretested with a small number of respondents. The pretest interviews were monitored by WRI and AARP staff and conducted using experienced interviewers who could best judge the quality of the answers given and the degree to which respondents understood the questions.

## Contact Procedures

As many as 10 attempts were made to contact every sampled telephone number. Sample was released for interviewing in replicates, which are representative subsamples of the larger sample. Using replicates to control the release of sample ensures that complete call procedures are followed for the entire sample. It also ensures that the geographic distribution of numbers called is appropriate. Calls were staggered over times of day and days of the week to maximize the chance of making contact with potential respondents.

## Response Rate/Cooperation Rate

The response rate for this study was measured using AAPOR's response rate 3 method. The cooperation rate was measured using AAPOR's cooperation rate 3 method. The table below contains these rates.

Response Rate	Cooperation Rate	Refusal Rate
20.0	91.3	6.0

Source: AAPOR Outcome Rate Calculator Version 2.1 May 2003

## Annotated Survey

### AARP Vermont Small Business Health Care Survey

N=400, Sampling Error =±4.9%.

Hi, I'm calling from WRI, a national research company. We are doing a confidential, public opinion survey of Vermont businesses and the self-employed on the challenges they currently face when it comes to health care.

Thank you for taking the time to complete this survey. We appreciate you sharing your opinions with us on an issue as critical as health insurance and how health care is funded. First, we would like to know a little about you and your business.

#### S1. How many full-time employees do you have?

Base: Total Respondents N=400	%
VOLUNTEERED: I am the only person in my business (CONFIRM: Are you self-employed? GO TO Q1)	18
One (CONFIRM: Is this one employee in addition to yourself? IF YES: GO TO S2. IF NO, CONFIRM: Are you self-employed? CODE AS 1. AND GO TO Q1)	9
2-5	43
6 to 10	11
11 to 25	6
26 to 50	3
51 to 100 (Terminate)	-
Over 100 (Terminate)	-
Or, Are you self-employed? GO TO Q1	11
NOT SURE-TERMINATE	-
REFUSED –TERMINATE	-

**S2. Are you the person in your company who makes the final decisions on what health insurance will be offered?** 1. Yes 2. No (May I speak to someone who is in charge of making these decisions)

#### Main Questionnaire

##### 1. Do you offer any health insurance to ANY of your employees?

IF SELF EMPLOYED: **Do you have health insurance for yourself?** (IF NEEDED, WE WANT TO KNOW IF YOU OFFER ANY INSURANCE REGARDLESS OF TYPE OR WHO IS OFFERED COVERAGE)

Base: Total Respondents N=400	%
Yes	57
No (GO TO Q10)	43

**1a. IF SELF-EMPLOYED AND 1= YES: Do you pay for this insurance on your own, or are you covered through your spouse, through a government program such as Medicare, Medicaid, VHAP, Catamount, or Veterans Administration, or some other way?**

Base: Self-employed and offer any health insurance N=64	%
1. On my own	100
2. Some other way (TERMINATE)	-

Now, I would like to ask you a few questions about the health care issues facing businesses like yours and how you view them.

**2. How important do you believe “...insert a-f...” is in terms of your decision to offer health insurance for your employee? (SKIP IF SELF-EMPLOYED)**

On a scale of 1 to 5, where 1 is not at all important and 5 is extremely important, how important do you believe each of the following are in terms of your decision to offer health insurance for your employees. Remember, you can use any number between 1 and 5.

RANDOMIZE THESE ITEMS. RECORD NUMBER 1-5 FOR EACH ITEM. “DON’T KNOW” IS A VALID RESPONSE.

Base: Not self-employed and offer health insurance (N=163)	Extremely Important	Very Important	Somewhat Important	Not Very Important	No At All Important	Don't Know
<b>a. Helps us attract good employees .....</b>	42	23	20	4	10	1
<b>b. Our workforce is more productive .....</b>	17	15	30	12	20	5
<b>Helps reduce turnover .....</b>	36	16	23	10	13	3
<b>c. Feel we have a responsibility to offer it.....</b>	50	23	14	4	9	1
<b>d. Need insurance for yourself .....</b>	71	7	6	4	13	-
<b>e. Employees expect it .....</b>	31	20	27	10	10	2
<b>f. We have to do it to stay competitive.....</b>	23	20	29	13	12	3

**3. Which of the following comes closest to describing the type of health care insurance you offer to your employees? IF SELF-EMPLOYED: Which of the following comes closest to describing the type of health care coverage you have? [IF NEEDED: PLEASE LET ME READ ALL OF THE OPTIONS BEFORE YOU RESPOND IN CASE THERE IS ONE THAT BETTER MATCHES YOUR OFFERING]**

Base: Offer health insurance N=227	%
<b>A Managed Care Product which requires participants to use in network primary care physicians, and referrals are required for out of network care.....</b>	26
<b>A Health Maintenance Organization, or HMO, in which the insurance company has to approve health care services received by participants .....</b>	10
<b>A preferred provider plan or similar plan in which participants may see any doctor they wish without a referral. However, workers pay more to see specialists and doctors who are outside of the plan’s preferred network .....</b>	30
<b>A traditional indemnity plan, also known as a fee-for-service plan .....</b>	3
<b>A high-deductible, catastrophic plan .....</b>	13
<b>A Consumer Directed Health Plan or high deductible plan with a Health Reimbursement Account or Health Savings Account.....</b>	14
<b>Refused .....</b>	5

**3a. If Q3=5 or 6: What is the deductible for this plan?**

Base: Health care insurance has deductible N=61	%
1. <\$1100	8
2. \$1100-\$3000	41
3. \$3000-\$5000	38
4. \$5000-\$10,000	7
5. \$10,000 or more	3
6. NOT SURE (DO NOT READ)	3

**3b. If Q3=5 or 6: Does the business contribute to a fund that can be used by a worker in a high-deductible health plan to help pay for medical expenses?**

Base: Health care insurance has deductible N=61	%
Yes	44
No	56
NOT SURE (DO NOT READ)	-

**4. Do you purchase this insurance through a group, such as the Chamber of Commerce, or other business group or member organization?**

Base: Offer health insurance N=227	%
1. Yes	62
2. No	36
3. NOT SURE (DO NOT READ)	2

**5. (SKIP IF SELF-EMPLOYED) Do you pay a portion of the cost of health insurance for your employees?**

Base: Not self-employed and offer health insurance N=163	%
1. Yes	89
2. No (GO TO Q9)	10
3. NOT SURE (DO NOT READ) (GO TO Q9)	1

**6. (SKIP IF SELF-EMPLOYED) How much of your employees' insurance premium cost do you pay? Would you say you pay...?**

Base: Pay a portion of the cost of health insurance N=145	%
1. 25% or less	6
2. Between 26% and 50%	21
3. Between 51% and 75%	19
4. Between 76% and 99%	17
5. Or, do you pay 100% of the premium cost	36
6. NOT SURE (DO NOT READ)	2

**7. Over the past three years, have the health insurance premiums you pay for your employees (IF SELF-EMPLOYED: yourself) increased, decreased, or stayed about the same?**

Base: Pay a portion of the cost of health insurance N=209	%
1. Increased	91
2. Decreased GO TO Q9	1
3. Stayed about the same GO TO Q9	7
4. NOT SURE (DO NOT READ) GO TO Q9	1

**8. IF Q7=1: Have you had to do any of the following in the past 3 years because of rising premium costs? (RANDOMIZE ITEMS)**

Base: Not self-employed & health insurance premiums increased (N=138)	Yes %	No %	Not Sure %
<b>A... (SKIP IF SELF-EMPLOYED) Introduce or increase employee contributions</b>	27	73	1
Base: Health insurance premiums increased (N=191)	Yes %	No %	Not Sure %
<b>B. Reduce the benefits that are offered through the plan</b>	26	74	1
<b>C. Drop the coverage you had</b>	16	83	1
<b>D. Change to a high-deductible plan</b>	48	52	-

**9. Health care premiums are expected to rise for most businesses in the foreseeable future. Looking ahead to the next few years, if your premiums rise as projected, do you anticipate having to take any of the following actions? (RANDOMIZE ITEMS)**

Base: Not self-employed and offer health insurance (N=163)	Yes %	No %	Not Sure %	Refused %
<b>A. (SKIP IF SELF-EMPLOYED) Introduce or increase employee contributions</b>	66	33	1	1
Base: Offer health insurance (N=227)	Yes %	No %	Not Sure %	Refused %
<b>B. Reduce the benefits that are offered through the plan</b>	38	56	6	-
<b>C. Drop the coverage you had</b>	30	62	8	-
<b>D. Change to a high-deductible plan</b>	51	43	6	-

**10. IF Q1=NO: What is the primary reason you do not (IF SELF EMPLOYED: have insurance) offer health insurance to your employees? DO NOT READ: CODE FROM LIST AND RECORD ANY OTHERS**

Base: Do not offer any health insurance N=173	%
The business cannot afford it	67
Employees cannot afford it	8
Our company's revenues are too uncertain to commit to offering a plan	1
We do not really need to offer it in order to attract good employees	1
Our competitors do not offer it either	-
It is too complicated to set up	1
It is too complicated to administer	-
Too few of our employees want it	1
Our employees would rather have higher wages so they can pay for insurance on their own	2
I believe it is the responsibility of government to provide health insurance to individuals.	-
Other	31
Don't know	1

**11. Please tell me how much you agree or disagree with the following statement: *Do you....***

(N=400) (randomize and read each statement then ask:)	Strongly agree %	Somewhat agree %	Neither %	Somewhat disagree %	Strongly disagree %	Not sure %	Refused
<b>a. I feel it is important to be able to offer a comprehensive health care plan to my employees that has affordable out-of-pocket costs. ....</b>	64	21	7	2	3	2	2
<b>b. High deductible plans reduce health care costs because people will not seek unnecessary medical treatment if they have to use their own money to pay for it. ....</b>	31	29	6	15	17	2	<0.5
<b>c. Health insurance plans that provide free or low cost access to primary and preventive care will lower health care costs overall. ....</b>	40	32	6	10	7	5	<0.5
<b>d. We can reduce health care costs in Vermont by offering health insurance plans that provide people with financial incentives for participating in programs that promote healthy behaviors. ....</b>	45	33	9	5	6	2	-
<b>e. We can reduce health care costs in Vermont if those with chronic health conditions work closely with their doctor to manage their health care. ....</b>	43	35	10	5	4	4	-

**12. How much would you say you know about Vermont’s Catamount Health Plan? Would you say you know...?**

Base: Total Respondents N=400	%
Quite a bit	13
Some	36
Not much	31
Nothing at all	20
NOT SURE (DO NOT READ)	-

**13. Based on what you may have seen, read, or heard in the media or from others, how do you rate Catamount Health?**

Base: Know about Vermont’s Catamount Health Plan N=320	%
Very favorable	4
Somewhat favorable	32
Neither favorable nor unfavorable	29
Somewhat unfavorable	12
Very unfavorable	9
NOT SURE (DO NOT READ)	13
Refused	1

*Next, I'm going to read a description of Catamount Health and ask you a few questions.*

As you may know, Catamount Health is a new health insurance plan that became available on October 1, 2007 for Vermonters who don't have health insurance. This health insurance plan offers a comprehensive set of benefits that includes coverage for prescription drugs, hospital stays and preventive care. Premiums are affordable and available on a sliding scale with limited additional out of pocket costs. Catamount Health is a private insurance product offered by Blue Cross Blue Shield of Vermont and MVP Health Plan.

**14. IF Q1=YES: Knowing this, if Catamount Health was available and affordable to small businesses, how likely would you be to drop your existing health care plan and switch to Catamount instead?**

Base: Offer health insurance N=227	%
1. Extremely likely	18
2. Very likely	20
3. Somewhat likely	23
4. Not very likely	9
5. Not at all likely	16
6. DEPENDS (DO NOT READ)	9
7. DON'T KNOW(DO NOT READ)	2
8. Refused	1

**15. IF Q1=YES: Now, I am going to read you some factors to consider regarding Catamount Health. As I read each one, please tell me if this factor was true, would it make you much more likely, somewhat more likely, or not more likely to consider switching from your current coverage to Catamount Health. (RANDOMIZE ITEMS)**

Base A, C, D, E: Offer health insurance (N=227) *Base B: Not self-employed and offer health insurance (N=163)	Much more likely %	Somewhat more likely %	Not more likely %	Not sure %	Depends %
<b>a. Your premiums would be less than your current coverage.....</b>	58	22	12	3	4
<b>b. *(SKIP IF SELF EMPLOYED) Your employees' premiums would be less than your current coverage.....</b>	60	20	14	3	3
<b>c..It provides financial incentives for employees (IF SELF-EMPLOYED: you) to participate in healthy behavior programs.....</b>	35	38	22	3	1
<b>d. It provides financial incentives for those with chronic health conditions to see their doctors regularly and follow their guidelines for care.....</b>	33	37	23	4	2
<b>e. It has low out-of-pocket costs such as co-pays and deductibles.....</b>	48	31	14	2	4

**16. IF Q1=YES: In what range would the cost of premiums need to be to get you to consider switching to Catamount Health?**

Base: Offer health insurance N=227	%
1. Less than \$400 per month per individual	64
2. Between \$400 and \$450	11
3. Between \$450 and \$500	4
4. Between \$500 and \$550	3
5. Between \$550 and \$600	<0.5
6. Between \$600 and \$750	2
7. DEPENDS (DO NOT READ)	4
8. NOT SURE (DO NOT READ)	6

**17. IF Q1=NO: Knowing this, if Catamount Health was available and affordable to small businesses and the self-employed, how likely would you be to enroll in Catamount Health?**

Base: Do not offer any health insurance N=173	%
1. Extremely likely	23
2. Very likely	23
3. Somewhat likely	34
4. Not very likely	6
5. Not at all likely	7
6. DEPENDS (DO NOT READ)	6
7. NOT SURE (DO NOT READ)	2

**18. IF Q1=NO: In what range would the cost of premiums need to be to make premiums affordable for you?**

Base: Do not offer any health insurance N=173	%
1. Less than \$400 per month per individual	82
2. Between \$400 and \$450	3
3. Between \$450 and \$500	4
4. Between \$500 and \$550	1
5. Between \$550 and \$600	1
6. Between \$600 and \$750	-
7. DEPENDS (DO NOT READ)	2
8. NOT SURE (DO NOT READ)	6

**We are nearly done with the survey. I have just a few more questions about your business.**

**D1. Can you please tell me into which of the following categories your business fits best?**

Base: Total Respondents N=400	%
1. Retail	17
2. Service	31
3. Computer technology or internet-based business	3
4. Manufacturer	7
5. Wholesale	2
6. Health care	1
7. Real estate	2
8. Construction	11
9. Agriculture	6
10. Creative or technical services	3
11. Financial, legal, consulting or other professional services	5
12. Other	15

**D2. GENDER-ASCERTAIN GENDER FROM CONVERSATION AND RECORD. ASK RESPONDENT IF UNSURE**

Base: Total Respondents N=400	%
1. Female	44
2. Male	56

**D3. What is your age as of your last birthday? RECORD: \_\_\_\_\_**

Base: Total Respondents N=400	%
18-34	5
35-49	36
50-64	48
65+	9
Refused	3

**D4. What was the gross revenue of your company in 2007?**

Base: Total Respondents N=400	%
1. Less than \$50,000	14
2. \$50,000 to less than \$100,000	9
3. \$100,000 to less than \$250,000	21
4. \$250,000 to less than \$500,000	16
5. \$500,000 to less than \$750,000	8
6. \$750,000 to less than \$1 million	6
7. 1 million to less than 2 million	7
8. 2 million to less than 5 million	5
9. 5 million or more	2
10. NOT SURE (DO NOT READ)	5
11. REFUSED(DO NOT READ)	8

**D5. Did your business generate a net profit in 2007?**

Base: Total Respondents N=400		%
1.	Yes	63
2.	No	27
3.	NOT SURE(DO NOT READ)	7
4.	PREFER NOT TO SAY(DO NOT READ)	3

**D6. What county is your business located in? (CODE FROM LIST)**

Base: Total Respondents N=400		%
1.	Addison	5
2.	Bennington	6
3.	Caledonia	6
4.	Chittenden	19
5.	Essex	1
6.	Franklin	6
7.	Grand Isle	1
8.	Lamoille	5
9.	Orange	4
10.	Orleans	4
11.	Rutland	9
12.	Washington	12
13.	Windham	10
14.	Windsor	12
15.	Other	1
16.	Don't know	1
17.	Refused	1

**Thank you for your cooperation.**



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