



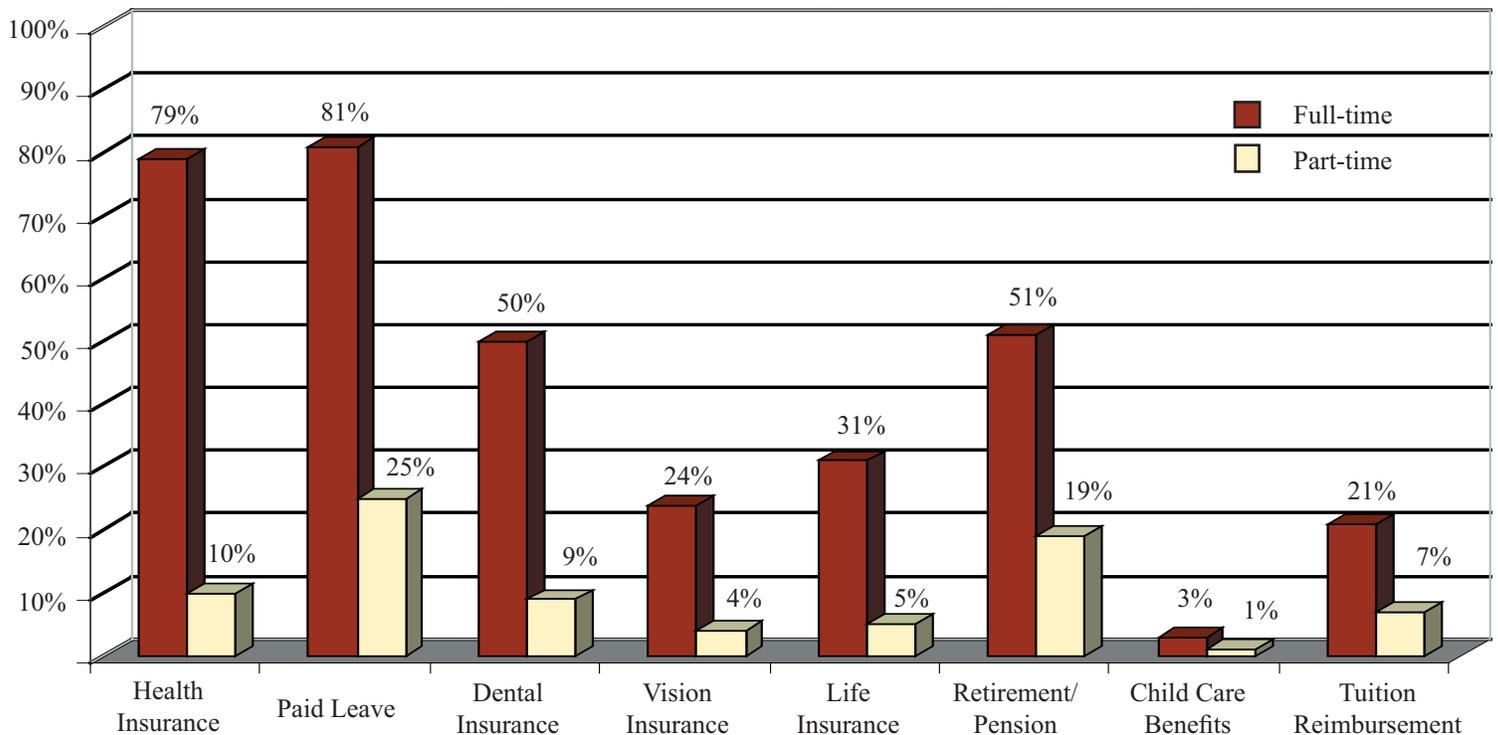
# 2007 Rhode Island Employee Benefits Report

Years ago, employer-provided benefits such as paid time off or medical insurance were hard to find. Today, these and other benefits are an important part of how workers are compensated. However, the frequency and types of benefits offered vary by industry and firm size. Benefits are more common in some industrial sectors than in others, full-time workers are more likely to have access to benefits than part-time workers and workers in larger establishments are more likely to be offered benefits than those in smaller establishments.

Eighty-one percent of Rhode Island firms provide paid time off (combination vacation, personal and sick leave) to their full-time workers and 79 percent offer health insurance to full-time workers. Retirement plans and dental insurance are offered by half of Rhode Island employers. Other benefits offered to full-time workers include life insurance (31%) vision insurance (24%) and tuition reimbursement (21%). Three percent of the Rhode Island employers offer child care benefits to their full-time employees.

While some employers offer the same benefits to their part-time workers, the reality is, those working less than full-time are not as likely to enjoy fringe benefits. One-quarter of Rhode Island employers provide paid time off, nearly 20 percent offer a retirement plan and 10 percent offer health insurance to their part-time workers. Less than 10 percent offer benefits such as dental (9%), vision (4%) or life (5%) insurance or tuition reimbursement (7%) to these workers.

**Percentage of Firms Offering Benefits by Benefit Type**



## Health Insurance

Seventy-nine percent of Rhode Island employers offer health insurance to their full-time workers and 10 percent offer health insurance to part-time workers. Larger establishments are more likely to offer health insurance than smaller employers. Ninety-seven percent of the employers with 100 or more workers offer health insurance as a benefit compared to 75 percent of the employers with less than 20 workers.

## Cost of Health Insurance

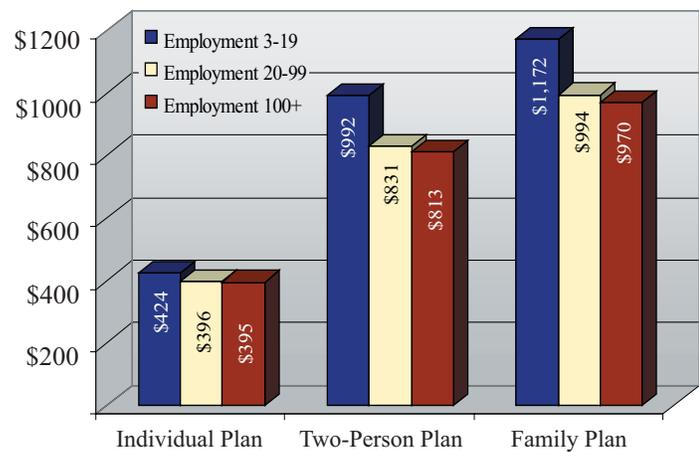
The percentage of the cost that employees are required to contribute toward their health insurance varies, but the majority of employers contribute a larger share of the cost. In 2007, employer contributions for their full-time employees averaged 74 percent of the cost associated with an individual plan and 68 percent of the cost associated with a family plan.

The most common types of coverage offered are individual plans, family plans and two-person plans. Employers reported that the average monthly costs for benefit plans in 2007, were \$415 for a single adult plan, \$930 for a two-person plan and \$1,105 for a family plan.

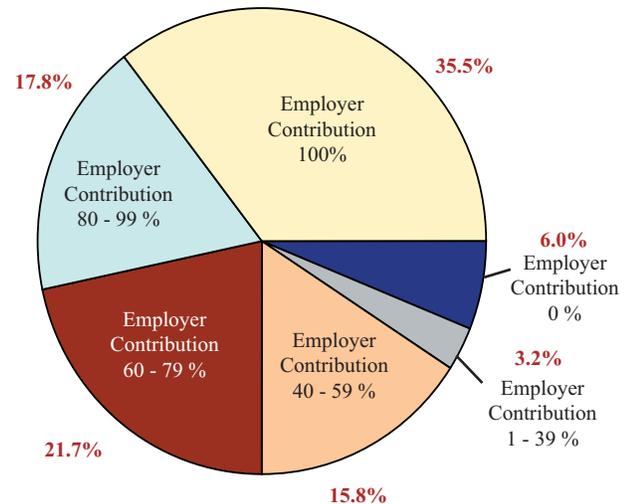
Average costs of health insurance are higher for small employers than larger employers. Monthly costs for employers with less than 20 workers averaged \$424 for an individual plan and \$1,172 for a family plan. In comparison, the monthly costs for employers with more than 100 workers averaged \$395 for an individual and \$970 for a family plan.

Most employers require a waiting period before a full-time employee can enroll in a health plan. Thirty-five percent of employers reported a waiting period of 30 days before enrolling into a health plan, 8 percent required employees to wait 60 days, and 34 percent required a 90 day wait. Sixteen percent of employers required no waiting period prior to enrolling their new full-time workers in a health plan.

Cost of Benefits by Firm Size & Insurance Plan



Individual Health Insurance Plan  
Employer Contribution for Full-Time Employees



## Employer Contributions

### Individual Plan

Seventy-five percent of employers offering health insurance to their full-time workers paid at least 60 percent of the cost associated with an individual plan:

- Nearly 36 percent of Rhode Island employers paid 100 percent of the cost associated with an individual plan.
- Nearly forty percent of the employers in the state paid between 60 and 99 percent of the cost and 15.8 percent reported paying between 40 and 59 percent of the cost associated with an individual plan.
- A few employers (6.0%) indicated that they offered health benefits to their employees but made no contribution toward the cost (i.e. the employee paid 100% of the cost).

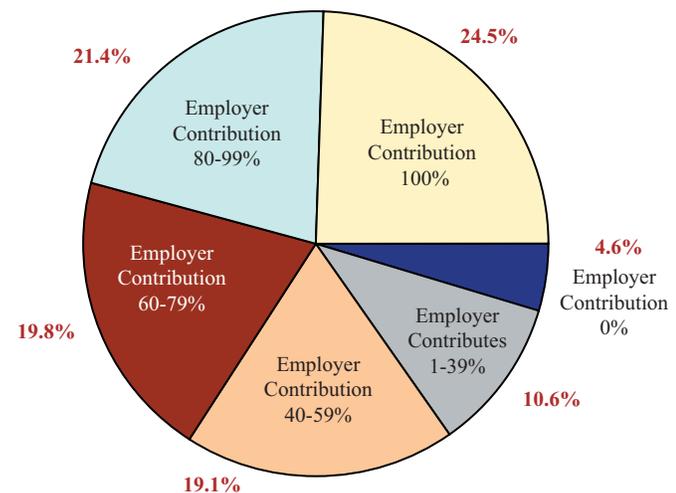
### Family Plan

Nearly sixty-six percent of employers offering health insurance to their full-time employees paid at least 60 percent of the cost associated with a family plan:

- Almost one-quarter of Rhode Island employers paid 100 percent of the cost associated with a family plan.
- Over forty-one percent of the employers in the state paid between 60 and 99 percent of the cost and over 19 percent reported paying between 40 and 59 percent of the cost associated with a family plan.
- Very few employers (4.6 %) indicated that they offered family health benefits to their employees, but made no contribution toward the cost (i.e. the employee paid 100% of the cost).

While the provision of health benefits for the part-time worker is rare (offered by 10 percent of employers), more than half of the Rhode Island employers that offered health benefits to their part-time workers contributed 60 percent (or more) of the cost associated with both an individual health insurance plan and a family health insurance plan.

Family Health Insurance Plan  
Employer Contribution for Full-Time Employees

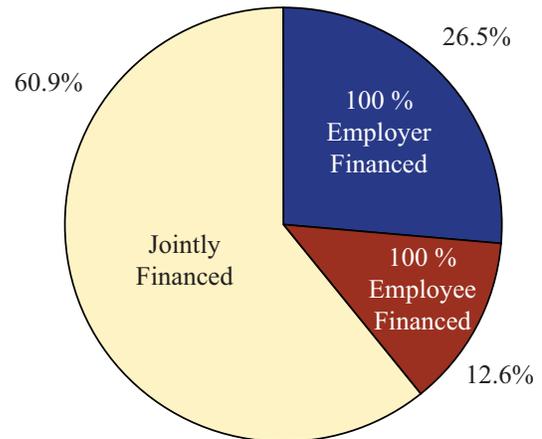


## Retirement

Retirement plans vary from 401K, 403B, stock options, profit sharing and other programs designed to assist employees in preparing for their future. In 2007, over half of the employers offered a retirement plan to full-time employees and 19 percent offered a retirement plan to part-time employees. Nearly 61 percent of firms offering retirement plans to their full-time employees reported both employer and employee jointly contribute to the cost. Nearly 27 percent of the firms offered a plan that is fully funded by the employer and a smaller percentage (12.6%) offered a plan that is fully funded by the employee.

Larger employers were more likely to offer a retirement plan than smaller employers. Results show that 45 percent of companies with fewer than 20 employees offered a retirement plan, while over 92 percent of employers with 100 or more employees offered the benefit. Industry category was also a factor in determining the probability that an employer might offer a retirement plan. Nearly 65 percent of businesses in the Health Care & Social Assistance sector offered a retirement plan, only 45 percent of the businesses in Accommodation & Food Services offered the same benefit.

**Retirement Plan Contributions  
Full-Time Employment**



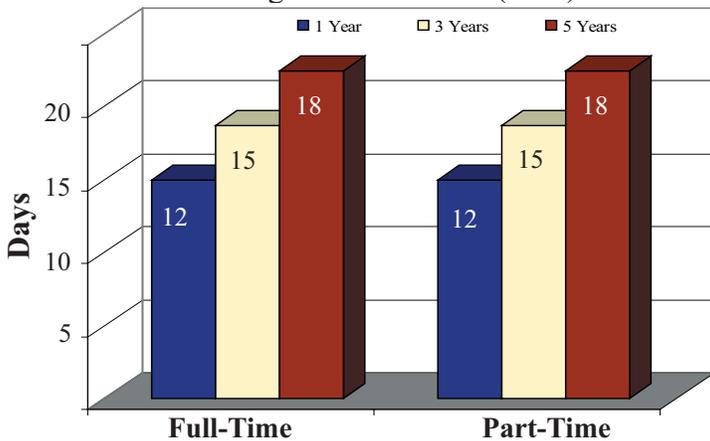
## Paid Leave

Paid leave is the most common benefit offered to employees. Eighty-one percent of Rhode Island firms offered paid leave to their full-time employees and 25 percent of employers provided paid leave to part-time workers.

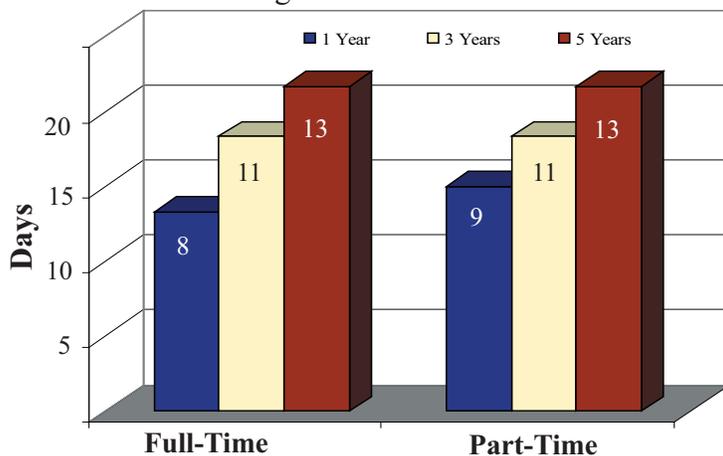
Consolidated “paid time off” combines different types of leave (vacation, personal, and sick leave) under a single plan. The average number of days offered to full-time employees under a paid time off plan is 12 days after one year, 15 days after three years and 18 days after five years of employment.

Although paid time off is increasing in popularity, vacation and sick days are still separated by the majority of firms. The average number of vacation days offered to full-time employees is 8 days after one year, 11 days after three years and 13 days after five years of employment. Part-time workers who are offered vacation and sick days average rates that are very close to their full-time counterparts. The average number of vacation days for part-time employees is 9 days after one year, 11 days after three years and 13 days after five years of employment. Additional paid time off includes holidays and sick days. Full-time workers in Rhode Island receive an average of 7 sick days per year and 7 paid holidays a year. Part-time employees who receive paid days off average 6 sick days per year and 3 paid holidays a year.

**Average Paid Time Off (PTO)**



**Average Paid Vacation Time**



## Benefits by Industry

Variations in benefits provided were evident at the sector level. For example, employers in the Utilities sector were the most likely to offer benefits to their full-time workers, while those in the Construction sector were generally the least likely to offer benefits.

Survey results indicated that all employers classified in the Utilities sector provided health and dental insurance as well as tuition reimbursement, retirement plans and paid time off. Most employers (82%) also provided vision and life insurance. In contrast, approximately two-thirds of the employers classified in the Construction sector provided health insurance (68%) and paid time off (67%) to their workers. Less than 20 percent of the Construction firms offered other benefits such as dental, vision and life insurance, or tuition reimbursements. Thirty percent offered a retirement/pension plan.

Nearly all the employers in the Finance & Insurance sector provide paid time off and 88 percent offer health insurance. Eighty percent of the employers in the Manufacturing sector offer health insurance and 85 percent provide paid time off. Higher percentages of employers in these two sectors offer other benefits including dental, vision and life insurance, tuition reimbursement, retirement/pension plans and child care at rates higher than the state average.

The majority of employers in the Health Care & Social Assistance sector, the state's largest employment sector, provided paid time off (85%), health insurance (79%), retirement/pension plans (64%) and dental insurance (63%) to their full-time employees. Vision (19%) and life (29%) insurance was offered by less than a third of the employers in this sector.

Three percent of the employers in Rhode Island offer child care benefits to their full-time employees. This rarely offered benefit is most often found in the Management of Companies and Education sectors where it is offered by nearly 20 percent of the employers.

The chart below shows the percentage of employers that provide commonly offered benefits to their full-time workers by industry sector.

	Health Insurance	Dental Insurance	Vision Insurance	Life Insurance	Paid Time Off	Tuition Reimbursement	Child Care	Retirement/Pension
<b>Statewide</b>	<b>79%</b>	<b>50%</b>	<b>24%</b>	<b>31%</b>	<b>81%</b>	<b>21%</b>	<b>3%</b>	<b>51%</b>
Construction	68%	19%	14%	4%	67%	17%	0%	30%
Manufacturing	80%	55%	25%	42%	85%	27%	4%	57%
Utilities*	100%	100%	82%	82%	100%	100%	0%	100%
Wholesale & Retail Trade	78%	55%	18%	38%	76%	24%	2%	49%
Transportation & Warehousing	88%	45%	21%	31%	81%	7%	8%	58%
Information	77%	52%	25%	41%	77%	34%	2%	54%
Finance & Insurance	88%	83%	50%	72%	99%	54%	5%	85%
Professional, Scientific & Technical	85%	61%	33%	40%	100%	35%	11%	77%
Management of Companies*	100%	87%	14%	38%	100%	18%	19%	51%
Administrative & Waste Services	70%	59%	18%	32%	77%	7%	2%	52%
Education*	100%	70%	6%	37%	80%	44%	19%	78%
Health Care & Social Assistance	79%	63%	19%	29%	85%	24%	8%	64%
Arts, Entertainment & Recreation	79%	47%	32%	20%	91%	17%	0%	58%
Accommodation & Food Services	76%	40%	34%	27%	66%	4%	1%	45%

\*100 percent of the employers in these sectors reported that they offered benefits to their full-time employees. Percentages for the universe of employers may differ.

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