Report to Congress

Annual Report on Self-Insured Group Health Plans

Thomas E. Perez
Secretary of Labor

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Table of Contents

Annual Report to Congress on Self-Insured Group Health Plans

Executive Summary

The Patient Protection and Affordable Care Act (the "Affordable Care Act") (P. L. 111-148) requires the Secretary of Labor to provide Congress with an annual report containing general information on self-insured employee health benefit plans and financial information regarding employers that sponsor such plans. The report must use data from the Annual Return/Report of Employee Benefit Plan (the "Form 5500") which many self-insured health plans are required to file annually with the Department of Labor (the "Department"). The first report was provided to Congress in March 2011.[1]

Along with this fifth annual *Report*, the Department is submitting two detailed appendices produced under contract. Appendix A, *Group Health Plans Report: Abstract of 2012 Form 5500 Annual Reports Reflecting Statistical Year Filings*, provides detailed statistics describing group health plans that file a Form 5500.[2] Appendix B, *Self-Insured Health Benefit Plans 2015: Based on Filings through Statistical Year 2012*, presents a study that explores statistical issues associated with Form 5500 health plan data and analyzes available data on the financial status of employers that sponsor group health plans filing the Form 5500.[3]

Prior to this year's report, the two appendices calculated the number of plans and participants somewhat differently. Appendix A did not include terminating trusts or plans and while they used end of year (EOY) participant counts, if those counts were missing the participants were assumed to be zero. Appendix B excluded terminating plans and trusts as well as plans with zero participants and used beginning of year (BOY) participant counts rather than end of year (EOY) counts. Beginning with this year, the methods for defining the plan universe and counting both participants and plans have been standardized so that appendices are consistent with each other. However, this change means that one cannot identify trends over time by comparing this year's Report to previous Reports to Congress.[4]

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[1] Available at *http://www.dol.gov/ebsa/pdf/ACAReportToCongress032811.pdf.* The 2012, 2013 and 2014 Reports are also available online, though it should be noted that changes were made in 2013 to the algorithm used to estimate funding mechanisms making that report not comparable to previous reports. Similarly, this report made changes in its methodology to standardize how the two appendices counted plans and participants and so this report is not comparable to previous reports.

[2] This work was conducted for the Department by the Actuarial Research Corporation (ARC) under task order number DOLB139334599.

[3] This work was conducted for the Department by Advanced Analytical Consulting Group (AACG) under task order number DOLJ139335145.

[4] The following criteria have been adopted for all Form 5500 data included in the analysis for the Self-Insured Report to Congress:

1. Test filings, DFEs and duplicate filings will be removed from the raw dataset prior to analysis.

The Form 5500 data show that approximately 50,200 health plans filed a Form 5500 for 2012, an increase of 1 percent from the health plans that filed a Form 5500 for 2011.[5] Of health plans filing a 2012 Form 5500, about 20,600 were self-insured and approximately 4,000 mixed self-insurance with insurance ("mixed-insured"). Self-insured plans that filed a Form 5500 covered approximately 32 million participants in 2012 and held assets totaling about $73 billion. In 2012 there were nearly 26 million participants covered by mixed-insured group health plans; these mixed-insured group health plans held almost

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2. Voluntary filers will be excluded from the analysis. Specifically, filers with less than 100 BOY participants and no assets held are dropped from the universe, including those that file a Schedule I or H but with the following fields equal to zero or left blank:
    a. Beginning/End of Year Assets
    b. Income
    c. Expenses
    d. Beginning/End of Year liabilities
3. With regard to single-participant plans (and other Form 5500-SF filers fewer than 100 BOY participants):
    a. In the case where we receive a Form 5500-SF showing financial information, we would assume this is an appropriate filing and that the plan must be self-insured.
    b. In the case where we receive a Form 5500-SF with all financial fields zero or blank, we would assume that this filing is voluntary and would remove it.
4. Terminating plans that file 0 EOY Participants will be included
5. Terminating trusts will be included
6. For plans with missing EOY participants that are non-terminating, BOY participants will serve as a proxy for total EOY and Active Participants

[5] The following welfare plans are not required to file a Form 5500:

- Welfare plans with fewer than 100 participants as of the beginning of the plan year ("small" plans) that are unfunded, fully-insured, or a combination of insured and unfunded;
- Welfare plans maintained outside the U. S. that serve mostly nonresident aliens;
- Governmental plans;
- Unfunded or insured welfare plans maintained for a select group of management or highly compensated employees only;
- Plans maintained only to comply with workers' compensation, unemployment compensation, or disability insurance laws;
- Welfare benefit plans that participate in a group insurance arrangement that files a Form 5500 on behalf of the plan;
- Apprenticeship or training plans meeting certain conditions;
- Certain unfunded welfare benefit plans financed by dues;
- Church plans;
- Welfare benefit plans maintained solely for only the owner and/or spouse who wholly own a trade or business or the partners and/or spouses of partners in a partnership.

A small plan that receives employee (or former employee) contributions during the plan year and does not use the contributions to pay insurance premiums or uses a trust or separately maintained fund to hold plan assets or act as a conduit for the transfer of plan assets during the year is required to file; except that, a small plan with employee contributions that are used to pay benefits instead of insurance premiums which is associated with a cafeteria plan under Internal Revenue Code section 125 may be treated for annual reporting purposes as an unfunded welfare plan if it meets certain Department requirements. *See* 29 C.F.R. 2520.104-1 et seq.

$132 billion in assets. The table below summarizes aggregate statistics for self-insured and mixed-insured health plans filing a Form 5500 for 2011 and for 2012.[6]

Group Health Plans Filing Form 5500 for 2011-2012,
Reflecting Statistical Year Filings

	2011		2012	
	Self-Insured Plans	Mixed-Insured Plans	Self-Insured Plans	Mixed-Insured Plans
All Plans	20,300	4,000	20,600	4,000
Participants	31 million	26 million	32 million	26 million
Active Participants	27 million	21 million	29 million	22 million
Large plans not holding assets in trusts	15,000	2,400	15,400	2,400
Participants	18 million	14 million	20 million	15 million
Active Participants	17 million	13 million	18 million	13 million
Plans holding assets in trust	5,300	1,600	5,100	1,600
Participants	13 million	12 million	13 million	11 million
Active Participants	10 million	9 million	10 million	8 million
Assets	$64 billion	$124 billion	$73 billion	$132 billion
Contributions	$52 billion	$83 billion	$56 billion	$84 billion
Benefits	$49 billion	$87 billion	$53 billion	$86 billion

SOURCE: 2011 and 2012 Form 5500 filings. Totals may not equal the sum of the components due to rounding.
NOTE: Participant counts are End of Year (EOY) totals.

Sponsors of self-insured plans generally bear the risk associated with paying their plans' covered health expenses. In contrast, sponsors of fully-insured plans generally pay premiums to insurers and transfer all such risk to them. Some sponsors retain the risk for a subset of the benefits, but transfer the risk for the remaining benefits to health insurers – that is, they finance their plans' benefits using a mixture of self-insurance and insurance. Self-insurance is more common among larger sponsors, mainly because the health expenses of larger groups are more predictable and therefore larger sponsors face less risk.

Self-insured and fully-insured plans are governed by somewhat different rules. State laws that govern group health insurance generally do not apply to self-insured plans. Likewise, some Affordable Care Act provisions apply to group health insurance but not to self-insured plans.

Generally, health benefit plans covering private-sector employees must file a Form 5500 if they cover 100 or more participants or hold assets in trust.[7] This report presents data

[6] The 2011 numbers in the above table were calculated using the 2012 standardized methodology and so do not match the summary numbers reported in the 2014 Report to Congress.

on such plans for 2012, the latest year for which complete data are available. Smaller private-sector plans that pay benefits directly from the general assets of the employer or employee organization that sponsors the plan or are fully insured and do not use a trust and government or church plans are not required to file a Form 5500. Therefore, data for such plans are not available for this report and are not included in the statistics provided in this report. In addition, self-insured plans are required to file financial information only with respect to assets they hold in trust. Thus, the aggregate financial statistics reported above are understated insofar as they do not include amounts associated with benefits paid directly from plan sponsors' general assets.

Health benefits may be reported together with certain other benefits, such as disability or life insurance benefits, on a single Form 5500. This makes it difficult to distinguish how the different benefits are financed. As a result, the estimates presented here are subject to substantial uncertainty.

The Form 5500 does not collect data on plan sponsors' finances. However, financial data are available from other sources for the subset of sponsoring employers that issue publicly traded equity or debt. The financial strength of these plan sponsors varies considerably. Similar variation is found among employers whose Form 5500 indicates that they sponsor self-insured plans, among those sponsoring plans that mix self-insurance with insurance, and among those sponsoring fully-insured plans.

[7] Beginning with 2009 plan year filings made on or after January 1, 2010, certain small plans have been able to file the Form 5500-SF.

Introduction

Section 1253 of the Patient Protection and Affordable Care Act (the "Affordable Care Act") (P. L. 111-148) requires the Secretary of Labor to prepare an aggregate annual report that includes certain general information on self-insured group health plans using data collected from the Annual Return/Report of Employee Benefit Plan (the "Form 5500"), as well as certain data from financial filings of self-insured employers.

Sponsors of self-insured plans generally bear the risk associated with paying their plans' covered health expenses. In contrast, sponsors of fully-insured plans generally pay premiums to insurers and transfer all such risk to them. Some sponsors retain the risk for a subset of benefits, but transfer the risk for the remaining benefits to health insurers – that is, they finance their plans' benefits using a mixture of self-insurance and insurance. The March 2011 Report discusses certain key, qualitative differences between self-insured plans, fully-insured plans, and plans that combine self-insurance with insurance.[8]

Section I of this report presents aggregate statistics describing self-insured plans that file a Form 5500 – generally, private-sector employee health plans that cover 100 or more participants or hold assets in trust. Section II presents certain available financial information on employers that sponsor such plans. Section III is the conclusion.

Along with this *Report*, the Department of Labor (the "Department") is submitting two detailed appendices produced under contract. Appendix A, *Group Health Plans Report: Abstract of 2012 Form 5500 Annual Reports Reflecting Statistical Year Filings*, provides detailed statistics describing group health plans that file a Form 5500.[9] Appendix B, *Self-Insured Health Benefit Plans 2015: Based on Filings through Statistical Year 2012*, presents a study that explores statistical issues associated with Form 5500 health plan data and analyzes available data on the financial status of employers that sponsor group health plans filing the Form 5500.[10]

[8] March 2011 Report, Section III. *What is a Self-Insured Group Health Plan?*

[9] This work was conducted for the Department by the Actuarial Research Corporation (ARC) under task order number DOLB139334599. EBSA defines a "statistical year" Form 5500 filing population as all Form 5500 employee benefit plan filings with a plan year ***ending*** date between January 1 and December 31 of a given year.

[10] This work was conducted for the Department by Advanced Analytical Consulting Group (AACG) under task order number DOLJ139335145

Section I. Required Form 5500 Self-Insured and Mixed-Insured Group Health Plans Data

Section 1253 of the Affordable Care Act (codified 42 U.S.C. 18013) requires the Department to submit information on several data items from the Form 5500:

a) "general information on self-insured group health plans (including plan type, number of participants, benefits offered, funding arrangements, and benefit arrangements)" and

b) "data from the financial filings of self-insured employers (including information on assets, liabilities, contributions, investments, and expenses)."

The Form 5500 data presented below in response to these requirements should be interpreted with care for several reasons:[11]

- The Department has information for these data items only for those plans that are required to file a Form 5500. Generally, health benefit plans covering private-sector employees must file a Form 5500 only if they cover 100 or more participants or hold assets in trust. Smaller private-sector plans that do not hold assets in trust and governmental or church plans are not required to file a Form 5500. Therefore, data for such plans are not available in the Form 5500 data and are not included in the statistics provided in this report.

- Self-insured plans generally are required to file financial information only with respect to assets they hold in trust. Thus, the aggregate financial statistics provided in this report are understated insofar as they do not include amounts associated with health benefits paid directly from the plan sponsors' general assets.

- In cases where a single plan provides several different types of welfare benefits, health benefits provided under the plan may be reported together with certain other welfare benefits, such as disability or life insurance benefits, on a single Form 5500. This can make it difficult to distinguish how the different benefits are financed and if the plan is self-insured or fully-insured. [12] As a result, the estimates presented here are subject to substantial uncertainty.

[11] See Section "The Definition of Self-Insurance" in Appendix B for a detailed description of the Department's method for estimating whether health plans are self-insured, fully-insured, or mixed-insured based on the Form 5500 data.

[12] See report, *Strengths and Limitations of Form 5500 Filings for Determining the Funding Mechanism of Employer-Provided Group Health Plans* at http://www.dol.gov/ebsa/pdf/deloitte2012-5.pdf for a discussion of the sensitivity of plans' funding categorizations. This work was conducted for the Department by Deloitte Financial Advisory Services LLP under task order number DOLB109330993.

Form 5500 Group Health Plans Summary Information, 2012
Reflecting Statistical Year Filings

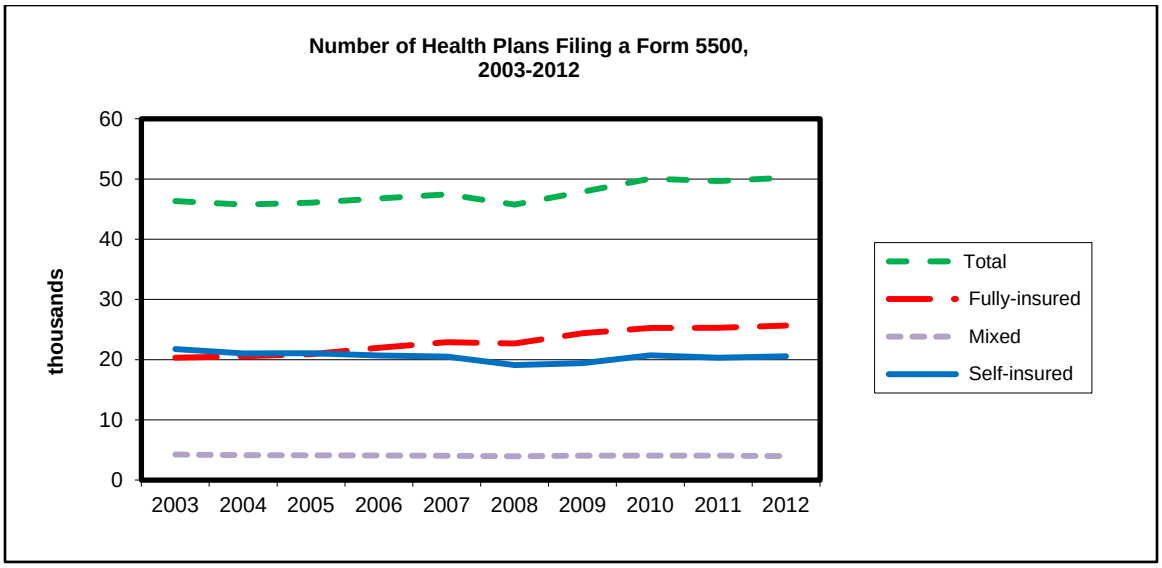
	All Plans	Self-Insured Plans	Mixed-Insured Plans	Fully-Insured Plans
All Plans	50,200	20,600	4,000	25,700
Participants	70 million	32 million	26 million	12 million
Active Participants	61 million	29 million	22 million	11 million
Large plans not holding assets in trusts	43,500	15,400	2,400	25,600
Participants	46 million	20 million	15 million	12 million
Active Participants	43 million	18 million	13 million	11 million
Plans holding assets in trust	6,800	5,100	1,600	100
Participants	24 million	13 million	11 million	9,000
Active Participants	19 million	10 million	8 million	9,000
Assets	$205 billion	$73 billion	$132 billion	$50 million
Contributions	$140 billion	$56 billion	$84 billion	$23 million
Benefits	$139 billion	$53 billion	$86 billion	NA

SOURCE: 2012 Form 5500 filings. Totals may not equal the sum of the components due to rounding.
Note: By definition, plans classified as fully-insured do not report benefit payments unless they file the Form 5500-SF, have 100 or more participants as of the beginning of the plan year, do not operate a trust, and report payment of premiums, hence the designation of "NA".

Plan Type

- Approximately 19,400 of the self-insured group health plans filing a 2012 Form 5500 were sponsored by a single employer; 1,100 plans were multiemployer plans. 3,300 of the mixed-insured group health plans filing a 2012 Form 5500 were sponsored by a single employer; approximately 600 plans were multiemployer plans. See Appendix A Table A2.

- On average, about 48,000 group health plans filed a Form 5500 in the years 2003-2012. While the number of health plans filing a Form 5500 has increased over this period, the fraction of group health plans that are self-insured or mixed-insured has declined slightly from 56 percent in 2003 to 49 percent in 2012. See Appendix B Table 2 and Table 7.



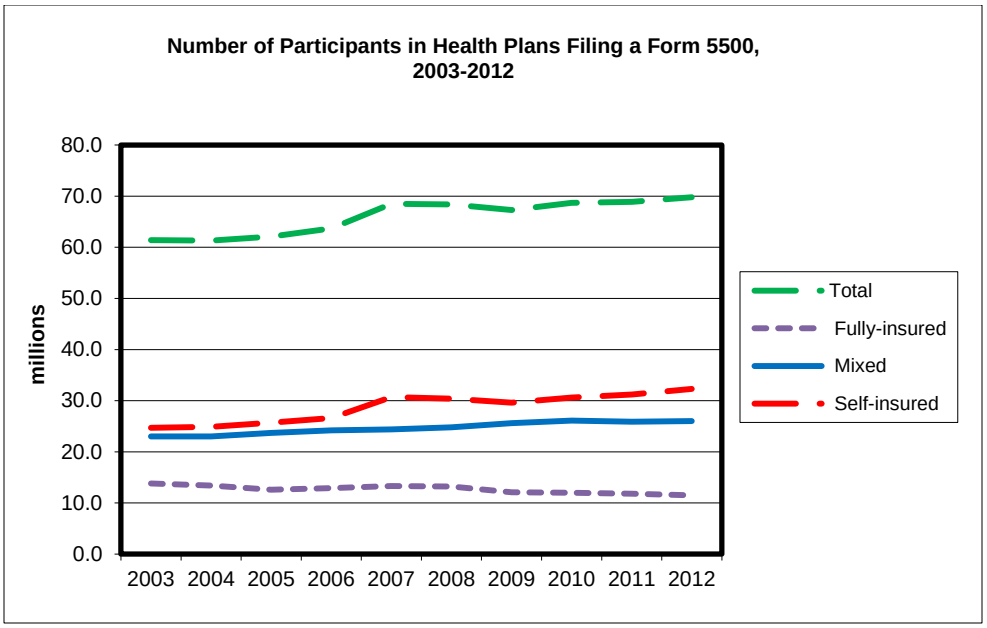
SOURCE: Appendix B.

Number of Participants

- Overall, the 20,600 self-insured group health plans filing a 2012 Form 5500 covered approximately 32 million participants, 29 million of whom were active participants. The 4,000 mixed-insured group health plans filing a 2012 Form 5500 covered approximately 26 million participants, 22 million of whom were active participants. See Appendix A Table A1.

- In general, plans covering a larger number of participants are more likely to be self-insured than plans with fewer participants. While 51 percent of plans are fully-insured, only 17 percent of participants are covered by these plans. See Appendix B Table 7.

- Between the years 2003 and 2012, an average of 48,000 group health plans, covering an average of 66 million participants, filed a Form 5500 annually. Although the fraction of group health plans that are self-insured or mixed-insured has declined slightly from 2003 to 2012, the number of plan participants covered by self-insured or mixed-insured plans has increased over this period. See Appendix B Table 2, Table 7, and Table 8.



SOURCE: Appendix B.

New Plans

- Of the *new* health plans filing a 2012 Form 5500 approximately 30 percent were self-insured group health plans, 3 percent were mixed-insured, and 67 percent were fully-insured (See Appendix B Table 10). *New* health plans are defined here as health plans that checked the "first return/report filed for the plan" box on their Form 5500 filing. Some of these plans may have been in existence in previous years, but were not required to file because of funding arrangement or size.[13]

- 40 percent of the participants in *new* health plans filing a 2012 Form 5500 were covered under a self-insured group health plan, while 26 percent were in a mixed-insured plan, and 34 percent were covered by a fully-insured plan. See Appendix B Table 10.

Benefits Offered

- Of the 20,600 self-insured group health plans in 2012, 4,800 offered only health benefits and approximately 15,800 offered other benefits in addition to health benefits.[14] Of the 4,000 mixed-insured group health plans, approximately 200

[13] Beginning with the 2013 Self-Insured Report to Congress, plans were identified as "new" if they checked the "first return/report filed for the plan" box on their Form 5500. Prior to this, plans were identified as "new" if they could not be matched to a plan filing in a prior year, going back to 2001. As such, the number of "new" plans in 2015 is comparable to 2013 and 2014 but not prior years.

[14] Note that a health-only plan does not imply that the employer only offers health benefits. For example, the employer could simultaneously offer a separate dental plan for which a separate Form 5500 filing exists. This report does not include information on welfare plans that do not provide health benefits.

offered only health benefits and about 3,700 offered other benefits in addition to health benefits. See Appendix A Table A1.

Funding and Benefit Arrangements[15]

- With respect to funding arrangements, of the 20,600 self-insured group health plans that filed, slightly more than 1,800 indicated a funding arrangement of a trust only, approximately 5,400 indicated a funding arrangement of general assets of the sponsor only, and nearly 9,500 indicated a funding arrangement of general assets of the sponsor combined with insurance. The remaining 3,800 filers indicated some other combination of funding arrangements or did not report any arrangement. Of the 4,000 mixed-insured group health plans, more than 500 indicated a funding arrangement of a trust only, about 700 indicated a funding arrangement of trust with insurance, and about 2,300 indicated a funding arrangement of general assets of the sponsor combined with insurance. The remaining filers indicated some other combination of funding arrangements or did not report any arrangement. See Appendix A Table A7.

- With respect to benefit arrangements, of the 20,600 self-insured group health plans that filed, about 1,200 indicated a benefit arrangement of a trust only, 2,300 indicated a benefit arrangement of trust with insurance, 5,000 indicated a benefit arrangement of general assets of the sponsor only, and 9,700 indicated a benefit arrangement of general assets of the sponsor combined with insurance. The remaining 2,400 filers indicated some other combination of benefit arrangements or did not report any arrangement. Of the 4,000 mixed-insured group health plans that filed, more than 1,100 indicated a benefit arrangement of trust with insurance, and approximately 2,400 indicated a benefit arrangement of general assets of the sponsor combined with insurance. The remaining filers indicated some other combination of benefit arrangements or did not report any arrangement. See Appendix A Table A7.

- Self-insured plans can purchase stop-loss insurance to mitigate the risk of unexpectedly large medical claims. Between 2003 and 2012, the percentage of group health plans filing a Form 5500 that reported having stop-loss insurance[16] has gradually declined from approximately 31 percent to 27 percent for self-insured plans and approximately 21 percent to 16 percent for mixed-insured plans. Overall, self-insured plans with between 200 and 2,000 participants are the most likely to report stop-loss coverage, and plans with more than 2,000 participants

[15] The Form 5500 instructions define a "funding arrangement" as the method for the receipt, holding, investment, and transmittal of plan assets prior to the time the plan actually provides benefits. A "benefit arrangement" is defined as the method by which the plan provides benefits to participants.

[16] If a sponsor purchases stop-loss insurance for its own benefit, the stop-loss insurance is generally not required to be reported on Schedule A. Accordingly, the existence of stop-loss insurance as part of the employer's arrangements for the plan is understated, especially for those plans that do not use a trust.

are less likely to report stop-loss coverage as plan size increases. See Appendix B Table 13 and Figure 10.

Plan Assets and Liabilities of Plans That Financed Benefits via Trusts

- Self-insured group health plans that financed benefits via trusts reported approximately $73 billion in assets and $12 billion in liabilities. Mixed-insured group health plans that financed benefits via trusts reported nearly $132 billion in assets and $14 billion in liabilities. See Appendix A Table A2.

Contributions, Investments and Expenses of Plans That Financed Benefits via Trusts

- Self-insured group health plans that financed benefits via a trust received approximately $56 billion in contributions and paid approximately $53 billion in benefit payments: $42 billion of these benefit payments were paid directly to participants or beneficiaries, $6 billion to insurance carriers for the provision of benefits[17] and $4 billion to others. Mixed-insured group health plans that financed benefits via a trust received approximately $84 billion in contributions and paid approximately $86 billion in benefit payments: $57 billion of these benefit payments were paid directly to participants or beneficiaries, $27 billion to insurance carriers for the provision of benefits, and $2 billion to others. See Appendix A Table A4 and Table A5.

- Self-insured group health plans that financed benefits via a trust also reported paying more than $3 billion in administrative expenses, with approximately $400 million reported as professional fees, more than $1 billion reported as administrator fees, $100 million as investment advisory and management fees, and more than $1 billion as other administrative expenses. Mixed-insured group health plans reported paying approximately $4 billion in administrative expenses, with approximately $400 million reported as professional fees, $3 billion as contract administrator fees, $200 million as investment advisory and management fees, and close to $1 billion as other administrative expenses. See Appendix A Table A5.

- Self-insured group health plans covering 100 or more participants that financed benefits via a trust held approximately 23 percent of assets in cash and U.S. Government Securities, 22 percent in direct filing entities ("DFEs"),[18] 18 percent

[17] Self-insured plans may make benefit payments to insurance companies for administrative services, stop-loss contracts, or for insurance contracts covering other types of benefits (such as dental or disability).
[18] DFEs are pooled investment arrangements - master trust investment accounts, insurance company pooled separate accounts, bank common/collective trusts, other plan asset pooled investment funds ("103-12 investment entities"), and group insurance arrangements. Some DFEs are required to file a Form 5500 while others are permitted to file. Each DFE lists the plans whose assets it holds on Schedule D Part 2.

in mutual fund companies (registered investment companies), 10 percent in debt instruments, and 9 percent in stock. Mixed-insured group health plans covering 100 or more participants that financed benefits via a trust held 17 percent in cash and U.S. Government Securities, 15 percent in DFEs, 11 percent in mutual fund companies (registered investment companies), 11 percent in debt instruments, and 29 percent in stock. See Appendix A Table A6.

Section II. Additional Analysis of Financial Information on Employers Sponsoring Self-Insured and Fully-Insured Group Health Plans

Employers who self-insure group health plans face considerable financial risk.[19] It is therefore relevant to consider the financial position of employers that self-insure health benefits. However, data on the financial position of the plan sponsor or employer are not included in Form 5500 filings. In order to provide data on financial filings of self-insured employers, data from the Form 5500 were matched to Capital IQ financial data available for a select group of companies with publicly-traded equity or debt.[20] Analysis of financial measures including revenue, market capitalization, net income, and number of employees shows that companies offering self-insured or mixed-insured health plans tend to be bigger than companies offering fully-insured health plans.[21]

The results of matching the 2012 Form 5500 data to the Capital IQ financial data were similar to the results of the matching for 2011. More than 4,000 Form 5500 filers were matched to the Capital IQ data. Most of the matched plans covered a large number of participants: 85 percent of the participants in matched plans were covered through a plan with 5,000 or more participants.[22] There were approximately 1,900 employers matched to a self-insured health plan filing a Form 5500 in 2012. The employers sponsoring these matched self-insured health plans reported a median employee count of 3,200, median revenue of approximately $1.3 billion, a median market capitalization of approximately $1.6 billion (with a sample size of 1,600), and a median net income of $62 million.[23] Approximately 1,000 employers matched to a mixed-insured plan that filed a Form 5500 in 2012. These mixed-insured matched health plans are sponsored by employers reporting a median employee count of approximately 9,800, median revenue of approximately $3.8 billion, a median market capitalization of approximately $4 billion (with a sample size of 800), and a median net income of approximately $183 million.

[19] See discussion in the March 2011 Report.
[20] Appendix B outlines this analysis. This work was also conducted for the Department by Deloitte Financial Advisory Services LLP. Capital IQ is a provider of financial and other data for private and public companies in the United States. The data include company characteristics, financial health and financial size.
[21] See Appendix B Table 15 for the distribution of the measures for each of the three categories of plans.
[22] See Appendix B Table 4.
[23] See Appendix B Table 15.

The financial health of these matched companies was measured using three financial metrics.[24] Overall the results are mixed. Fully-insured firms have more cash flow relative to total debt than mixed-funded or self-insured firms, as can be seen by a lower percentage of matched companies falling in the bottom — or "worst" —quartile and a higher percentage falling in the top — or "best" —quartile. However, fully-insured firms are more likely than other firms to fall in both the worst and best quartile for operating income-to-debt ratio and the Altman Z Score, which is an index summarizing five financial measures that predict bankruptcy risk, making it difficult to draw conclusions regarding the financial health of a company and its choice of funding mechanism for its health plan.

Plans filing a Form 5500 can also be matched longitudinally to determine what changes the plan has undergone over time. Approximately 87 percent of the 2012 Form 5500 filings were matched with their accompanying 2011 filing.[25] Approximately 48 percent of the longitudinally matched plans were estimated to be mixed-insured or self-insured in both 2011 and 2012 and 48 percent of these plans were fully-insured in both 2011 and 2012.[26] In 2012, approximately 3 percent of the longitudinally matched plans had changed their estimated funding arrangement to become mixed-insured or self-insured plans while about 2 percent of the matched plans had become fully-insured. Over the years from 2003 to 2012, the percent of plans switching their estimated funding status reduced from about 6 percent to 5 percent.

Section III. Conclusion

This *Annual Report to Congress on Self-Insured Group Health Plans* (March 2015), together with its Appendices, provides the most detailed statistics currently available on self-insured group health plans filing a Form 5500 and on the sponsors of such plans that issue publicly-traded equity or debt. This report also documents the limited scope of such data and the complexities involved in interpreting the data that are available. The Department recognizes the importance of quality data and looks forward to supplying Congress with annual updates on self-insured group health plans.

[24] See Appendix B Table 16.
[25] See Appendix B Table 3.
[26] See Appendix B Table 12.