

Report for ETA from the National Employee Benefits Consortium

December 2004

This report summarizes the work completed to date by the Employee Benefits Consortium and its Workgroups. The Workforce Investment Act of 1998, Section 309 - Employment Statistics, called for comparable and consistent State and Local labor market information. One particular statistic mentioned was benefits. The Workforce Information Council in their plan for the Secretary, New Directions for the Workforce Information System – Detailed Annual Plan for 2000 – 2004, p. iii, identified fringe benefits as information necessary for businesses and job seekers to make informed decisions. A proposal was developed that would establish a multi-state consortium funded by Employment and Training Administration (ETA) and chartered by the Workforce Information Council. The charter read as follows;

- 1. Purpose.** The Benefits Information Work Group will assist the Workforce Information Council by examining the need for and recommending approaches to develop state and local information on benefits provided to workers by employers.
- 2. Background.** The Secretary of Labor's Workforce Information System Plan for FY 2001-2005, a priority was established to fill critical data gaps. Among the action steps for this priority is the provision of benefits information. Several States are currently collecting benefits data through employer surveys to meet the needs of data users in their states. Also, the Bureau of Labor Statistics collects national benefits information through its compensation and working conditions programs.

There currently is no nationwide program for providing consistent benefits information for states and local areas, and the need, methods and costs for such a program have not been examined. The Benefits Information Work Group will assist the Council in determining appropriate approaches for filling this data gap, and develop data collection methods for use by States in state-funded data collection activities.

- 3. Membership and Co-Chairs.** The Work Group will be comprised of state members identified by the State Representatives on the Council, and Bureau of Labor Statistics and Employment and Training Administration members identified by the federal members of the Council.

Membership may include representatives from other agencies or groups, such as the Department of Health and Human Services and the private sector.

The Work Group will be co-chaired by a state member identified by the State Representatives on the Council, and a federal co-chair identified by the federal members of the Council.

- 4. Sponsors.** The State Representative on the Council will identify among themselves a state sponsor for the Work Group. A federal sponsor may be identified by the federal Council members.

5. Reports. The Work Group co-chairs will provide written reports to the Council on its activities, progress, and recommendations at each Council meeting. Oral reports also may be provided as appropriate.

6. Governance. The Work Group will operate in manner consistent with the Council's Governance document.

7. Topics to be Addressed. The Work Group will provide information and recommendations to the Council on the following topics, and other related topics the Work Group may identify:

- a) Document the benefits information is currently being collected by the States.
- b) Identify the need for a uniform set of benefits information across the country.
- c) Identify what the federal government could do to provide a uniform set of benefits information and what it would cost.
- d) Identify what the states could do to collect benefits data, including one or more templates for data collection, and what it would cost.

8. Resources. The Employment and Training Administration will provide funding for Work Group activities. These resources may be used for Work Group meeting expenses, travel, commissioning research and technical assistance, and other costs of completing the Work Group's assignment.

9. Length of Service. The Work Group will continue for 18 months from the date of adoption of this charter by the Workforce Information Council. The Council may extend this period.

The consortium was formed with Nebraska as the lead state and the agreement started December 2001. At this point all states were solicited for participation on the consortium. Initially these states joined the consortium; Alabama, Alaska, California, Florida, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, South Carolina, South Dakota, Washington, and Wyoming. Over the course of the project other states joined for a listing of all the states associated with the development of the survey see Appendix 1. The first meeting was held May 2 – 3, 2002 in Saint Paul, Minnesota. The Saint Paul meeting laid out the direction for the consortium and established work groups targeted at gathering and developing information to respond to (7) (a), (b), (c), and (d) of the charter (see above). After this meeting Nebraska set up agreements with participating states to cover travel and work costs as it related to consortium activities. The Bureau of Labor Statistics – National Compensation Survey had a representative as did ETA. (See Appendix 12 for minutes of the meetings.) The states divided into work groups based on the topics laid out in the charter. These groups spent the next eighteen months working on these areas. Towards the end of the eighteen months it became apparent that the consortium would not have the process completed. Nebraska received an extension to the grant. This extended the grant from June 30, 2003 to September 30, 2005. With this extension the consortium received an additional allotment of funds to continue the development of a benefits survey. This raised the grand total for this project to \$700,000. The extension added the following requirements to the above charter;

- Three (3) rounds of survey testing to include : survey design, sampling, printing and mailing, data capturing, data entry, follow-up and data clean-up, analysis and consortium report;

Third round of survey testing will additionally consist of full implementation in twelve (12) states in addition to round one and round two activities.

- Develop support software;
- Develop program to pull survey sample;
- Develop program to conduct data analysis;
- Apply cognitive testing;
- Develop Collective Findings Report;
- Develop a standard operating procedures manual.

The consortium held nine full meetings throughout the course of this project. Several conference calls and e-mails were used by work group members to communicate on various aspects of the project. Nebraska set up a web site called QuickPlace which is a Lotus Notes product. This site provided a tool for team collaboration. More information on this software can be found in Appendix 13.

Various surveys and testing were conducted by the consortium during the development of the questionnaire and manual. The information for the original request by the charter item (7) can be found under the section titled “Topics Addressed by the Consortium”. In response to the extension and additional funds received by the consortium the consortium conducted six full pilots of the survey questionnaire and process. Missouri was the lead pilot state to test the manual. Once Missouri was half way through the process five other states followed. This allowed for the consortium to review the process as Missouri conducted the survey. If changes needed to be made, the five pilot states could then test the modifications to the survey process.

Consortium Recommendations

The consortium developed the following recommendations based on the findings generated by this research and development project.

- 1) An organization should be responsible for the centralized/coordinated continuation of the State Benefits Survey.
- 2) It is recommended that oversight of the State Benefits Survey be the responsibility of the OES Policy Council.
 - i) This will give the OES Policy Council coordination and oversight of the full compensation package.
 - ii) Cooperation and collaboration with NCS should continue because some surveys could overlap and to maintain the continuity of definitions between the state benefit survey program and the NCS.

- iii) OES Policy Council should keep national entities informed of states' abilities to conduct benefits surveys.
- 3) The State Benefits Survey should become a required core product of the ETA ALMIS grant.
- 4) A budget should be established for maintenance and updates to the survey process.
- 5) An annual training budget should be developed for one training session per year. This would give new staff access to training and would allow training to evolve as the survey evolved.
- 6) Where it does not yet exist, standardized software should be developed and maintained to assure consistency of survey process.
- 7) It is recommended that the survey be conducted biennially. Benefit cost information could be collected on a yearly basis similar to the pilot conducted by South Dakota. Benefits costs fluctuate more than incidence. Cost is an area that will need further study.
- 8) It is recommended that data compiled by State Benefits Survey programs become a core element of the ALMIS database.
- 9) It is recommended that the Workforce Information Council market the State Benefits Surveys to national organizations.
- 10) The collection of benefits data in states that are highly unionized may need further study. The pilot states that met this criterion were able to get good results.

Topics Addressed by the Consortium

The Benefits Work Group Charter item (7) called for the Work Group to provide information and recommendations to the Council. The following section contains the findings of the Consortium.

What State Employee Benefits Surveys Are Currently Conducted? (7a)

Consortium members began the project by identifying the states that had conducted or were in the process of conducting an employee benefits survey and gathering information on those surveys. Following are the findings of this State Methods Workgroup. Members of the workgroup contacted the Labor Market Information Director in each state to determine the prevalence of Employee Benefits data gathering efforts, interest in establishing such efforts and, for states which had or were collecting Benefits information, details of the data gathering effort.

Of the 50 states and the District of Columbia, slightly fewer than half (21) had conducted an Employee Benefits survey in the past; 13 of these organizations had conducted a survey recently (5 have ongoing benefits survey programs) and 2 were conducting a survey at the time of the interview (see Table 1 below). Of the 30 areas which had not conducted an Employee Benefit survey, 5 indicated interest or had made plans to implement a survey in the future.

Funding and Costs

For many of the states with employee benefit survey experience, the data collection effort was motivated by requests for this type of information from certain customer groups, most notably employers and Workforce Development boards; these states primarily funded the data collection effort using One-Stop grant monies. For the other states, the data collection effort was implemented at the specific request of another agency or organization (e.g., State Legislature, Employment and Training Administration, Health and Humans Services, etc.) which provided all or part of the funding for the survey.

Funding for an employee benefits survey was also mentioned by states that had not conducted a survey; several of the states who mentioned an interest in collecting this type of data had not because of lack of funding support.

Actual costs and resources used to conduct employee benefits data collection efforts varied widely. Funding varied from around \$20,000 to over \$100,000 while staff resources varied from less than 1 to almost 30 FTEs. While some of the variation is due to differences in the size of the state, most seemed to be attributable to differences in sample size/coverage and the amount of information collected.

Survey Administration and Implementation

Most of the states that had collected/were collecting employee benefit data did a one-time survey; some of these states expressed intent to repeat the survey at some point in the future but had not established a timeline. Of the states with an employee benefit survey program (e.g., established timelines for frequency of data collection), half did annual surveys while the other half administered the survey less frequently¹. Wyoming collects benefits information on a quarterly basis. In addition, several states collected Employee benefits data as part of a larger survey effort.

¹ The states with survey programs were California, New Mexico, Oregon, South Carolina, Vermont, and Wyoming. While California collects data annually, their survey effort is unique in that the unit of analysis is occupations rather than employers; benefits data are collected every year but only for selected occupational groups.

All of the states except California used mail surveys as the primary tool to collect employee benefit information. Repeated mailings were the most common strategy to increase response rates but some states also telephoned sample members to encourage participation. Response rates varied from 26% to over 70%, with higher response rates experienced by states that implemented some type of follow-up strategy.

Table 1: Prevalence of Employee Benefits Survey at the State Level

No Survey	Past/Ongoing Surveys
Alabama*	Alaska***
Arizona	California**
Arkansas	Delaware
Colorado	Idaho***
Connecticut	Kentucky****
District of Columbia	Maine
Florida*	Minnesota***
Georgia*	Mississippi
Hawaii	Montana
Illinois	Nebraska***
Indiana	New Hampshire***
Iowa	New Mexico**
Kansas	North Carolina
Louisiana	North Dakota***
Maryland*	Oregon**
Massachusetts	South Carolina**
Michigan	South Dakota***
Missouri*	Tennessee
Nevada	Texas***
New Jersey	Vermont**
New York	Wyoming**
Ohio	
Oklahoma	
Pennsylvania	
Rhode Island	
Utah	
Virginia	
West Virginia	
Washington*	
Wisconsin	

* Interested in or planning to conduct a Fringe Benefit survey
 ** Ongoing Fringe Benefit survey program
 *** Completed a Fringe Benefit survey recently
 **** Fringe Benefit survey in progress

Sampling

Most of the states used a random stratified sample selection method, with the EQUI file as the sampling frame. The most common stratifiers were size class, industry, and area. Many states used the OES methodology to select their sample and at least one used their OES sample for the employee benefits survey.

Sample sizes (not including California's occupation-based data collection effort) varied from around 300 to 15,000. Some of the variation could be accounted for by differences in the size of the states, but most likely is due to differences in sample selection procedures and/or coverage goals of the data collection effort.

Survey Instrument

Most of the states designed their own surveys; several states mentioned that they reviewed existing literature and/or other state's surveys as part of the design process. In addition, the survey instruments for a few states involved Workforce Development Board members and/or researchers from academic institutions. The length of the survey instrument varied from 1 page to 8 pages, with 4-6 pages being the most common length.

Data Elements

All of the surveys collected information regarding whether or not paid leave, insurance, and retirement benefits were offered, but varied in terms of the amount of detailed information. Most surveys also included questions regarding other benefits and benefit administration and total costs. Usually the detailed information collected about the benefits offered focused on the characteristics of the benefit (e.g., type, cost-sharing, etc.) but some states also included questions regarding differences in benefit availability by employee class/type (e.g., full-time versus part-time, management versus non-management, etc.).

Additionally, some surveys included questions regarding employer practices and policies. A summary follows:

- For paid leave, the most common details collected focused on the type(s) of paid leave offered (e.g., vacation, sick, holidays, personal, etc.), followed by the amount of leave and difference in leave granted by employee class.
- Health (medical) insurance was included on all of the surveys; most included questions regarding the details of the plan such as type of plan (e.g., HMO, Preferred Provider, Fee-for-Service, etc.) and some also collected information regarding cost-sharing of premiums.
- Other types of insurance/health-related benefits included in the survey included Vision, Dental, Mental Health, Disability, and Spending Accounts; most of surveys focused on whether or not these other types of benefits were offered but some collected plan information.
- The most common details collected regarding Retirement/Pension plans were the type of plan. Other details included in some surveys were employer/employee cost-sharing and whether health benefits were included.
- The most common "other" benefits included in the surveys were child-care and educational assistance; questions regarding wellness programs, transportation, relocation assistance, elder care, bonus/profit-sharing, and discount programs were also included on some surveys. For other benefits, most surveys focused on determining prevalence.
- In addition, most of the surveys included an open-ended question regarding other benefits offered.
- For those surveys that included information on employer practices and policies, the most common topics were job-sharing, telecommuting, and flexible work schedules.

Analysis and Findings

Most of the states analyzed their data on the employer-level (e.g., percent of employer/establishments offering a specific benefit). A few states also performed analysis on the worker-level (percent of

employees covered/eligible for a specific benefit). For employer-level analyses, the most common stratifiers were size class and industry. Some states also made area-specific estimates. For worker-level analyses, the most common stratifier was work hours (part-time versus full-time). Other stratifiers included management versus non-management, type of employment (seasonal, contractual, etc.), and occupation.

Most of the reliability/validity tests focused on the employer level (e.g., comparing respondent characteristics with sampling frame characteristics). Also mentioned were comparisons with results from other Employee benefits surveys and outlier checks. Generally, employer size class and employee work hours were the two characteristics most frequently associated with variation in benefit availability/coverage.

Dissemination and Evaluation

All states produced a hard-copy publication reporting the results of their survey. In some cases, multiple reports were prepared, with shorter versions disseminated on paper and longer versions distributed via the Internet. The users of the survey information were varied, including job seekers, employers, career counselors, economic developers, Workforce Development Boards, and other agencies.

Most states did not perform a formal evaluation of their data collection effort instead relying on voluntary comments from users to collect information for use in improving their survey efforts. When a formal evaluation was done, it was usually incorporated in a more general customer satisfaction assessment. However, some states did a specific evaluation, using either a survey or discussion format.

Lessons Learned

Most of the changes planned for future Employee benefits surveys focused on survey administration, including expanding resources devoted to follow-up to increase response rates, address-cleaning, and consistent staffing. Also mentioned were providing better direction for multiple work-site employers and developing a shorter survey. One state noted that results presented at the employer level do not necessarily reflect the experiences of workers in the state. That is, the finding that a majority of employers offer a certain benefit does not necessarily mean that a majority of workers receive that benefit. Table 2 summarizes findings on what states are conducting an employee benefits survey.

Table 2: State by State Summary of Employee Benefits Survey Availability

	South Dakota	Wyoming	South Carolina	Alaska	Minnesota	New Hampshire	North Dakota	California	Nebraska	Idaho
Why are data regarding Fringe Benefits collected? How often are these data collected?	Requests for benefit information; Need to combine and	Satisfy data requirements of the WIBs; firm Annually (?)	One completed in 1999; ongoing survey	By request from funding source	Meet data needs of funding customers, one time surveys as funding permits, two in		Satisfy employer requests	Comprehensive picture of selected	Requested by employers	
Sample										
How was the sample selected? (stratifies, population, etc.)	OES Methodology	OES Methodology	ES-202 larger establishments and random selection	Industry based; OES Methodology;	Stratified by industry and size class	OES model; stratified by size class and industry	OES stratified sample; industry by size class	Sample drawn from ES-202 database using	OES Sample Methodology (EQUI)	
What was the sample size?	1,000		6,300	1,400	5,300	5,000 (out of a 40,000 employer base)			10,000	2,000
What was the response rate?	65%	65% (first mailing)	1999 survey: 41%; 65% (first current survey will be at least 41%)	50%	50% (98 survey)	65 to 80%			52%	52.60%
Data Collection										
What was the method of data collection? (mail, Did the data collection procedure include any follow-up? How was the instrument designed? How long was the survey? (# of Questions, pages,	Mail	Mail	Mail	Mail	Mail	Mail	Mail		Mail	
	Second mailing, phone follow-up	Second mailing; Second mailing; phone follow-up	Second mailing (return postage included)	Phone follow-up	2 Mail follow-ups	Second mailing	2 follow-ups			
					Based on extensive literature review				Borrowed from SD (1999)	
	4 pages, 25 questions	4 pages, 26 questions			8 pages			Part of larger data collection effort	4 pages	
Data Elements (which were included, what type of data - prevalence and/or provisions)										
Employer Information		Included		Whether for-profit organization	Benefits data is linked back to EQUI file for firm data (size, industry, ownership, etc.)					
Paid Leave	Included	Included	Included	Included	Included	Holidays, Vacation	Time-off, sick leave	Leave, vacation	Included	
Insurance	Included	Included	Included	Health Insurance (flex plan, employer Included)	Health, dental, other health including vision, Included	Health Insurance	Health, vision, dental, short- and long-term Included	Health, Dental, Vision, Life	Included	
Retirement	Included	Included	Included					Included	Included	
Hiring Practices: Things dealing with new employees, Policies: company practices which apply to all			Included		Not included					
Other Benefits		Included	Included (shift-work and pay differential) Included (flex scheduling, educational	Suggested response items (?)	Education/Training; Family Benefits, fringe	Flex-time, shift differential	Salary reviews; pay increases and percentages	Education/training; Child care	Included	
Costs	Included				Total cost of benefits provided	Education assistance; Other	work out of home Cost as a percentage of total costs	Who pays for which benefits	Included	
Other				Want a copy of report?	How and how often does firm communicate to					

Identify the need for a uniform set of benefits information across the country (7b)

The second task of the Consortium was to identify the need for employee benefits information. Nebraska, Alabama and California gathered customer feedback on the need for such a survey and the data elements that should be included. Following are findings from this workgroup.

Customer Needs Survey Results

A detailed summary of Nebraska's findings can be reviewed in Appendix 2. A total of 24 responses (out of 100 surveys mailed) were received of which approximately 70% were private businesses. Overall, respondents indicated a moderate to strong interest in employee benefits information. Respondents would use the information for compensation decisions (67%), planning (50%) and recruitment (46%). There was also a moderate to strong need for the information to be comparable across states.

Nebraska's survey also asked potential customers to detail what information would be most useful to them. This helped Consortium members determine the priority for the information to be collected and ultimately helped in determining what would be included in the survey instrument.

A detailed summary of California's findings can be reviewed in Appendix 3. Respondents included 12 government, 2 private business and 1 educational institution units. Respondents indicated a strong (4 out of 5 points) demand for employee benefits data. Most respondents would use the information for research (67%), followed by setting policy (47%) and program evaluation (47%).

A detailed summary of Alabama's findings can be reviewed in Appendix 4. Overall, responders indicated a strong interest (89.2% answered 4 or 5 on a five-point scale) in employee benefits information. Responders would use the information primarily for compensation decisions (15%), recruitment (14%) or setting policy (13%). Other findings of this survey helped Consortium members design the survey instrument and methodology for the survey.

Overall, findings from these surveys indicate that employee benefits information is not widely available. Moreover, it is in high demand. Finally, the main audience for this information is private business.

Identification of what the federal government could do to provide a uniform set of benefits information and what it would cost (7c)

The work of the Employee Benefits Consortium was guided by the charter given the group by the Workforce Information Council. Under item 7, the charter states "The Work Group will provide information and recommendations to the Council on the following topics, and other related topics the Work Group may identify." The charter notes there are four topics to be addressed under item 7. During the first meeting of the Employee Benefits Consortium in St. Paul, a workgroup called the Background Information work group was formed and was assigned item 7 (c) Identify what the federal government could do to provide a uniform set of benefits information and what it would cost.

The 7 (c) work group consisted of Tom Gallagher (WY), Phil George (SD) and Frances Harris (BLS). The work group identified the tasks to be performed and developed a work plan, which is shown as Appendix 5.

In order to address this task the work group investigated the methodology, output and customer feedback for (1) The National Health Interview Survey, Center for Disease Control, (2) Economic Census surveys, Commerce Department, (3) Medical Expenditure Panel Survey, HHS Agency for Healthcare Research and Quality, and (4) the BLS National Compensation Survey (NCS).

Customer feedback was obtained from the minutes of the BLS' Business Research Advisory Council, BLS' Labor Advisory Council, Wyoming Health Care Commissioners and staff, from research journals, papers and publications, through participation and Consortium presentation at an HHS, Health Resources and Services Administration State Planning Grant conference and follow up survey of state participants, through participation in a Society for Human Resources Managers conference, and through consultations with the State Health Access Data Assistance Center at the University of Minnesota.

There are three health-related surveys conducted by the federal Centers for Disease Control and Prevention (CDC). The National Health Interview Survey collects data on health insurance and health care. The Behavioral Risk Factor Surveillance Survey studies health risk behavior and health insurance coverage. The third survey, the State and Local Area Integrated Telephone Survey studies health status, health insurance coverage, health services use and access to care.

The National Health Interview Survey (NHIS) is a nationwide survey conducted annually by the National Center for Health Statistics (NCHS). The NHIS is a comprehensive health survey that can be used to relate health insurance coverage to health outcomes and health care utilization. The NHIS survey includes about 36,000 households. It is a multistage probability sample of the civilian non-institutionalized population of the United States. It is conducted continuously throughout the year for NCHS by interviewers of the U.S. Census Bureau, using in-person interviews. The work group excluded the NHIS from further study, since the data collection primarily covers illnesses and health insurance coverage; it does not include a full range of benefits.

The Behavioral Risk Factor Surveillance Survey (BRFSS) is designed to provide information about behavioral risk on a state-specific basis. The information was viewed as critical for state health agencies that have the primary role of targeting resources to reduce behavioral risks and their consequent illnesses.

At the same time that personal health behaviors received wider recognition in relation to chronic disease morbidity and mortality, telephone surveys emerged as an acceptable method for determining the prevalence of many health risk behaviors among populations. In addition to their cost advantages, telephone surveys were especially desirable at the state and local level, where the necessary expertise and resources for conducting area probability sampling for in-person household interviews were not likely to be available.

The CDC developed standard core questionnaire for states to use to provide data that could be compared across states. To determine feasibility of behavioral surveillance, initial point-in-time state surveys were conducted in 29 states from 1981-1983. In 1984, the (CDC) established the Behavioral Risk Factor Surveillance System (BRFSS), and 15 states participated in monthly data collection. By 1994, all states, the District of Columbia, and three territories were participating in the BRFSS. Although the BRFSS was designed to collect state-level data, a number of states from the outset stratified their samples to allow them to estimate prevalence for regions within their respective states.

The BRFSS is conducted to monitor state-level prevalence of the major behavioral risks among adults associated with premature morbidity and mortality. The basic philosophy was to collect data on actual behaviors, rather than on attitudes or knowledge, that would be especially useful for planning, initiating, supporting, and evaluating health promotion and disease prevention programs. After an initial review, the work group excluded the BRFSS from further investigation, because it primarily collects information about health behaviors and not a full range of benefits.

The State and Local Area Integrated Telephone Survey (SLAITS) collects important health care data at State and local levels. The data collection mechanism was developed by the National Center for Health Statistics (NCHS) at the CDC. Data are collected at telephone centers in different parts of the United States by Abt Associates.

SLAITS is funded through sponsorship of specific questionnaire modules. Sponsors include both government agencies and nonprofit organizations. Just as public and private organizations collaborate in the planning and delivery of health care services, SLAITS facilitates additional collaboration leading to more complete data for informed public health policy decisions. Decision makers require high quality health data to develop and implement programs and policies.

Much SLAITS data exists at national and regional levels but are not available at State and local levels. National data are useful for establishing public health priorities for the country; however, much demographic and geographic diversity exists throughout the Nation. Data specific to certain groups or populations are useful in answering certain questions, as well as measuring strengths and weaknesses within programmatic areas at sub-national levels. SLAITS provides a mechanism to collect data quickly on a broad range of topics at the national, State, and local levels. A partial list of examples of research areas include health insurance coverage, access to care, perceived health status, utilization of services, and measurement of child well-being.

Key Features of the SLAITS Mechanism

- Uses standardized questions to produce comparative data across States and for the Nation.
- Addresses State-specific data needs with customized questions and specific domains of interest.
- Targets population subgroups such as persons with specific health conditions or from low-income households.
- Provides estimates adjusted for non-coverage of households without telephones.
- Provides for rapid implementation and quick turnaround of data, permitting the tracking of changes in health and welfare-related programs.

SLAITS is available to government and nonprofit agencies that require high quality data at State and local levels. The SLAITS supplements current national data collection strategies by providing in-depth State and local data to meet various program and policy needs in an ever-changing health care system. Because the SLAITS does not provide information any benefits except for health insurance coverage, the work group excluded the SLAITS from further consideration.

The Commerce Department's Census Bureau conducts an Economic Census every five years, covering a wide range of business groups. The major focus of the Economic Census is to measure economic impact, including productivity. Employment and payroll data are the basic measures of labor inputs common across the all industries. Since compensation is very much related to the benefits issues, the

Economic Census needed to be reviewed. However, major drawbacks to the Economic Census are its scarcity of detailed data on benefits and frequency of surveys.

Although it is not an economic census, the US Census Bureau conducts another federal survey that produces healthcare information; this survey is called the Current Population Survey (CPS). The CPS collects information about health insurance, including insurance coverage for the State Children's Health Program (SCHIP). The U.S. Census Bureau has conducted the Current Population Survey CPS for more than 50 years. Its primary purpose is to collect labor force data on the civilian non-institutional population 16 years of age and over. Each year the March Supplement includes questions concerning health insurance coverage. The CPS is the most widely used and cited national survey on the uninsured. It also provides information on source of health insurance (e.g., Medicaid, Medicare, CHAMPUS, personal health insurance, and employer-provided group health insurance plans). CPS data have been used to estimate the number of uninsured persons in the U.S. and were used to determine federal SCHIP allocations across the states.

The CPS sample was not initially designed to produce state estimates for uninsurance rates. For many states, the sample size of the survey is small and the sampling frame includes only a limited number of counties within each state. When states started using the CPS to determine state level estimates of the uninsured, the Census Bureau responded by creating an algorithm for states to use that takes the sample frame into account and recommending the use of a three year rolling average rather than the rate in any given year. The Census has also responded to states' needs by increasing the CPS sample size, and changing the way the survey determines health insurance status by including a verification question. However, the CPS is not designed to produce comprehensive information about health insurance benefits, and does not touch upon other benefits that might be provided.

The Agency for Healthcare Research and Quality (AHRQ), formerly called the Agency for Health Care Policy and Research, began fielding the Medical Expenditure Panel Survey (MEPS) in March 1996. AHRQ conducts MEPS in conjunction with the National Center for Health Statistics (NCHS) and through contracts with Westat, a survey research firm headquartered in Washington, DC, and the National Opinion Research Center, which is affiliated with the University of Chicago.

MEPS is the most recent in a series of medical expenditure surveys that began in 1977 as the National Medical Care Expenditure Survey and later became the National Medical Expenditure Survey (NMES). The last study in this series was conducted in 1987. This new survey provides critically needed updates to the 1987 data.

MEPS collects data on the specific health services that Americans use, how frequently they use them, the cost of these services, and how they are paid for, as well as data on the cost, scope, and breadth of private health insurance held by and available to the U.S. population.

MEPS is unparalleled for the degree of detail in its data, as well as its ability to link data on health services spending and health insurance to the demographic, employment, economic, health status, and other characteristics of survey respondents. Moreover, MEPS is the only national survey that provides a foundation for estimating the impact of changes in sources of payment and insurance coverage on different economic groups or special populations of interest, such as the poor, elderly, families, veterans, the uninsured, and racial and ethnic minorities.

MEPS consists of four components: household component, nursing home components, medical provider components and insurance component. The insurance component (IC) gathers information on the health plans available to but not used by employers, both nationally and regionally. It consists of two subcomponents, the household sample and the list sample. The insurance component uses telephone, mail and a few in-person interviews for data collection. The household sample collects detailed information on the health insurance held by and offered to respondents to the MEPS HC. The number of employers and union officials interviewed varies from year to year, as the number of respondents in the previous year's HC varies. These data, when linked back to the original household respondent, allow for the analysis of individual behavior and choices made with respect to health care use and spending. The list sample consists of a sample of business establishments and governments throughout the United States. From this survey, national, regional, and State-level estimates (for almost all States each year) can be made of the amount, types, and costs of health insurance available to Americans through their workplace.

MEPS is designed to help understand how the dramatic growth of managed care, changes in private health insurance, and other dynamics of today's market-driven health care delivery system have affected, and are likely to affect, the kinds, amounts, and costs of health care that Americans use. MEPS also is necessary for projecting who benefits from, and who bears the cost of, changes to existing health policy and the creation of new policies.

MEPS provides answers to hundreds of questions, including:

- How health care use and spending vary among different sectors of the population, such as the elderly, veterans, children, disabled persons, minorities, the poor, and the uninsured.
- How the health insurance of households varies by demographics, employment status and characteristics, geographic locale, and other factors

MEPS also answers key questions about private health insurance costs and coverage, such as how employers' costs vary by region. The answers to these and other questions enable Congress, the Federal Government's executive branch, and other public- and private-sector policymakers to:

- Make timely national estimates of individual and family health care use and spending, private and public health insurance coverage, and the availability, costs, and scope of private health insurance among Americans.
- Evaluate the growing impact of managed care and of enrollment in different types of managed care plans.
- Examine the effects of changes in how chronic care and disability are managed and financed.
- Assess the impact of changes in employer-supported health insurance.
- Evaluate the impact of changes in Federal and State health care policies.
- Examine access to and the costs of health care for common diseases and conditions, prescription drug use, and other health care issues.

The Medical Expenditure Panel Survey (MEPS) is a vital resource designed to continually provide policymakers, health care administrators, businesses, and others with timely, comprehensive information about health care use and costs in the United States, and to improve the accuracy of their economic projections.

Medical expenditure survey data have been used by:

- The Health Care Financing Administration and other components of the Department of Health and Human Services, Bureau of Economic Analysis, the Congressional Budget Office, Office of Management and Budget, Department of the Treasury, Physician Payment Review Commission, Prospective Payment Assessment Commission, and other Federal Government agencies.
- The Heritage Foundation, Lewin-VHI, Urban Institute, RAND Corporation, Project Hope, and other foundations and "think-tanks."
- Health insurance companies, pharmaceutical firms, health care consultants, and other health-related businesses.
- Academic institutions and individual researchers.

As with some of the other potential federal sources of benefits insurance, the MEPS data provides a great deal of information on health care insurance, but no information about other types of benefits. For that reason, the work group excluded it from further review.

The work group spent a lot of time reviewing work being done by the Health Resources and Services Administration, especially related to the State Planning Grants to states. The purpose of the state planning grant program is to ensure that every citizen in every State has access to affordable health insurance benefits similar in scope to the Federal Employee Benefit Plan, Medicaid, benefits offered to State employees, or other similar quality benchmarks. Each new State grantee is to develop a plan or propose options to meet this objective. Continuation Limited Competition Grants will be awarded to complete and/or enhance existing work. Pilot Planning Limited Competition Grants will be awarded to plan for a pilot project to expand insurance based on options previously developed. Tom Gallagher (WY) presented information about the Employee Benefits Consortium's work at the Health Resources and Services Administration national conference. He also received input from the state recipients of the state planning grants. (Several states on the benefits consortium have received HRSA state planning grants.)

The workgroup found that the HRSA state planning grants focus very heavily on healthcare-related benefits only. Other types of benefits such as retirement and paid time off are not being measured. Additionally, most grant recipients are conducting a one-time survey that is measuring a specific point in time. Some items such as benefits costs are constantly changing over time and these changes are not being measured by the state planning grant states. However, the workgroup stressed the importance of incorporating the HRSA grantees as customers of the benefits consortium in order to get feed back from them. Pat Ketsche and Bill Custer from Georgia State University attended the March, 2003 meeting to discuss their experiences as a HRSA state planning grant recipient.

The work group reviewed the work of the State Health Access Data Assistance Center (SHADAC) at the University of Minnesota. The University of Minnesota's State Health Access Data Assistance Center (SHADAC) is funded to help states monitor rates of health insurance coverage and to understand factors associated with uninsurance. SHADAC provides targeted policy analysis and technical assistance to states that are conducting their own health insurance surveys and/or using data from national surveys. Experts at SHADAC have developed a survey instrument that may be used to determine state-level insurance coverage rates. States who wish to use the CSCS are given this state-of-the-art instrument. The CSCS instrument is designed to save states time and resources by providing

a high quality, tested survey instrument. In some states, the CSCS is fielded in concert with the HRSA state planning grants surveys. Michael Davern from SHADAC made a presentation to the Employee Benefits Consortium at the November, 2002 meeting. At the July, 2003 meeting, the consortium members reviewed comments from SHADAC about the Wyoming benefits survey. As with the HRSA state planning grants, the SHADAC surveys focus primarily on just health insurance.

In addition to those activities, the workgroup tried to determine differences between an existing state benefits survey and the NCS. Frances Harris (BLS), conducted a detailed comparison of the NCS and the Wyoming benefits collection form. The work group discussed areas where the Wyoming form and the NCS are really consistent, areas where it is not, and areas where suggestions could be made to increase consistency with minimal efforts.

Tom Gallagher (WY) contacted Lois Orr Assistant Commissioner for BLS, for approval of a plan to have a member of the benefits consortium observe a field operation of the BLS Benefits and/or Compensation data collection procedures. Ms. Orr approved the plan and offered to schedule the observation. However, because of travel issues related to the distance to the closest site, Tom Gallagher was not able to schedule the observation of the field operations.

The Consortium determined that the NCS was the only survey containing comprehensive information of interest to customers. Customers of all types recognize that all of the components of compensation are finite and related. Direct compensation, health, retirement and other forms of indirect compensation represent expression of the same economic concept. As a consequence, the consortium focused on the NCS. The purpose of this activity was to identify program components, their structure, operation and cost. The consortium reviewed the pertinent program and budget documentation and interviewed NCS staff regarding objective, history, procedures and documentation. The NCS program documentation is exhibited as Appendix 6 and the cost document is shown as Appendix 7.

Findings:

- (1) Federal surveys are collected too infrequently to meet state and local customer needs, are limited to issues of health insurance, are limited to multi-state regional estimates, or cannot be related to employment opportunities. In terms of content, the NCS output appears to represent the product customers are most interested in.
- (2) The cost of conducting the NCS at the state level alone is cost prohibitive.
- (3) Common definitions for NCS and the Consortium were adopted to facilitate comparability between NCS benefits products and consortia design and output.
- (4) The NCS data collection process is complex, highly detailed, and conducted for sampled occupations. The initial data are collected using extensive personal visits and other media, which can be expensive. Subsequent updates of these data are collected using a variety of options, such as telephone, mail, and electronic media.
- (5) NCS collects information across all major benefit types on an ongoing basis and is the only federal survey to do so.
- (6) The sample for NCS benefits permits estimates at national, multistate regional and MSA and non-MSA levels.

(7) There is likely to be sample overlap between BLS and the states if the states begin collecting benefits.

(8) Interpreting the change from one year to the next in the cost of benefits is not possible without a comparable knowledge of direct compensation.

(9) There is a need to coordinate state benefit surveys with NCS.

Identify what the states could do to collect benefits data, including one or more templates for data collection, and what it would cost. (7d)

The purpose of the initial Survey Methods Workgroup was to:

”Look at the beginning stages of developing a methodology for a survey. ...consider survey administration (mail, phone, Internet, CATI), level of geography to be included, the frequency of data collection and publication, and other issues related to collecting employee benefits information.”

The following were the initial recommendations of this group (more fully developed recommendations follow toward the end of the report):

Principles Governing the Benefits Information Program

The Workforce Investment Council’s charter and the deliberations of the Employee Benefits Consortium suggest that the benefits information program proposal should conform to several key principles. These principles are:

- I. States that choose to participate in the benefits information program will use their own resources to support these activities.
- II. To the extent possible, the benefits data should be compatible with that collected by the National Compensation Survey and states’ Quarterly Census of Employment and Wages, Current Employment Statistics, and Occupational Employment Statistics programs in terms of industry/occupation taxonomies, regional representation and presentation.
- III. The Benefits Consortium will recommend which categories of benefits to include in the core benefits information program and which specific benefits to include from each category. These recommendations will conform to the priority order in which the benefits categories and specific types of benefits are listed below.
 - **Priority I: Insurance**
Priority order of Insurance Benefits:
 1. Health
 2. Dental
 3. Disability
 4. Life
 5. Vision
 - **Priority II: Retirement Plans**
Both types of retirement plans have equal priority
 1. Defined Contribution
 2. Defined Benefit

- **Priority III: Paid Leave**
Priority Order of Paid Leave Benefits
 1. Sick
 2. Vacation
 3. Holiday
 4. Consolidated
 - **Priority IV: Miscellaneous**
Priority Order of Miscellaneous Benefits:
 1. Child Care
 2. Tuition/Education Assistance
 3. Shift Differential
 4. Alternate Work Arrangements
 5. Employee Assistance Programs
 6. Stock Options
 7. Bonuses
 8. Wellness
- IV. The benefits information program proposal should provide states the option of adding other benefits to the core elements listed above.
- V. The primary features of benefits are incidence (is it offered?), provision (how many employees are offered and what are the conditions of the benefits including waiting periods and type?), participation (how many participate?) and cost (what is the cost of the benefit to employers and to participants?). The Benefits Consortium recommends that these issues be addressed for some or all of the categories listed above. The ‘survey instrument subcommittee’ was tasked with developing a more specific recommendation.
- VI. At a minimum, benefits information must be available at the state level and survey methods must permit the optional display of data at the sub-state regional level.
- VII. Data collection methods must provide valid, reliable data that may be compared among states. Survey process allows for aggregation among states.
- VIII. Data should be reportable by industry, business size and geographic breakdowns. Benefits by occupations should be looked at for feasibility of conducting the survey by this method.

Development of Survey Methodology Based on Above Principles

Survey Instrument

Research revealed that having a good and relatively short survey instrument is the key to gathering accurate information and achieving high response rates. The Consortium spent much time and energy deciding what the core data elements should be and then designing the survey. Members of the subcommittee felt that it was important to achieve a good balance between length of survey and amount of information collected. Early on, subcommittee members agreed that the survey should be no more than 4 pages in length to encourage a higher response rate and reduce participant burden. This naturally limited the amount of information that could be collected on the form. The final list, based on the principles above, included:

- ☐ Insurance including health, dental, vision, life
- ☐ Retirement
- ☐ Paid leave
- ☐ Information should be collected on incidence, provision and participation of at least health care insurance
- ☐ Cost of benefits

The survey instrument itself went through many incarnations. There is both an art and a science to developing good, concise and accurate questionnaires but with a benefits survey the task is even more difficult because the type of information being collected is complex and the volume of information to be collected is large. Questions and instructions must be clear and worded so that interpretation does not vary among respondents. Language must be precise to avoid misinterpretation and to conform with the National Compensation Survey. The layout and design must be attractive and easy to follow to ease understanding and completion of the form.

Consortium members were particularly concerned about the feasibility of collecting cost information. This information tends to be very difficult to collect from employers and error prone. The group decided to conduct a test of collecting cost information before conducting a full pilot. This discussion centered on collecting cost information as part of the full survey implementation or conducting cost information in a separate survey.

South Dakota and Montana both conducted tests of collecting cost information separately from the full survey implementation. South Dakota found that the response and results of the cost-only survey were similar to that of the full employee benefits survey. The main advantage of the specialized survey was a higher frequency of completed cost information. The actual validity of the information reported on the cost-only survey appears to parallel that of the full survey. Per survey costs were virtually the same for both survey versions, with the cost-only survey being slightly less expensive than the full survey. Since the cost-only survey was a single-page document, the printing expenses and data entry time were slightly lower. Per survey mailing costs were the same for both versions.

For special projects where benefits cost is the main focus, the Consortium recommends conducting a cost-only survey. Additional questions may be added to obtain a higher degree of detail and accuracy. Also, a larger sample would be required to obtain enough data to produce reliable estimates. However, for states wishing to collect general employee benefits information, the full survey is recommended. As a result, the Consortium recommends including the cost portion on the full questionnaire.

The final version was agreed on through an extensive review process enhanced by information gathered by four states who conducted survey instrument tests as well as cognitive testing conducted by the University of Alabama. Reports on the survey tests are included in Appendix 8.

The purpose of the cognitive testing conducted by the University of Alabama (Appendix 14) was to identify systematic (consistent misinterpretation of questions) and random (result of ambiguous questions that are interpreted differently by different respondents) error and provide general comments on the wording, look and feel of the survey instrument. The method used to conduct the cognitive testing is as follows:

- Conducted personal interview with a small group of HR professionals and made revisions to the survey instrument based on feedback.
- Mailed 100 surveys to random sample of Alabama employers who were asked to review the survey and provide their assessment of the survey and feedback for revisions. Revised survey based on feedback.
- Mailed 100 surveys to non-respondents from first survey and randomly selected employers who were asked to complete the survey form and provide feedback about the questions.

The final conclusions and recommendations of the cognitive testing report as well as actions taken by the Consortium based on these recommendations (in parentheses) are as follows (full report available upon request):

- Include only essential information in the packet. Keep the information simple and straightforward and provide very clear instructions. (instructions in survey manual)
- Do whatever is possible to make the survey compelling including to “pursue legislation to make compliance mandatory”. (Not possible at this time; state by state issue.)
- Assume a 10-15 percent response rate when figuring survey sample size. “A response rate of 50 percent is an unreasonable expectation.” (not possible)
- Carefully consider the purpose of each question. If it is not truly important to know, don’t ask. (taken into consideration in final revision of survey instrument)
- Survey researchers should be given a very clean mailing list. (instruction in survey manual)
- Make the envelope as clear and compelling as possible to maximize compliance.
- Develop one cover letter that works for every type of company. (done)
- The survey sample should not include parent companies. Sample based on establishments (physical location). (done)
- State more clearly exactly what types of plans might be available and what information is wanted about retirement benefits. (taken into consideration in final revision of survey instrument)
- Make the instructions more clear regarding leave for part-time employees. (taken into consideration in final revision of survey instrument)
- Clarify for respondents how to report participation in medical insurance for individual coverage versus family coverage. (taken into consideration in final revision of survey instrument)
- Reduce or eliminate all skips. (taken into consideration in final revision of survey instrument)

See Appendix 9 for the current version of the survey instrument.

Sampling and Estimation Methods

A number of factors influence the method of data collection including the survey design, selection of sampled units, probable response and non-response rates, cost, timetable, and quality of the results. This section will discuss the research and thinking that went into the final design of the sampling and estimation procedures recommendation.

An employer benefits survey would best operate using the probability method of sampling. This method includes random, systematic, and stratified sampling. The purpose of this survey is to describe employment benefits provided to employees; therefore employers are the target group. As it is not possible to survey all employers in each state in a timely or cost-effective manner, a sample can be drawn from the ES-202 Enhanced Quarterly Unemployment Insurance file (EQUI). States will need to be aware that there are two EQUI files due to confidentiality criteria spelled out with CIPSEA legislation. States must use the EQUI file that contains employment figures to pull the sample.

The consortium recommends a Probability Proportionate to Size (PPS) sample method. This will enable the sample to represent not only the overall populations, but also key subgroups of the population. Detailed sampling methodology is outlined in the survey manual.

The stratification of the sample impacts report-ability and therefore was a topic of research and discussion. Research revealed that the incidence, provisions and costs of benefits differ most by size class, industry and metro versus non-metro throughout the United States. However, the group understands that there is a strong desire for sub-state regional benefits data and therefore stratification by multiple sub-state regions is possible under the sampling method provided in the manual. Unfortunately, we do not anticipate that all states will have the resources to stratify their sample in a way that allows reliable estimates by multiple sub-state regions. Again, the methodology and tools are developed in a way that does not preclude states from stratifying their sample at a sub-state multi-region level. States that choose to do this will be able to produce data tables for regions that are smaller than metro/non-metro.

Consortium members decided that several factors should influence the number of units that are chosen for the benefits survey. Two that will play major roles are the amount of money available to conduct a benefits survey and the time and degree of precision that can be allocated to this survey. If funds are plentiful, then more units can be chosen and more staff hired to conduct the survey. If funds are tight, the number of units chosen will have to be decreased.

The survey methods described in the survey manual are designed to be used by states to voluntarily collect valid, reliable information about the core set of benefits, and to permit states to expand the list of benefits to meet their individual needs. The information collected about the benefits can be displayed at the state level. If states opt to increase the number of surveys gathered, they may display information by MSA or region. Data tables allow for display of information by industry, size class and regions within each state if the state chose to sample in that method.

The Consortium considered the possibility of collecting and reporting data by occupations. Research indicated that benefits varied much less by occupation than by industry. California is the only state that collects benefits by occupation. A review of California's process indicated that it would be extremely costly and complicated to collect and report benefits data for all by occupations. To achieve comparability among states the complexity of coding jobs by SOC code increases the cost and time of conducting this type of survey. Therefore, the Consortium rejected the idea of collecting and reporting employee benefits data by occupation.

The subcommittee developed the estimation procedures. Detailed instructions on both the sampling procedure as well as the estimation procedure are included in the survey manual.

In cognitive testing, the University of Alabama recommended dropping our expectations to a 10 to 15 percent response rate based on their own experience. The consortium discussed this recommendation and concluded that a 60 percent response rate was feasible. As has been cited earlier in the review of states that have conducted a benefits survey they were able to achieve a 50 -70 percent response rate. In its Labor Market Information Cooperative Agreements with the states, BLS requires a seventy-five percent response rate. The sixty percent response rate will be adequate to provide quality estimates and keep the costs for survey operation within reason.

Survey Manual

Consortium members decided that an essential deliverable of the group was a survey manual. A survey manual that documented all the steps and procedures for conducting an employee benefits survey would allow all states to replicate the survey in a way that would be most likely to produce

comparable results. The survey manual is also a way to document the methodology agreed to by Consortium members. In short, the survey manual is the main deliverable of the Consortium.

The survey manual is organized into the following sections:

- *Administration* addresses potential data collection methods, survey frequency, survey timelines, follow-up procedures, quality control issues, and other procedural issues.
- *Sampling* addresses developing a sample design, sample size, geographic areas, industries and size categories to be surveyed, coordinating and/or integrating the benefits survey activities with other state survey activities, and related sampling issues.
- *Analysis and reporting* discusses unit(s) of analysis, data management, weighting, and comparability issues.
- *Publication, dissemination and marketing* addresses methods and frequency of reporting the benefits survey findings.

Data Collection Methods

A variety of methods can be used to collect survey information from employers. Among these are mailed paper survey, telephone survey, Computer Assisted Telephone Interview (CATI) survey, personal interviews, web based survey and combinations of two or more of the methods listed. The need for reliable, accurate data must be balanced against the costs and resources required to obtain those data. Each method has advantages and limitations. Initially the group decided to let states choose their method of choice or combine methods. However, the group eventually decided to recommend and focus on one method. A mail survey with telephone follow-up was chosen: Based on the groups' research this is the most cost effective, reliable method for data collection for a benefits survey.

The group's research findings on each data collection method are outlined below:

Mailed surveys. Using a standardized form with a mailed survey requires the following steps: Address refinement, document assembly, mailing, receiving returned forms and resending misdirected mail, follow-up, data input and output for analysis. A mailed survey can be conducted by in-house staff or contracted out. Follow-up can be additional mailings or telephone contact. The costs for a mailed survey would include staff, printing, supplies and mailing. A mailed survey requires less staff time than other methods and is fairly cheap.

Telephone and CATI systems. Using a standardized form as a script for a telephone survey requires the following steps: Refining telephone numbers, calling, receiving information, correcting incorrect phone numbers, inputting data, following up on non-contacts and non-reporters, and outputting data for analysis. The costs for a telephone survey include staff, minimal printing, phone services and supplies. The costs for CATI would include all previous items plus computer equipment and software. Phone surveys can produce good response rates, but are labor intensive for a short period and may require additional staff to complete within a prescribed time. Phone surveys tend to be more expensive to implement than mail surveys.

Personal Interviews. Using a standardized form as a script for a personal interview requires the following steps: Refining address and telephone numbers, calling to set appointments, visiting the client, receiving information, inputting data, following up on non-contacts, and outputting data for analysis. Personal interviews can produce very good response rates but are extremely labor intensive and require additional staff.

Web based survey. A web based survey would require some sort of notification, either by mail, e-mail or telephone and would require the respondent to submit their responses by completing a web-based form. The steps required are: Refining address and/or telephone numbers, notification of the website, monitoring respondents, following up on non-respondents and outputting data for analysis. A web based survey would be easy for responders to complete, but may not generate an adequate response rate. A mail out survey may be able to be combined with a web based survey. The University of Georgia conducted a benefits survey utilizing both web based and mail surveys. They reported to the consortium that the use of a web based survey did not provide adequate response rates. The mail survey process produced much higher response rates. The presenters felt that employers were not ready to conduct this type of survey entirely on-line.

It was decided that a combination of a mail, telephone and web based survey may offer the best approach; mail to harvest the “easy” respondents, phone calls to capture data from the non-respondents to the mail survey, and a website for those who wish to use it. A possible strategy based on least cost relative to return, might include two mailings, a phone call reminder and clarification that the mailed survey went to the intended recipient, an additional mailing if needed, and a final phone call request for data.

Follow-up strategies

Because statistical reliability is a goal of the survey, the group decided to recommend that all surveys reach at least a 60 percent response rate. To reach this, follow-up will be necessary in most cases. *In fact, the Alabama Cognitive Testing study found that achieving anything over a 15 percent response rate would be a major challenge.* This need for follow-up impacts survey cost: The more follow-up required the more the survey will cost in terms of mailing and telephone costs as well as staff time.

The amount of follow-up required to obtain an adequate number of respondents is dependent on the willingness of the population to respond to the survey. Some employers believe that they are “over-surveyed” by government entities and may resist compliance with a data requests. Using highly detailed or complex survey forms and instructions may exacerbate this problem. There is a relationship between the amount of time required to complete a survey and the willingness of participants to complete questionnaires. With this in mind, the extensive work that was put into simplifying and clarifying the survey instrument may pay off by decreasing the need for follow-up.

While the number of participants who need follow-up can be reduced, it cannot be completely eliminated. Some employers will probably require follow-up with repeated mailings, phone calls, and, if necessary, personal visits. Follow-up phone calls should offer the option of data collection over the phone. Extensive and detailed instructions on address refinement and survey follow-up methods are included in the survey manual.

Survey Frequency

The Consortium also discussed frequency of survey implementation. Consortium findings indicate that every other year is sufficient for survey implementation because benefits do not change very fast – although costs may change faster than incidence and provisions. Therefore the Consortium recommends that states implement the full survey biennially.

The Consortium is still in discussion about how frequently data on benefits cost should and can be collected. The cost of collection and the difficulty of obtaining accurate results are issues that the Consortium discussed. Information from the pilot states will be used to help determine this issue.

Analysis and Reporting

States will be able to report employee benefits and cost data by the geography used in the sampling process (metro and non-metro or multiple sub-state regions). States will also be able to report by NAICS industry sector (18 sectors), size class (5 classes) and full-time and part-time status. Some firms also offer different benefits packages to salaried and hourly workers, or to union and nonunion workers. To accommodate these issues, the survey instrument instructs responders to provide information for their largest group of workers. Therefore, all data are collected based on the largest group of workers at each firm.

Consortium members are hopeful that states will follow all the procedures outlined in the manual. This will allow states to report benefits data that are comparable with all other states. The manual includes standard table formats and a sample report for states to follow. This will enhance the comparability of the results.

Publication/Dissemination/Marketing

The Consortium recommends that all employers who participated in the survey have the option to receive a complimentary copy upon completion of the report. Additionally, the publication should be marketed to employers, educators, local and statewide Society of Human Resource Managers (SHRM), government agencies and the general public.

The Consortium recommends that states emphasize the connection between the benefits and the OES Wage Survey, which is produced in each state. For example, in South Carolina, it is stressed in the literature that their Employer Practices and Benefits Survey, in conjunction with their wage survey, provides the most comprehensive data available on compensation and benefit practices of employers in the state. This way, the public will view the publications as companion pieces. As a result, a state can focus marketing efforts on the employers who participated in the wage survey process. Certainly, they would want to read/buy a copy of the Benefits publication.

The best way to reach the current users of labor market information data is to advertise the Benefits Survey in the monthly newsletters. For example one state has an E-mail Notification System to inform users of LMI data of upcoming press releases, new publications, etc. Also, its availability should be announced during regular speaking engagements/marketing efforts with local employers, SHRM personnel, etc.

Employee Benefits Survey Manual

The Employee Benefits Survey Manual is the culmination of the extensive process that the Consortium went through to come to recommendations on both methodology and practice. Consortium members discussed the most appropriate methodology in nearly every meeting and at three workgroups dealt directly with various aspects of methodology. The final version of the survey methodology attempts to balance the need for statistical reliability with cost considerations. The practical application of this methodology, as spelled out in the survey manual, has both been thoroughly discussed and tested by pilot states. Although states are not obligated to adopt these guidelines, the Consortium strongly recommends that they do. This is for the sake of comparability across all states as well as the importance of producing high quality estimates.

The Manual was started before the fourth meeting and continues to be updated and expanded as decisions are made based both on research and practical pilot state experience. The Employee Benefits Survey Manual Table of Contents follows:

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Pilots

Consortium members chose Missouri for an initial pilot of the complete survey methodology. Missouri signed a detailed contract with the Consortium that included documenting issues with the methodology, manual, questionnaire, as well as documentation of costs and time involved (see Appendix 10) is documentation was then used to make changes to the method and manual as well as developing a budget for other states to use in their planning.

Missouri started their survey in April 2004.

At the Consortium's August meeting, five other states were chosen for a second round of pilots. These states were: Minnesota, Idaho, Alaska, Montana and North Carolina. These states were chosen to represent different size states and the timing was set to follow behind Missouri by six months. This allows for this group of pilot states to test recommended changes from the Missouri pilot. These states signed contracts with the Consortium in early September 2004 (see Appendix 11). These contracts also included detailed reporting requirements to assist the Consortium in identifying problems in the survey instrument, methodology and manual.

Reports are provided to the Consortium on the following topics:

1. Address refinement process
2. Survey response including any issues
3. Survey instrument issues
4. Issues with Consortium documentation and processes
5. Data capture, data entry, analysis and estimation software
6. Macro and micro edit processes and results

The results from these pilot surveys will be used to update the manual. A side benefit from the pilot survey process will give States wishing to conduct a benefits survey a point of contact for questions. This group can also be used to assist in planned training courses for other states who will want to conduct surveys in the future.

Survey Administration Software

Consortium members made the decision to not develop a set of software tools to be used for the EBS. The reasons were that costs were prohibitive, the timeline was not sufficient, different states use different software, and without ongoing support, software will quickly become useless. In terms of the timeline, it would not make sense to develop tools until the final methodology was agreed on and that could not happen until at least several pilots were conducted. In terms of software choosing a platform for each application that could work for everyone would be nearly impossible. For example, the Job Vacancy Survey developed sampling software that runs off a SAS platform. Although the sampling software is relatively easy to use and no knowledge of SAS is necessary for the users, the computer running the application must have SAS installed. Because SAS is expensive, this prohibits many states from using this software. Finally, as the Job Vacancy Survey experience shows; ongoing support is necessary if states are to make use of existing software. Minnesota receives at least 10 calls/emails for help monthly on their software and the BLS sampling software. The estimation software is highly complex and few states make use of it. Consortium members are hesitant to put time and money into developing software that will not be supportable in the future.

However, to conduct a pilot, states need to develop, at a minimum, a program or other software method to pull the sample, a data capture system to do data entry in, and a program or other software

method to complete estimation. These efforts are being coordinated so that at the end of the process several tools using several different software platforms will exist for other states to use.

As a result of the desire not to duplicate work, the Consortium coordinated the development and sharing of this software among pilot states. Currently sampling software has been developed by Missouri and data capture and sample management software has been developed by Minnesota. These software tools will be made available for other states to use. However, this software will soon become obsolete unless a process is put in place to maintain, enhance and/or upgrade it over time.

Training and Marketing

The Marketing and Training workgroup was formed by the Consortium to produce a training curriculum and marketing materials for non-Consortium member states. The workgroup began development of training materials to provide a training session for state LMI workers. A training session was tentatively scheduled for April or May of 2005, pending input from the LMI Training Institute. Based on interest levels of non-Consortium states, additional training sessions may be held by the Marketing and Training workgroup.

A marketing brochure was produced by the Marketing and Training workgroup to provide to states interested in conducting a benefits survey. This brochure, along with other materials, will be provided to all states upon completion.

In addition to creating marketing and training materials, the workgroup also developed a list of agencies and organizations that may be interested in funding or assisting with state benefits surveys. These organizations may be helpful to states conducting a benefits survey by assisting with marketing efforts. In some cases, they may also be a source of funding for a state wishing to conduct a survey. The Marketing and Training workgroup intends to contact national organizations to provide information about the Consortium to determine any assistance that may be available for ongoing support or funding.

The Future of Employee Benefits Survey

While Consortium members believe that there is strong interest across the country in conducting state benefits surveys, we also realize that conducting an employee benefits survey is complex. Even with one-time training, detailed instructions on methodology and procedure, and some tools, not every state will have the capacity, without assistance or resources, to successfully implement an employee benefits survey.

The Consortium designed the survey so that the methods can be implemented by states' labor market information organizations using existing equipment, software, and facilities. However, states *will* require additional staff and funds to conduct the benefits survey. The Survey Methods Workgroup recognizes the Workforce Investment Council's intention that states continue to fund their benefits survey activities with their own resources. However, the Consortium recommends that the WIC request additional funding from the Department of Labor to support this activity in participating states.

Moreover, Consortium members have done their best to develop a program that is self-sustaining. However, new technology, findings from future surveys and new demands from customers will mean that the Employee Benefits Survey will not always be as current, customer focused and efficient as it could be. So that the Employee Benefits Survey can continue to evolve, the Consortium recommends that the ETA provide the following on-going support:

1. An annual training budget. One training session per year would give new staff access to training and would allow training to evolve as the survey and tools evolved.
2. An annual technical support budget. This would allow staff in selected states to provide technical support on survey methodology and software. This budget would also allow software to evolve based on new technology as well as findings from future survey rounds.
3. Funds for a biennial evaluation meeting. This would allow Consortium members to continue to develop the survey methods including the tools, based on state experience and new technology.

Without this very basic level of support, the survey will not be sustainable in the long-term. On the other hand, a small amount of ongoing investment will guarantee that the \$700,000 investment on the front-end will provide a foundation for all 50 states to conduct a reliable, comparable and customer focused employee benefits survey well into the future.

APPENDIX

Appendix 1: Employee Benefits Consortium Member List

Members' Names	State or Department of Labor Bureau
Anita Josten	New Hampshire
Annette Miller	Montana
Annie Tietema	Minnesota
Betty Brown	Missouri
Bob Schleicher	Montana
Bob Uhlenkott	Idaho
Cathy Bournier	Idaho
Chris Miller	Alaska
Dave McGee	Kansas
Fran Styron	California
Frances Harris	BLS/National Compensation Survey
George Nazer	New Hampshire
Heidi Belding	Iowa
John Pinkos	BLS
Kathryn Lizik	Alaska
Kathy Klein	Kansas
Laura Sichmeller	South Dakota
Mark Harris	Wyoming
Michelyn Burke-Lee	DOL ETA
Oriane Casale	Minnesota
Pam Schenker	Florida
Paula Nissen	Iowa
Phil Baker	Nebraska
Phillip George	South Dakota
Rick Lockhart	Washington
Scott Hunzeker	Nebraska
Sonya Williams	North Carolina
Tammy Jenkins	Alabama
Teresa Taylor	Iowa
Tom Gallagher	Wyoming

Appendix 2: Nebraska Employee Benefits Customer Needs Survey and Results

1. What is your level of interest for employer benefits information?

The average level of interest is 3.63, with 1 being “No Interest” and 5 being “Extreme”

2. Are you interested in information about benefits packages for different employee groups (i.e. part-time/full-time, salaried/hourly workers) in the same firm?

Twenty-nine percent of respondents said that they are *not* interested in information about different employee groups, the remaining 71% are interested. Of five valid comments about employee groups, two were in reference to full-time/part-time workers, two commented on salaried/hourly workers, and one commented on seasonal workers.

3. Are you interested in information about benefits packages for employees in different occupations?

Fifty-six percent of respondents said that they would be interested in information about benefits packages by occupation. The remaining 44% are not interested in this information.

4. How often would you access this kind of information?

The average on the five-point scale with 1 being “Never” and 5 being “Very Often” is 2.83.

5. How would you use this information? (circle all that apply)

The following were the percentages that circled each option:

Research: 29.2%

Career Counseling: 0.0%

Compensation Decision: 62.5%

Training: 12.5%

Recruitment: 45.8%

Job Placement: 0.0%

Planning: 50.0%

Setting Policy: 41.7%

Economic Development: 4.2%

Program Evaluation: 12.5%

Other: 0.0%

6. Please rate how feasible it is to report the costs to employer.

On a five-point scale with one being “Not at all Feasible” to report costs and 5 being “Very Feasible,” the average response was 2.91.

There were three comments about the feasibility of providing cost information:

“Since this would reflect an average - the total could vary quite a bit”

“Health insurance is more feasible, leaves less feasible”

“Difficult to quantify cost of leave”

Part B: A total of 20 copies of Survey B were returned (out of 96 surveys mailed). The number of responses to each question varied.

1. Please choose the option that best describes the nature of the organization you represent:

Private Business: 70%

Educational Institution: 0%

Economic Planning: 5%

Government Institution: 10%

Non Profit Organization: 10%

Media: 0%

Other: 5% (Financial Institution)

2. What is your organization's level of need for employee benefits information? (1=No Need, 5=High Need)

The average need on a scale of 1 to 5, with one being "No Need" and 5 being "High Need" was 3.17.

3. How do you use employee benefits information? (check all that apply)

Research: 5%

Compensation Decisions: 65%

Recruitment: 45%

Setting Policies: 30%

Program Evaluation: 20%

Career Counseling: 5%

Training: 15%

Job Placement: 10%

Planning: 25%

Economic Development: 5%

4. Please list any other uses you have for employee benefits information:

One response received: "Members ask for a copy of surveys, needs to relay info to callers"

5. Have you ever used the Nebraska Employee Benefits Report to obtain information about employee benefits offered in Nebraska?

Thirty-two percent of respondents reported that they have used the Nebraska benefits report. The report is available free on the Nebraska Workforce Development web site and was mailed to people who requested a copy.

6. Please list any sources other than the Nebraska Employee Benefits report that you've used to obtain information about employee benefits:

There were five responses to this question, one source was a survey conducted by a county, one by a chamber of commerce, a report from a "local company," one from "Mercer," and an AON Practices Summary report. There were no charges for any of these reports.

7. Has your organization ever conducted its own employee benefits research?

Six respondents out of the 20 (30%) reported that their organization has conducted research on employee benefits.

8. The Nebraska Employee Benefits Report used employer size, regional location, and industry to categorize information. How do you feel about the employee characteristics used in the Nebraska report?

Smaller geographic regions should be used: 50%

More employer size categories should be used: 20%
Industry groupings used need to be more specific: 20%

9. Please list any other employer characteristics you would like to see used to display employee benefits information:

Responses included:

“Divide between healthcare workers, business, blue collar, etc”

“Gross sales for the year”

“Industry categories could be more specific”

10. The Nebraska Employee Benefits Report presented information for both full-time and part-time employees. Which of the following grouping categories would be helpful?

Salary vs. Hourly Workers: 60%

Permanent vs. Temporary Workers: 35%

Worker Demographics (such as age or gender): 10%

11. Please list another employee characteristics you would like to see used to display employee benefits information:

There was one response: “Length of time on job”

12. Would you be interested in information about benefits packages offered to employees in different occupations?

Fifty-five percent of respondents said that they would like information about benefits packages offered to employees in different occupations.

13. Which of the following benefits cost calculations are important to you? (check all that apply)

Total Cost of Benefits (Straight Dollar Amount Spent by the Company on Benefits): 75%

Total Compensation (Employer cost for benefits plus wages): 65%

Total Compensation per Employee: 65%

Cost of Benefits as a Percentage of Total Gross Payroll: 40%

Average Costs of Specific Benefits (i.e. the cost to employers of offering insurance): 45%

Changes in Costs of Benefits Over Time: 55%

14. Please list any other information on costs of benefits that you would like to see:

There was one response to this question: “Which benefit is most expensive to provide per employee”

For questions 15 - 20 a five-point scale was used with “Not at All Important” representing “1” and “Very Important” representing “5.”

15. How important is it for you to compare employee benefits information:

Between Counties: 3.00

Between Regions: 3.18

To Other States’ Data: 3.26

To National Data: 3.24

16. Below is a list of Paid Leave benefits. Please rate how important it is for your organization to obtain information about each benefit listed.

Personal Leave: 3.61

Sick Leave: 3.79
Holiday Leave: 3.68
Maternity / Paternity Leave: 3.67
Military Leave: 3.33
Jury Duty Leave: 3.28
Funeral / Bereavement Leave: 3.33
Educational Leave: 3.17
Conversion of Leave to Pay: 3.42

17. Below is a list of Insurance-related benefits. Please rate how important it is for your organization to obtain information about each benefit listed.

Health Insurance: 4.11
Life Insurance: 3.37
Dental Insurance: 3.37
Vision Insurance: 3.11
Prescription Plans: 3.74
Chiropractic Care: 3.11
Supplemental Insurance: 2.95
Short-term / Long-term Disability: 3.84
Dependent Insurance: 3.42
Employee Assistance Programs: 3.16

18. How important is it for you to obtain information about different types of retirement benefits offered to employees?

The average importance was 3.65 on the five-point scale.

19. Below is a list of Child Care benefits. Please rate how important it is for your organization to obtain information about each benefit listed.

On-site Child Care: 2.11
Child Care Assistance: 2.74
Vouchers for Child Care: 2.58
Referrals to Child Care Centers: 2.58

20. Below is a list of miscellaneous benefits. Please rate how important it is for your organization to obtain information about each benefit listed.

Tuition Assistance / Reimbursement: 3.15
Elder Care Assistance: 2.70
Use of Company Vehicle: 3.00
Employee Discounts: 3.11
Free / Reduced Rate Parking: 2.00
Bonuses: 3.60
Shift Differential: 2.60
Club Memberships: 2.40
Credit Union: 2.20
Uniform Allowance: 2.35
Tool Allowance: 2.20
Wellness / Fitness Program: 2.40
Flexible Hours / Flextime: 2.80

Telecommuting: 2.50
Relocation Assistance: 2.60
Severance Pay: 3.05
Legal Aid: 2.50

21. Please list any other employee benefits that you would like information about:

There was one response received to this question: "401K, Employee Contributed Savings Plans."

22. Please leave any additional comments or suggestions about your need for benefits information, the Nebraska Employee Benefits Report, or the National Employee Benefits Consortium.

No comments were received...

Appendix 3: California's Employee Benefits Customer Needs Survey and Results

Q1. What is your level of interest for employer benefits information? (1 - No interest, to 5 - extreme Interest) – Average response was 4

Q2. Are you interested in information about benefits packages for different employee groups (i.e. part-time/full-time, salaried/hourly workers) in the same firm?) –

Yes	No
86.7%	13.3%

Q3. Are you interested in information about benefits packages for employees in different occupations?

Yes	No
85.7%	14.3%

Q4. How often would you access this kind of information? (1 - Never, to 5 - Very Often) – average response was 3.07

Q5. How would you use this information? (Circle all that apply)

Research	Career Counseling	Compensation Decision	Recruitment	Planning	Setting Policy	Economic Development	Program Evaluation
66.7%	6.7%	20.0%	13.3%	6.7%	46.7%	26.7%	46.7%

Appendix 4: Alabama's Employee Benefits Customer Needs Survey and Results

The Department of Industrial Relations is participating in a national Employer Benefits Consortium sponsored by the USDOL/ETA. *The goal of this consortium is to research the need for and development of nationally standardized benefits information.* Many employer and industry groups across the nation have shown an interest in this area and your comments are solicited. Please take a moment to complete the following questionnaire.

()			
First Name	Last Name	Phone	
Office Name		Email	
Address	City	State	ZIP

1. What is your level of interest for employer benefits information?

1	2	3	4	5	<i>1 - No Interest, to 5 - Extreme Interest</i>
1.2%	1.2%	8.4%	26.5%	62.7%	

Comments: _____

2. Are you interested in information about benefits packages for different employee groups (i.e. part-time/full-time, salaried/hourly workers) in the same firm?

Y	N
92.1%	7.9%

Specify: _____

Comments: _____

3. Are you interested in information about benefits packages for employees in different occupations?

Y	N
76.2%	23.8%

Comments: _____

4. How often would you access this kind of information?

1	2	3	4	5	<i>1 - Never, to 5 - Very Often</i>
3.3%	16%	43%	30%	7%	

Comments: _____

5. How would you use this information? (*circle all that apply*)

Research (9.7%)

Career Counseling (7.7%)

Compensation Decision (14.8%)

Training (8.4%)

Recruitment (14.2%)

Job Placement (9.0%)

Planning (12.3%)

Setting Policy (13.5%)

Economic Development (3.9%)

Program Evaluation (6.5%)

Other (0%)

6. The table on the following page is an example of the kinds of benefits information being collected in other states. Referring to the column on the right, please rate how feasible it is to report the Costs to Employer (\$).

1	2	3	4	5	1 – Not at all feasible, to 5 - Very feasible
6.8%	10.2%	22%	23.7%	37.3%	

Comments: _____

7. Using a scale of 1-5, with 1 being least important and 5 being most important, please rate how important information about each benefit and each payment/cost alternative listed is to you. Enter your ratings in the columns to the right of each type of benefit. If you have a recommendation for an additional benefit, print it in the blank space to the right of the item "Other (specify)". Please comment freely on the attached page about the benefits that are listed.

Benefits:	% of Employers pay all		% of Employers share costs		% of Employees pay all		Costs to Employer(\$)
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	
Insurance							
Medical	4.85	4.42	4.79	4.46	4.66	4.48	4.69
Dental	4.34	4.23	4.43	4.27	4.33	4.28	4.33
Vision	3.84	3.84	4.00	3.92	3.91	3.92	3.77
Life	3.77	3.70	4.13	3.78	3.94	3.77	3.83
Legal	3.10	3.23	3.57	3.27	3.27	3.50	3.50
Disability	3.75	3.58	3.97	3.71	4.03	3.73	4.00
Other (Specify)							
Leave							
Sick Leave	4.67	4.59	4.60	4.26	4.55	4.48	4.50
Family Leave	4.21	4.10	4.26	4.00	4.00	3.95	4.00
- Sick	4.27	4.36	4.50	4.13	4.42	4.24	4.14
- Bereavement	4.22	4.24	4.44	4.14	4.23	4.10	4.05
- Maternity/ Paternity	4.10	3.76	4.10	3.50	4.05	3.56	3.59
Holiday	4.42	4.05	4.17	3.74	4.14	3.90	4.04
Vacation	4.64	4.50	4.50	4.20	4.40	4.39	4.46
Leave of Absence	4.28	4.24	4.38	4.09	4.35	4.20	4.00
Other (Specify)							
Retirement Plan							
Pension	4.24	4.20	4.31	4.09	4.18	4.33	4.18
401K	4.30	4.00	4.41	3.91	4.30	4.14	4.14
Stock Options	3.22	2.94	3.44	2.95	3.21	3.16	3.12
Other (Specify)							
Other							
Bonuses	3.68	3.53	3.84	3.38	3.83	3.60	3.58
Child Care	2.98	3.06	3.13	2.95	3.04	3.11	2.65
Education or Tuition Assistance	3.50	3.37	3.89	3.55	3.68	3.60	3.47
Components of "cafeteria plans"	3.91	3.76	4.17	3.61	3.92	3.72	4.00
Transportation Allowance Assist.	2.79	2.69	3.05	2.82	2.81	2.94	2.41
Flex-Time	3.35	2.94	3.35	3.00	2.96	2.82	2.75
Other (Specify)							

Appendix 5: Background Research on the Employee Benefits and National Compensation Surveys and the Employment Cost Index

I. Goals:

- (1) A Comprehensive Report on the purpose(s), methods, and output from the National Compensation Survey (NCS), which includes data on compensation cost indices and levels, benefit incidence and detailed plan provisions, and occupational wage and work levels.
- (2) A Review of the data collection instrument, instructions, and output from the quinquennial economic census.

Draft for distribution should be available by September 18, 2002.

II. Objectives: Define the components in sufficient detail so that the consortium's decisions can be informed, and tests, pilots, and other strategies conducted effectively.

III. Research Steps-- identify from the available literature, manuals, and data collection instruments (June to August), prepare descriptive narrative for the consortium which addresses the following topics:

- (1) Purposes / applications of the information
 - (a) descriptive
 - (b) explanatory
- (2) Conceptual definitions
- (3) Sample Frame
- (4) Population to whom inference is made
- (5) Estimation procedures
- (6) Frequency of collection
- (7) Collection mode (Includes narrative description of a typical collection scenario ... broad collection guidelines on costing and coding benefits.)
- (8) Time lapse between collection and publication
- (9) Classification Systems
- (10) Verification mechanisms
- (11) Cost
- (12) List of benefits information produced, and value added products from use with wage survey and/or other data
- (13) Independent evaluations, Peer review
- (14) Measurable Outcomes (GPRA basis)
- (15) Specify potential areas of linkage between BLS and State definitions, processes, and uses
- (16) Identify geographic, conceptual, or other gaps and/or underdeveloped value added potentials

Include a bibliography of source materials and citations.

IV. Field observation of BLS Benefits and/or Compensation data collection procedures. The time and location for the observational is to be determined.

Appendix 6: Background Research on the National Compensation Survey

The National Compensation Survey (NCS) is an umbrella title assigned to a strategy for the collection of direct and indirect compensation information in such a way that multiple products can be produced, some annually while others quarterly. The NCS program represents the merger of several BLS compensation programs in to one coordinated effort. Program design began in the mid-1990s and final implementation is largely complete.

NCS collections are divided between (1) wage only surveys and (2) wage and benefit surveys. The NCS consists of 33,600 sample units of which 16,800 are wage and benefit sample units. It must be remembered that the wage and benefit sample units feed NCS wage products. Wage and benefit units feed the Employment Cost Index and Employer Cost for employee compensation products. They are also used by NCS's benefit incidence and plan provision products. Initial quarterly collections are conducted in person while subsequent collections may use a variety of techniques depending upon firm size, type of collection (i.e. wage only) and respondent request.

The initial collection interview requires advance assessment, address refinement, pre-mailings, and subsequent to collection, includes any required follow-up, editing and related data transmittal activities. Altogether, 22 hours are allocated for the initiation interview, for a wage and benefit schedule, and 3 hours are allocated for quarterly updates.

BLS field economists obtain a copy of each firm's payroll (or similar information) and randomly sample occupations according to a strategy designed to statistically identify a subset of occupations with a probability proportionate to the occupation's employment in the company. Field economists identify 8 occupations for collection in firms of 250 workers or more, 6 occupations in firms of 51 to 249 workers, and 4 occupations in firms of 50 or less. The selected occupations are classified according to the Census Classification and the Standard Occupational Classification (SOC) systems. It should be noted that dual classification is required until all NCS product lines are published under the new NAICS-SOC classification systems. Once occupations are identified, information on the detailed duties and responsibilities of the job are evaluated. This information is used to assign a work level to each occupation in the survey. Following, individual wage rates of workers in the occupation are collected. Additionally, information on benefit offering is collected, including data on benefit access, participation, costs and plan provisions provided to workers in the sampled occupation.

The National Compensation Survey (NCS) benefit products covers the incidence and detailed provisions of selected employee benefit plans in private industry establishments. Benefits data for state and local government will be available in the future. The data are presented as the percent of employees who have access to or participate in certain benefits, or as average benefit provisions (for example, the average number of paid holidays provided to employees each year) or as a percent of participants with a stated benefit plan characteristic.

Estimates are published by:

- broad occupational groups (white collar, blue collar and service)
- full- and part-time status of employees
- bargaining status (union and nonunion)
- geographic area: national, metropolitan area, non-metropolitan area and nine census divisions ranging from New England to the Pacific region
- broad industry sectors (goods producing and service producing)
- average wage (less than \$15 per hour and \$15 or higher)

- establishment size (1-99 workers and 100 workers or more)

The NCS provides incidence and extensive provisions data for two major benefit areas:

- Health insurance
- Retirement (total retirement or separately for both defined benefit and defined contribution components)

NCS benefit incidence and key plan provisions data are published for the selected worker, establishment and geographic characteristics listed above. NCS detailed health and retirement plan provisions data are also published for most of selected worker and establishment characteristics listed above, but are primarily national estimates. A limited number of detailed plan provisions are available for the nine census divisions and metropolitan vs. non-metropolitan area breakouts.

In previous years, data were collected in three surveys:

- medium and large private establishments (in odd years)
- small private establishments (in even years)
- State and local governments (in even years)

With the exception of broad incidence data, which were produced by major region, all of the historic benefits data (formerly the Employee Benefits Survey or EBS) were national. They were presented for three broad occupational groupings: professional, technical, and related; clerical and sales; and blue-collar and service employees. Broad incidence data were also available by goods- and service-producing, union affiliation, and full- and part-time status.

Currently, all private industry establishments, regardless of size, are studied in the NCS each year. Eventually, data on both private industry establishments and State and local government workers will be produced. Incidence and key provisions for all benefits plans and detailed plan provisions for health care and retirement plans are studied each year. Future plans call for publishing “linked products,” where cost data are linked to benefit plan provisions, wages, and/or benefit incidence and participation. While some linked products are now available (i.e. benefit incidence linked to wages, for example), others may be published in the future. (See the earlier pages regarding the breakouts of published NCS data.)

NCS also conducts special studies in new benefit trends. For example studies have been conducted on the following:

- Stock options
- Child care resource and referral services

The following are examples of how the NCS benefits incidence and detailed provision data are used:

- ***Planning and improving company benefits*** - BLS data are commonly used as a guide when companies choose the provisions for their benefit plans. In addition, companies may improve benefit packages to remain competitive in the labor market. For example, a computer company may have a difficult time finding qualified computer engineers; or, a car dealership may not be able to attract the best salesperson. Instead of simply raising the wage, many companies will enhance or add new benefits.

- ***Lowering turnover rates*** - To attract and retain workers, employers may provide additional benefits. These prospective benefits may be traditional or emerging. Employers can search the benefits data to evaluate benefits that employees are currently being offered nationwide.
- ***Aiding collective bargaining negotiations*** - Collective bargaining units go through re-negotiation of their contracts at various times. The bargaining unit may want to add a new benefit to an agreement like subsidized commuting. The bargaining unit and the employer can use the benefits data to assist them in making decisions.
- ***Understanding health benefits data*** - Health benefits data are broken out into average contributions for medical coverage and average plan limits. A new company can reference these averages when selecting group health plan coverage - comparing the averages to proposals that health plan companies have given the new company. An established company can compare its current premiums paid for health benefits to the averages nationwide. This helps the established company assess their health benefits or negotiate contracts with health benefit companies.
- ***Assessing and formulating public policy*** - BLS benefits data were used to design defined benefit and savings and thrift plans for federal employees. In the debate over a universal health care system, benefits data on employee premium sharing was considered in formulating proposals. Data on the amount of retirement income from employer plans has helped to frame the debate over social security reform. Policy makers used our benefits data when drafting the Family and Medical Leave Act of 1993.
- ***Researching current benefit issues*** - Students, consultants, and researchers use benefits data frequently. Students may be writing a thesis or trying to identify a noteworthy item on which to focus an assignment. Consultants may be trying to recommend benefit actions to a company or provide supporting data to clients. Researchers sometimes want to investigate a particular issue in benefits or may focus on a few years of previous data to develop research on trends or other benefit issues.

If we define the NCS in terms of what it produces, rather than in terms of a more elusive statement of purpose, it appears that program goals are aimed primarily at the descriptive level of analysis. The BLS is responsible for producing statistics that are impartial in both subject matter and presentation. Resultantly, NCS data are primarily descriptive. That does not mean that the NCS data are solely descriptive. Data users may and do draw upon NCS data in a variety of ways, including using data to help them better understand and/or explain the interrelationships between economic statistics, changes in measures, and causal relationships.

The NCS sub-product referred to as the Employee Benefits survey makes information on the “incidence and characteristics of employee benefits plans” available to the public. The Employment Cost Index (ECI) measures the “change in the cost of labor” while the NCS occupational wage products provide estimates of wage rates for selected occupations in selected geographic areas.² Others

² *Compensation and Working Conditions*, Bureau of Labor Statistics, Spring 2001, Vol 6, Number 1 (technical appendices).

have suggested that the ECI “is a major indicator of wage-push inflation,” and that therefore the program’s purpose is explanatory.³

It is not clear at this point if the broader program purpose is explanatory and that this analytical function was part of the NCS design criteria, or a post-design attribution by customers. Making description alone, or description and explanation, the explicit goal of the NCS program (or a state program) is an important consideration to the ultimate design of the collection and estimation procedures.

³ Wiatrowski, William J., The National Compensation Survey: Compensation Statistics for the 21st Century”, *Compensation and Working Conditions*, Winter 2000, Vol 5, No 4, page 9.

Appendix 7: Background Research on the National Compensation Survey Costs

Compensation and Working Conditions FY 04 Operating Budget Summary Report

FY04 Obligational Authority

Employee Benefits Survey (Program 302)	\$ 3,558,000
Employment Cost Trends (309)	\$15,790,500
Occupational Compensation Survey (310)	\$12,993,000
Locality Pay (313)	\$12,658,289
Total NCS*	\$53,903,454

The strategy employed by the NCS is cost prohibited for a nationwide survey. The cost of conducting a NCS wage survey with index and benefits data is \$1,604 per sample establishment (\$53,903, 454 / 33600). The cost of conducting a NCS wage and benefit survey including the index, benefit incidence and detailed plan provisions (Employment Cost Trends (309) and Employee Benefits Survey (302)) is \$1,465 per sample establishment (\$24,611,205 / 16,800).

Since wage and benefit sample units feed the wage products and wage and benefit units feed the index as well as the benefit incidence products, it is best to calculate a cost range based on the individual costs for the two different programs. If a small state were to conduct an NCS-like program to collect benefits, a sample of 1,000 establishments would cost from \$1,465,000-\$1,604,000, which is many times higher than the cost of a small state direct compensation OES program.

It should be noted that the cost measures for the NCS wage and benefit sample reflect 4 quarterly updates per year plus an annual initiation per year, while State surveys would be more of a one-time or once a year cost. This makes the cost per sample unit rather high and may not be comparable with the consortium's goal of an annual survey or one-time type of surveys. The NCS cost per response is much lower.

The average number of survey response per establishment per year is 1.82 for NCS overall and 2.587 per year for the NCS wage and benefit sample. Multiplying the number of responses by the average number of responses (33,600 X 1.82 average responses per year) equals 61,152 total responses for all of NCS. Likewise, 16,800 X 2.587 average responses per year equals 43,462 total for NCS wage and index units. Therefore the cost per response ranges from \$881 per response (\$53,903, 454 / 61,152 responses) for the entire NCS to \$566 per response (\$24,611,205 / 43,462) for the wage and benefit sample. Again, it would cost a small state with 750 responses from \$424,500-\$660,750 to implement a NCS-like program, still much higher than the direct compensation OES program.

* The total includes programs and other costs.

Bibliography of Source Materials and Citations

Clearance package, dated June 14, 2004 - Federal Register - (Volume 69, Number 113) regarding National Compensation Survey - O.M.B.#1220-0164, folder includes:

a) Work Level - booklet - January 2002 (Revised). "How BLS Determines the Work Level of an Occupation."

b) Supporting Statement, Justification & BLS request for comments on revisions made to each of the Survey Questionnaires listed below, August 13, 2001:

- Paperwork Reduction Act Submission
- Summary of Benefits
- Work Level for Private Industry
- Work Level for Government
- Proposed Collection, Comment Request (Volume 69, Number 113)
- Collection Form for Private Industry
- Collection Form for Government
- Establishment Collection Form for Government

c) Federal Register - Friday April 13, 2001. Vol. 66, No.72 - Notices - "Proposed Collection, Comment request."

Clearance Package dated April 2002, for proposed changes for the 2002 Economic Census Covering the Construction Sector.

- Paperwork Reduction Act Submission
- Federal Register, Vol. 66, No.136 - Monday, July 16, 2001.
- Building, Developing, and General Contracting.
- Heavy Construction.
- Special Trade Contractors.

Clearance Package dated October 17, 2001, for proposed changes for the 2002 Economic Census Covering the Manufacturing and Construction Sector. Folder contains the following documents:

- a) Construction.
- b) Annual Survey of Manufacturers.
- c) Oil and Gas Field Operations.
- d) Mineral/oil and Gas Contract Services.
- e) Mining (Except Contract Services and Oil and Gas Field Operations.
- f) Building, Developing, and General Contracting.
- g) Heavy Construction.
- h) Special Trade Contractors.

Compensation and Working Conditions - folder contains:

a) Business Relations Advisory Committee, Compensation and Working Conditions - minutes for Spring Meeting - dated October 17, 2002.

b) Business Research Advisory Council, Committee, minutes for Committee on Price Indexes, Spring 2001 Volume 6.

- c) "Compensation and Working Conditions, Stock Options" booklet. Spring 2001, Volume 6.
- d) Participation in Retirement Plans: A Comparison of the Self-employed and Wage and Salary Workers - Winter 2000
- e) "BLS Completes Test Surveys of the Construction Industry "- Spring 2000
- f) Employment Cost Index, Technical Not, Spring, 1998.
- g) Employee Benefits Survey, Technical Note, Winter, 1997.
- h) Measuring Trends in the Structure and Levels of Employer Costs for Employee Compensation," Summer, 1997.

GAO, March 2003 - folder contains:

- a) Retirement Income Data report - GAO-03-337- "Improvements could Better Support Analysis of Future Retirees' Prospects."

Miscellaneous - folder contains:

- a) E-mail from Gallagher to Emily Quarterman - Notification that Gallagher is to be the Contact for the Department as required by the HCC - DOE MOU - June 25, 2004.
- b) "How many People Lack Health Insurance and for How Long?" Congressional Budget Office -May 2003.
- c) "Should Benefit Usage be held Constant when Calculating the ECI?" by Mark Lowenstein, March 21, 2003.
- d) "Data Issues Related to Employer-Provided Health Insurance" report summarizing "Major Work of the Interagency Committee on Employment-Related Health Insurance Surveys"- 1998-June 1, 2001.
- e) "Do Employers/Employees Still Need Employee Benefits" - by Dallas Salisbury, June 1998.
- f) "Cognitive Research on Large Company Reporting Practices" - by Diane Willimack and associates, paper to be presented to the Census Advisory
- g) "The Effects of Health Insurance on Consumer Spending" - reprinted from the Monthly Labor Review - March 1995.
- h) "Overview of the Medical Expenditure Panel Survey," dated October 22, 2002
- j) "Immigration and Nationality Act, As Amended" - statute

USDL - folder contains:

- a) USDL: 03-760 November 25, 2003. "Employer Costs for Employee Compensation."
- b) USDL: 98-170 March 1998. "Employment Cost Index news release text."
- c) USDL: 97-371 3/1997. "Employer Costs for Employee Compensation Summary."

"Salt Lake City – Ogden, UT Wages and Benefits Construction Industry Test Survey, November, 1998", Bulletin 2510-3, BLS.

Appendix 8: Survey Instrument Testing: Minnesota

Report for the National Employee Benefits Consortium

South Central Minnesota Employee Benefits Survey —Data Cleaning and Survey Recommendations—

Survey Summary

The sample for the South Central Benefits Survey was drawn from the Covered Wages and Employment (ES-202) universe. The sample, including 599 firms, was stratified on industry (NAICS Super-sector) and size class (1 to 4 employees, 5 to 49 employees, 50 to 249 employees, and 250 plus employees). Geography was not used as a stratum because this pilot survey was done exclusively for a 9-county region in southern Minnesota. Surveys were mailed to sampled firms during three mailing rounds done in July, August, and September 2003.

Follow-up calls were used to increase response rates after the second mailing. We set a goal of a 60 percent response rate overall and for each of the strata. The overall response rate was 65 percent with the 60 percent rate reached in all but two industries (Financial Activities and Information) and one size class (250+). All three of these had response rates that were fairly close to 60 percent.

Counted Responses

Not every survey response we received could be counted toward our response rate due to a lack of useable survey data. We received a total of 440 responses out of the 599 that were mailed during the first mailing. Of these 440 responses, 391 were usable, resulting in a response rate of 65.3 percent ($391 \div 599$). In order for a survey response to be counted it must meet the following criteria:

- The firm must not report that they are out of business.
- The firm must not report that they do not have employees (i.e. that they are out of scope).
- The response must supply employment totals in Part A, question one.
- If the firm indicates that they offer paid leave, they must provide a response to Part B.
- If the firm indicates that they offer medical benefits, they must provide a response to portions of Part D (see Part D analysis for an explanation of those portions).

Survey Specifics: Part A — About Your Firm

1: Number of employees

Current employment: _____

Total full-time: _____

Total part-time: _____

Because the survey splits the employees into two groups—full-time and part-time—it was important that the respondent included both a full-time and part-time employment number. When employment

numbers were not supplied, their response was not counted until the totals could be verified via phone. When total employment was left blank, the answer was surmised by adding the respondent-supplied full- and part-time employment.

Recommendations for future surveys: None.

2: Who is filling out this survey?

Name: _____

Title: _____

Phone number: _____

We had a high response rate for these questions on returned surveys. We used this information to make follow-up calls when responses were unclear. A contact name is also helpful for future surveys to ensure that the forms are sent to the appropriate firm respondent.

Recommendations for future surveys: None.

3: Does your firm offer benefits (circle one per type of benefit)?

Paid Leave: Yes No

Medical Benefits: Yes No

This question was designed to simplify the survey for the respondent who did not offer paid leave or medical benefits and to provide a means for verification of the responses supplied in Part B and Part D of the survey. If the respondent answered “no” to both questions, they were instructed disregard the rest of the form and to return it.

In order for a survey response to be counted, the respondent must have filled out Part B if they answered “yes” to paid leave. Moreover, the respondent must have filled out portions of Part D (see Part D analysis for a list of those portions) if they answered “yes” to medical benefits. This was done to avoid counting responses that did not supply useable data.

We had significant issues with respondent interpretation of the paid leave portion of this question. In fact 61 out of the 391 useable responses we received—or 15.6 percent—answered the paid leave question incorrectly. In other words, they responded to Part B (the paid leave section) after indicating that they did not offer paid leave. These responses were corrected during data cleaning.

The medical benefits question did not have the same interpretation issue. Most respondents who provided information in Part D (the medical leave section) circled “yes” to this question. The only exceptions were those firms that said they offer employees a monthly stipend toward their own medical plan. In these cases, the firm typically did not fill out Part D, but did answer yes to the question above.

Recommendations for future surveys: The paid leave portion of this question needs to be re-worded. The wording could be changed to “Paid Time Off” or something similar. The use of “leave” seemed to be misinterpreted as a paid leave bank in addition to vacation or sick time.

4: Is there an eligibility or waiting period before employees can receive benefits?

Paid Leave _____ weeks of waiting

Medical Benefits _____ weeks of waiting

There were no major issues with this question, but some respondents supplied answers that were in months or years so the database had to be designed to allow for those circumstances. All waiting periods were verified during data cleaning. In other words, if a respondent supplied a waiting period of “1,000 weeks”, they were contacted to verify the response. In those cases where the wrong label was applied (e.g. the respondent reported 30 and this was coded as weeks instead of days), the label was corrected to reflect respondent intent.

Recommendations for future surveys: To avoid confusion between days, weeks, months, and years, the respondent should be made to circle the time period after filling in the blank, instead of assuming that they will provide the response in weeks.

Survey Specifics: Part B — Paid Leave

1. Does your firm offer paid annual vacation leave?

If yes, how many days of paid vacation do you offer per year?

- a. After 1 year of employment?
- b. After 5 years of employment?
- c. After 10 years of employment?

2. Does your firm offer paid annual sick leave?

If yes, how many days of paid sick leave do you offer per year?

3. Does your firm offer paid holiday leave?

If yes, how many paid holidays do you offer per year?

4. Does your firm offer a consolidated leave bank?

May also be referred to as paid time off (PTO), personal leave or a time bank.

If yes, how many days are offered per year?

- a. After 1 year of employment?
- b. After 5 years of employment?
- c. After 10 years of employment?

What type of leave is included?

Part B was designed to capture paid leave benefit information. In order for a survey response to be viable, the respondent must fill out this section if they answered “yes” to having paid leave in Part A. There were no major problems with this section. Having the respondent check a yes or no box seemed to increase the likelihood that they would respond to this question. The only source of misunderstanding was the difference between vacation/sick/holiday leave and a consolidated leave bank or PTO. Some respondents duplicated their responses to the vacation/sick/holiday leave questions in their answer to the consolidated leave bank question because they interpreted the consolidated leave bank question to be a repeat of the vacation/sick/holiday leave questions. In those cases, the consolidated leave answer was simply eliminated.

All responses to the number of days given were evaluated during data cleaning. Any answers that appeared to be in weeks or months were converted to days. If an answer simply did not make sense, the respondent was called and asked for clarification.

Recommendations for future surveys: A more detailed description of what is meant by “consolidated leave bank” is necessary. The instructions should also state that the consolidated leave bank is separate from vacation/sick/holiday leave.

Survey Specifics: Part C — Miscellaneous Benefits

1. Does your firm offer any of the following benefits:
 - a. Child care benefits (on-site child care, reimbursement, voucher, child care resource and referral)?
 - b. Elder care benefits?
 - c. Tuition/education assistance or reimbursement?
 - d. Flexible spending accounts (for child care and/or health care)?
 - e. Non-production cash bonuses (hiring, signing, profit sharing, year-end, attendance, holiday, etc.)?
 - f. Telecommuting?
 - g. Wellness program?
 - h. Employee Assistance Program (EAP)?

Part C was the least problem-prone part of the survey. Because the form included yes/no check boxes, we had a high rate of response for this part of the survey. Data cleaning was minimal since the question required a yes/no response and we did not assume that the firm would have to offer paid leave to offer any of these benefits.

Recommendations for future surveys: None.

Survey Specifics: Part D—Insurance and Retirement Benefits: Incidence, Participation and Cost-Sharing

This section asks firms about the medical benefits they provide, the number of employees that participate in those benefits, and who pays for those benefits. Because this section is integral to the results of the survey, respondents were required answer the following questions if they indicated that

they offer medical benefits in Part A: are single and family medical offered and who pays for that benefit. Number offered single and family medical and number of participants were also asked, but we did not require that those be given in order for the response to be counted. Questions about dental, vision, retirement, short-term and long-term disability, and life insurance benefits were also asked in Part D. Responses were not required for these questions.

Perhaps surprisingly, most respondents had little difficulty responding to Part D. When the survey was designed there was some concern that the table presentation of the questions would discourage some firms from responding to this section. We did not find that to be the case.

In order to validate the responses to Part D, the number offered benefits (medical, vision, dental, retirement, etc.) was compared to the employment numbers provided by the respondent in Part A. When the number offered benefit was greater than the employment numbers (total, full-time, or part-time employment), the respondent was called to clarify the response. Such calls proved that most of these discrepancies were due to the respondent including employees that were receiving COBRA benefits or retirees that were still receiving benefits. Since our survey was aimed at current employees, the numbers were reduced to include only that group.

The number of participants for each benefit type was also checked against the number offered benefits. Any responses that included participant numbers that were greater than offered numbers were corrected.

Recommendations for future surveys: The directions need to be clearer so that the respondent knows that Part D only refers to current employees. This may prevent some of the confusion that we saw with the number offered benefit and number of participants questions.

In addition, we received surveys that responded for “single plus one”, which does not fit into the single and family medical options we provided in Part D. We found that this led to respondents including those answers in the single or family sections along with the “plus one” participant, thus causing those numbers to be greater than their reported employment. In the future, it might make sense to include single plus one as a third type of medical coverage.

Survey Specifics: Part F — Medical Benefits Questions

1. How many **medical plans** do you offer at locations of your firm in South Central MN? _____ plans
2. For **single coverage**, does the employee contribution vary by medical plan (circle one)? Yes No
3. For **family (employee plus two other family members) coverage**, does the employee contribution vary by medical plan (circle one)? Yes No
4. Provide the **name of the medical plan** in which the majority of your workers participate:

5. What is the **number of participants** from your firm in this plan at locations of your firm in South Central MN? _____
6. What is the **total cost of coverage** under this plan? \$_____per_____ (frequency of payment)

Part F was meant to function as a worksheet for the respondent. Their responses to Part F were intended to prepare the respondent to provide accurate data in Part G. We wanted to be sure that the respondent was thinking only about their majority medical plan and the participants in that plan. None of the responses given in this section will be used in survey results.

During data cleaning, the number of participants in the majority medical plan was checked against the total employment figure provided in Part A. A handful of the surveys had a number of participants that was greater than their reported employment. It is assumed that this is again due to the inclusion of COBRA participants and retirees in medical benefit participant totals.

Recommendations for future surveys: If Part F is to be used to generate data in future surveys, the directions need to be clearer in what is meant by “number of participants.” Just like in Part D, it is important to clarify that this question only refers to *current* employees.

Survey Specifics: Part G — Medical Benefits Only: Premium Information

This section asks the respondent to provide specific information about the cost of single and family medical benefits. The respondent is asked to specify the employer and employee responsibility for these benefits and the frequency of payment.

Part G received the lowest response rate of all sections. We were not surprised to see this, though, since the question asks for detailed payment information per average benefit recipient which may not be readily available.

The most common respondent error in Part G was to provide payment information for every employee enrolled in the plan listed in Part F, rather than for the average employee. When this occurred, the response was divided by the number of participants to get a per employee cost. Respondents that did not clearly make this error (i.e. the numbers were odd, but it was not clear that the respondent had simply answered for all employees) were contacted to clarify the response.

Recommendations for future surveys: Because many respondents answered Part G for all employees in their majority plan, it is obvious that the directions need to be clearer in stressing that the response should be for the average employee. While the directions did include this instruction, it apparently was not prominent enough. Another solution would be to ask for total costs rather than costs for the average person. In any case, the directions need to be clear.

Furthermore, as with Part D and Part F, the directions need to emphasize that the response should be for the average employee that is currently employed with the firm. In other words, it needs to be evident that the survey is not concerned with COBRA recipients or retirees.

Conclusion

The most significant response issue we had was in the large size class (the firms with 250 or more employees). We achieved only a 47.1 percent response rate for this size class. We found that the large

firm non-respondents were not easily able to gather the necessary information to respond or were confused about which of their firm locations had been sampled (for those firms that have multiple locations). In an effort to avoid such confusion we sent out two versions of the survey form—one for single unit firms and a second for multiple unit firms. The two survey forms included slightly different instructions for Part A. The multiple unit firm form explained which counties were included in the survey. This was done to help clarify for which firm locations we were requesting data.

For future surveys, much of the confusion for multiple unit firms could be avoided by including a list of sampled firms on the survey form. This could be printed on the form in much the same way as the addresses were. Printing the names of all sampled locations would help to avoid responses that include too few or too many employees.

Overall, our response rate tells us that the survey design and execution was a success. We had no significant issues with reporting that could not be corrected with a slight re-wording of some of the questions for future surveys. It is obvious after looking at the comments supplied on the surveys and considering our solid response rates, that firms are interested in this data. Given our success with this survey, I see few issues with conducting a benefits survey on a larger scale in the future.

Survey Instrument Testing: Kansas

Kansas tested a short form that included only cost questions. This test was a result of the fact that the cost of benefits change much faster than offer or take-up rates. Therefore, consortium members were interested in testing the feasibility of collecting cost information separately and more frequently than information on benefits offered

The survey asked for the following information on benefit costs:

INSTRUCTIONS: For the following questions, please provide the most recent 12-month figures available. If possible, please provide information only for the establishment and location listed on the address label of this survey. If this is not possible, please answer questions for the employees in Kansas only.

2. How much did your organization spend on each of the following components of compensation? **Include only the employer contributed portion of insurance and retirement costs.**

- a. Wages & Salaries \$ _____
- b. Insurance (include only medical, dental, and vision insurance) \$ _____
- c. Retirement plans \$ _____

3. What was the organization's average number of employees during this 12-month period? _____ employees

4. Is the information provided in question 2 and 3:

- ☐ For the location listed on the address label only
- ☐ For multiple locations (regional, statewide, nationwide, etc.) → please specify _____
- ☐ For a location less than the address label (i.e. a single office, division, etc.) → please specify _____

Test states were asked to follow the instructions below and provide the information requested back to the Consortium:

Sample:

1. Draw sample from the most recent EQUI file (population) available.
2. You will be drawing no more than 90 firms from this file for the sample.
3. You will want to be sure that each size class in each industry is represented in your sample if possible. To do this, draw two firms from each employment size class by industry.
4. Retain the original sample file from the EQUI including wage, employment, and EIN fields as well as all the other fields you will need to mail your sample. You will need this later for the analysis.

Size Classes

1-10 (exclude firms with 0 employees)

10-49

50-99

100-249

250+

2-digit NAICS Industry Sectors

Each of the following 2-digit NAICS industry sectors:

Mining
Construction
Manufacturing
Utilities
Wholesale
Retail
Transportation and Warehouse
Information
Finance and Insurance
Real Estate and Rental and Leasing
Professional and Technical Services
Management
Administrative and Waste Services
Education Services
Health Care and Social Assistance
Art, Entertainment and Recreation
Accommodation and Food Services
Other Services (NAICS 81)

In some cases you may have only 1 or 0 firms in a cell. That is fine.

Test Survey Administration:

You will only have until February 15th to conduct this experiment.

Mail the surveys during the first full week in January. Include the attached cover letter with your mailing, tailored for your state.

.

You probably won't have time to do a follow-up mailing. South Dakota found that it took firms at least 3 weeks to respond to this survey.

Analysis:

1. Link your responses back the original sample file (see bullet 4 page 1).
2. Calculate the overall response rate. Report any patterns in response rate. For example, if you find that only a handful of large firms responded, or no Retail firms responded, record that.
3. Compare employment reported on the survey to employment reported in the EQUI file and calculate the percent of respondents who reported greater than a 10 percent difference. Check to see if there are any problem industries or size classes.
4. Do the same for wages and salaries.
5. Compare insurance costs and retirement plan costs to wages and salaries. Check for reasonableness and record how many look strange and in what ways. Check to see if there are any problem industries or size classes.
6. *If you have time:* Call the firms with strange data and see if you can ascertain the problem. Keep notes on your conversations with the firms so that you, and/or Consortium members, can see if there are any patterns.

Kansas provided the following summary back to the Consortium:

Kansas Test - Short Form - Benefit Cost Questions

Pulled sample from EQUI file for 2 Q 2003. Followed the Workgroup guidelines.

January 15, 2004 - Mailed test questions to 89 Kansas employers.

Set a return date of January 28, 2004.

Received 27 usable responses - 30% response rate after 1 mailing.

Received 5 surveys from the post office and 1 returned by employer with invalid address.

Closed and prepared analysis on February 11, 2004.

We did not receive any responses from the following industries: Manufacturing, Wholesale Trade, Transportation and Warehousing AND Professional and Technical Services (analysis 2 sheet)

We received a low response rate (12%) from our large size group of 250+.

Fourteen responses (52%) reported a total for the number of employees that was more than 10% higher or lower than the total number of employees reported on the 2/2003 EQUI file. (analysis 3 sheet)

Twelve responses (44%) reported an annual wage that was more than 10% higher or lower than the annual wage reported on the four most current EQUI files. (analysis 4 sheet)

Analysis 5 - Insurance Sheet compares the cost of Insurance with Total Wages and the Cost per employee. Nothing available to use to analyze what might look correct or not.

Analysis 5 - Retirement Sheet compares the cost of Retirement with Total Wages and the Cost per employee. Nothing available to use to analyze what might look correct or not.

No phone calls have been made at this time.

The *result* of the analysis was that many respondents apparently reported for an incorrect sample unit – based on comparison of size from EQUI file and size reported on survey. Moreover, the response rate was extremely low. The information collected, however, was reasonable with few outliers. It was decided that this approach could be implemented in the future but that the Consortium would focus on the full survey including cost questions.

Appendix 9: Survey Instrument

Instructions:

- For accurate and complete results, it is important that you fill out and return this survey even if your organization offers no benefits.
- If possible, please provide information only for the establishment and location listed on the address label of this survey. If this is not possible, please answer questions for the employees in <STATE NAME> only.
- Please provide the most current information available.
- Please respond by <RESPONSE DATE>.
- Several questions on this survey refer to the benefit offered to the "majority of employees." If more than two plans are offered and no one plan covers more than 50% of employees, please report benefits offered to the largest group of employees, i.e. the most typical or common plan offered.
- If you have any questions about the survey, please call <CONTACT PERSON> at <PHONE NUMBER> or email <EMAIL ADDRESS>.
- Please mail the completed survey in the postage-paid envelope or fax it to <FAX NUMBER>.
- **All information provided will remain strictly confidential.** Results will be presented in aggregate so that no individual response will be identifiable in any published results.
- Go to **WWW.ETC.COM** for more detailed instructions on filling out the survey. You will find a list of frequently asked questions and answers.

Contact Information

Contact Person: _____ Title: _____ Phone: (____) _____

(Contact information is requested in case clarification is needed about the responses to the survey.)

☐ Check here if you would like a complimentary copy of the survey results.

Employment

1. How many workers are currently employed at the establishment and location listed on the address label of this survey? _____ employees
- If zero employees, please
☐ check here and return the survey form.

Based on your organization's definition of full-time and part-time, of the employees reported in question #1:

2. How many are full-time? _____ employees
3. How many are part-time? _____ employees

Please answer the remainder of the questions on the survey for the employees reported in this section.

Insurance: Medical, Dental, Vision, Disability, Life

	Full-time Employees	Part-time Employees
4. Does your organization offer medical insurance? (If no, please check "no" and skip to question #7.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered medical insurance coverage?	_____ employees	_____ employees
b. For the majority of employees, is there a waiting period for medical insurance coverage?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Of the employees reported in question #4a, how many are enrolled in medical insurance coverage?	_____ employees	_____ employees
a. Of the employees reported in question #5, how many are enrolled in single medical insurance coverage?	_____ employees	_____ employees
b. For the majority of employees, what percentage of single medical insurance premiums is employer paid?	_____ %	_____ %
6. Does your organization offer family* medical insurance coverage? (If no, please check "no" and skip to question #7.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in question #5, how many are enrolled in family medical insurance coverage?	_____ employees	_____ employees
b. For the majority of employees, what percentage of family medical insurance premiums is employer paid?	_____ %	_____ %
7. Does your organization offer dental insurance? (If included as part of a medical insurance plan, please check "yes" and skip to question #9. If no, check "no" and skip to question #10.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered dental insurance coverage?	_____ employees	_____ employees
8. Of the employees reported in question #7a, how many are enrolled in dental insurance coverage?	_____ employees	_____ employees
a. Of the employees reported in question #8, how many are enrolled in single dental insurance coverage?	_____ employees	_____ employees
b. For the majority of employees, are single dental insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
9. Does your organization offer family* dental insurance coverage? (If no, please check "no" and skip to question #10.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in question #8, how many are enrolled in family dental insurance coverage?	_____ employees	_____ employees
b. For the majority of employees, are family dental insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
10. Does your organization offer vision insurance? (If included as part of a medical insurance plan, check "yes" and skip to question #11. If no, please check "no" and skip to question #11.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered vision insurance?	_____ employees	_____ employees
b. Of the employees reported in question #10a, how many are enrolled in vision insurance coverage?	_____ employees	_____ employees
c. For the majority of employees, are vision insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

* Family coverage is defined as employee plus other(s) such as spouse, children, dependents, etc.

	Full-time Employees	Part-time Employees
11. Does your organization offer life insurance? (If no, please check "no" and skip to question #12.) a. Of the employees reported in questions #2 and #3, how many are offered life insurance? b. Of the employees reported in question #11a, how many are enrolled in life insurance? c. For the majority of employees, is life insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
12. Does your organization offer short-term disability insurance (separate from workers' compensation)? (If no, please check "no" and skip to question #13.) a. Of the employees reported in questions #2 and #3, how many are offered short-term disability insurance? b. Of the employees reported in question #12a, how many are enrolled in short-term disability insurance? c. For the majority of employees, is short-term disability insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
13. Does your organization offer long-term disability insurance (separate from workers' compensation)? (If no, please check "no" and skip to question #14.) a. Of the employees reported in questions #2 and #3, how many are offered long-term disability insurance? b. Of the employees reported in question #13a, how many are enrolled in long-term disability insurance? c. For the majority of employees, is long-term disability insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ employees _____ employees <input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Paid Leave: Vacation, Sick, Holiday, Consolidated		
14. Does your organization offer paid vacation leave? If paid vacation is offered as a separate benefit, how many days of paid vacation are offered to the majority of employees: a. After 1 year of employment? b. After 3 years of employment? c. After 5 years of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days _____ days _____ days	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days _____ days _____ days
15. Does your organization offer paid sick leave? If paid sick leave is offered as a separate benefit, how many days of paid sick leave are offered per year to the majority of employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days
16. Does your organization offer paid holiday leave? If paid holidays are offered as a separate benefit, how many days are provided each year to the majority of employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days
17. Does your organization offer consolidated leave? (Consolidated leave may be referred to as a "Time Bank," "PTO (Paid Time Off)" etc. This leave may be offered in addition to other types of paid leave or may be offered in place of separate paid leave.) If yes, how many days are provided per year to the majority of employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ days

Retirement			
	Full-time Employees	Part-time Employees	
18. Does your organization offer a retirement plan? (If no, please check "no" and skip to question #21.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
19. Does your organization offer a defined contribution retirement plan? (401k, savings & thrift, deferred profit sharing, etc.) (If no, please check "no" and skip to question #20.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered a defined contribution retirement plan?	_____ employees	_____ employees	
b. Of the employees reported in question #19a, how many are enrolled in the defined contribution retirement plan?	_____ employees	_____ employees	
c. Is the defined contribution retirement plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	
20. Does your organization offer a defined benefit pension retirement plan? (uses a specific, pre-determined formula to calculate an employees' future benefit) (If no, please check "no" and skip to question #21.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered a defined benefit pension plan?	_____ employees	_____ employees	
b. Of the employees reported in question #20a, how many are enrolled in the defined benefit pension plan?	_____ employees	_____ employees	
c. Is the defined benefit pension plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	
Other Benefits			
21. Does your organization offer child care benefits (including on-site or off-site child care, reimbursements, vouchers)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
22. Does your organization offer tuition/educational assistance or reimbursement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
23. Does your organization offer non-production bonuses (e.g. hiring, signing, year-end, attendance, holiday)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
24. Does your organization offer flexible spending accounts (accounts allowing employees to set aside money out of their paycheck pre-tax to pay qualified expenses)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
25. Does your organization operate on shifts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
a. If yes, does your organization offer shift differentials?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Cost of Benefits			
For the cost questions below, please provide the most recent 12-month figures available. Include employer contributions only for insurance and retirement costs. Please exclude costs for retirees and COBRA participants.			
26. How much did your organization spend on each of the following components of compensation?	Annual Expenditures		
a. Wages & salaries (straight time only)	\$ _____		
b. Insurance (include only medical, dental, and vision insurance)	\$ _____		
c. Retirement plans	\$ _____		
d. What was the average employment for the same 12 month period of the costs reported in questions 26a - 26c?	_____ employees		
Thank you for taking the time to complete this survey! Please make any comments or clarifications to specific survey questions on a separate sheet of paper.			

Appendix 10: Missouri Employee Benefits Pilot Survey – Work plan

April 1, 2004 – Work plan/budget/contract signed by Missouri and Consortium

Budget – The Missouri Employee Benefits Pilot Survey will begin April 1, 2004 and end November 1, 2004. The total amount of money requested by the State of Missouri is \$76,000 (\$10,000 will be used for the costs incurred in printing, materials and mailing. \$65,000 will be used for personnel costs and \$1,000 will be for presentation costs at the LMI Forum.) Reimbursement of funds will be requested in 3 amounts. Each amount will be paid after specific deliverables have been met as outlined in this work plan.

Software – The State of Missouri will write all software necessary to select the sample, data entry screens, analysis of survey and instrument maintenance, analysis of final data and final data elements production. The software will be written in a medium that is compatible to most states. Sample selection software will be completed no later than mid-April. Data entry/survey and instrument analysis will be completed by June 1st. Final data analysis and data elements production will be completed by September 1st.

Sample – Missouri will use their 3rd quarter 2003 EQUI file to select their statewide sample. The PPS (Probability Proportionate to Size) selection method will be used to choose sampling units. The sample will be selected based on stratification by private employers (with the exclusion of agricultural and private-household employers). The stratification will be by A.)5 size classes [1) Less than 10 employees, 2) 10 – 49 employees, 3) 50-99 employees, 4) 100 – 249 employees, and 5) 250 or more employees], B.) 2-digit NAICS Code (this includes the 20 major sectors) and C.) Geography [Metropolitan/ Non-metropolitan]. The employer UI#, RUN #, County and State Codes, total employment for the 3rd quarter and total taxable wages for the 3rd quarter will be the data items selected from the EQUI file. The total number of sample units will be 3,000 units with a 60% (1800 units) minimum usable units achieved. These are the recommendations from the benefits consortium. Once the sample has been selected, the OES unit will be contacted for a list of units in their May Panel OES Survey. The employer UI#, RUN# and County Code from the OES sample will be compared to these same fields in the benefits survey selection. If an overlapping appears in both surveys, that unit will be contacted via telephone and handled independent of the other survey units.

Address Refinement – Once the sample has been selected all units will go through an address refinement process as outlined in the consortium manual. Addresses will be reviewed for reasonableness and corrected, pre survey post cards will be mailed and wrong addresses corrected. Documentation on this process and issues and problems encountered will be documented. Once a process has been completed documentation will be e-mailed to the consortium members.

Documents – All documents (Pre-survey post cards, Initial employer letter, Follow up employer letter) will be written and printed by Missouri. Missouri will print mailing labels and the survey instrument. All survey packets will be assembled and mailed to the survey employers.

Reports – Reports will be written and documentation kept and transmitted to the consortium. Items included in the monthly reports (with the exception of number 5) will be: 1) Usable, failed, pending, out of business, out of scope, non-response. 2) Industry, size class, metro/non-metro. 3) Comments on questions/problems from each question on the survey instrument. Items to be included in this report but not limited to: [1) Number/type of comments received from respondents. 2) Measures taken by

respondent to alter the survey instructions to report their information. 3) Changes, edits and procedures developed by Missouri to get the data into the database.] 4) Documentation on incoming/outgoing phone calls and any questions that arise from them. 5) When data are available, documentation will be provided on issues encountered during the implementation of the construction of the sampling process.

Final Estimates – Estimates will be generated from software written by Missouri using the recommendations and statistical equations as outlined by the consortium. Missouri will conduct statistical analysis on the data generated from this survey and as a result of this software.

Publication – Core publishable items will be generated into a final product as outlined in the publication guidelines presented by the consortium.

Final Pilot Survey Report – Once Missouri has completed the survey they will provide the consortium with a complete analysis of the entire survey. This report will include but not limited to: 1) General Questions and Answers over the entire survey. 2) Final cost estimates of staff, resources, and time. 3) Documentation on the estimation process. 4) Issues not addressed elsewhere. 5) Recommendations.

Presentation – A member of the consortium from Missouri will conduct a PowerPoint presentation of the benefits survey at the LMI Forum in Portland, Oregon in October 2004.

Timeline

Distribution of funds, events of program, time spent, analysis of the survey and survey instrument questions, all progress reports and analysis, and the core publication items will be included in a final survey report and forwarded to the consortium by October 1, 2004.

Items completed between April 1, 2004 – June 21, 2004

- Work plan, and budget written and approved.
- Sample selection, data entry and response analysis software written.
- Survey units selected and overlaps checked against the OES sample.
- Address refinement complete for all 3,000 units.
- Survey instrument, initial and follow up employer letter, pre survey postcard as outlined in the work plan will be written and printed.
- Pre survey post cards mailed to 3,000 employers and address changes to those returned.
- The initial mail out of the entire survey will be distributed to over 3,000 Missouri employers.
- Documentation given to consortium concerning the question-by-question analysis of the survey and survey instrument.
- Response analysis reports generated and transmitted to the consortium.
- Time and money spent to perform all duties will be tracked and reported to the consortium
- All questions received from employers in our survey will be documented along with the answers given.
- Data from returned forms will be entered into the system.
- First disbursement of money requested by Missouri. The amount will be determined after an analysis of time and materials spent.

Items completed between June 22, 2004 –August 27, 2004

- Time and money spent to perform all duties will be tracked and reported to the consortium.
- All questions received from employers in our survey will be documented along with the answers given.
- Data from returned forms will be entered into the system.
- Second notice letters/surveys will be mailed to all non-responding units when the daily response falls and stays consistently low for a few days.
- Writing of the software for the final data analysis and core publication items will be worked on
- Response analysis reports generated and transmitted to the consortium.
- Documentation given to consortium concerning the question-by-question analysis of the survey and survey instrument.
- Critical non-respondents will be targeted.
- Second disbursement of money requested by Missouri. The amount will be determined after an analysis of time and materials spent.

Items completed between August 30, 2004 –November 1, 2004

- Time and money spent to perform all duties will be tracked and reported to the consortium
- All questions received from employers in our survey will be documented along with the answers given.
- Data from returned forms will be entered into the system.
- Response analysis reports generated and transmitted to the consortium
- Documentation given to consortium concerning the question-by-question analysis of the survey and survey instrument.
- Critical non-respondents will be targeted.
- Software for final analysis and core data elements production will be completed.
- Final cost estimates of staff, time, and resources will be compiled.
- Issues not addressed in the consortium and/or the work plan will be noted.
- All documentation/data analysis and core publication products will be distributed to the consortium.
- By the end of this survey, a minimum of 60% usable response units (1800 units) will be attained.
- All monies used for this pilot survey will be accounted for and requested by November 1, 2004.
- \$1,000 will be used by the State of Missouri for attendance and presentation at the LMI Forum. This forum will be held during the month of October in Portland, Oregon. The presentation will provide a summary of not only the process of conducting the Missouri benefits survey but also a brief history of the benefits consortium and a sample of the data collected.

August 4, 2004

Appendix 11: Employee Benefits Pilot Survey Work Plan for STATE

Budget – STATE’s Employee Benefits Pilot Survey will begin September 1, 2004 and end April 1, 2005. The total amount of money requested by STATE is \$40,000 to be used for the costs incurred in printing, materials, mailing and personnel. Reimbursement of funds will be requested in 3 amounts. Each amount will be paid after specific deliverables have been met as outlined in this work plan. All monies used for this pilot survey will be accounted for by June 1, 2005.

Communication - STATE is responsible for: Posting issues and questions in a designated area of QuickPlace, participating in weekly conference calls to be arranged by Nebraska, and using the latest version of Consortium manual.

Software – STATE can use software developed by Missouri or the state can write or use software appropriate to select the sample, data entry screens, analysis of survey and instrument maintenance, analysis of final data and table generation. STATE will use methodology set up by Consortium.

Sample – STATE will use their most current EQUI quarter to select their sample using consortium guidelines. The total number of sample units will be determined using recommendations from the consortium with a 60% minimum response of usable units achieved.

Address Refinement – Once the sample has been selected STATE will refine addresses using the process outlined in the Consortium manual. Addresses will be reviewed for reasonableness and corrected, pre-survey post cards will be mailed and telephone follow-up will be used.

Documents – STATE is responsible for printing, packaging and mailing of all survey materials.

Reports – Reports will be provided to the Consortium on the following topics:

7. Address refinement process
8. Survey response including any issues
9. Survey instrument issues
10. Issues with Consortium documentation and processes
11. Data capture, data entry, analysis and estimation software
12. Macro and micro edit processes and results

These reports will be posted on QuickPlace. Content requirements for these reports are listed in Attachment A.

Final Estimates – Estimates will be generated from software chosen by STATE using the recommendations for micro and macro data checks and statistical equations as outlined by the consortium manual. Estimates will be used to populate the table structure as documented in the Consortium manual.

Publication – If STATE produces a publication, it will be posted on QuickPlace.

Final Pilot Survey Report – STATE will post final report on QuickPlace. This final report will include a summary of each of the other six reports listed above as well as:

1. Final estimates of staff cost and hours, printing and postage costs, other resources.
2. Issues not addressed elsewhere.
3. Recommendations.

Timeline

The final report will be posted on QuickPlace by April 1 2005.

September 1, 2004 – November 1 2004: All items listed in Consortium manual timeline for first two months will be completed.

Major milestones:

1. Sample selected
2. Address refinement completed
1. Survey materials printed and
2. Data capture system developed or selected and modified.

Deliverables:

- Report on address refinement process
- Report concerning Consortium documentation of and process for sampling and other pre-survey issues.
- Cost report

November 1, 2004 – February 1, 2005: All items listed in Consortium manual timeline for the third through fifth months will be completed.

Major milestones:

1. Survey mailings completed
2. Telephone follow-up completed
3. Data entry completed
4. 60% usable responses achieved

Deliverables:

- Report on survey response
- Report on survey instrument
- Report on data capture software
- Report on Consortium documentation and processes for data collection
- Cost report

February 1, 2005 – April 1, 2005: All items listed in Consortium manual timeline for the sixth through seventh months will be completed.

Major milestones:

1. Complete data checks
2. Produce estimates
3. Populate data into final database table according to structure prescribed by Consortium
4. Final report posted to QuickPlace

Deliverables:

- Final report
- Report on macro and micro edit checks process and results
- Report on software used for estimation
- Report on Consortium's documentation of and process for editing and estimation
- Final data table posted to Quickplace
- Cost report

REPORTS

Each of these reports should be very short unless pilot states have extensive recommendations or issues.

Address Refinement Process

The report on the state's experience with the address refinement process shall include:

- A description of the address refinement process followed
- The results of the address refinement process, including
 - The number and percent of postcards returned
 - The methods used to correct the addresses of the firms with returned postcards
 - Number and percentage of sample units that were abandoned due to:
 - Firm out of business
 - Unable to locate firm
 - Other

Staff time required in the sample refinement process

Issues encountered and recommendations for improving the address refinement Process

Survey Response

The report on the state's survey responses shall include:

- Response rate to first mail-out
- Response rate after second mail-out
- Response rate after follow-up calls and final mail-out
- For each of the above three, report for refusal, out-of-business, out-of-scope and responses.
- Issues encountered and recommendations for improving the response rate
- Staff time required in the data collection process

Survey Instrument Issues

The report on the survey instrument shall include:

- Interpretation issues reported by employers
- Systematic problems reflected in responses to questionnaire items
- Systematic problems with Cost of Benefits section specifically, including item response rates and reasonableness of answers
- Recommendations for improving the survey instrument

Data Capture, Entry, Analysis, and Estimation Software and Procedures

The report on the data capture, entry, analysis, and estimation software and procedures shall include:

- The software applications used for each of these processes
- A description of software applications developed or modified by the state
- Problems encountered in using the applications including documentation for each of these processes
- Staff time required to develop or modify software applications
- Recommendations for developing or modifying software applications

Micro and Macro Data Check Processes and Results

The report on the data editing procedures shall include:

- Methods used to review responses on individual survey forms and problems encountered in performing these edits
- Findings of the micro-editing process
- Recommendations for modifying and improving the micro-editing procedures recommended by the Consortium
- Staff time and cost of performing the micro-editing procedures
- Methods used to review aggregated data from survey forms and problems encountered in performing macro edits
- Findings of the macro-editing process
- Recommendations for modifying and improving the macro-editing procedures used by the state
- Staff time and cost of performing the macro-editing procedures

Consortium Documentation and Processes Issues

The report on the state's experience in following the Benefits Consortium's documentation and process recommendations shall include issues encountered and recommendations for improving:

- Sampling
- Data collection logistics
- Report generation

Appendix 12: Consortium Minutes

Employee Benefits Consortium

Meeting Notes

May 2-3, 2002

Saint Paul, Minnesota

Consortium Members Present: Tammy Jenkins, Chris Miller, Frances Harris, Brendan Kelly, Pamela Schenker, Cathy Bournier, David McGee, Teri Fritsma, Betty Brown, Scott Hunzeker, Phil Baker, Martin Capodice, Sonya Williams, Tim Nolz, Mike Daniels, Phil George, Laura Sichmeller, Kirsta Glenn, Tom Gallagher, Oriane Casale, Jay Mousa, David Lipnicky

The meeting began with a brief review of the meeting agenda. Phil Baker gave some background information about the consortium and the need for local employee benefits information. State representatives to the consortium introduced themselves.

Phil Baker went over the work statement for the consortium. Phil noted that the funding for the consortium is \$350,000. It was also pointed out that the ending date for the consortium is currently shown as March 31, 2003. This will likely be extended, as the project timeline shows a starting date of October 10, 2001 and the first consortium meeting was not scheduled until May, 2002.

The work statement for the consortium identified four topics to be addressed:

1. Document the benefits information that is currently being collected by the States
2. Identify the need for a uniform set of benefits information across the country
3. Identify what the federal government could do to provide a uniform set of benefits information and what it would cost
4. Identify what the states could do to collect benefits data, including one or more templates for data collection and what it would cost

In order to help identify benefits information currently collected by the states, everyone in attendance told about benefits surveys that have been conducted in their state. Those whose state has not conducted a benefits survey, told of some of the topics and methodologies they would like to see included in a survey and what limitations they may have in their state when conducting a benefits survey. Each state representative described the following characteristics of benefits surveys that have been conducted in their state:

1. Funding Source
2. Design
3. Purpose(s) for conducting a benefits survey
4. Users of the data
5. Basic data elements
6. Response Rates
7. Staff required to complete the survey
8. How was the survey evaluated?

There are some similarities between benefits surveys conducted, but overall states' surveys are quite a bit different from one another. Some states such as South Dakota, Nebraska, and Wyoming use a very similar survey questionnaire, however the reasons for collecting benefits information and what is done with the results vary quite a bit. Although many states use similar methodologies for surveying,

however dissimilarities between questions asked, sample size, method, and time frame do not allow for comparisons across state lines. California is the only state to measure employee benefits by occupation. All other states measure benefits by industry.

Frances Harris, representative from the Bureau of Labor Statistics, described the methodology and results of the BLS National Compensation Survey. The Bureau of Labor Statistics conducts a more detailed and comprehensive survey than do the states. However, due to data confidentiality issues, BLS is not able to provide benefits information at the state or local level.

There was discussion on what could be done to provide detailed information similar to what BLS collects at a local level. The main problems that would likely be encountered would be the time, staffing, and cost to collect information to similar to the way BLS collects it; BLS conducts personal interviews to collect their information.

One thing that is desired in a national benefits survey would be a survey that will allow for results to be compared across state lines but will allow flexibility so that each state can modify it to fit their needs. Rather than try to collect all of the same detailed information collected by BLS, it was decided that there should be an agreement to the types of “core” questions what would be asked by each of the states.

Three brainstorming groups were formed to come up with lists of core elements including benefits, employer characteristics, and employee characteristics that could possibly be included on a standard benefits survey. The results of these brainstorming sessions were:

Benefits

Paid Leave	Insurance	Miscellaneous	Child care	Retirement
<ul style="list-style-type: none"> ▪ Personal ▪ Sick ▪ Holiday ▪ Personal ▪ Maternity/paternity ▪ Military ▪ Jury ▪ Funeral/Bereavement ▪ Education ▪ Paid conversion of leave 	<ul style="list-style-type: none"> ▪ Health ▪ Life ▪ Dental ▪ Vision ▪ Prescription ▪ Chiropractor ▪ Supplemental ▪ ST/LT Disability ▪ Dependant ▪ Employee Assist Program ▪ Substance abuse ▪ Legal 	<ul style="list-style-type: none"> ▪ Tuition assistance ▪ Elder care ▪ Vehicle ▪ Employee discount ▪ Parking ▪ Bonuses ▪ Shift differential ▪ Club membership ▪ Credit union ▪ Uniforms ▪ Tools ▪ Wellness ▪ Memberships ▪ Flex-time ▪ Telecommuting ▪ Relocation Assist. 	<ul style="list-style-type: none"> ▪ On-site ▪ Vouchers ▪ Referral to child care centers ▪ Other 	<ul style="list-style-type: none"> ▪ Types of plans ▪ 401 K ▪ Stock Options ▪ Other

		<ul style="list-style-type: none"> ▪ Severance Pay Stock Options (not part of qualified retired Plan) ▪ Legal Aid 		
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Employee Characteristics

Full-Time/Part-Time

Union/Non-Union

Commission vs. Piecemeal

Salaried vs. Hourly

Licensed certification vs. non-licensed

Permanent/Temporary/Seasonal

Contract

Occupation

Demographics (sex, age)

Education/Training

Relationship to workplace (telecommute, place of residence)

Tenure/experience

Employer Characteristics

Size class (1-9)

Industry (NAICS)

Area

Multi-status / Multi-state

UI Coverage

Ownership

In addition to the core elements of benefits, employer characteristics, and employee characteristics, another important element identified is the cost to an employer of offering employee benefits. Although consortium members agreed that the cost of offering benefits needs to be collected, a decision was not reached in regards to the level of which cost information should be collected. This

topic was left largely unresolved and will need to be addressed at a future benefits consortium meeting.

Three workgroups were formed to divide up the work load of the Employee Benefits Consortium. These work groups will be together for 6 months, at which time they will report findings to the entire consortium. An outline of work objectives and deadlines for each workgroup should be completed by mid-June. The three groups will be “Background Information,” “State Methods,” and “Market Research.” The tasks for each of these groups are as follows:

Background information

Workgroup Members: Tom Gallagher, Wyoming; Phil George, South Dakota; Frances Harris, BLS

- Gain an understanding of what BLS is already doing
- Develop an initial list of data elements based on BLS findings and output
- Examine some other national sources for benefits information such as the Economic Census, Society for Human Resource Managers (SHRM), etc.

State Methods

Workgroup Members: Betty Brown, Missouri; Sonya Williams, North Carolina; Oriane Casale, Minnesota; Teri Fritsma, Louisiana; Mike Daniels, South Carolina; Dave McGee, Kansas; Tim Nolz, North Dakota; Laura Sichmeller, South Dakota

- What states currently conduct benefits surveys?
- What are some of the core research methods used by the states?
- What types of Method, Mode of delivery, Money do the states use to conduct benefits surveys?
- What are some alternative possibilities for surveying that could be explored?
- What are some private sources of benefits surveys and information (Kaiser Foundation, Hospital Associations, Trade Associations, Chambers of Commerce, Private Consultants, etc.) and how do they compare to state surveys?

Market Research

Workgroup Members: Kirsta Glenn, Washington; Brendan Kelly, California; Tammy Jenkins, Alabama; Chris Miller, Alaska; Pam Schenker, Florida; George Nazer, New Hampshire; Martin Capodice, New Hampshire; Scott Hunzeker, Nebraska; Cathy Bournier, Idaho

- How can the lists of benefits, employer characteristics, and employee characteristics that were brainstormed at the consortium meeting be narrowed down?
- Conduct analysis of where we currently are with benefits surveys, where we want to be, and the gaps that exist
- Focus on the user/customer needs
- What are the different types of users/customers exist and what unique set of needs does each set of user have?

**Employee Benefits Consortium Meeting
November 4-5, 2002
Omni Shoreham Hotel
Washington, DC**

Minutes

In attendance:

Phil Baker – Nebraska
Cathy Bournier – Idaho
Betty Brown – Missouri
Mike Daniels – South Carolina
Michael Davern – State Health Access Data Assistance Center (SHADAC)
Tom Gallagher – Wyoming
Phil George – South Dakota
Herb Greenwall – New Mexico
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Tammy Jenkins – Alabama
Brendan Kelly – California
David McGee – Kansas
Chris Miller – Alaska
Tim Nolz – North Dakota
Pamela Schenker – Florida
Bob Schleicher – Montana
Laura Sichmeller – South Dakota
Sonya Williams – North Carolina

Not in attendance:

Representatives from Louisiana, Minnesota, New Hampshire, Washington

Monday, November 4th

Introductions

Scott Hunzeker and Phil Baker welcomed everyone to the meeting and briefly described materials that were handed out to meeting participants. A brief overview of the meeting agenda was also given. Everyone introduced themselves to the group.

Contract Status

It was explained that each state would be allocated \$6,000 for travel and consortium-related expenses once a signed contract was returned to Nebraska. At the time of the meeting, the majority of states had either returned their contract or were working with Nebraska's legal department to make modifications. The process for receiving reimbursement will be to submit expenditures to Nebraska's finance department following the travel. Additional money may be available to the states for things

such as travel to workgroup meetings or agreeing to do additional work above and beyond what is assigned by the workgroups. States wishing to receive additional funding from the consortium need to submit proposals to Nebraska.

Phil Baker mentioned that Nebraska is in the process of setting up a web-based Intranet site which will allow consortium members to post documents and communicate with each other. The site will also have a contact list for consortium members and possibly a message board. The Intranet site will be password protected to ensure confidentiality. It is expected that the site will be functional before the end of November. Consortium members will receive an email as soon as the Intranet site is available.

Meeting Goals

The group came up with a list of goals to discuss at the meeting and/or use for future planning of consortium activities.

Goals:

1. Identify future milestones for all workgroups and the entire consortium
2. Assess where each workgroup is with tasks and progress that has been made
3. Identify what the goal is for the end product of the consortium
4. Discuss form of organization for benefits collection. What are the priorities in setting up a benefits survey program? How should the survey be designed? What are the pros and cons of proposing a fed/state cooperative versus a template model for states to follow (similar to the Job Vacancy survey)
5. Look at other surveys and places that benefits information is being collected (i.e. Job Vacancy, program completers, private surveys)
6. Identify different uses of benefits information
7. Begin to identify survey methodology (including ideas for data analysis)
8. Timely data – strategies for updating data between survey times (modeling)
9. Determine what will be measured (costs/incidence/participation/provisions)
10. Looking at benefits information from the employer vs. worker perspectives
11. Design a survey that will allow for testing of new items as opposed to something that is static and unchangeable
12. Estimate the costs of collecting benefits data
13. Identify groupings that will be used to select survey sample and report data (Occupations vs. industries/employer groupings/union vs non-union)
14. Discuss employer surveying vs. household surveying
15. Discuss benefits incidence. How often do benefits change? How often should a survey be conducted?

Tom Gallagher discussed a State Planning Grant received from the Health Resources & Services Administration (HRSA) by the state of Wyoming to measure the number of uninsured persons in the state. He mentioned the partnering that occurred between the Department of Employment and Health Department to obtain information beneficial to both. The State Planning Grant (SPG) web site for Wyoming is www.wyominguninsured.uwyo.edu. Tom talked about a lot of the background research that he had done as a result of working with the Health Department. He had several examples of surveys that he had researched including things such as the MEPS (Medical Expenditure Panel Survey - www.meps.ahrq.gov/MEPSDATA/ic/2000/Index200.htm). This survey measures cost and participation rates for medical expenditure. There are 30 states that are surveyed yearly and the remaining 20 rotate in and out of the sample.

Michael Davern from the State Health Access Data Assistance Center (SHADAC) was introduced. Michael mentioned that many of the same items discussed by the consortium are the same kinds of things discussed by grantees wishing to develop surveys. As part of the discussion, there were proposals to invite representatives from other agencies to future consortium meetings to discuss the creation of a survey that will be beneficial to everyone involved. One group that was mentioned specifically was the Society for Human Resource Managers (SHRM). Other groups may be invited as well.

Tom Gallagher also discussed other uses for benefits information currently being developed in Wyoming. One such project involves the use of benefits and wage information to predict job retention and turnover. Each state involved in the consortium has a somewhat different need for benefits information. There are several states that have not conducted a survey. In most of these states, it seems as though information about the incidence of benefits being offered would be sufficient. In other states, there is a need for benefits information to be able to be linked with other information such as wage records, turnover, etc similar to the project being done in Wyoming. The discussion seemed to indicate that any survey designed by the consortium needs to be flexible to fit everyone's needs.

Workgroup Breakouts

Each of the three workgroups formed at the first consortium meeting (State Methods, Market Research, and Background Information) had some time to get together as a group and finalize a presentation to give to the consortium. The workgroups were asked to answer six questions and report back to the group. The questions included restating workgroup goals, describing what had been done to accomplish these goals, identifying which goals had and had not been accomplished, and make recommendations to the consortium based on the workgroup's findings.

Workgroup Reports

Each workgroup was given 30-45 minutes to discuss findings based on research that had been done.

Market Research

The Market Research group reported the goals of the group to be narrowing down the list of benefits and employer/employee characteristics from the first meeting, determining the different types of users of benefits information and identifying the unique needs of each, and figuring out the gaps that currently exist in data collection.

Tammy Jenkins reported the results of a survey that she did to collect information about customer needs. Similar surveys were also done in California in Nebraska, although there were many more respondents from Alabama. Copies were passed out that showed customers' average ratings of the need for various types of benefits cost information. These results that users of benefits information were most interested in data on medical insurance, sick leave, vacation leave, and retirement plans.

The workgroup also reported that information obtained by the State Methods workgroup could be used as a proxy for customers' needs. If several states collect information about a specific benefit, chances are they have done some background research and determined that it is important to measure that benefit.

The group reported that there is still work to be done in the area of measuring customer needs. Responses to the survey conducted by the group were primarily given by business representatives. More information about the needs of employees, jobseekers, and others may be beneficial. Also, the group mentioned that it would be helpful to look at surveys being conducted by private firms to determine what information they are collecting and why they are collecting it.

State Methods

The goal of the State Methods workgroup was to look at what is currently being done in terms of benefits information collection at the state level.

Sonya Williams reported that the State Methods workgroup developed a survey to measure what is being done at the state level to collect benefits information. All state LMI shops were contacted to determine which states have in the past or are currently collecting information and to get details for the data gathering. There were a total of 23 states that had conducted an Employee Benefits survey in the past, have an ongoing collection of benefits data, or were conducting a survey when they were contacted by the workgroup.

A workgroup report detailing the findings of the group was handed out. This report contained a variety of information collected by the group, including funding and costs of benefits surveying, survey administration, sampling methodology and sample size, information about the survey instrument used, data elements included in the states surveys, data analysis methods, and data dissemination.

It was found that of the states that have conducted employee benefits research, many used one-stop grant money to fund the survey. Most states did a one-time survey with some having plans to repeat the survey in the future. Most states also used a stratified random sample using the EQUI as the sampling frame. These states most commonly selected their sample based on employer size, industry, and location. All of the states that have done a benefits survey collected information about paid leave, insurance, and retirement, although the amount of detail of the information collected varied. Data analysis was most commonly done at the employer level and was most commonly stratified by employer size and industry. The states that have conducted benefits research have all created a hard-copy report of the results, although the details contained in the report and length vary. Target audiences of the information also varied by state.

The workgroup pointed out that each state has differing needs for benefits information. The group's recommendation included the need to create a survey that would fit the needs of each state. The group also pointed out that there needs to be adequate resources, funding, and staff available in each state to properly conduct a survey. The State Methods workgroup proposed that either a team could be created to help states wishing to begin a benefits survey program, or possibly a web site with a message board or listserv could be set up to help states in the creation of a benefits survey.

Background Information

The goal of the Background Information workgroup was to look at what is being done to collect benefits information at the federal level, specifically by BLS. It was also a goal to attempt to get more information about the National Compensation Survey (NCS) and how the benefits survey is used in the creation of the Employment Cost Index (ECI).

One of the major findings of the NCS was the cost of administering the survey. Tom Gallagher estimated that to use NCS methodology to create “local” data in Wyoming, it would cost approximately \$3 million. Because of the cost and employer burden of conducting the NCS, there was discussion of a need to scale back the information collected by determining what things BLS collects that are most important. In addition, it was recommended that a sampling frame be chosen that is representative of the market. The NCS collects information quarterly with results based on the last month of each quarter. There does not appear to be a reason why it is done this way.

Frances Harris made several suggestions to the group based on the information that BLS collects and the methodology used. She recommended that the consortium determine what it is important to measure, who it is important to, and why. She pointed out that the answers to these questions may vary state-to-state. She also said that it is important that the consortium determine what it is trying to measure for different types of benefits: costs, incidence, participation, or benefits provisions. The level of detail measured may differ for different benefits. For instance, it may be important to measure the costs, incidence, participation, and provisions for health care coverage, however it may only be important to measure incidence for something like sick leave. There was discussion about the importance of collecting information about the costs of benefits. This information is very important to a lot of people who want to know about how much it costs employers to offer benefits and how costs and participation change over time. One thing lacking from a lot of states’ surveys is the participation rate for benefits. Most states only report the incidence of benefits being offered.

Frances explained that each BLS office has a dissemination unit that receives calls from researches, media, employers, and individuals. These centers keep a tally of the type of people that call and the information they ask for. She provided a sheet that ranks the importance of collecting benefits information based on the information received from the data dissemination centers and her own knowledge of the BLS benefits survey. This sheet listed the most important thing to collect as benefits costs, followed by incidence and participation, and then benefit plan provisions. The sheet also ranked benefits by category and then by individual benefit components.

The rankings for importance of benefits by category are:

1. Insurance
2. Retirement
3. Paid Leave
4. Emerging Benefits (including child care, adoption assistance, long-term care insurance, flexible work place, subsidized commuting, education assistance, travel accident insurance, health promotion benefits, medical reimbursement options, stock options, stock related plans
5. Supplemental Pay (including overtime, shift differential, nonproduction bonus
6. Legally Required Benefits (including social security, medicare, state and federal unemployment insurance, workers compensation)
7. Other Benefits (including severance pay and supplemental unemployment benefits)

Comparison of work plan vs. progress

The consortium discussed the need to compare and narrow down the list of benefits that Frances Harris provided to the survey conducted in Alabama for the Market Research workgroup, the survey of LMI shops, and the list of benefits that was brainstormed at the first consortium meeting. Also mentioned was the need for the consortium to develop a standard set of language and terminology to use. There was some confusion over terms such as availability, access, incidence, participation, and provisions when describing benefits that needed to be cleared up.

As part of the discussion of narrowing down the list of benefits to a manageable amount that could be included in a survey, there was a concern about the need for benefit cost information and the burden on employers to provide this information. Specifically, questions were raised about where the cost information comes from, how a survey can get all employers to report the same information, and what happens if employers don't have the records on site. Tom Gallagher discussed what has worked with Wyoming's survey. He mentioned that they ask for past expenditure data so they already have the information and it should be available. He also discussed that there may be the need to get a waiver or special permission to ask an employer's accountant or health insurance provider for the information.

After some conversation about the goals and progress of the group, the question was raised as to the length of time it would take before a functional survey instrument would come out of the consortium. There was a concern that the consortium's activities were not moving fast enough to fit the needs of some states. Representatives from some states mentioned that they were planning on conducting a benefits survey but were waiting for recommendations from the consortium. Since it seemed like the consortium would not have a survey instrument complete for quite a while, there were questions on how to proceed. As part of the discussion, proposals were given to make shorter deadlines for the workgroups to get work done faster and to move forward quicker with the group.

Chris Miller mentioned that the Workforce Information Council (WIC) would be meeting on December 10th and it may be beneficial for the consortium to put in a proposal for funding of a pilot project. He said that the proposal would need to be approximately one page and would need to list the core elements of the project including mode of collection, approximate costs of administration, geographic areas covered, and a brief description of the survey model. If approved, the money would be available in Fiscal Year 2004. If not approved, then the WIC would have an idea that a similar proposal may be made in the future and there may be more of a chance of it getting approved the following year.

The consortium debated whether or not to make a proposal for approximately one hour. After several issues were resolved, a motion was passed to "Ask the Workforce Information Council to fund a multi-state benefits survey pilot project using core concepts, data elements, and methodology proposed by the Employee Benefits Consortium leading to analysis and data dissemination." It was decided that regardless of whether or not the funding for a pilot project is approved, the consortium will proceed to form a template for the collection of benefits information.

Tuesday, November 5th

Other Benefits Surveys

Michael Davern with the State Health Access Data Assistance Center (SHADAC) was invited to the meeting to share his experiences with the creation of surveys designed to measure insurance coverage. SHADAC helps states access and use data already available and they work with states in designing and conducting a survey when there is money available. He said that many of the issues discussed by the consortium such as trying to coordinate a survey effort between several agencies are things that are also dealt with at SHADAC.

Michael went through materials he brought to the meeting, including summaries of state and national surveys, SHADAC newsletters, and a PowerPoint handout that explained what SHADAC does. In the

PowerPoint, it was explained that states typically conduct surveys because of a need for information for a certain population of interest, more of a local sample than provided by federal surveys, and the need for hands-on work with the data. The Health Resources & Services Administration (HRSA) State Planning Grant program was also discussed. This program provided money to states in three separate rounds, with the latest grantees currently using the money for data collection. In the first two rounds of the HRSA grants, 12 out of the 20 grantees conducted employer surveys. These states all had different sample sizes, survey methodology, and sample stratification methods. In addition to the employer surveys that HRSA states conducted, 17 out of 20 in the first two rounds of grants conducted household surveys. As with the employer surveys, there were large variances in the sample size, response rates, and costs of conducting the surveys. All that conducted household surveys used telephone methodology.

It appears that the money available through the HRSA grants may not be available any longer. When these funds are gone, other sources will need to be found for benefits information. Michael Davern included several factors in his PowerPoint that may impact future state surveys including budget shortfalls, the continued need for data, politics, policy interests, and others. He also mentioned several emerging topics that may of interest to certain groups. These include contraction vs. expansion of public and private benefit offerings, underinsurance and adequacy of coverage, the fearfully insured, the actual value of insurance, and concordance of coverage within families.

SHADAC currently has a database of household surveys on their website (www.shadac.org) and is working on getting a database of employer surveys on the site as well. In addition, SHADAC has some sample questionnaires and can provide assistance to states needing to conduct surveys.

Michael Davern had a few suggestions for groups that may be helpful to contact about the consortium's activities. These included the Agency for Healthcare Quality and Research as well as the Employee Benefits Research Institute. In addition, he suggested the consortium contact other groups interested in health care coverage information to see if they are interested in funding part of a survey that measures insurance coverage. He also mentioned that HRSA is having a meeting in January for all of the State Planning Grantees and that it may be beneficial for a consortium member to be present to discuss the consortium to the state grantees.

Proposal to the Workforce Information Council

Because it was decided on the first day that a proposal would be submitted to the Workforce Information Council, the consortium decided that the contents of the proposal should be discussed. Chris Miller explained that the proposal should be short (approximately one page in length) and should describe the basics of the survey. Some of the things that were recommended to be included were the purpose for the survey, benefits that may be included, level of detail that may be included, and approximate costs.

The proposal to the WIC would ask for money starting in FY2004 for a pilot study and would explain that, depending on the results of the pilot, more money would likely be needed in following years to conduct the survey.

The general consensus of the group was that eventually a survey would be created that would allow for a report that has interstate, intrastate, and federal comparability over time. To achieve this, a multi-phased pilot testing program would be implemented that would likely start with two to three states

testing the survey questionnaire and methodology and reporting any problems to the consortium. Improvements would be made prior to the methodology and questionnaire being released for use by all interested states.

The proposal to the WIC would also explain that benefits information is not currently available at the “local” level. The WIC’s local data needs study indicating the need for local, comparable benefits data may be included to highlight this point.

Phil Baker and Chris Miller explained that the proposal to the WIC did not need to contain any elaborate plans, but rather needed to give the WIC an idea of the project. Both stressed the importance of getting a “place in line” for funding and a proposal now could serve as a placeholder for money in the future.

Next Steps

In considering the next steps for the consortium, there were five things that were put up for consideration: level of geography, frequency of data collection and publication, survey design, method of data collection, and core data elements to be covered on a survey. After some discussion about the first four items, it was decided that this information might be better decided by a workgroup. An effort was then made to narrow down the list of benefits to create a more manageable set of core elements to include in a survey.

Consortium members used the prioritized list of benefits handed out by Frances Harris to narrow down the list of benefits brainstormed at the first consortium meeting. The brainstormed list was organized into five columns: Paid Leave, Insurance, Miscellaneous, Child Care, and Retirement. For the purposes of narrowing down the list of benefits, the Child Care category was added into the Miscellaneous category. The four categories of benefits were put in priority order to include in a survey. From highest to lowest priority, the categories were Insurance, Retirement, Paid Leave, and Miscellaneous.

To further narrow down the list of benefits, the group went through each category one benefit at a time and determined whether it should be considered for inclusion in the survey or whether it should be eliminated. When there were doubts as to whether something should be removed from the list, it was left on for more discussion. The list of benefits included in each of the categories was narrowed down considerably. To prioritize the list of benefits within each category, the benefits were written on a large sheet of paper. Each consortium member was given three votes per category to rank the importance of benefits.

The list of benefits was prioritized as follows (sorted from most important to least important):

Insurance

1. Health
2. Dental
3. Prescription
4. Disability
5. Life
6. Vision

Retirement

Frances Harris explained that there are only two types of retirement benefits, Defined Benefit and Defined Contribution. These will both be included in a survey.

Paid Leave

1. Sick
2. Vacation
3. Holiday
4. Consolidated Leave
5. Personal
6. Family/FMLA

Miscellaneous

1. Child Care
2. Tuition/Educational Assistance
3. Shift Differential
4. Alternative Work Arrangements
5. Employee Assistance Programs
6. Stock Options
7. Bonuses
8. Wellness

With the shortened list of benefits, the consortium discussed whether costs, incidence, provisions, or participation rates should be gathered about each benefit type. Cost information would include the cost to the employer of offering benefits. The term incidence was used interchangeably with availability – whether or not an employer offers benefits or not. Provision was defined as a condition that must be met in order for someone to be eligible for benefits, such as a waiting period, length of employment, etc. Participation was defined as whether a person takes advantage of a benefit offered by their employer.

The decision was made to explore the possibility of collecting costs, incidence, participation, and provisions for insurance and retirement benefits. For paid leave and miscellaneous benefits, only incidence and provision information would be included.

Workgroups

To address the issues of how benefit costs, incidence, participation, and provisions should be measured, as well as what survey methodology should be used, three new workgroups were formed.

The first of the three workgroups will look at the beginning stages of developing methodology for a survey. This group will consider survey administration (mail, phone, Internet, CATI), level of geography to be included, the frequency of data collection and publication, and other issues related to collecting employee benefits information.

Members of this group are:

- Betty Brown – Missouri
- Mike Daniels – South Carolina

- Herb Greenwall – New Mexico
- Tammy Jenkins – Alabama
- Brendan Kelly – California
- Tim Nolz – North Dakota
- Bob Schleicher – Montana
- Sonya Williams – North Carolina

The second workgroup will look at different ways to collect information about the participation, cost, and provisions of insurance and retirement benefits.

Members include:

- Oriane Casale – Minnesota
- Phil George – South Dakota
- Frances Harris – BLS
- David McGee – Kansas
- Chris Miller – Alaska
- Pam Schenker – Florida

The third workgroup will address ways to ask questions about the availability of all benefits, as well as the provisions of paid leave and miscellaneous benefits.

The members of this workgroup are:

- Cathy Bournier – Idaho
- Tom Gallagher – Wyoming
- Scott Hunzeker – Nebraska
- George Nazer – New Hampshire
- Laura Sichmeller – South Dakota

Each of the three workgroups was asked to answer some questions to indicate the leader of the group, goals, timelines, division of work, and other pertinent information. This information will be sent to Scott Hunzeker in Nebraska so it can be distributed to all consortium members.

Next Meeting

The next consortium meeting was tentatively scheduled for the week of March 24, 2003. The location of this meeting is to be determined. Consortium members requested that the location is near a major airport to make travel plans easier. More information about the next meeting will be sent to consortium members and posted on the consortium Intranet site as soon as possible. Workgroups may choose to meet prior to the next consortium meeting.

**Employee Benefits Consortium Meeting
March 25-27, 2003
Double Tree Hotel
Omaha, NE**

Minutes

In attendance:

Phil Baker – Nebraska
Cathy Bournier – Idaho
Oriane Casale - Minnesota
Bill Custer – Georgia State University
Mike Daniels – South Carolina
Tom Gallagher – Wyoming
Phil George – South Dakota
Dan Hall – New Mexico
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Tammy Jenkins – Alabama
Brendan Kelly – California
Pat Ketsche – Georgia State University
Kathy Klein - Kansas
David McGee – Kansas
Tim Nolz – North Dakota
Pamela Schenker – Florida
Bob Schleicher – Montana
Laura Sichmeller – South Dakota
Sonya Williams – North Carolina

Not in attendance:

Representatives from Alaska, Missouri, New Hampshire, Washington

Tuesday, March 25th

Introductions

Scott Hunzeker & Phil Baker welcomed everyone to Omaha and went over the items handed out to meeting attendees. Reminders were also given about the reimbursement process for consortium-related expenses and the fact that hotel rooms would be direct-billed for state members of the consortium. All meeting attendees introduced themselves to the group.

Updates since last meeting

Phil Baker explained that he had given a presentation about the benefits consortium to the Workforce Information Council (WIC) in December, 2002. Following this presentation, some members of the WIC had some questions about the consortium's activities. These questions were answered at a WIC meeting in March, 2003. It was suggested that before more money is given to the consortium, progress would need to be shown, including a budget showing how the first round of funding was allocated.

Tom Gallagher gave a presentation at the Health Resources & Services Administration (HRSA) meeting in January, 2003. He explained that HRSA provides “State Planning Grants” to states to conduct research about benefits – specifically access to health care and attitudinal questions about healthcare. Tom mentioned that 30 states have received state planning grants, with the average grant being about \$1.15 million. Tom expressed some concerns with the state planning grants. Most states that have received grants have focused very heavily on healthcare-related benefits. Other types of benefits such as retirement and paid time off are not being measured. Additionally, most grant recipients are conducting a one-time survey that is measuring a specific point in time. Some items such as benefit costs are constantly changing and these changes are not being measured by the state planning grant states. Tom stressed the importance of incorporating the HRSA grantees as customers of the benefits consortium in order to get feedback from them.

Tom Gallagher presented two articles that were included in the February 2003 issue of the Wyoming Labor Force Trends publication. Each of these articles was an example of the type of analysis that can be done using employee benefits data and other types of administrative data such as Department of Motor Vehicles (DMV) records, wage files, job turnover data, and other information. One of the articles presented benefits data with demographic information to provide insight into who has access to certain types of benefits in Wyoming. The information was displayed by industry, employee age, full-time versus part-time status, and other characteristics. The other article in the publication addressed the issue of whether or not benefits reduce employee turnover. This article examined the relationship between compensation (both direct and indirect) and stability (turnover and retention) in the workforce.

Goals

Scott Hunzeker asked the group to think of goals for three different time frames: the end of the meeting, six months, and long-term (beyond six months). Phil George suggested that the group review the wording in the charter to make sure all assignments are met. The consortium charter states that all work will be completed within 18 months of the adoption of the charter, although an extension may be granted. States were all contacted to join the consortium around March or April of 2002, which puts the 18 month end date for the consortium around September 2003. The group decided that if a survey were in the testing phase in September 2003, the conditions of the consortium charter would be met.

There were concerns by some consortium members that having a survey ready to test by September would not allow enough time to consult with the Bureau of Labor Statistics (BLS) and other benefits experts. Oriane Casale mentioned that there are a lot of different groups that are conducting research about employee benefits. She stressed the importance of getting as many parties involved to coordinate efforts, decrease employer burden, and make a standardized survey the most effective.

As part of the discussion of coordinating efforts with other agencies, Tom Gallagher said that the consortium needed to agree on a common set of definitions and also needed to decide what is and is not considered a benefit. Tom provided the group with a few handouts of definitions used for the National Compensation Survey (NCS) as well as a list of data elements included and excluded for NCS programs. The consortium agreed that the handouts Tom provided would be a good starting point in the establishment of common definitions for a standardized benefit survey program.

There were several things that were listed as goals to be accomplished before the end of the meeting. These included:

- Develop a timeline
- Identify the end product for the consortium, including the scope of the end product
- Agree on key elements of a survey project (i.e. a voluntary program vs. a state/BLS cooperative)
- Determine how closely a consortium survey would be aligned with the Bureau of Labor Statistics or other survey programs such as the Occupational Employment Statistics survey
- Determine the “core” set of questions to be included in a benefit survey

Longer term goals identified included:

- Identify key partners that could help in the development of a survey program
- Estimate that total cost of collection for benefit information
- Adopt a common set of definitions relating to benefit information
- Develop survey questions and a questionnaire form that will be consistent between states and will fit the needs of all states

Some of the goals were discussed as soon as they were identified. For instance, the group decided that the consortium would plan a survey as a voluntary program. This decision was made because there is no definite funding for a federal/state cooperative program, and some people thought that it would be best to start with a volunteer program and see how well it is received. The group also decided that a stand-alone survey would be created instead of adding benefit questions to an existing survey such as the Occupational Employment Statistics (OES) survey.

The overall goal defined was that within six months (September 2003) the consortium would be in the process of testing a benefits survey. Sonya Williams suggested that the end product would be a “mechanism to collect information on a set of data elements that are comparable across states.” The group debated Sonya’s definition and adopted it after defining “mechanism.” The word mechanism was used to define the survey instrument, sampling frame, estimation process, and survey administration (mail, telephone, Internet, etc.).

The final goal for September 2003 was that a benefits survey would be ready to test. In some form, testing would be done on the survey instrument, sampling frame, estimation process for results, and the survey administration. This would be designed to collect information on a core set of data elements that are comparable across states.

Tom Gallagher stressed that the consortium needs to consider what the return will be for the cost of a benefits survey. He pointed out that in order to secure future funding, the consortium will need to justify what is being done and why. This will include documentation of decisions that are made by the workgroups and the entire consortium and the reasons those decisions are being made. Tom also said that it is very important that a customer feedback process is built into the survey. In Wyoming, this feedback is simply a checkbox that allows respondents to request a copy of the final reports.

Recent survey progress

Dave McGee and Kathy Klein reported on a benefits survey that Kansas was in the process of conducting. The Kansas survey collected information from one county around the Kansas City metro area. The survey was partially funded by an economic development firm. Dave McGee said that at this point, Kansas does not have funding right now to do a statewide survey. They are hoping to do well

with the current survey and market it in order to get further funding for more benefits research. The Kansas survey was designed using the Nebraska benefits survey and the job vacancy survey as a model. The survey is being conducted as a pilot project and Kansas is learning as they go with the project. The sample was stratified by industry and size. The sample was approximately 900 and the goal is to get 400 responses total. After two mailings, there is about a 30% response rate. The plan is for a total of four mailings.

Tim Nolz talked about North Dakota's benefits program. North Dakota has been conducting benefits surveys for several years. There are 14 areas of the state, seven per year, with each area surveyed every two years. They typically get about a 70% response rate, with smaller areas tending to have slightly higher response rates. The survey is designed to collect information about incidence of benefits and overall costs. Of the 23,000 businesses in North Dakota, approximately 4,500 were mailed a survey in the past two years. Of those, about 3,000 were returned with useable data. Due to the elimination of 2 positions in the LMI dept. and increased workload, the amount of surveys done may or may not change.

Mike Daniels reported that South Carolina has recently completed a benefits survey. This is the second benefits survey that they have done. The survey will likely be conducted every three years. Because of some restructuring within the state and changes to the way the survey was conducted, this survey is not as detailed as the last survey. Also, last time the survey was conducted based on employer size; this time the survey was done by industry, so results were not directly comparable. The survey form was a three-page form that was mailed to 6,000 businesses. There were approximately 2,300 responses. The sample was drawn by selecting 100% of large firms and taking a random sample of the remaining businesses. The results are currently a series of graphs and tables, but written analysis and/or a publication may be produced at a later date.

Brendan Kelly described the benefits survey in California. They have been collecting benefits information for about 15 years. This information is collected by occupation for 33 regions in the state. The survey asks various questions about each occupation, including the benefits offered. There are about nine benefits that are examined for each occupation, as well as an open-ended question to ask about "other" benefits. The survey only looks at certain occupations for each area. These are typically occupations that are most helpful to the economic development of the region. Results are published in both hard copy and electronic format. The results are aimed more for economic development or education professionals, with some employers interested in the information. Although the results are occupation-based due to customer demand, it may be possible to do some analysis by industry. Brendan mentioned that California collects about 15,000 employer surveys per year.

Tom Gallagher provided information about the Wyoming benefits survey. Wyoming collects benefits information quarterly. The goal of the survey is to provide information about who has access to benefits in the state. The quarterly collection allows for the tracking of changes in benefits costs and offerings over time. Wyoming uses benefits information collected along with other data sets such as Department of Motor Vehicles (DMV) records to show demographic information of the population that has access to benefits. Wyoming draws the sample for its benefits program by removing those in the Occupational Employment Statistics (OES) and Current Employment Statistics (CES) samples. An independent sample is drawn each quarter from the remaining businesses.

Workgroup Reports

Each of the three workgroups indicated that they could use time to finalize their reports to the consortium.

Insurance and Retirement Workgroup

The insurance and retirement workgroup was tasked with writing questions to address incidence, cost, and provisions of insurance and retirement benefits. To help get a feel for the different types of insurance and retirement questions currently being used, the workgroup looked at surveys conducted by the Medical Expenditure Panel Survey (MEPS), State Health Access Data Assistance Center (SHADAC), National Compensation Survey (NCS), and several state benefits surveys.

The workgroup handed out a sheet titled “Employment-Related Health Insurance: Federal Agencies’ Roles in Meeting Data Needs.” Phil George and other workgroup members explained how the document compares the MEPS-IC (Insurance Component) and NCS surveys. Phil gave information about the MEPS-IC and NCS, the similarities and differences between the surveys, and how they relate to the consortium’s activities. In addition, the workgroup identified data gaps in the MEPS and NCS surveys. Some of these gaps (such as information about the workforce – including wages, age, and health status) may be more related to the consortium than other gaps such as prevalence of consumer-protections provisions.

The workgroup went over a handout of draft survey questions that they had developed. The core data elements related to insurance and retirement benefits were discussed. Incidence and participation questions would be asked to determine who has access to benefits, and who is taking advantage of these benefits. Questions would measure how many businesses offer insurance and retirement benefits, how many people are offered the benefits by these businesses, and the number or percentage of people that enroll. Another core question would be asked to determine employers’ annual expenditures for insurance and retirement benefits. The costs of health insurance and retirement would be the most important to measure. Other costs such as life insurance and disability insurance would be considered less important.

The insurance and retirement workgroup identified optional questions about the price or premiums that employers and employees pay for health insurance. The group said that these questions may be included if a state had the funding to ask the questions or if there was a specific need for this information.

The entire consortium discussed the workgroups findings and it was decided that there were still some issues the group needed to resolve. The workgroup indicated that more time to discuss topics raised by the consortium would be helpful.

Incidence and provisions workgroup

The incidence and provisions workgroup was tasked with developing questions to collect information about the incidence and provisions of paid leave and miscellaneous benefits. The workgroup primarily looked at the Wyoming survey that was in the field at the time and made suggestions for improvements.

Tom Gallagher handed out copies of the Wyoming survey for consortium members to look at. He explained that the survey Wyoming was using was a joint effort with the university and that some of the questions included were added based on the needs of the university.

The group went over the Wyoming survey with the consortium and explained some changes that were recommended, such as the rewording of some questions, moving instructions onto the survey form, and deleting some questions entirely.

The workgroup said that some of the decisions on what would be included in a survey would be based on the amount of space available on the questionnaire form. Based on the priorities established at the consortium meeting in November 2002 in Washington, DC for each type of benefit insurance, retirement, and cost information is more important than paid leave benefits. Miscellaneous benefits would be included if space permits.

After lengthy discussion by the consortium about what questions would be considered “core” and which would be optional, it was decided that the workgroup could use some additional time to work through some issues raised by the group. There was also discussion about whether incidence, provision, or both would be collected for various leave and miscellaneous benefits.

Methodology

The methodology workgroup was created to begin developing the framework for methodology of a standardized benefits survey. The workgroup reported that information about survey methodology was compiled from a variety of sources. The group said that any final decisions about methodology could not be made until things were more final from the other workgroups. In addition, there were still some decisions that would need to be made by the consortium before methodology could be developed further.

The workgroup made recommendations that a survey sample would be stratified by size, industry, and geographic area. Estimation would be done by industry only. The group also recommended that a benefits survey be “piggybacked” with other survey collection efforts, if possible. If this is not possible, then the consortium needs to make sure the survey developed is compatible with other survey forms and is not a freestanding survey.

It was suggested that the methodology group use additional time to come up with a list of items where input is needed from the other workgroups. There were also questions raised by consortium members such as how the group recommended a survey would be administered, how often a survey should be conducted, and others.

Day 1 wrap-up

Phil Baker gave a recap of what was discussed and accomplished for the day, including a general review of the goals discussed for the consortium and the topics discussed by each of the workgroups. Because each of the workgroups had unresolved issues, the consortium agreed that the meeting agenda would be modified for Wednesday to allow for more workgroup time.

Wednesday, March 26th

Georgia's State Planning Grant survey

Pat Ketsche and Bill Custer from Georgia State University were in attendance to discuss Georgia's benefits survey funded with a State Planning Grant from the Health Resources & Services Administration (HRSA). The survey was mostly a household survey, although some data was collected from employers. Nearly a half million dollars was spent on the household survey and less than \$50,000 was spent conducting the employer survey.

The planning grant was awarded July 2002. Because of the short timeline of the grant, not as much time (as would be desired) was spent in the development of a survey.) The university looked at surveys that had previously been conducted when designing the employer survey. The goal was a survey questionnaire that could easily be completed in 10-15 minutes. The emphasis of the survey was on health insurance benefits.

In order to avoid skip patterns based on whether or not health insurance is offered by the business, two different forms were produced. Employers were mailed both forms and given instructions to fill out the appropriate form – the yellow form if health insurance is not offered or the green form if health insurance is offered.

Approximately 6,000 surveys were mailed with the sample stratified by rural Georgia, the MSAs, and the Atlanta metro area as well as the firm size based on the number of employees at the parent company. The sample also differentiated between single and multi-site establishments. Responses could be faxed or mailed, or there was also the option for respondents to fill out the survey on the Internet. Overall, there was approximately a 22% response rate. Of those that returned the survey, about 85% mailed the survey. Firms that responded online tended to be larger employers and also were those that are more likely to offer benefits. When asked about the Internet response option, Bill mentioned that if the survey were done annually or more regularly then it would be a good thing to keep. However he felt that for a one-time survey, it was probably more work than it was worth to set up the Internet response option since not a lot of respondents took advantage of it.

Bill and Pat explained that they tried to use tested questions that had been used in previous surveys when possible, but there were some instances where they couldn't. Some factors, such as a high number of seasonal workers, influenced the wording of questions by adding the word "permanent" to ensure employers answered accurately. There were other items that were discussed when designing the survey, such as whether to collect the percentage or number of employees eligible for benefits. The survey asked for the percentage of employees eligible, however based on the responses from employers, they may consider asking the number of employees eligible if the survey - was conducted again. The survey asked for the eligibility of employees but not the participation rates, which would be a consideration for a future survey.

Pat and Bill shared some of their experiences with survey responses and indicated which questions caused some of the bigger problems for respondents. The questions that caused the most problems asked about the cost of benefits. These questions asked about employee and employer contributions for health insurance as well as the total spent on health insurance for all employees and dependents. Both of these questions produced a lot of data that did not add up correctly or that didn't seem to make sense. Other questions about wages, age, minority status, and other demographic information also

caused quite a bit of problems. Bill and Pat agreed that this information would have been better if it had come from some kind of administrative records such as the Department of Motor Vehicles (DMV) records or something similar.

The amount of time to complete the survey limited what could be done prior to mailing out the survey. There was not a lot of time to clean up the address file, which likely decreased the response rate. Another thing that may have had an influence on the response rate was the fact that the surveys were mailed from and returned to Georgia State University. It was felt that response rates may have been higher if the survey was sent from the state, but this was not done due to some political concerns. In addition, there were some questions that may not have been tested as well as would have been desired.

With the budget and time limitations, along with the fact that the employer survey was supplemental to the household survey, both Bill and Pat felt that some valuable information was collected.

Workgroup reports

Incidence and provisions workgroup

The incidence and provisions workgroup was asked on the first day to narrow down the list of paid leave and miscellaneous benefits to define a “core” list to be studied. The group used the complete list of benefits from the consortium meeting in Washington, DC and identified five core benefits: sick leave, vacation leave, holiday leave, child care, and tuition/educational assistance. The workgroup also proposed a question to determine whether employers offer consolidated leave for vacation, holiday, or sick leave, or whether each of these benefits is offered separately.

The workgroup recommended that incidence be collected for all of the benefits and that the provisions be collected for sick leave and vacation leave. Using the Wyoming benefits survey as a template, the group discussed asking questions about provisions of sick leave and vacation leave based on employer practices. For example, asking a question about how much vacation leave an employee earns after 1 year, 3 years, 5 years wouldn’t be effective if employers’ offerings of vacation leave change after 1 year of service, 5 years, 10 years, etc.

Frances Harris brought up the fact that sick leave typically doesn’t change with tenure. Employees are all generally offered the same amount of sick leave regardless of how long they have been with the company. Vacation leave may change with employee tenure, however. She said that questions aimed to measure how many hours of sick leave are earned per year, whether or not the leave can carry over year-to-year, and the number of hours an employee is allowed to hold may be more helpful. The consortium agreed with Frances about only asking provisions questions for paid vacations and not for sick leave.

One question that was brought up during the first day of the meeting and raised again during the workgroup’s discussion was whether the consortium plans to ask questions about the majority of employees, or whether the employer offers the benefit at all. After some discussion of this topic, a few key points were raised. Before the consortium could decide how to ask employers to respond to the survey, the decision would need to be made as to how the results will be presented. If the goal is a survey that will allow for results that provide the percentage of employers that offer benefits, it would be appropriate to ask if an employer offers benefits to any employees. If the goal is to get a count of the number of employees receiving benefits, the question would have to be worded to collect this information.

Based on debate by the entire consortium and different views of what products could be produced, Frances Harris proposed that the consortium look at the project with different levels of analysis available. At the most basic level, states would be able to calculate the percentage of employers that offer all benefits. More detailed analysis would allow for costs of benefits to be calculated. At a higher level of data collection and analysis, the survey would produce information about the percentage of employees receiving or participating in benefits. Frances proposed that the consortium produce a survey that would produce data at the most basic level, but that could be used for states that want to do more detailed analysis. The consortium agreed that states will have differing needs for benefits information and that a multi-level approach to a survey would likely serve most states' needs the best.

The incidence and provisions workgroup finished its report and there was still confusion as to what was considered a "core" benefit and what the group was proposing as a list of question. The group agreed to get something typed up to be presented to the consortium at the meeting on Thursday.

Insurance and retirement workgroup

The insurance and retirement workgroup went over the handout that had been presented on the first day of the meeting. The group discussed which questions would be considered "core" questions and which ones would be optional. The first question raised was whether information would be collected for part-time employees, or whether it would only be collected for full-time employees. After some discussion by the consortium, the recommendation was made to collect information for both full-time and part-time employees.

The workgroup proposed that questions about incidence and participation in insurance and retirement benefits would be core questions. These questions ask whether or not different types of health care and retirement benefits are offered. If the benefit is offered, the question collects the number of employees offered the benefit and the percent of people participating.

A section of questions to address the contributory status of insurance and retirement benefits is also core. These questions were modified based on discussion from the first day of the meeting. The questions are to determine who pays for health care and retirement benefits (whether the benefits are paid entirely by the employer, employee, or jointly paid).

A group of questions to measure actual costs for health insurance coverage would be optional. These questions would obtain the employer, employee, and total cost of the health insurance benefit. In addition, a check box is included to determine how often payments are made so that information can be converted into a comparable timeframe. If this group of questions is used, the workgroup proposed only collecting information for one type of health care plan, instead of trying to collect information for all plans offered. This raised the same question from the first workgroup's report about how questions would be answered (if they would be asked for the majority of employees or some other method).

The final group of questions addressing annual employer expenditures for health care and retirement benefits are core questions. Although there was little argument that it is important to collect cost information, there was some discussion as to the best way to collect this data. Bill Custer suggested an idea of collecting incidence information and estimating the costs based on other research. The consortium debated this and determined that it may be something worth looking into. Questions were raised as to how good the data produced would be compared to asking the employers. A decision

would be made that tests could be done in estimating cost of benefits and a determination as to the best way to collect this information would be made following the test.

Methodology workgroup

The methodology workgroup came up with some recommendations for the consortium and also had some questions to be discussed by the group. The workgroup recommended a voluntary survey that states could conduct with their own funding. As a result, the consortium should place an emphasis on a survey that will produce the best possible data given cost constraints. There would still be a possibility of obtaining federal funding for a standardized survey, but this is not planned.

The workgroup recommended a mail survey. Discussion of whether or not minimum response rates should be required for states to publish their results led to a lengthy debate as to how measures of variance should be handled. Recommendations were made that the Bureau of Labor Statistics statistical methods group could help in determining the sample size needed for each state. It is probably more feasible for the statistical methods group to help in building a basic framework for selecting a sample.

The workgroup recommended that the survey sample be pulled using the physical location address from the Enhanced Quarterly Unemployment Insurance (EQUI) file. The recommendations were that the sample be stratified by industry (with agriculture likely excluded), size, and geographic area. A goal would be a sample size adequate for statewide estimates for each of the 12 North American Industry Classification System (NAICS) super sectors, although this would be a recommendation and not a mandate.

The workgroup recommended that the core survey be conducted every two years, with cost information collected annually. States could choose to survey more frequently as long as the same sample design and methodology is used.

Other workgroup recommendations were that states publish standard errors or some kind of variation along with their estimates, that the time between data collection and reporting be efficient and quick, and that states produce estimates at the statewide level with the option to report at other levels (such as lower levels of geography, industry, etc.)

The workgroup also identified items that were not yet fully resolved. There was still some confusion as to exactly what the other workgroups were proposing as “core” questions and for which benefits provisions, incidence, participation, and costs would be collected. Each of the other workgroups agreed to provide a “final” list of benefits and questions on the final day of the meeting.

Another issue brought up by the workgroup was whether information would be collected about all benefits for full-time employees, part-time employees, or both. There was also a question as to how full-time and part-time would be defined and who would set these definitions. The consortium discussed this issue and decided there were pros and cons to allowing the employer to set the definition versus having a consortium-defined definition of full-time and part-time. The group did agree that the number of hours worked for each classification would not be a core question on the survey.

The methodology workgroup wanted to determine an approach to settle any discrepancies of the types of benefits offered by certain groups. For instance, do things like unions have an influence on benefits offered or participation rates?

Day 2 wrap-up

Before the meeting was adjourned, Scott Hunzeker reminded everyone that there was only a half day left to meet and there was still a lot to cover. He asked everyone to fill out a “post meeting questionnaire” form that was designed to evaluate the meeting at the very end. Instead it was decided that the answers to the eight questions on the sheet might help guide discussion on the final day of the meeting.

Thursday, March 27th

“Post Meeting Questionnaire” results

Scott Hunzeker went over some of the key points from the “post meeting questionnaire” that everyone filled out at the end of the previous day’s meeting. For the question asking what had not been accomplished at the meeting that people would like to see completed, most responses focused on defining a core set of questions and more thorough methodology. A few people were hoping that the consortium was moving forward to design a survey questionnaire at the meeting.

The start times for states’ next benefits survey ranged from surveys currently being conducted, to an estimated start time within two to three months, to states waiting to see what the consortium develops and recommends.

Prior to the next consortium meeting, members stated several goals that they would like to see completed. Most people mentioned that they would like to see a final list of survey question. In addition, some consortium members said they would like to see a completed survey questionnaire, instructions, and methodology ready to be tested.

Most consortium members felt that the communication has been going okay. When asked what works best for sending out updates and reminders, the consensus seemed to be that sending a mass email to all consortium members works the best. There were mixed reviews with the consortium’s “QuickPlace” web site. When this item was discussed by the group, the thought was that mass emails work better for urgent items. The QuickPlace site may be better for storing shared documents and posting less important items.

Following the results that had been submitted on the questionnaires, there was a discussion of other issues. Tom Gallagher stressed that it is very important for the consortium to keep documentation of what is being discussed, decisions that are made, and the justification for these decisions. Tom said that whatever the end product is of the consortium, there will be questions about how the product was designed and why certain decisions were made.

Frances Harris suggested that there may need to be a process for states to conduct a quick response survey to collect information for policy guidelines. She said that some states may have reasons to collect information about specific benefits and have a short period of time to compile the information.

Final workgroup reports

The incidence and provisions workgroup handed out a sheet with examples of proposed survey questions to collect information about paid leave and miscellaneous benefits. This sheet seemed to clear up the issue of what would and would not be considered a core question on a survey developed by the consortium. There were some questions about how consolidated leave would be collected. The group proposed asking about paid holiday, sick, and vacation leave as well as a question asking about consolidated leave to determine if these benefits are offered separately or grouped together. After some discussion by the consortium it was decided that the exact wording of a question to measure consolidated leave would be worked out and tested later. The content of the questions proposed by the workgroup was approved by the consortium. It was decided that wording for all questions would need to be tested once a survey form was designed.

The retirement and insurance workgroup handed out a final document with proposals for questions. This handout listed four general topics that the group said would be important to the insurance and retirement questions. These topics included total payroll, total employment, total full-time employment, and total part-time employment for the reference period.

The first group of questions designed to collect incidence and participation for insurance and retirement benefits was not changed. For the second group of questions to address the contributory status for insurance and retirement, an instruction was added asking employers to fill out the question based on what the majority of employees are offered. The section of the survey to collect information about contributions for different types of medical care benefits was still proposed as an optional piece of the survey.

A suggestion was made on the second day of the meeting to investigate the feasibility of estimating benefits costs based on incidence data. The insurance and retirement workgroup made some changes to the section to measure costs of benefits to determine if the amounts listed are for a single site or an entire company. The workgroup also suggested that testing be done to see how different actual data collected is from cost estimates made using incidence data and cost information from other sources.

There were some issues left unresolved that the workgroup suggested be tested to determine the best options. In order to determine participation rates, there was a question as to whether employers should be asked the total employment and the number of employees participating, or whether the employer should be asked the participation rate. There were also some common definitions such as “eligible” and “offered” that would need to be defined more clearly when defining a survey.

Next Meeting

Before the new workgroups were assigned, there was discussion on the dates and location of the next meeting. Many consortium members felt that it was important to meet again soon. A proposal was made and accepted for the next meeting to be held in approximately three months. After looking at a calendar, the decision was made to tentatively look at the week of June 16th for the next full consortium meeting. Consortium members were asked email Scott Hunzeker after getting back to the office to verify that they would be available to meet the week of June 16th. Members were also asked to submit suggestions for a meeting location. The request was a meeting location in a city with a major airport. Scott Hunzeker pointed out that Omaha was chosen due to the ability for several states to drive to the meeting, as well as the ability for Nebraska to set up the meeting easily. He asked members to consider the ability for states to drive as well as the possibility of another state to help plan the meeting when sending meeting location suggestions.

New Workgroups

At the end of the second day of the meeting, everyone was asked to write down their ideas for new workgroups to complete the next steps of the consortium's work. These ideas were compiled and a list of all workgroups proposed was presented to the group.

Several items were identified that needed to be completed. Among these were refining the survey questions, developing a survey questionnaire, determining a standard methodology, identifying processes for sampling and analysis, etc.

Based on the needs of the consortium, three workgroups were proposed:

Questionnaire design – a group to develop a survey questionnaire based on questions proposed. This group would have the following assignments:

- Design of product (including a list of possible outputs)
- Survey design
- Test questionnaire
- Methodology to determine cost of benefits (total compensation) – both on the survey and from other sources
- Processes for testing

Mathematical processes – a group coordinated with the Bureau of Labor Statistics to develop methods for sampling and estimations. This group would also determine a way to do review and validation of estimates.

Survey administration – a group to outline the steps to administer a benefits survey and document and define the processes (including justifications for decisions made). Assignments for this group included:

- Sampling process
- Survey instrument design
- Survey administration (mailing out process)
- Data cleaning
- Data capture vehicle
- Estimation process/mechanism
- Mechanism for estimate review/validation
- Tabulation (a method for table generation)

States were asked which workgroups they would like to participate in. The members in each were group are:

Questionnaire Design

Mike Daniels
Tom Gallagher
Scott Hunzeker
Dave McGee
Pam Schenker
Bob Schleicher

Mathematical Processes

Frances Harris
Tim Nolz
Sonya Williams

Survey Administration

Cathy Bournier
Oriane Casale
Phil George
Herb Greenwall
Tammy Jenkins
Brendan Kelly
Kathy Klein
Laura Sichmeller

The workgroup leader for the “Questionnaire Design” group is Scott Hunzeker. Sonya Williams is the leader of the “Mathematical Processes” group. Tammy Jenkins is the lead for the “Survey Administration” group.

Consortium members from Alaska, Missouri, New Hampshire, and Washington were not assigned to workgroups. It was decided that each of these states would be contacted following the meeting and asked which group they would like to serve on.

The meeting of the entire consortium was adjourned and workgroups were given some time to develop goals and timelines for the group. Each workgroup leader was asked to use the consortium’s QuickPlace web site to assign tasks to workgroup members and to post group goals on the calendar. QuickPlace has a Project Management section that allows the assigning of tasks and enables Nebraska and others to monitor the progress of the work groups. Using the project management section will help create a process for putting together the documentation of the process for the benefits survey. All agreed that the workgroups would begin using this tool. Scott Hunzeker mentioned that the QuickPlace site would need to be set up to accommodate the new groups, but that he hoped to have that completed very soon.

**Employee Benefits Consortium Meeting
July 29-31, 2003
Marriott Country Club Plaza Hotel
Kansas City, Missouri**

Minutes

In attendance:

Phil Baker – Nebraska
Heidi Belding – Iowa
Betty Brown – Missouri
Oriane Casale - Minnesota
Carolyn Cummins – Washington
Tony Dais – Employment and Training Administration
Mike Daniels – South Carolina
Judy Erickson – Iowa
Phil George – South Dakota
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Tammy Jenkins – Alabama
Anita Josten – New Hampshire
Brendan Kelly – California
Kathy Klein - Kansas
David McGee – Kansas
Pamela Schenker – Florida
Bob Schleicher – Montana
Laura Sichmeller – South Dakota
Teresa Taylor – Iowa
Sonya Williams – North Carolina

Not in attendance:

Representatives from Alaska, Idaho, New Mexico, North Dakota, Wyoming

Tuesday, July 29th

Introductions

Scott Hunzeker welcomed everyone to Kansas City and briefly went over handouts provided to meeting attendees. Because a lot of people were at a consortium meeting for the first time, everyone introduced themselves to the group.

Updates and Budget Information

The Employment and Training Administration (ETA) granted an extension for the Consortium. In addition, \$350,000 more was allocated to the Consortium, for a total operating budget of \$700,000. This money covers all expenses already incurred, as well as the continuing research and development of a standardized benefit survey program. In addition to the funding already provided by ETA, it was explained that additional funding may be available, if necessary, to complete a report of the Consortium's findings. It was discussed that one of the hardest parts of justifying a larger budget for the Consortium was the fact that very little of the first \$350,000 had been spent by the Consortium

after the first year. In the renewal process, Nebraska explained to ETA that much of the work done to this point was background research and that future Consortium activities would involve more high-cost survey testing and development.

Work Contracts

The original work contracts signed by each of the states expire on August 31, 2003. Nebraska is working to get contract extensions out to all of the states that wish to remain members of the Consortium. The goal is to have the contracts mailed in mid-August so that they can be returned before the original contracts expire. The basic contracts are set up to cover travel-related expenses to Consortium meetings. Any state that wants additional funds to complete Consortium-related tasks will need to submit a work plan to Nebraska to include with the contract.

Communication

Scott Hunzeker mentioned that one of the hardest things about organizing the Consortium is getting progress reports from each of the workgroups. Agencies such as the Employment and Training Administration, the Workforce Information Council, and others need current status reports about the Consortium's activities. Many times, these reports are needed in a short amount of time, making communication from all Consortium members very important.

Tony Dais stressed the importance of providing updates about the Consortium to ETA. He said that documentation of the Consortium's accomplishments and goals is vital to getting future funding and extensions.

The group reviewed the Consortium charter and decided that two of the items were completed. Past workgroups had documented the benefits information currently being collected by the States, as well as identifying the need for a uniform set of benefits information across the country. Although these items were finished, there was no documentation other than minutes from past Consortium meetings. Oriane Casale agreed to write a report about completed items from the Consortium charter. She asked that everyone get items to her by August 15, 2003 so that a report can be completed by the end of August.

It was discussed that all documentation needs to be included in the survey manual being created by the "Survey Administration" workgroup. Any state that is not a member of the Consortium will want to know what decisions were made by the group and the reasons for the decisions. There was also discussion that Consortium minutes and progress reports need to be posted on web sites such as the NASWA, WIC, and ALMIS sites.

Consortium Goals

Many Consortium members in attendance at the meeting said that they hoped to be able to take a survey questionnaire from the meeting with them back to their office. The "Questionnaire Design" workgroup mentioned that a few states had created draft survey instruments and that a questionnaire would be presented to the Consortium after the workgroup breakout sessions. A completed discussion of long-term Consortium goals was put on hold until after the three workgroups had time to meet and report progress to the Consortium.

Workgroup Breakout Sessions

All three workgroups (Survey Administration, Mathematical Processes, and Questionnaire Design) met separately to complete their tasks and finalize a report.

Workgroup Reports

Questionnaire Design

The Questionnaire Design workgroup reported that three states tested surveys that used the Consortium's recommendations. These states were Wyoming, Nebraska, and Minnesota. Wyoming collects benefits information quarterly. The survey mailed in May 2003 was modified based on suggestions made by Consortium members at the previous meeting. A representative from Wyoming was not at the meeting to provide detailed results, however some preliminary results provided to the workgroup were that the survey form worked well. In addition, feedback from the State Health Access Data Assistance Center (SHADAC) about a preliminary copy of the Wyoming survey was presented to the Consortium.

Nebraska was another state that tested a survey questionnaire for the workgroup. Scott Hunzeker reported that approximately 800 surveys were mailed with a response rate around 32%. The sample was chosen randomly from the latest EQUI file available. No stratification was done to select the sample, although a short analysis of the sample was done to ensure that businesses of different size, industry, and area were all represented.

Nebraska's survey was developed based on workgroup recommendations from the previous Consortium meeting. The intention was for the survey to include all items identified as "core" by the Consortium, although a few items such as disability insurance and flexible spending accounts were inadvertently left off the survey. Additionally, some items on the survey were more detailed than intended by the Consortium.

The questions asking for the cost of benefit information caused the biggest problems on the survey. There were also some minor problems with the wording of the paid time off and retirement questions, as several people did not correctly follow the skip patterns. Discussion by the Consortium focused on certain questions and the reasons they were included on the survey. These included questions such as asking the number of hours used to classify full-time and part-time, questions about the details of vision insurance coverage, and questions about accrual of sick leave.

Oriane Casale reported that Minnesota's survey was conducted in collaboration with the JSEC and included a 10-county region in southern Minnesota. The sample was stratified by four size classes and 11 NAICS supersectors. After address refinement of the survey sample, a total of 595 were surveyed, including 427 single-unit and 168 multi-unit firms. The Minnesota was designed using Nebraska's survey form and workgroup recommendations from previous Consortium meetings. Two different sets of instructions were developed, one for single-unit firms, and one for multi-unit firms. Feedback about the survey form was incorporated from Consortium members, as well as from agencies within Minnesota.

Oriane reported that after the first round of mailing, a 42 percent response rate had been achieved. The data capture system being used to collect responses was very basic and had been created internally by Minnesota LMI staff. The data entry for the survey was very complex and was refined as responses are received. Questions received by Minnesota LMI staff about the survey were typically very basic (i.e. "Do I have to fill this survey out" or "How many units do I fill this out for").

Employment levels reported on the Minnesota did not match those in the ES202 file (within 10% difference) 21% of the time. Oriane said that the comparisons were made to the prior year ES202 file

to avoid any seasonal difference. After some discussion, it was decided by the Consortium that this difference may not be a big deal, as a ten percent change in employment over the course of a year may not be significant. One of the areas that survey respondents seemed to have problem with was the screening questions on the Minnesota survey. Of 217 completed responses, 95 reported “no paid leave” on the screening question but 48 of them continued to answer questions about paid leave on later questions. Additionally, 68 respondents reported “no medical benefits” but five people answered the medical benefits questions later on in the survey.

Overall, Oriane said that Minnesota was very pleased with the survey and thought it was going well. There was one problem with the survey form that she said would need to be corrected to make data analysis easier.

Because Minnesota and Nebraska both had problems collecting cost information, and other states had previously reported difficulties gathering this information, the Consortium discussed alternative was of estimating this information. It was agreed that the Consortium would try to use National Compensation Survey to estimate costs, based on incidence data collected. Information collected by test states would be used to determine how good the estimates were.

The Consortium adjourned for the day with the remaining two workgroups agreeing to present their findings the following day.

Wednesday, July 30th

Workgroup Reports

Washington’s Benefits/Job Vacancy Survey

Carolyn Cummins discussed the combination benefits/job vacancy survey conducted in Washington. She said that the job vacancy questions are asked twice per year and the benefits portion is done in the fall only. The most recent job vacancy survey was conducted in May 2003. This survey had a sample size of 21,000. The November survey will use the same sample to avoid the costs and staff time required for address refinement. Washington’s survey is stratified by 12 workforce investment areas, six size classes, and two-digit NAICS sectors. Oversampling is done in the Manufacturing, Healthcare, and Information industries.

For the fall 2002 survey, the response rate was 59%. The survey conducted in May had a response rate of around 70%. The fall 2003 benefits survey will likely be modified somewhat based on recommendations made by the Consortium.

Mathematical Processes

Sonya Williams discussed a handout titled “Sampling and Estimation Guidelines for State Benefit Surveys: Recommended Practices.” This document was produced by the Mathematical Process workgroup. Sonya stressed that the information provided in the handout applies only to states conducting a “stand-alone” benefit survey. States that collect benefits information as part of another survey or use different methods (such as more frequent data collection, a universe other than the EQUI file, etc) would need to modify the recommended procedures.

The Mathematical Process workgroup recommended using the most recent available EQUI file to create a list of establishments. This list would be stratified by industry (NAICS sectors), Size Class (with a recommended five size categories), and population density classification (Census 2000

definitions of CMSA, MSA, non-MSA). States could collect information for other sub-state areas, although this would not be advised due to increased costs. If a state chooses to collect more detailed information than the recommended minimum requirements, then the information collected would need to be able to “roll up” to the minimums.

The total size of the survey sample would be determined by calculating the minimum number of responses needed and adjusting for non-response and post-selection exclusion. The workgroup proposed estimating response rates based on other states’ surveys and expected follow-up to non-respondents. After some discussion by the Consortium, it was decided that a minimum 60% response rate be recommended. Adjusting for post-selection exclusion of the survey would include those in the sample that are out of the scope of the survey (i.e. the business is closed), as well as those for which a valid address could not be found.

The Mathematical Processes workgroup recommended a Probability Proportion to Size (PPS) method (with a minimum strata sample of one) for allocating the sample to strata. Certainty establishments would automatically be included in the survey sample and not included in the PPS selection process. The sample size in each strata would be adjusted to account for expected response rates within the strata. If there are certain strata for which states want to report results, the number included in that strata needs to be high enough to meet confidentiality standards.

Weights assigned for estimation are a combination of the base sample weight (the reciprocal of the probability of selection in the sample), non-response adjustment, and collection adjustment factors (information provided different than from the sample unit). Other estimation weights may be necessary if a state chooses a different sample frame than the most recent EQUI.

Sonya briefly talked about the recommended estimators for the survey. Until the questionnaire form has been finished and other aspects of the survey are completed, the estimators cannot be finalized. There was some brief talk about software that could be used and/or modified to calculate estimates. It was decided that software cannot be developed until the Consortium finalizes the survey form and processes.

ETA Environmental Scan

Tony Dais talked about a working draft publication produced by the Employment and Training Administration titled “Environmental Scan: A Review of Labor Market and Workforce Information Sources.” He said that the focus on Labor Market Information has turned to “high demand” data – the types of information that the customers are really asking for. Tony stressed the need for the Benefits Consortium to think now about the endgame for the consortium. He said that right now there are 20 states involved in the Consortium, but there needs to be a method to get the remaining 30 states involved. Additionally, there should be a way to get the “tool” of a benefits survey to ETA and BLS to get those agencies behind the project.

Tony talked about Emily DeRocco’s speech given at NASWA last year that focused on all things that ETA is involved with. The speech said that LMI needs to focus on high growth, high demand industries. Customers include businesses, employers, economic developers, workforce investment boards, chambers of commerce, education officials, and job seekers that are all looking for information about demand industries.

The Environmental Scan published by ETA highlights what types of LMI is need and what is currently being produced. The Environmental Scan includes BLS products, state LMI products, as well as data released by the Commerce Department and Census Bureau. It also includes labor market information that is produced by private companies. The scan does not endorse any information contained in it, but rather is meant to be a documentation of what is available.

The main goal of the Environmental Scan was for ETA to get an idea of what types of labor market information are missing, specifically the types of information that customers are buying that should be produced by the government. Additionally, there is information that is produced that isn't fully meeting the needs of customers. Copies of the Environmental Scan were delivered and handed out to all meeting attendees.

Survey Administration Workgroup

Tammy Jenkins handed out a copy of an "Employee Benefits Survey Manual" and gave a background of the document. The manual is intended to be a technical paper for someone to run a benefits survey if they've never administered one before. The manual pulls together information from the Consortium, other survey programs such as OES, and other sources. It is intended to be a work in progress with further additions and edits made as the Consortium continues to develop a survey program.

Tammy explained the various parts of the manual and pointed out areas that would need to be further developed. Additionally, she asked for feedback about the manual and suggestions for items to include. Suggestions from the Consortium included a section of "best practices" from states that have previously conducted employee benefits research. Another suggestion was a checklist for states to follow when conducting a benefits survey. There were also suggestions to make sure to include results from the other workgroups in the manual. This would include the results of testing from the "Questionnaire Design" workgroup and the Sampling and Estimation Guidelines produced by the "Mathematical Processes" workgroup.

Brendan Kelly discussed the Data Capture section of the survey manual. He explained the tables included in the manual were recommended minimum outputs for a survey program. Each state doing a benefits survey would be asked to make sure that all cells in the tables could be filled in. Brendan also talked about the need for a data capture system that would allow for everything to be completed, from data entry through analysis. This software, or software suite, needs to be considered by the consortium to ensure that states conducting a benefits survey come up with uniform survey results.

Workgroup Breakouts

Following the Survey Administration workgroup report, each of the three workgroups met separately to discuss issues raised by the entire Consortium.

Workgroup Reports

Questionnaire Design Workgroup

Following the workgroup breakout sessions, the Questionnaire Design group reported that it had recommendations for a Consortium questionnaire. The recommended questionnaire was a combination of the Minnesota, Nebraska, and Wyoming survey tests, as well as feedback received from the entire Consortium about these three survey instruments. After some discussion, the Consortium requested a copy of the recommended questionnaire form to see exactly what was being proposed. The workgroup agreed to get a draft completed and ready to show by Thursday morning.

Mathematical Processes Workgroup

The Mathematical Processes workgroup reported that it would be editing the Sampling and Estimation Guidelines document. However, it was noted that final recommendations could not be completed until a final survey questionnaire form was available. Sonya Williams also explained some of the information presented by the workgroup on the first day of the meeting. She discussed how different sized states will not necessarily have largely different sizes of survey samples, due to the way sample size is calculated.

Survey Administration Workgroup

The Survey Administration Workgroup said that edits will be made to the survey manual and that the document will be updated based on Consortium recommendations. States that have items to include in the manual should get them to a member of the workgroup as soon as possible.

Miscellaneous

Following the workgroup reports, there was discussion as to whether the current workgroups should be continued, or whether new workgroups should be created. Oriane Casale recommended two new workgroups, one to consider software development and a communications workgroup to provide updates to ETA, other states, and agencies interested in the Consortium's activities.

After some discussion by the Consortium, it was decided that it may be too early to begin developing software. The prevailing thought was that in order to provide adequate instructions to a software developer about what is needed, several issues would need to be resolved by the Consortium. The Consortium agreed that software may be necessary, but it should be put on hold until next meeting.

Discussion about a communications workgroup focused on whether or not the consortium was taking advantage of all avenues for reporting findings. Several web sites and LMI agencies (such as NASWA, WIC, ALMIS, etc) were mentioned for places that the Consortium needs to be "advertising." Mike Daniels agreed to try to get Consortium minutes posted on the ALMIS site (www.lmi-net.org).

Phil Baker referred to Tony Dais' comments from earlier in the day and suggested that the Consortium needs to have an idea of the end product and what will be done to promote the product. He asked Consortium members to consider whether the recommendation will be something such as a BLS benefits survey program, or if the goal will be an optional survey that states can implement on their own. Frances Harris agreed that a full project plan is needed to provide information about what has been done, what is currently being done by the Consortium, and what the goals are.

Pam Schenker suggested a workgroup to design and provide training of a benefits survey program. The training could possibly be provided through the ALMIS training institute. The Consortium agreed that training and support would eventually be necessary for states wanting to do a benefits survey, but that it might be too soon to design training. It was suggested that a training team be considered for the future.

Because the three current workgroups all had unfinished work to complete, the decision was made to continue the three workgroups until the next meeting. The workgroups were all asked to consider what types of software and training might be needed to continue the Consortium. Based on recommendations of the current workgroups, software and/or training workgroups would be created at the next meeting.

Nebraska was asked to create a detailed project plan for the consortium so that the workgroups would know what is expected of them. Phil Baker said that this would not be possible because Nebraska would not know exactly what would be needed to complete work, how long it might take, and what it might cost. Instead, he volunteered to create an overall timeline with milestones for the workgroups to meet. The workgroups would then be asked to fill in the blanks with individual tasks. Phil George, Scott Hunzeker, and Dave McGee all volunteered to help Phil Baker create the timeline.

Oriane Casale provided some updates about what was and was not working well with the Minnesota survey. In 10% of cases, the self-reported employment on the benefits survey was more than 20% different than the employment in the 202 file. Also, section D (asking about incidence, participation, and cost-sharing of insurance and retirement benefits) seemed to be causing the most problems for respondents.

Thursday, July 31st

Survey Questionnaire

Bob Schleicher presented the survey questionnaire that had been developed by the Questionnaire Design workgroup. He explained that the survey had taken items from the Minnesota, Nebraska, and Wyoming test surveys as well as comments received from Consortium members about each of the forms. Bob explained that the workgroup recommended a cover letter to be included with the survey to provide detailed information about the survey. In addition, a recommendation was made for a web site to be available with detailed instructions and frequently asked questions.

Following the presentation of the survey form, there were several suggestions from the Consortium. Due to the problems with collecting reliable cost information using a mail survey, suggestions were made to finding alternative ways to collect this information. Frances Harris suggested that the group determine what types of cost information needs to be included. She also suggested that the Questionnaire Design workgroup consider forming a subgroup to examine ways to collect cost information in the future. There was some discussion that the cost questions be removed from the questionnaire and alternative method of estimating costs be determined.

Several recommendations were made about the cost collection. One was to only ask questions about total compensation, retirement, and health insurance costs. Another was to consider asking employers what percentage of total compensation or wages is comprised of benefits. These questions could either be asked as a range, or could be asked open-ended. It was suggested that different methods be tested by the Consortium.

The Consortium agreed that a question asking about the number of hours for full-time and part-time classifications should be cut from the survey. Other recommended changes included removing questions about paid sick leave and changing skip patterns for paid time off benefits.

Scott Hunzeker agreed to make changes to the survey questionnaire as recommended by the Consortium. That form would then be mailed to the Questionnaire Design workgroup to ensure the changes had been made properly. Once the Questionnaire Design group reviews the survey, it will then be mailed to all Consortium members for review. Final suggestions will be reviewed by the Questionnaire Design workgroup and the survey would then be finalized. The goal is to have a finalized survey that is ready to test by the end of August.

Assignments and Expectations

Scott Hunzeker submitted a report of what had been agreed upon the first two days of the meeting. By August 15th, any Consortium member with documentation about completed items from the Consortium Charter needs to get this information to Oriane Casale or Scott Hunzeker. A report will then be created and sent to ETA and the Consortium members by August 27th.

Members can expect contract extensions to be mailed by August 15th. Once signed and returned, the new extensions will run through August 31st, 2004. Any state wishing to use Consortium funds will need to submit a proposal to Nebraska. The proposal needs to include a description of the work that will be completed, what it will cost, and other related information.

Budget Information

A question was raised as to how much money is available for each state. There was discussion that a budget needs to be created to determine how much money is available for each of the workgroups. It was decided that before budgets could be created, a timeline would need to be finalized so that everyone would know what the milestones would be and how much time and money would be available.

Using the Survey Manual created by the Survey Administration workgroup as a guide, the Consortium agreed for the projected end date of the Consortium to be December 31, 2004. Working backwards from that date, a final “dress rehearsal” of the entire survey process would need to be started by July 2004. Phil Baker reminded the Consortium that he was working on creating a timeline, but that it would not be possible for a budget to be created because only the workgroups would know what their assignments would cost.

To help give an idea of the proposed budget, Scott Hunzeker went over the budget submitted to ETA when the Consortium contract was renewed. It was explained that these were very rough estimates because the costs of things such as software design, cognitive testing, and testing were unknown. Additionally, the budget submitted to ETA included three rounds of testing, which may not directly follow the testing procedures followed by the Consortium. It was agreed that once the overall timeline was distributed, each of the three workgroups would fill in the gaps with detailed information, including expected costs.

Final Workgroup Reports

The Survey Administration workgroup mentioned that it will make some changes to the manual and modify it as new progress is made. Betty Brown said that it will probably be at least two months before an updated manual is sent to the entire Consortium, as time is needed for each of the group members to modify their sections. Anyone with new submissions for the manual were asked to send them to Oriane Casale to be added to the manual.

The Mathematical Processes workgroup said that it would fill in some of the gaps and continue to develop the Sampling and Estimation Guidelines. Further work would be possible once the questionnaire is finalized.

The Questionnaire Design group said that it will complete the survey form and send it to the Consortium for review. Once the questionnaire is finalized, a process for testing will be established.

Next Consortium Meeting

Suggestions for the next Consortium meeting were submitted on the second day of the meeting. The list was edited down to four final possibilities:

Tampa, FL; Miami, FL; Charlotte, NC; and Atlanta, GA

The proposed dates were December 2-4 or 9-11. All Consortium members were asked to rate the four cities by flight cost, flight availability, and personal preference. In addition, everyone was asked to let Scott Hunzeker know which of the meeting dates they are available. It was requested that this information be submitted by August 13th so that plans could be started.

Employee Benefits Consortium Meeting

December 9-11, 2003

**Crowne Plaza Tampa – Westshore
Tampa, Florida**

Minutes

In attendance:

Heidi Belding – Iowa

Betty Brown – Missouri

Michelyn Burke-Lee – Employment and Training Administration

Oriane Casale – Minnesota

Tom Gallagher – Wyoming

Phil George – South Dakota

Frances Harris – Bureau of Labor Statistics

Mark Harris - Wyoming

Scott Hunzeker – Nebraska

Tammy Jenkins – Alabama

Kathy Klein - Kansas

Paula Nissen – Iowa

Pamela Schenker – Florida

Bob Schleicher – Montana

Sonya Williams – North Carolina

Not in attendance:

Representatives from Alaska, California, Idaho, New Hampshire, New Mexico, North Dakota, Washington

Tuesday, December 9th

Introductions

Scott Hunzeker opened the meeting and handed out agendas. Meeting packets had not yet arrived by the start of the meeting, so the agenda was followed as closely as possible for the morning given the materials available. Attendees all introduced themselves to the group.

Updates

Since the meeting held in Kansas City, contract extensions were sent out and signed by all consortium-member states. A total of 19 states have signed contracts to be members of the consortium. Following the signing of the contract extension, South Carolina chose to withdraw from the consortium. Since no money was allocated to the states from Nebraska, the contract with South Carolina will remain but will expire in August 2004 and not be renewed. In addition to South Carolina, four other states were identified that have contracts but did not attend the previous meeting held in Kansas City and were not attending the meeting in Tampa. These states – Alaska, Idaho, New Mexico, and North Dakota – will be contacted by Nebraska to determine if they are intending to remain members of the consortium or not.

Scott Hunzeker provided a brief budget report, as of October 2003. The total operating budget for the consortium is \$700,000. Approximately \$315,000 has been spent or is being held for contractual obligations. This includes money allocated for travel costs to the states to attend consortium meetings, expenses for meetings, contracts with individual states, and other operating expenses for the consortium. About \$385,000 remains to complete consortium activities through December 2004. This will be used for testing of the survey instrument, cognitive testing, piloting the project, and other activities.

The minutes from the consortium meeting held in Kansas City were briefly discussed. It was brought up that a complete list of “core” survey questions had never officially been released. Without a list of core survey elements available, it would not be possible to finalize the survey instrument or approve the survey methodology proposed by the workgroups. Using notes and minutes from previous consortium meetings, a final list of “core” survey elements was developed.

The four levels of information to be collected were defined:

Incidence – whether or not a benefit is offered

Participation – enrollment of employees in a benefit

Provision – stipulations or conditions of a benefit (such as whether or not employees are required to contribute)

Cost – the cost of the benefit to the employer

The final list of “core” survey topics is:

Paid Leave – Incidence & provisions

- Sick leave
- Holiday leave
- Vacation leave

Insurance – Incidence, participation, cost, provisions

- Medical
- Dental
- Vision (provisions not collected)
- Disability (provisions not collected)
- Life

Retirement – Incidence, participation, cost, provisions

- Defined benefit
- Defined contribution

“Other” benefits – incidence

- Child care

- Educational/Tuition Assistance
- Bonuses
- Shift Differentials
- Flexible spending accounts

All core questions will be asked for both full-time and part-time employees. Other features of the survey such as recommended instructions, reporting groups, and survey methodology were left to discuss after the workgroup reports.

Project Plan

The consortium discussed the project plan that had been sent out following the meeting in Kansas City. The consensus was that the plan was incomplete and could not be used to determine the next steps for the consortium. It was decided that one of the goals for the meeting was to have a more finalized project plan to guide the rest of the consortium's activities. Another goal for the meeting was to combine all three workgroups' recommendations to have an entire survey process ready to pilot.

Communication

To help increase communication among consortium members, Scott Hunzeker requested that each member state submit a monthly progress report to him. These reports will be used to create one compiled report for the consortium which can be used to update ETA, BLS, and others interested in the consortium's activities. These reports will be requested the first of every month and can be submitted directly to Scott or posted on the QuickPlace web site.

The consortium's QuickPlace web site will be moved to a new server in January 2004. All files on the current site will be moved to the new site. At the same time, the QuickPlace site will be redesigned to help make files easier to find and increase usage. Ideas for changes or improvements to the site should be submitted to Scott Hunzeker. More information will be sent out as soon as the site design for the new QuickPlace site is started.

Another option to possibly increase communication amongst consortium members is a web conferencing system called WebEx. Nebraska recently leased the software for six months, and it will be available to the consortium as a result. WebEx acts as a conference call, but allows participants to share and edit documents via the Internet while on the phone system. This system allows up to nine people at a time to participate. More information about WebEx, including live demonstrations, is available at www.webex.com. Once the new QuickPlace site is available, online demonstrations using WebEx will likely be held to familiarize consortium members with both tools. Anyone interested in using the WebEx system should contact Scott Hunzeker for more information.

Workgroup Reports

The three workgroups (Survey Administration, Mathematical Processes, and Questionnaire Design) all reported that part of their recommendations were based on items from other workgroups. For instance, the Questionnaire Design group could not finalize survey instructions until hearing final decisions from the Survey Administration group. The Mathematical Processes group could not develop estimation strategies until the survey form was finalized, and the Survey Administration group could not report findings and decisions until completed. It was decided that the best course of action would be for all three workgroups to finalize their reports and any issues from other workgroups could be addressed during the reports.

The consortium split into workgroups to allow each to address issues raised in the morning and finalize a workgroup report. The groups were all to meet later in the day to discuss their reports. By the time the workgroups reconvened, the meeting packets had arrived. A map showing consortium member states was shown and explained. Other packet materials, including copies of the survey questionnaire, survey manual, and contact lists were briefly discussed.

The Questionnaire Design workgroup began presenting the survey form and it was decided that it would be easier to discuss if everyone could have an edited copy of the survey to look at. The group agreed to make changes discussed in the workgroup breakout session and bring an updated copy to the second day of the meeting. The Questionnaire Design workgroup explained some of the testing that had gone on since the previous meeting. Oriane Casale handed out a report showing the survey that Minnesota had done, a breakdown of the survey question-by-question, and a list of recommendations for future surveys. Kathy Klein reported that Kansas had done a test of the consortium-designed survey by mailing approximately 100 survey forms. The results of this test were incorporated into the Questionnaire Design workgroup's recommended changes to the survey form. Heidi Belding and Paula Nissen handed out copies of the Iowa survey and answered questions about the survey. Iowa took the consortium survey and turned it into a scan able survey booklet. Heidi and Paula reported that the advantage of doing a scan able survey is that it cuts back on staff time required to do data entry.

The group agreed that the Questionnaire Design workgroup would update the survey and present it the next morning. The other workgroups would also make any necessary changes to their reports and would present to the entire consortium. The meeting was adjourned for the day.

Wednesday, December 10th

Review of Previous Day

A quick review of the first day of the meeting was conducted. All states were reminded that monthly progress reports would be requested by Nebraska at the first of each month. Everyone was also reminded to get suggestions for the new consortium QuickPlace site to Scott Hunzeker by December 31st. It was discussed that a detailed timeline needed to be created to ensure that all items would be on a calendar in one place. The consortium agreed to create a project plan later in the meeting.

On the first day of the meeting, South Dakota's benefits survey had not been discussed. Phil George provided a handout showing the two different survey forms mailed out in South Dakota and the results of each. Form 1 was a full survey that was sent out to approximately 1,000 employers. This survey was intended to test the consortium's survey and provide benefits information for South Dakota. Problems with this survey form were forwarded to the appropriate workgroups for inclusion in their workgroup reports. South Dakota's second survey was a "short-form" survey meant to test the feasibility of collecting cost data separately from a full-scale survey. This survey was designed in response to discussions at previous consortium meetings that there may be alternative ways to collect cost information other than including cost questions on a full survey. Phil George reported that the response rates were very similar for both survey forms. One advantage identified with the short-form was that those who responded almost always answered the costs questions. On the long form, there appeared to be more item non-response for the cost questions. Phil reported that it seemed to take longer to receive the short-form surveys back in the mail. He recommended further testing of a short-form survey by the consortium.

Prior to the Questionnaire Design workgroup report, there was a discussion that at some point, the consortium should look into sending the survey form to a professional designer. There was also discussion that the survey should go through cognitive testing to determine if there were problems. There was consensus that the survey should go through cognitive testing and that at some point it should be reviewed by a survey designer. The question was the order of the process and what would make the most sense.

Oriane Casale reported that the Job Vacancy Report had gone through cognitive testing, but that it had been used in the field for three rounds of data collection before it was submitted for testing. The argument was raised that if the survey were sent to a survey designer before a cognitive testing lab, it may need to be revised by the survey designer and then would possibly need to be reviewed by the testing lab. If it were sent to a cognitive testing lab first, the findings could be given to a survey designer to use in a redesign of the survey instrument.

Tammy Jenkins said that the University of Alabama was doing a full review of an older version of the survey form, but that they had not yet begun. She thought that there may be a possibility of substituting a more current version of the survey and having that tested instead. Tammy agreed to check with the university to find out about either testing the new version of the survey or having them conduct tests on both versions.

Questionnaire Design Workgroup Report

The Questionnaire Design workgroup presented a survey questionnaire that had been revised based on discussions from the first day of the meeting. The group reported that this survey was originally developed using past state surveys. Revisions were made based on discussions at past consortium meetings, testing of the survey instrument, and feedback received from consortium members. The topics covered on the survey were reflective of the “core” elements discussed on the first day of the meeting.

Survey instructions had not been edited by the workgroup, so these were not discussed. The consortium agreed to go through the survey one section at a time to look at questions being asked, skip patterns, and other aspects of the survey. Question wording was not discussed unless there were major concerns with the terms used in the question.

Contact Information Section

There were no problems identified with the questions asking for a contact person to follow-up about survey responses. The check boxes allowing respondents to request complimentary copies of the survey results were discussed. Some states were concerned with offering printed or electronic copies of the results because their results may not be available in multiple formats. There was some discussion as to whether or not it was necessary to offer results at all. It was determined that any state doing a benefits survey should have some intention of releasing the results in some way. As part of the survey, respondents should be given an option of obtaining the results in some way. The consortium agreed to a check box saying something such as, “Check here if you would like a complimentary copy of the results.” States releasing results in multiple formats (i.e. print and electronic) could allow respondents to choose which they would like to receive.

Employment Section

The Employment section of the survey form, as recommended by the Questionnaire Design workgroup, had four questions. These were to obtain the total number of employees, number of hours

required for employees to be classified as full-time, and a breakdown of the number of full-time and part-time employees. The question asking about total employment refers respondents to the address label of the survey and asks them the number of employees at this location. This would require the survey to be mailed to the physical location address. Any physical location addresses missing in the EQUI file used to pull the survey sample would need to be obtained prior to mailing the survey. There were no problems with a follow-up question asking those employers with no employees to check a box and return the survey form.

A question included on the form asking, “How many hours per week must employees work to be considered full-time” was discussed as to whether or not it was necessary. The Questionnaire Design workgroup included the question to be able to define full-time and part-time and also because this information is not available from any other source. Consortium members argued that this question is unnecessary and does not specifically ask about benefits. After debating the necessity of this question, the consensus was that an instruction asking respondent to answer the number of full-time and part-time employees based on the employer’s definition of full-time/part-time would serve the same purpose. The question about the number of hours for full-time classification was determined to be an optional question that states could ask if they had a specific need for this information. A discussion of how much modification of the survey would be allowed was started.

Because there is no funding source for all states to do a standardized benefits survey, the consortium has no power to restrict states from changing the survey form or following the recommended methodology. As a result, there was discussion as to what the consortium’s goal should be in the development of a survey product. Michelyn Burke-Lee said that ETA’s goal is that a survey process will be created that will allow for the collection and dissemination of “local” benefits information. If the results of the consortium lead to the development of a national program similar to OES, then ETA would be willing to help get OMB clearance for the survey.

Until something changes, the consortium is tasked with developing a recommended survey that can be offered to states to collect benefits information. States may choose to change the survey, but need to be aware that adding questions, changing the type of collection, or otherwise modifying the consortium’s recommendations will create results that may not be directly comparable to other states’ data.

The final decision on the Employment section of the survey was to include three questions – one to get total employment, one to get the number of full-time employees, and a question to collect the number of part-time employees. An instruction would be included for respondents to report full-time and part-time employment based on their classification.

Insurance Section

Questions included in the Insurance section of the survey were intended to obtain incidence, participation, and provision information. The incidence questions were approved by the consortium with no major problems. There were some issues raised with the questions to obtain participation rates, however.

An instruction at the top of the second page of the survey told respondents to “...respond based on benefits offered to the majority of employees.” However, since insurance benefits may be offered to a minority of employees, this instruction was determined to be flawed and was eliminated from the survey. Another problem was that there was no way to determine if the questions were being answered

for the same establishment as the employment reported on the first page of the survey. This would be a problem in the estimation process and was something that needed to be addressed. In cases where enrollment reported was larger than total employment, the survey could easily be flagged for follow-up. When employment is significantly higher than enrollment, there would be no way to determine if the responses were correct and there was a low enrollment, or if the responses were for different establishments. After discussing the options to ensure the survey was answered consistently throughout for the same establishment, the consortium decided to refer respondents back to the employment section for all insurance questions.

Survey questions to determine contributory status for insurance benefits had previously asked if the costs were 100% employer paid, 100% employee paid, or jointly paid. The Questionnaire Design workgroup revised these questions to ask the actual percentage of insurance premiums that are employer paid. The reason for this change was states that have conducted benefits surveys reported that this is a high-demand piece of information by employers. Additionally, the previous response options for the survey do not allow states to determine how costs are distributed between employees and employers over time. After some discussion of the changes to these questions, it was determined that collecting the actual percentages for individual and family medical insurance would be feasible. For other types of insurance (dental, vision, disability, life) it would be less of a burden to respondents to ask if the benefit is 100% employer paid, 100% employee paid, or jointly paid. Based on states' experiences data requests, medical insurance is the most requested type of insurance information.

The necessity of a question asking if there is a waiting period for medical insurance was debated. The Questionnaire Design group reported that this question had been added based on some states receiving questions about waiting periods. It was pointed out that this piece of information was not listed as core. After some discussion, there was no consensus as to whether or not the question should remain or be removed. Waiting periods for insurance was reported to be a hot topic for legislators, and since the question does not take up a significant amount of space on the form and shouldn't be a large burden to respondents, it was left on the form.

The list of core survey elements included provisions for life and disability insurance. These questions were not included in the form proposed by the Questionnaire Design workgroup, but it was agreed that they could be added.

Paid Time Off Section

The Questionnaire Design workgroup explained the paid time off questions. There were no major problems with the questions in this section. The workgroup reported that there had been confusion with previous versions of the survey asking about consolidated "Paid Time Off/PTO." The survey was simplified to ask about vacation, sick, and holiday leave and then ask about consolidated leave. The only changes recommended to the Paid Time Off section of the survey were to eliminate the skip pattern wording left over from a previous version of the survey, and the phrase "Personal Leave" from the definition of consolidated leave.

Retirement Section

As with the Insurance section of the survey, the Retirement questions were designed to refer to employment reported on the first page of the survey. The same method of resolving this issue, adding the phrase "Of the employees reported in questions #2 and #3," to the beginning of the retirement questions was approved by the consortium.

There was discussion as to why the contributory status of retirement plans would not be worded the same as the medical insurance questions. Based on previous benefits surveys, this does not work because of the way retirement contributions are figured. For medical insurance, the costs may either be paid entirely by the employer, employee, or split between the two. It is possible for a respondent to say that the employer pays 70% of medical insurance premiums, for example. With retirement costs, there are various ways this information is reported. Some employers will match employee contributions, up to a certain percentage. Others will contribute a percentage of an employee's salary and may report this percentage. Some will report the maximum percentage allowed by law. As a result of past experiences in some of the states, the decision was made to keep retirement provision questions as recommended by the workgroup.

Other Benefits Section

The section on miscellaneous/other benefits raised some questions with the consortium. A reminder of how these benefits were selected for inclusion was given – at the meeting held in Washington, DC, the workgroups reported on the importance of benefits information to different customer groups. Based on this list, a ranking of the most important benefits to be included on the survey was developed. Five “miscellaneous” benefits, those on the survey form, were included.

Child care covers a wide range of benefits. Depending on the definition used, child care benefits may include anything from a referral to a particular child care provider to on-site or off-site child care to vouchers to information about child care centers. After some discussion by the group, it was decided that the main objective of this question should be to determine whether employers offer child care benefits that have costs associated with them. This would include on-site or off-site child care, vouchers, reimbursements, and other types of benefits that cost the employer.

There were no problems with the question asking about tuition or educational assistance.

The question included on the survey form proposed by the Questionnaire Design group specifically asked about hiring bonuses. A question was raised why the consortium was interested in hiring bonuses but not other types of non-production bonuses. After looking at past documentation of questions to include on the survey, there was no clear reason that hiring bonuses were included specifically. The consortium decided to change the question to ask about non-production bonuses including hiring, signing, year-end, attendance, holiday, etc. To ease confusion of respondents, it was recommended that the term “non-production” not be used in the survey question, but rather examples be listed out.

A question was asked by the consortium about the definition included in the flexible spending account question on the survey. The wording of the definition of flexible spending accounts was determined to possibly be incomplete. The Questionnaire Design group agreed to verify what was included in flexible spending accounts and correct the definition before releasing the next version of the survey form.

The survey question asking about shift differentials was discussed to determine if two parts were necessary. The Questionnaire Design workgroup said that the question was asked in two parts to determine what percentage of those employers that operate on shifts offer shift differentials. The reason for this is that shift differentials apply to some industries and types of businesses more than others. After some discussion of this question, the consortium decided to leave both questions.

The Questionnaire Design workgroup did not report on the cost of benefit questions because it was unclear whether these questions would remain on the survey or whether costs information would be collected in a different way.

Mathematical Processes Workgroup Report

The Mathematical Processes workgroup reported that there were no major updates to the report that had been given at the consortium meeting in Kansas City. The overall recommendations included in that report were the same. The workgroup had been working to flush out mathematical formulas for sampling and estimation. One item that the workgroup had been working on was a process to estimate the costs of benefits as opposed to directly collecting this information on the benefits survey.

One of the reasons for looking at alternative methods for obtaining benefits cost data was states' problems in the past with collecting useable cost information. The process proposed by the Mathematical Processes workgroup involves using cost information as reported by BLS obtained from the National Compensation Survey (NCS).

A piece of NCS data, Employer Costs for Employee Compensation or ECEC, is reported by region and business size. This information is reported as cost per hour worked or percentage of total compensation. The cost per hour worked data can be used to determine the cost of a benefit as a percentage of wages. This can then be applied to wage information included in the EQUI file. Percentages can be applied to the EQUI based on business size and other factors included in the ECEC data. A reported advantage of using ECEC data to estimate benefits costs is that estimations can be made quarterly since ECEC data is updated quarterly.

One issue identified with using the ECEC to estimate benefits costs is that no firm level estimates could be produced. Aggregate estimates would be created, which would not allow states to directly compare reported costs with estimated costs. Another concern, the extent of which would not be available until testing the estimation process, would be a lack of variation in cost estimates. If regional data is applied to areas of a state, the variations would be due to the industry and business size make up of the area. A discussion was also had as to whether or not using the estimation process would actually lead to the creation of local benefits information.

A question was raised about the cost estimates and determining if wages included in the EQUI file were representative of the actual wages paid at the establishment. An idea to include information from the EQUI file on the survey form so respondents could verify its accuracy was turned down by the group. There were concerns of providing confidential information from the EQUI on the benefits form because of lack of control of who looks at the survey form.

There was discussion as to whether or not any states that have done benefits surveys have ever compared reported employment and wages to those in the EQUI file. No states had done enough research to determine how much reported information may vary from the EQUI file. Those states that have conducted benefits surveys agreed to compare the files to determine differences between the data.

The consortium debated various methods for collecting or estimating benefits costs. It was proposed that more states test the cost-only short benefits survey form that South Dakota had developed. Of the states that had done benefits surveys in the past, the biggest problem with the cost questions seemed to

be item non-response for all or some of the costs. With the South Dakota short-form survey, the questions seemed to be more complete.

Oriane Casale volunteered to develop recommendations for testing of the short-form survey. Included would be an example of the survey form to test, the number to mail, how to track results, and what needs to be reported back to the consortium. The goal was to have the instructions out by December 19th so the short-form surveys could be mailed the first week of January.

Survey Administration Workgroup Report

The Survey Administration Workgroup reported that its primary activities had been editing and updating the survey manual. Several sections of the survey that had outdated information or were not applicable to a benefits survey were removed from the manual. Other sections that were previously empty had been filled in. The workgroup reported that the survey manual is continuously evolving as the consortium advances. An updated version of the manual, based on decisions from the meeting and edits made by the workgroup, was to be posted on the QuickPlace site as soon as it became available.

A question was raised as to how the survey timeline included in the survey manual would fit into the consortium's timeline of having everything completed and to ETA by December 31, 2004. The survey timeline, as proposed in the survey manual, was estimated to be 23 weeks from the drawing of the survey sample to writing of the report. A pilot survey needs to be conducted before To allow extra time to conduct the survey and prepare a final report for ETA, it was decided that the test should be wrapped up by October 2004. This would put the start of the pilot survey at the beginning of April.

The group began working on a timeline to plan through December 2004. To verify all of the work activities were being met for ETA, Michelyn Burke-Lee reviewed the current work statement for the consortium. One item on the work statement was that 12 states would be involved in testing the consortium survey process. This created some discussion, as there had never been mandate of the number of states to test the survey. Clarification was given that several states had already tested some aspect of the survey process for the consortium, so there were already some that could be counted as having tested the survey. It was also pointed out that the work statement did not mention full funding for 12 states to conduct a benefits survey.

The issue was raised that all member states of the consortium likely joined because they would be interested in conducting a benefits survey. Many states were waiting until final decisions had been made by the consortium. To get a better idea of what states were interested in conducting a survey and when, it was recommended that Phil Baker contact all member states to determine their plans for doing benefits research. If several states were interested in doing a benefits survey in 2004, the contract with ETA would need to be extended.

Another item from the work statement with ETA that was discussed was the development of survey software. After some discussion, it was determined that it would likely be easier to develop recommendations for software after a pilot test as opposed to creating software and making changes to it based on the survey pilot.

Consortium Timeline

Using December 31, 2004 as the deadline for getting final consortium recommendations to ETA and the 23 week timeline for the entire survey process, the consortium began developing a timeline. The date for starting the survey pilot was set at April 1, 2004. This meant approximately three and a half

months from the meeting until the start of the survey pilot. A full consortium meeting was tentatively scheduled for late February.

Prior to this meeting, the Mathematical Processes and Questionnaire Design workgroups would need to have final recommendations so they could be included in the survey manual from the Survey Administration workgroup. It was also decided that prior to the pilot, cognitive testing of the survey instrument should be completed.

There was some discussion of how many states should conduct a pilot survey and how they would be selected. The criteria set by the group were that a pilot state should be medium size and have a diverse mix of employers. The pilot state would also need to be willing and able to follow timelines and instructions developed by the consortium. Another recommendation was that the pilot state currently be a member of the consortium to eliminate the need of developing a contract and to reduce the amount of background information provided about the consortium.

It was decided that one pilot state would be sufficient to test the survey. Of the consortium members willing to serve as the pilot state, Missouri seemed the most fitting. Betty Brown thought that there was a good chance Missouri would be willing to pilot the survey and agreed to check with her staff to determine if it would be possible or not.

The consortium continued to develop a timeline for 2004. Three meetings were tentatively scheduled – one in February to finalize plans for the survey pilot, one in July in the pilot state to assess how the process is working, and a third in October to obtain results from the pilot and plan the final report for ETA.

An item that was discussed was the need to develop a team of consortium members to serve as advisors for the pilot state. This group would serve as the point of contact if there were any questions about the survey while it was in the field. The advising committee would meet with the pilot state for a pre-survey meeting a few weeks prior to the start of the pilot to verify that things were in order. Members of the advising committee would be chosen at the full consortium meeting in February.

The original agenda called for new workgroups to be created on the second day of the meeting. These workgroups were to have time to meet on the third day of the meeting. Since the current workgroups were to continue until the next meeting, the agenda for the third day was changed to verify that the timeline was complete and that everything was in place to get the pilot survey started as scheduled. The rough draft timeline was finalized and the meeting was adjourned for the day.

Thursday, December 11th

A draft of the timeline created the previous day was handed out for review. The consortium decided that the best course of action was to review the timeline and verify that it was complete.

One of the first items on the timeline was the mailing of the short-form survey test. It was discussed that the purpose of this test was never clearly defined. There was confusion as to whether or not the idea was to test the short form as a stand alone survey, or if the questions would be tested prior to their inclusion on the pilot survey.

The proposal for the short-form test was that problems with collecting cost information had been addressed at previous consortium meetings. Several ideas for alternative ways of collecting or estimating cost data had been discussed, including a short-form version of the survey to collect only

cost data. Only one state had testing this method, and the results may not be applicable to other states. It was suggested that the short-form test be used to determine the quality of information collected, not necessarily the quantity of data. It was also discussed that the short-form survey may provide some insight into the cost questions on the full survey form. These questions had been changed to ask past employment data as well as cost information.

The next consortium meeting had tentatively been scheduled for February 24-26, 2004. There were a few people that had conflicts with this week, so alternative dates were explored. Having a meeting earlier was not thought to be feasible, so alternative dates of March 9-11, 2004 were set. Items on the agenda set for the few weeks prior to the next meeting were adjusted accordingly. A location for the next meeting was not officially set. Scott Hunzeker reported that arrangements would need to be made with a hotel very soon in order for contracts to get signed and state to have sufficient time to make travel arrangements. The same hotel in Tampa was recommended as a tentative location to hold the meeting on March 9-11.

The group worked through the draft timeline and came up with the following revision:

December 11, 2003 – Recommended pilot state identified (Missouri?)
December 19, 2003 – Oriane Casale sends instructions for short-form survey test
December 26, 2004 – Short-form survey sent out to consortium for review
December 29, 2003 – Suggestions for new QuickPlace site to Scott Hunzeker
January 1, 2004 – Monthly progress reports to Scott
January 5, 2004 – Short-form tests mailed
January 24, 2004 – new QuickPlace site finished
January 31, 2004 – Arrangements started with pilot state
February 1, 2004 – Cognitive testing of survey completed
February 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
February 8, 2004 – All expense reimbursements submitted to Nebraska
February 16, 2004 – Short-form survey tests completed
February 23, 2004 – Questionnaire Design workgroup finished (survey form finalized)
February 23, 2004 – Mathematical Processes workgroup report provided to Survey Administration workgroup
February 23, 2004 – Final list of estimators complete
February 23, 2004 – Proposal for what constitutes a “useable response” sent out by Mathematical Processes workgroup
March 1, 2004 – Survey manual updated, sent out for review
March 1, 2004 – Work requirements (identify processes that pilot state is responsible for and those that the consortium will handle)
March 9-11, 2004 – Full Consortium Meeting
March 11, 2004 – List of deliverables for pilot finalized
March 15, 2004 – Contract with pilot state signed
March 22, 2004 – Pre-survey meeting with pilot state, consortium advising committee
April 1, 2004 – Survey sample drawn for pilot
April 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
May 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
June 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
July 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
July 15, 2004 – Full consortium meeting – strategy for future steps (funding, continuation, etc), list of estimation formulas provided by Mathematical Processes group

August 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
August 15, 2004 – programming of estimators complete
August 30, 2004 – Contract extensions signed by states
September 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
September 22, 2004 – Expense reimbursements submitted to Nebraska
October 1, 2004 – Survey results compiled and report written
October 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
October 15, 2004 – Full consortium meeting to plan final report for ETA
November 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
November 22, 2004 – “Final” expense reimbursements, estimates for final costs submitted to Nebraska
December 1, 2004 – Monthly progress reports to Scott and/or posted on QuickPlace site
December 15, 2004 – Software recommendations created
December 31, 2004 – Report delivered to ETA

The final timeline was approved by the consortium and the meeting was adjourned.

**Employee Benefits Consortium Meeting
March 23-25, 2004
Radisson Hotel
St. Louis, Missouri**

Minutes

In attendance:

Phil Baker – Nebraska
Cathy Bournier – Idaho
Betty Brown – Missouri
Oriane Casale – Minnesota
Tom Gallagher – Wyoming
Phil George – South Dakota
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Tammy Jenkins – Alabama
Anita Josten – New Hampshire
Brendan Kelly – California
Dave McGee – Kansas
Annette Miller – Montana
Chris Miller – Alaska
John Pinkos – Bureau of Labor Statistics
Pamela Schenker – Florida
Teresa Taylor – Iowa
Sonya Williams – North Carolina

Not in attendance:

Representatives from Employment & Training Administration, Washington

Tuesday, March 23rd

Introductions

Scott Hunzeker opened the meeting and handed out meeting packets and agendas. All attendees introduced themselves to the group.

Updates

Current work contracts set up for the consortium between Nebraska and member states are set to expire on August 31st, 2004. Extensions will need to be signed by all states wishing to remain members of the consortium.

The total operating budget for the consortium is \$700,000. This includes the original \$350,000 to start the consortium and the \$350,000 extension received. Scott Hunzeker and Phil Baker reported that the hardest part of coming up with an updated budget is not knowing how much some states have spent for travel to consortium meetings. Although the amount allocated for each state for travel costs is known, actual to-date expenditures are not known for some states. All states were asked to submit reimbursement requests for past expenditures as soon as possible.

Minutes from the meeting held in December 2003 in Tampa, Florida were reviewed. There were no changes suggested for these minutes.

At past consortium meetings, there was discussion of the possibility of obtaining an additional \$175,000 to continue the consortium. This money would be used for marketing the survey product and providing training for states. Prior to the meeting in St Louis, Michelyn Burke-Lee contacted Phil Baker and Scott Hunzeker to inform that there would be no more funding for the consortium. Phil Baker reported that the Employment and Training Administration recently changed the way grants will be distributed and that not a lot of information was available as to how things would change. He did report that the consortium will need to have all activities completed by the December 31, 2004 deadline. Phil reported that, based on his understanding, all consortia would be ending when their current funding ran out; this is not specific to the benefits consortium.

There were several questions about the consortium and what would happen after the final report is delivered to ETA in December 2004. Scott Hunzeker reported that Michelyn Burke-Lee couldn't be at the meeting but agreed to a conference call with the consortium on the third day of the meeting. Everyone was asked to write down any questions so that they could be addressed with Michelyn during the conference call.

The project plan developed by the consortium at the meeting in Tampa included a reported delivered to ETA in December 2004, but also included continued development and roll-out of the survey in early 2005. With a compressed timeline, there was discussion as to how the consortium should proceed.

One of the items brought up was some deliverables included on the statement of work that could not be completed by December. There was discussion that the statement of work needed to be modified to reflect what can reasonably be done prior to the December end date. There was also talk of what the final product for the consortium needed to be and what needs to be included in the reported provided to ETA.

Chris Miller suggested that the consortium wrap up activities as soon as possible to allow time to present the survey product to other states. He suggested an aggressive timeline that would involve completing many of the items on the timeline developed in Tampa in a shorter amount of time.

The consortium decided that with a shorter timeframe the meeting would best be spent planning consortium activities through December. Some of the short-term issues that needed to be addressed at the meeting included finalizing the survey form to be piloted, verifying the intentions of each question to ensure that states understand the questions and to make sure the estimators are correct, and determining what Missouri will do for the pilot and what the consortium is responsible for.

Betty Brown gave a report of where Missouri was at in the process of starting the pilot survey. She mentioned that since the previous consortium meeting Missouri agreed to conduct the pilot and had started preparations for the survey. The biggest concern was drawing the sample for the survey, however after talking to Sonya Williams, she had a better understanding of the sampling process and number of establishments required. Betty reported that there was some difficulty in Missouri getting access to the EQUI file, due to the way Missouri's economic development and labor market information departments are arranged. The pilot in Missouri will involve surveying approximately 3,000 establishments, with a goal of a 60% response rate.

There were some questions raised about the questionnaire that would be used in Missouri and whether or not the cognitive testing being done in Alabama would be completed before the pilot is mailed. Tammy Jenkins gave a description of the cognitive testing that is being done and that status of that testing. She said that the cognitive testing is being done in three phases.

The first phase of the cognitive testing was to meet with employers in focus groups to obtain comments about the survey form. Those in the focus groups would be individuals who would be responding to the survey if their business were selected to participate in the survey. Tammy reported that the first phase of the testing was complete and there were some issues raised with redundancy in some questions on the survey form.

The second phase of cognitive testing involved pulling a sample of 100 employers to send the survey. These employers were asked to fill out the survey questionnaire and provide comments about the form. Tammy said that the surveys were being filled out and returned, but there weren't as many comments as hoped.

As soon as phase two of the survey is complete, the survey instrument will be revised and a third phase will be started to collect additional comments. A final report showing recommendations and comments received throughout the cognitive testing process will be compiled with a final report due in June. Final results of the cognitive testing will not be available until after the pilot has started in Missouri, so it was suggested that the form suggested by the Questionnaire design group be used and that results of the cognitive testing be used for future surveys.

There was some discussion about what would be provided to ETA in the consortium's final report. Much of the discussion involved whether or not multiple pilots would be conducted. If not, the report could include findings from Missouri and any other results from testing that had been done by other states, but it could not include comparisons of how recommended procedures work in different states. One option mentioned for the final report if Missouri is the only pilot state would be a report of what

was done and recommended changes, with the understanding that it was not possible to do a second test to check the recommendations.

Tom Gallagher reported that at a recent regional meeting, several states showed an interest in conducting benefits research, either at the statewide sub-state level. Many states, both members of the consortium and others, had also expressed a desire to conduct a benefits survey in the near future. It was decided that if the consortium wanted to do a second round of piloting the entire survey process, there would be states willing to conduct the survey. The biggest issue was whether or not there would be enough time to complete the survey and include the results in the report provided to ETA.

Project Plan

To help get an idea of the tasks that need to be completed prior to December and the resources needed to complete those tasks, the group updated the list of goals and timelines. This was done using the consortium charter, statement of work, and timelines developed at previous meetings.

Prior to the meeting, Scott Hunzeker sent out a proposal for two additional meetings through 2004. One of these would be held the week of December 6th, the other in July or August. There was some discussion if meeting in December would be too late to wrap up activities for the consortium. An alternative was proposed to consider meeting in June and October instead of July/August and December. All members were asked to check their calendars for availability on several dates.

It was recommended that all piloting of the survey process be completed by the end of October to allow enough time to write up the findings and recommendations. With entire recommended process of conducting the survey lasting six months, all pilots would need to be started by early May to be completed by the end of October. There was discussion if states starting a survey a month after Missouri would allow enough time to make changes based on Missouri's findings. It was pointed out that part of the testing process would be to compare states' experiences with the survey. Unless there are major problems in Missouri, changes shouldn't be made until multiple states have conducted the survey using the consortium's procedures.

Marketing the survey to non-consortium states and training on how to conduct the survey were items that were identified as goals to be completed prior to the end of the consortium. It was decided that these tasks could best be completed by a new workgroup.

Another new workgroup discussed was a group designed to assist pilot survey states in conducting their surveys. This group would serve as a point of contact to states piloting the survey and would be a liaison between the consortium and the pilot state. It was recommended that the pilot advisory committee include members from past workgroups so that questions could be easily obtained from the proper consortium members.

A list of outputs from the benefits survey, including different options for release of the data was discussed. It was decided that a new group should be created to look at elements that should be included in reports generated by the survey. This group would develop a list of standardized tables and content that all states should provide as an output to the survey. It is possible that the workgroup may want to create a sort of template for a report as well. The group would also look at various outlets for survey data, such as the ALMIS database.

All work done by the consortium has been documented in some form. However, it was decided that a workgroup would be necessary to pull this information together and start the consortium's final report. This group would ensure that all items included in the statement of work were completed and that proper documentation of decisions is made. The Survey Administration group would also continue as a separate workgroup to continue developing the survey manual, create standard operating procedures, and all related documentation. There was some discussion that between the Survey Administration workgroup and the new group working on the consortium report, all substantiating documentation for decisions that were made needs to be included. The survey product developed will not be widely accepted by all states unless back-up documentation describes how the survey was developed and the reasons for each survey element.

The statement of work for the consortium mentions that software for the benefits survey will be developed. Due to a variety of reasons, such as changes that may be made to the survey form or procedures, the fact that states may choose to modify the survey form, and other reasons, the consortium will provide some recommendations or specifications for software, but the software will not be developed by the consortium. An item on the meeting agenda was a proposal from the Workforce Information Council to pursue developing sampling software. Chris Miller reported that the WIC had contacted states to determine what software packages each state uses for data analysis. This information was compiled and was being used to decide whether or not sampling software would be useful.

The consortium decided that since software will not be developed to conduct the survey, requirements for whatever software package states use should be created. These requirements would be for sampling, estimation, data analysis (including checking outputs, reviewing and validating data, and other error checks), and verifying data can be published.

Communication

Scott Hunzeker mentioned that with a more aggressive timeline adopted by the consortium, it would be imperative that there be strong communication between meetings. At the consortium meeting held in Tampa, a request was made that all states submit monthly progress reports via the QuickPlace web site. Due to problems implementing the new site, many states had not been submitting their monthly reports. Scott reported that the new QuickPlace site was up and running and that any new posts on QuickPlace should be made to the new site. In addition, online meetings using software called WebEx had been used to "train" consortium members on the new QuickPlace site. Those that had attended the WebEx sessions thought that it may be useful to hold workgroup meetings for the consortium. The software will definitely be available through April and may be available later.

Missouri's Pilot Survey

The pilot survey in Missouri was scheduled to start on April 1st. With the recommended consortium timeline, the survey would be mailed approximately eight weeks after the starting date. To ensure all items were ready for Missouri, the consortium decided that a priority at the meeting should be getting documentation ready for the pilot.

A list of items that the consortium would like Missouri to provide about the survey process was discussed. The consortium will provide Missouri with the survey manual, questionnaire, and processes for each step. Missouri will be asked to provide a list of questions and answers for each part of the survey processes. Documentation of how well recommended survey procedures work will also be requested. This will include information on what was done, how effective the instructions were, and

what would be done to improve the process. Also included will be documentation of how much time each step of the survey takes to complete.

A workgroup to assist Missouri with the pilot survey will help with any problems encountered. In cases where there are problems or questions with the instructions provided, this workgroup will serve as the point of contact to make sure issues are resolved.

Certain items, especially those early on in the survey process, need to be developed before Missouri reaches that phase of the survey. An example of this discussed was address refinement of the survey sample. The consortium manual mentioned that address refinement should be done, but specific instructions for how it should be done were not included. After some discussion, it was decided that specific recommendations for certain parts of the survey process (such as address correction) may not be necessary. Because different methods may be more effective in different states, the recommendation was made to provide instructions to follow the same address refinement procedures used for the OES survey.

The survey timeline included in the draft manual could be divided into seven groups based on the tasks being done. The first two groups include drawing and cleaning the survey sample, printing survey forms, address corrections, and finalizing the mailing list for the survey. The third through fifth groups include mailing the first, second, and third mailings of the survey and tracking responses. The sixth and seventh groups include finalizing the database containing the data, preparing estimates, and writing the report. Items dealing with survey selection and address refinement had been determined at enough detail for Missouri to test, so survey management and how to deal with returned questionnaires was discussed.

According to the draft timeline, the first mailing of the survey forms occurs approximately nine weeks into the survey process. The second mailing takes place between the 13th and 16th weeks of the process, and the third mailing and reminder phone calls occur between the 17th and 19th weeks. Data entry of completed forms takes place as surveys are returned. A question was raised as to how to track response progress and ensure that respondents do not receive second or third mailings. A table on page 45 of the survey manual handed out at the meeting was used as an example of tracking survey responses.

The table showed response categories including Usable, Failed, Pending, Refused/OOB, and Non-Response for each size class group. It was recommended that a similar table be used to track response progress by size class, industry, and metro/non-metro. This tracking would allow states to determine if additional follow-up would be necessary in particular industries or business size classes.

It was pointed out that the sampling counts would not be the same as the publishing criteria. The goal of a 60% response rate applies to the total overall response rate, not response rates for cells or categories such as industry groupings. In order for a cell to be published, it would have to meet the “3/6/60” rule. This means that no cell could be published if it contains fewer than three establishments, fewer than six employees, or if any one establishment represents more than 60% of the employees in that cell. Even if a cell meets these criteria, it still may need to be repressed due to a large variance. The math workgroup said that there is no way to guarantee that a particular cell can be published. For cells with large variances, a decision will need to be made whether or not to publish the data.

There was some discussion about the response tracking table and whether or not more categories would be needed to track non-response. Certain issues such as seasonal businesses temporarily closed or others out of scope for various reasons do not easily fit into the response tracking table. It was decided that since there will not be any substitutions of establishments, it would not be necessary to track specific reasons for non-response.

The consortium discussed the types of information that would be needed from Missouri if multiple pilot surveys were to be conducted. There was some debate as to whether or not changes would be made for future pilot surveys based on Missouri's experiences with the survey. It was decided that unless there were significant problems with the survey instrument or instructions, changes would likely not be made before a second round of pilots were started. This decision was partially made due to a short amount of time between surveys and the hope to compare states' experiences implementing the entire survey process.

Missouri was asked to track all issues related to the survey questionnaire and instructions. The consortium asked for a report from Missouri on any problems encountered, how they were resolved, and the amount of staff time needed to fix problems. Specific items requested by the consortium included item non-response for each question, problems with the questionnaire such as respondents changing question wording or response categories, and a tracking of comments written on the survey form or included with completed surveys.

Betty Brown mentioned that the additional quality control would increase the amount of staff time and cost associated with the survey. As a result of a more detailed tracking of issues with the survey than would normally be recommended by the group, the pilot may not accurately reflect the amount of time needed for data clean-up. The consortium decided that a more detailed analysis of how the survey questions were answered was necessary to assess the questionnaire, but that the instructions provided to Missouri should be reflective of what would be offered to other states.

Throughout the discussion of quality control of survey responses, there were three main issues discussed. The first of these involved inconsistent answers provided on a single questionnaire. An example of this may be a respondent that reports 12 total employees, but later says that 30 employees are offered health insurance. A second issue identified was problems that may become evident when looking at the entire data set. This may include a particular question that was consistently left blank or answered incorrectly. The third item discussed was issues that may arise based on the experiences of states that have conducted benefits research in the past. Examples of questions received about the survey that could be anticipated in the pilot states were identified. Each of the topics of quality control was discussed in some detail.

In order for a question-by-question analysis to be conducted, it was discussed that a clear understanding of the intention of each question on the survey would be needed. Although the survey was developed from a core set of benefits topics determined by the consortium and definitions used for the survey were adopted from the National Compensation Survey, an explanation of each survey question was not developed by the consortium. It was decided that a document explaining the intentions for each survey question was necessary before a check for inconsistencies throughout the survey could be developed. The Questionnaire Design workgroup agreed to develop a document explaining each survey question. This document was to be posted on the QuickPlace web site by April 13th with all comments made by April 20th.

Documentation of the problems encountered in Missouri would be used to help develop procedures to clean the entire data set. As part of the tracking of problems, Missouri was asked to keep a record of contact made with employers regarding the survey. The Survey Administration workgroup agreed to develop a process for editing the survey data. This would involve identifying outliers in the data and determining how to deal with them. The National Compensation Survey would be used as a guideline for identifying whether or not data is reasonable. The general editing procedures were to be completed and posted on the consortium's QuickPlace site by May 1st. The consortium would have one week to edit the guidelines and make recommendations.

A formal process was not developed for states that have conducted benefits surveys to provide assistance or input. It was suggested that the workgroup assisting with the Missouri pilot survey help to obtain advice when necessary. Dave McGee gave an example that in Kansas, 52% of businesses reported employment on Kansas' benefits survey plus or minus ten percent of what would be expected based on the EQUI file. Several other states offered examples of difficulties experienced with certain questions of the survey as well. The workgroup serving as a liaison between the pilot states and the consortium was determined to be the best group to contact states if there were issues with the pilot surveys.

The first 19 weeks of the survey process, including drawing the survey sample, address refinement, printing and mailing of survey forms, and tracking responses had all been discussed. The final two steps of the survey process include finalizing the database for data analysis and producing estimates and writing the report. Guidelines for producing the survey estimates had not been developed, but they would not be needed until approximately five weeks into the survey.

The Mathematical Processes workgroup set a deadline of June 30th to have the estimation guidelines complete and posted on the QuickPlace web site. The consortium would have until July 7th to review the guidelines and provide comments. This would allow Missouri enough time to review the estimate procedures and ask questions before their estimates would be produced.

Sonya Williams mentioned that once estimates were created, they would need to be reviewed to determine whether or not they should be published because of variance. This is something that would have to be dealt with on a case-by-case basis; a large variance may be caused by a wide range of responses, or it may be caused by a few outliers within the data set. It was suggested that a workgroup be created to determine the content of what should be "required" to be included in the survey report. This group would also provide some instructions for reviewing the data and determining if estimates should be repressed due to high variance.

Throughout the meeting, the entire survey process had been discussed. The consortium's goal was to provide all documentation to Missouri that would be provided to any state wishing to conduct a benefits survey. Missouri would use this to report back how well the procedures worked, how clear the instructions were, how much time was needed for each step, etc. In some cases, certain pieces of the documentation were not complete to provide to Missouri. The goal was to get all items to Missouri before that part of the survey is reached.

There were several items that had been discussed throughout the day that had not been completed resolved. Scott Hunzeker agreed to come up with a list to discuss at the next morning. The meeting was adjourned for the day.

Wednesday, March 24th

Review of Previous Day

A list of tasks to be completed by Missouri during the course of the pilot survey was handed out. This list included the documentation and reports that would be asked of Missouri for each stage of the survey process. The final list of survey deliverables for Missouri would be developed and included in the contract with the consortium.

Betty Brown reported that representatives from Missouri would be joining the meeting later in the morning. It was decided that it would be unnecessary for the entire consortium to meet and discuss the pilot survey. When the advising committee met with Missouri, there would be time for other workgroups to finalize certain tasks. The list of items that needed to be completed prior to the start of the pilot survey was discussed.

The main task for the Questionnaire Design workgroup was to document the intentions of each survey question. This workgroup was also assigned the task of editing survey data for consistency.

The Survey Administration workgroup was designed to be an ongoing group to create and revise the survey manual. Tasks assigned to this group on the first day of the meeting included editing procedures to check for reasonableness of data and determine how to deal with outliers in the data set.

Sonya Williams and Frances Harris said that the Mathematical Processes workgroup needed a final version of the survey form before estimators could be produced. The group also had some work to do finalizing the sampling procedures.

The amount of work for each of the workgroups varied. To ensure that consortium deadlines were met, it was decided that new workgroups would need to be formed and that some members may need to serve on multiple groups simultaneously. The groups that were brainstormed during the first day of the meeting included:

- Group to determine requirements for survey report
- Marketing strategy
- Pilot advising
- ETA report writing group
- Training (may be combined with marketing)
- Survey design continuation (survey respondent error check during entry, explanation of questions)
- Math
- Survey administration/manual/SOP (checking before it gets entered)
- Analysis & Quality Control (reasonableness of results check)

The idea of what would be included in an “Analysis & Quality Control” workgroup was not decided, so this group was discussed. Five types of checks to be done on the survey were identified: reasonableness, publication criteria, outliers, variances, and suppression of data because of suppression of other data.

The reasonableness checks were defined as checking individual survey forms to verify that responses make sense and that the question was properly interpreted. Part of these checks would be verifying consistency throughout the survey response. This would be done to every survey form prior to data

entry. Any survey containing questionable data would be flagged and the data would be verified with the respondent.

The publication criteria recommended by Frances Harris included a rule that each cell to be published has at least three businesses that represent six employees, and that no one business represents more than 60% of the employment in that cell. The entire data set would need to be checked to ensure that it meets publication criteria.

The quality control for outliers and variance could possibly be included together. These checks would include reviewing the entire survey data set to determine what should and should not be published based on the range of survey responses and resulting variances.

The final piece of quality control discussed involved suppression of cells because of suppression of other cells. An example of this may be the need to suppress an entire column of data, such as for an entire industry, because of the suppression of some cells. If the entire column were not suppressed, data may be determined from the reported cells.

The consortium decided that a separate “Analysis & Quality Control” workgroup may not be necessary and that these duties could be divided among the other workgroups. The data edits were split into two categories – “micro” edits dealing with individual survey forms and “macro” edits dealing with the entire data set. The micro edits included the checks for reasonableness and consistency. These edits were assigned to the Questionnaire Design workgroup. The Survey Administration workgroup was asked to develop the macro edit procedures. This would include developing a process to check for outliers and to verify publication criteria. The Survey Administration workgroup would also make sure that the quality control procedures were documented in the survey manual.

The consortium needed to determine which members would serve on the workgroup to assist Missouri with the pilot survey. Prior to selecting members for the workgroup, it needed to be decided if multiple pilots would be conducted. If so, the decision need to be made when the additional pilots would be conducted and in which states they would be conducted.

The discussion was that multiple surveys would allow the consortium to test the survey process in states with employers of different sizes, a variety of industries, and other variations. Any issues identified in Missouri would be tested in other states, so it would be possible to determine if there were problems with the survey or if different situations in Missouri led to difficulties with the survey. Additionally, the more testing that could be done by the consortium, the more polished the survey procedures could be by the time the consortium ended.

There were some concerns about starting multiple surveys before Missouri’s pilot was completed, but it was decided that this would be the best option given a short timeline. The consortium agreed to conduct multiple pilot surveys. Based on the timeline to deliver the final report to ETA and the start of the survey in Missouri, it was decided that the best time to start the second round of surveys would be June 1st. This would allow the surveys to be complete with results included in the final consortium report.

Volunteer states to conduct a full scale survey starting June 1st were solicited. It was mentioned that this would likely be the last opportunity to obtain consortium funds to conduct a survey. Any state

wishing to conduct a pilot survey would be asked to provide the same kind of documentation as being asked of Missouri.

Five states expressed an interest in piloting the survey starting in June. These states were Montana, Minnesota, North Carolina, Alaska, and Idaho. Prior to the meeting, some other states had expressed an interest in conducting a benefits survey, but it was decided that only consortium members would be asked to conduct the pilot surveys.

For the advisory committee for the pilot surveys, the consortium discussed the need to have representatives from past workgroups to best answer questions that arise. It was also discussed that it would be helpful if consortium members from the pilot states were members of the workgroup so that any problems encountered could be discussed with other members of the committee, also conducting a survey.

Members selected to be on the advisory committee for the pilot surveys were:

Oriane Casale

Sonya Williams

Brendan Kelly

Phil Baker or Scott Hunzeker

Betty Brown

Marty Romitti and Bill Niblick arrived to discuss the Missouri pilot survey. The consortium split into workgroups to work on assigned tasks.

Workgroup Reports

Betty Brown reported out on the discussion about Missouri's pilot survey. She said that the group went through the responsibilities that Missouri would have on the survey and discussed the guidelines that would be provided by the consortium. The list of deliverables was also discussed.

To estimate costs for the materials required for the survey, Missouri used a spreadsheet developed in Nebraska for the state planning grant. The estimated cost of printing, mailing, and other necessary materials was \$8,000. This amount was rounded to \$10,000 for the pilot.

Personnel costs for the survey would involve a clerical staff member working on the project full-time. This person would monitor responses, conduct follow-up phone calls, and do the data entry of returned survey forms. Betty would charge approximately a third of her time to oversee the project and report back to the consortium. A programmer would also charge a third of his time to help design the data entry system, tracking of responses, analysis, etc.

The estimated cost for the entire pilot survey in Missouri was \$76,000. This cost would include Betty giving a presentation on the benefits survey at the LMI Forum in Portland, Oregon in October 2004. The consortium approved the proposal for the pilot. Phil Baker mentioned that the next step would be to create a contract amendment between Missouri and Nebraska so that funds could be transferred. This would occur as soon as possible.

Marketing Opportunities

From the discussion of Betty conducting a presentation at the LMI forum, there was some talk as to whether there were any other places that the benefits survey could be presented. It was mentioned that the NASWA LMI director meeting was being held in Minnesota and that this may be a good

opportunity to discuss the consortium's activities. The Workforce Information Council will be held in Minnesota at the same time, so it may be possible to provide presentations at both meetings. The Bureau of Labor Statistics conference will be held in Omaha in May, so it was thought that there could possibly be a booth set up at the conference to discuss the consortium.

Budget Information

After hearing the budget proposal for the Missouri pilot survey, there was a question of how much money would be available for additional pilot surveys. Phil Baker said that Nebraska would determine how much money would be available after other expenses and this would be divided among the second round of pilot states. In order to get an accurate budget estimate, states need to submit expense reimbursement requests. Nebraska agreed to have the total amount available for pilot surveying by the end of April; this total would be divided between the states conducting the second round pilots.

To have a better estimate of the amount that may be available for each of the second round pilot states, the consortium verified that there were only five states interested in conducting the pilot. These states were Minnesota, North Carolina, Alaska, Montana, and Idaho. Cathy Bourner said that Idaho is interested, but she would need to check with others in her state. The consortium decided that it would be okay if fewer states conduct the pilots, as more money would be available for each. The biggest problem would be if other states were allowed to join and less funding would be available for each state.

Chris Miller said that since the pilot states will be asked to provide additional documentation than would normally be necessary, the consortium needed to make sure that enough money to each state to make it worthwhile. Based on rough budget estimates, it was determined that there would be enough funding for five or fewer states. Each state would not receive as much as Missouri, but there would be some items developed in Missouri (such as a data entry system) that could be made available to other states. Based on the amount of money available for the pilot state, the pilot advising committee would help determine deliverables for each of the pilot states.

Survey Administration Workgroup

Tammy Jenkins reported that the Survey Administration workgroup was going through and editing the survey manual. Part of the process involved contacting authors of various pieces of the survey to verify that editing hadn't changed the author's intent.

A question was raised as to how the Survey Administration workgroup would like the consortium to make suggestions about the survey manual. The workgroup said that the manual would be posted on the QuickPlace site and that comments could be made on the site as well.

There were some comments that the draft of the manual handed out at the meeting had some set procedures for conducting a benefits survey, but there were also some items that seemed optional. A question was asked if there were plans to have a more specific set of standard operating procedures in addition to the survey manual. The Survey Administration group said that the manual is intended to provide the instructions for how to conduct a benefits survey. The group agreed to clearly label what the consortium is recommending as a required piece of the survey and what parts are optional for states.

The Survey Administration workgroup reported that it was planning to have a conference call at the end of March to go over changes and edits to the survey manual. The group would also be working on

the list of data edits as assigned by the consortium. Certain pieces of the manual that had not yet been developed would be incorporated as soon as they became available.

Questionnaire Design Workgroup

The Questionnaire Design workgroup reported that it had reviewed the survey form and had a few recommended changes. These came about based on the list of possible estimators produced by the Mathematical Processes workgroup, responses to Nebraska's state planning grant survey, employer focus groups in Florida, and other sources.

One of the biggest issues identified was some confusion between those eligible, offered, and enrolled, in certain benefits. It was determined that a large part of this came in the way questions were worded. To help eliminate this problem, the workgroup recommended removing the words "single coverage" in question #4a so that it would be reworded to say, "Of the employees reported in questions #2 and #3, how many are offered medical insurance?" This would allow for question #5a (asking about the number offered medical insurance to spouses or dependents) to be removed as well. This question was determined to be unnecessary, as the only purpose for it would be to determine those offered spouse/dependent medical insurance who are not offered single coverage insurance. Question #7a (asking about the number offered dental insurance for spouses or dependents) would also be removed for the same reason.

Another recommended change to the survey was to include definitions for short-term and long-term disability. The standard amount of time for each type of disability insurance may be needed for some employers to accurately answer the questions.

The Questionnaire Design workgroup recommended changing the third instruction to ask respondent to provide the most current information available. The comment saying that information is requested for a specific quarter proved to be confusing. There was some question by the consortium about the response date and whether it should be included in the instructions, on the form, both, or neither places. The workgroup agreed to discuss this and make a recommendation for a location for the response deadline on the survey.

Mathematical Processes

A report showing the estimators that could be produced from the survey and the recommended minimum set to be published had been developed. Sonya Williams asked that copies be made of this document for everyone prior to discussing the estimators. The discussion was set for the next morning.

Goals for Third Day of the Meeting

The consortium briefly discussed goals to be accomplished prior to the end of the meeting on the third day. Hearing the report from the Mathematical Processes group and finalizing a list of estimators was a high priority. The conference call with consortium members and Michelyn Burke-Lee was also set for the third day. Other goals were to finalize the new workgroups and allow enough time for them to meet, and to hear reports from states on the benefits surveys that had been conducted recently. The meeting was adjourned for the day.

Thursday, March 25th

New Workgroups

Workgroups discussed during the first two days of the meeting were finalized and members were selected. Because all workgroups had items left to complete, the current workgroups were included. The workgroups and their members were:

Survey Administration: This group would develop the “macro” editing procedures and reasonableness checks and would continue to develop the survey manual. Members included:

Tammy Jenkins
Anita Josten
Brendan Kelly
Phil George
Teresa Taylor
Kathy Klein

Mathematical Processes: This group would finalize the sampling and estimation procedures. Members were:

Frances Harris
Sonya Williams

Survey Design: This group would finalize the survey form, develop the “micro” edit procedures, and write definitions for the survey questions. Members were:

Scott Hunzeker
Oriane Casale
Pam Schenker
Dave McGee
Chris Miller
Tom Gallagher
Bob Schleicher

Pilot Survey Advisory group: This group would serve as the liaison between the consortium and states conducting pilot surveys. Members of this group would provide assistance to the pilot states as needed. This group included:

Oriane Casale
Sonya Williams
Brendan Kelly
Betty Brown
Phil Baker
Scott Hunzeker

Report Requirements: This workgroup was created to determine the types of standardized tables and report elements that should be created as outputs of the survey. This may include ALMIS table formats or templates for data tables from the survey. Members of this group included:

Chris Miller
Laura Sichmeller
Pam Schenker

Final Report: This group was created to draft the final report to be provided to ETA. This workgroup would compile past documentation from the consortium and would put together an outline of what needs to be included in the consortium’s report. Workgroup members included:

Scott Hunzeker
Phil Baker
Tammy Jenkins
Oriane Casale

Marketing and Training: The Marketing and Training workgroup was developed to promote the survey to non-consortium states. This group would create materials that could be distributed to all states. It would also develop a strategy for training staff on the survey procedures. Group members included:

Cathy Bournier
Dave McGee
Annette Miller
Tom Gallagher
John Pinkos
Bob Schleicher

Survey Estimators

Sonya William and Frances Harris provided the report on the recommended estimates to be produced from the survey. It was explained that there were a few parts to this document. The first few pages included an explanation of the estimators and how they could and could not be used. These pages also explained that for states using the consortium's recommended procedures for the survey, all estimates in the report could be produced for the survey sample, employers and workers by NAICS code, employers and workers by business size, and employers and workers by population density category. The list of recommended estimators for the consortium was followed in the report by an appendix showing all estimators that could be produced.

The recommended list of required estimates was created to fit a few criteria. The first was that each of the required estimates must be comparable across states. A second criterion was that the required estimates would need to be easy to create. States would be able to produce additional estimates if they would like.

The Mathematical Processes workgroup said that it had considered what constitutes a completed survey and had addressed the issue of item non-response. The workgroup recommended that any survey that had the questions dealing with employment answered could be considered complete and included as part of the sample. For each item on the survey, estimates could be created based on those that completed the question. There would also be a percentage of the sample that did not complete the question. The Mathematical Processes workgroup recommended that another group consider how much follow-up should be done to obtain information left blank on the survey.

Sonya Williams and Frances Harris went through the list of recommended estimators to solicit comments from the consortium. There were a few issues identified by the workgroup that needed to be discussed by the consortium.

The first few estimators would describe the survey sample. These questions would provide data about the number of establishments and workers in the study.

The workgroup said that there would be two weighting schemes for the survey. One would weight by establishment and the number of other establishments represented. The other would be a weight of employment and how the employees represent the universe.

In the list of estimates for insurance, there were some issues with the question wording. One of the reoccurring issues with the survey questions had to do with the definition of the “majority plan” offered to employees. The Questionnaire Design workgroup agreed to rework the survey instructions to more clearly define the intention of the question asking about the majority of employees.

Some of the issues with the questionnaire identified by the Mathematical Processes workgroup had been resolved by the Questionnaire Design workgroup. Among these were removing the words “single coverage” from question 4d of the draft form handed out at the meeting and reordering the questions dealing with insurance. Another change made to the form involved removing question 7a, dealing with dental insurance offered to spouses or dependents. Along with changing the wording and question order for some survey items, the skip patterns were also unclear in some places and were to be reworked.

There was a question related to dental insurance as to whether the consortium wanted to produce estimates for all workers that have dental coverage, or only for those that have stand-alone dental plans. The proposal was to estimate total coverage. This could be split out into stand-alone and those included with medical coverage if a state had a need for this type of information.

For the cost of benefits, there were several issues discussed. A question was raised whether the cost estimates would be for all employers, or only for those that offer particular benefits. The recommendation by the workgroup is that both estimates be produced. Frances Harris said that the National Compensation Survey reports for all establishments, regardless of whether or not benefits are offered. She suggested that the consortium states produce the same cost estimates so comparisons can be made with the NCS to check for reasonableness. Cost estimates for only those businesses offering benefits may be the ones that are published.

There were some concerns about the instructions included with the cost of benefit questions. Based on the preliminary results of the cognitive testing in Alabama, there were questions about what costs should be included for each of the benefits listed. For instance, it wasn’t clear if COBRA participants should be included in the insurance costs. For other benefits, it wasn’t necessarily clear to respondents if only current employees should be included or if all employees, such as retirees, should be included. The Survey Questionnaire workgroup agreed to change the instructions. The consortium decided to collect cost information with the questions that were on the form and see what kind of data is collected in the Missouri pilot.

The consortium approved the list of estimators that were proposed by the Mathematical Processes workgroup. The workgroup verified that the minimum publication guidelines for the estimators would be:

- Total employees
- Full-time
- Part-time
- 18 NAICS
- 5 size classes
- Population density

Workgroup Breakouts

The conference call with Michelyn Burke-Lee was scheduled for the afternoon. The consortium split up into workgroups. Those that wanted to participate in the conference call stayed in a separate group. The idea of the conference call was to discuss the consortium project plan and get more insight from ETA into the disbursement of funds for various consortia.

State Reports

One item that had been on the original meeting agenda that had not been discussed was recent survey progress in various states. All states were invited to share their recent benefits survey experiences.

Tom Gallagher reported that Wyoming had sent both the consortium survey and Wyoming's normal benefits survey for the 4th quarter of 2003. In a small-scale test of 200 establishments, Wyoming found that in about 75% of cases, the correct person who should complete the survey could be tracked down with a 30-45 minute phone call. The other thing that Wyoming did was to compare the different surveys on key questions. They found that there were few problems with either forms. Tom reported that there may need to be a clearer set of instructions to answer only the questions that apply, for instance to only answer the full-time column if they don't have part-time workers, and vice versa.

Tammy Jenkins reported that Alabama's survey was delayed. The survey was being conducted by the university and there were some problems getting address file cleaned up. She reported that the EQUI is used to conduct various surveys and that the sample selected is cleaned for each individual survey, but that the overall file is not necessarily cleaned after each survey.

Pam Schenker reported that Florida had training and presentations for a local rural workforce board. She said that comments about the benefits survey were solicited at this meeting. Many employers that were in attendance were manufacturing firms and had an interest in information about team bonuses. The survey questionnaire developed by the consortium asks whether bonuses are offered, but was intended to collect information on non-production bonuses. There was some discussion as to whether or not the question should be modified if any changes should be made. Frances Harris reported that at the national level the line between bonuses and straight-time pay is becoming blurred in some instances. The consortium decided to leave the survey question about bonuses alone and evaluate it following the pilot in Missouri.

Scott Hunzeker discussed the state planning grant survey being conducted in Nebraska. Part of the grant was that estimates be produced by industry and business size for local areas. As a result, the sample size was over 13,000 establishments. The biggest problem with the survey was that it was sent to individual establishment locations and that some firms were receiving several copies of the questionnaire. It was reported that most firms were only receiving a few copies, but some businesses were receiving ten or more copies of the survey. Scott recommended that the consortium review the procedures with mailing to multiple establishment businesses. Frances Harris commented that the decision was made early on to mail to individual establishments, not firms. Everything that was developed by the Mathematical Processes workgroup was based on establishments, so that could not be changed. Part of the reason for mailing to establishments was so that regional estimates could be produced. The Survey Administration agreed to write up the guidelines for mailing to multiple unit establishments.

Workgroup Reports

Phil Baker gave an overview of the conference call help with Michelyn Burke-Lee. The consortium had originally been set to receive an additional \$175,000 for PY03 for marketing, training, and roll-out of the final survey product. This is the money that would not be given to the consortium. ETA wanted to find out where the consortium will be with funding as of September 30, 2004. This is the date that the consortium was set to end if an extension is not requested. Nebraska will work on a budget to provide to ETA and will also put together an extension with ETA and the consortium's member states. This extension will likely go through the first quarter of 2005 to allow some time to market the survey and provide some training. The consortium discussed with Michelyn that the goal was to condense the timeline to complete activities by December. This will involve some marketing and training, as time and funding allows.

It was reported that the PY04 grant will still be provided to the states, but it may be later than July when it is received by the states. A suggestion was made to the marketing and training workgroup to recommend to states to put some money aside if they are interested in conducting a benefits survey in 2005. The consortium agreed to get a more detailed project plan together and to Michelyn as soon as possible.

The Pilot workgroup said that a thread will be started on the QuickPlace site to track questions about the pilot surveys. This will allow all states to follow along with the types of questions being asked about the pilots. By the end of April, Nebraska agreed to have a rough amount of consortium funds available for the second round pilot states. Those states would then have until the middle of May to determine if they want to pilot the survey. The goal would be for the second round of pilots to start by June 1st. The group reported that it was planning to have a conference call the week of May 17th to talk about survey progress in Missouri and where things stood with the second round of pilots. One thing that was needed to start the survey in Missouri was a copy of the questionnaire in Word format. Tammy Jenkins said that she had a copy from the Alabama survey and could provide it to Betty Brown to use for the pilot. A few edits would need to be made, as the form had changed somewhat since it was developed in Word in Alabama.

The Marketing & Training workgroup did not have a lot of time to meet due to members of the group meeting with other workgroups. The group said that the first opportunity to market the survey will be at the BLS conference in Omaha in May. Several consortium members will be in attendance at this meeting, so the workgroup agreed to have something ready to use to market the survey.

The Survey Administration workgroup reported that it would try to get a copy of the survey manual available on CD for the marketing group as soon as possible. The main goals of the workgroup were to edit the survey manual and complete tasks assigned at the St. Louis meeting.

The workgroup working on the final report for ETA planned to go through past documentation to determine what needed to be completed and what had already been written. Oriane Casale said she would go through her things and look for the report she completed about costumer needs and what is currently being done in the states. Tom Gallagher said that he had worked on report showing what the federal government could do to provide local benefits information and what it would cost. He would locate this report and provide it to the workgroup.

The consortium decided that some additional time for workgroups would be worthwhile. The meeting was adjourned, with workgroups allowed some time to meet.

**Employee Benefits Consortium Meeting
August 3-5, 2004
Sheraton Hotel
San Francisco, California**

Minutes

In attendance:

Phil Baker – Nebraska
Cathy Bournier – Idaho
Betty Brown – Missouri
Oriane Casale – Minnesota
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Anita Josten – New Hampshire
Brendan Kelly – California
Kathy Klein – Kansas
Rick Lockhart - Washington
Annette Miller – Montana
John Pinkos – Bureau of Labor Statistics
Pamela Schenker – Florida
Bob Schleicher – Montana
Laura Sichmeller – South Dakota
Fran Styron - California
Teresa Taylor – Iowa
Bob Uhlenkott – Idaho
Sonya Williams – North Carolina

Not in attendance:

Representatives from Alabama, Alaska, Employment & Training Administration, Wyoming

Tuesday, August 3rd

Introductions

Scott Hunzeker opened the meeting and handed out meeting packets and agendas. All attendees introduced themselves to the group.

Announcements & Updates

General announcements about the consortium were discussed. A no cost extension with the Employment and Training Administration (ETA) was granted. This allows the consortium to continue through June 2005 with the current funding. A report on the consortium's findings will be provided to ETA in December 2004. Any consortium activities such as marketing and training, completing pilot surveys, and modifying the survey manual or procedures based on findings will occur between January and June 2005. An amendment to the ETA report will be provided in June 2005. Oriane Casale and Phil Baker gave a presentation on the consortium at the NASWA meeting held in Minnesota. At that meeting, a final date of December 2004 was given for the consortium, so it was discussed that other states may be looking for a report from the consortium around that time.

Work contracts between Nebraska and all of the consortium members were set to expire on August 31, 2004. It was reported that extensions were being written up and would be sent to each of the states by mid-August. Any states conducting a pilot survey or doing additional work requiring funding for more than travel will need to have a separate contract amendment written with Nebraska.

The consortium budget was discussed briefly. Phil Baker said that the last budget that was distributed was based on information available at the time. Any figures that were not provided by the workgroups were estimated. All workgroups were asked to come up with current budget estimates before the end of the meeting so a more complete budget could be developed for the consortium.

Prior to the meeting, copies of the report “An Assessment of the Alabama Employee Benefits Survey” were distributed to all consortium members. Tammy Jenkins was not in attendance to discuss the findings in the report. Consortium members were asked to post questions and comments on the QuickPlace site so they could be addressed by Tammy and others.

Missouri Pilot Progress Report

Betty Brown handed out materials from Missouri’s pilot survey and discussed progress of the survey. Overall, she said that things had gone well with the survey. There were a variety of issues that were encountered, some of which may be unique to Missouri and others that may be more widespread.

The first problem that was encountered was gaining access to the EQUI file to pull the sample. Betty said that because of the organization of the Missouri Department of Economic Development, special permission had to be obtained to use the EQUI file for the survey. Making sure there is access to the EQUI file may be a consideration for other states conducting a benefits survey.

One problem that occurred was part of the third page of the survey was cut off of the surveys from the printer. Many copies had already been printed, so these needed to be redone. Business addresses and the survey ID were printed on labels and made to fit in a window envelope.

A sample of 3,000 businesses was pulled and compared to the OES sample to look for overlapping establishments. There were 335 matches between the OES and benefits survey. These were set aside from the rest of the sample to be dealt with differently.

A pre-notification postcard was sent out to all businesses except those that were also included in the OES sample. The idea was that these businesses would be mailed a separate letter that would say that would say something such as “we understand you receive a lot of requests for information from our department and we appreciate your willingness to participate...” Betty said that the letter would be carefully worded not to identify the business as part of the OES sample.

Betty mentioned that the Dallas BLS Regional Office was contacted to ask about using address information and a contact phone number for the benefits survey. The idea was that the address refinement and contact information could be obtained for the benefits survey, but since it was already done for OES, it would be easier to use that information. Missouri was told by the Dallas Regional Office that because of the Confidentiality Information Protection and Statistical Efficiency Act (CIPSEA) the contact information could not be shared. John Pinkos said that sharing of address information should not be an issue because the state representatives involved should all have signed agreements relating to the confidentiality of the data.

There was some discussion about matching the benefits sample to the OES sample and what the reasons for the match would be. Betty said that the hope was to obtain a contact name and correct address from the OES survey. Another key reason was to ease burden by not contacting the employer multiple times to obtain correct addresses or contact people. John Pinkos mentioned that the idea of using OES to obtain a correct address would work well. However, he said that on the point of respondent burden there are several other surveys and mailings from the Census Bureau, IRS, BLS, and the states that should be considered as well. Frances Harris agreed that if there is an issue with the confidentiality of sharing addresses, then this may be something to skip for now and address at a later time.

Sonya Williams mentioned that CIPSEA is not well understood by many of the states and is an issue for groups other than the benefits consortium. The group discussed the need for clarification of what kinds of data are covered by CIPSEA. John Pinkos said that he would do some follow-up to BLS to forward on the consortium's concerns.

Betty Brown continued discussion of the Missouri survey. She said that as a result of trying to get address corrections from OES, the matches with the OES sample were mailed out later than the rest of the surveys using address information available from the EQUI file.

One issue that came up was the need for a postage permit number for returned mail. This was not done far enough in advance to have the envelopes ready for the survey mailing. As a result, Missouri used a different size of envelope and had to fold the return mail envelopes.

Betty said that Missouri was planning to put out a news release prior to mailing the survey. The thought was that it would be a very low cost way to "advertise" the survey. Although there wouldn't be any guarantee that the release would be picked up, it may be possible for a newspaper, radio station, or other type of media outlet to make mention of the survey. A news release was sent out, but it went out later than anticipated due to some delays.

Betty reported normal types of questions being raised about the survey. The main question asked was whether or not participation in the survey is mandatory. Betty said that there were also some questions and comments about the cost section of the survey. One respondent had a problem with the fact that incidence of life insurance is asked, but the costs are not collected. Other respondents had some problems providing answers to all of the cost questions. As requested by the consortium, Missouri was tracking the questions about the survey as much as possible.

Overall, Missouri was a little behind schedule. The survey was started a little later than scheduled, and with people out of the office, they were slightly behind where they had hoped to be with the survey. Betty was confident that more time could be spent in August on the survey to get caught up easily. Although she did not have actual response numbers, she estimated that approximately one third of the surveys had been returned in approximately a month with no follow-up having been done.

One of the items Betty handed out was an example of the data entry system that had been developed to capture the survey data. The system was developed so that a data entry operator entered the survey ID number from the form and the contact information for the respondent is displayed. The survey is then provided a status code and any address corrections can be made. The remainder of the data entry system was made to follow the questions on the survey form. A report can be created from the system that shows which questions were left blank so follow-up can be done.

There were some questions from consortium members as to whether or not Missouri's data capture system could differentiate between questions that were skipped versus those that were left blank because they are not applicable. Betty said that data was entered as reported on the survey form and that it was not possible to distinguish non-applicable responses from questions that respondents skipped. Frances Harris and Sonya Williams mentioned that it was important to know the difference between item non-response, non-applicable responses based on previous responses, and data entry errors.

A suggestion was made to include additional options for the data entry for each question. These options would allow data entry operators to key in a response, "n/a" if the question did not apply (i.e. the incidence question was marked "no" so the provisions questions should be skipped), or "blank" if the question was skipped but should have been answered. Another suggestion was discussed to make the data entry system "smart" so that inconsistent responses could not be entered. For instance, if a question asking about the incidence of a benefit was checked "no" the provision questions would be grayed out and the database would be filled in automatically.

The consortium agreed that Missouri's data capture system was very well constructed and that with a few modifications, it would be helpful to other pilot states. Betty said that she would take the consortium's suggestions back to Missouri's programmer and see what could be done. It was suggested the before other states start using the system, the consortium makes sure it is working correctly.

An issue was raised about the number of surveys returned with bad addresses. Several programs such as the benefits survey do address refinement, but the changes are not incorporated back into the EQUI file. After some discussion, it was decided that this was a bigger issue than the benefits consortium should be dealing with.

There were some questions about how different classes of workers were being dealt with in Missouri and what the consortium's recommendations were. The consortium talked about the goal of collecting benefits information for the largest group of employees for each employer. The question was brought up about union and non-union workers. The resolution from the consortium was that if union workers represent the largest group of employees, then the survey questions would apply to the union workers. In some cases, it may be necessary to contact the union to obtain information about the benefits offered. It was suggested that the reasoning behind collection of union/non-union employees were included in the survey manual.

Pam Schenker asked a question about how leasing firms would be handled by the consortium. The consortium decided that only employees on the employer payroll should be included on the survey form and that any leased employees would be counted by the leasing agency. There were some concerns that a leasing firm that leases employees to different businesses may have a hard time reporting what is offered on the questionnaire. It was decided that more information would need to be obtained from the pilot surveys to determine how big of an issue leased employees are.

Sonya Williams reminded the consortium members that the survey questionnaire could be modified to included certain types of employee status such as union/non-union if those results were important to the state. There would need to be something written up in the manual that would provide the ramifications of what could happen if the survey form was changed. Additionally, any states changing

the form would need to also need to modify available data capture systems, sampling techniques, and other issues related to the survey that may change.

Betty Brown concluded her report on the Missouri pilot survey by saying that so far, things had gone well and there weren't any major surprises. She also said that the budget estimates were okay to that point and they should have enough funding to carry them through the project.

Workgroup Reports

All workgroups were given a list of expectations and were asked to come up with details of how they would be completed.

Questionnaire Design workgroup

The Questionnaire Design workgroup went through all questions on the survey to determine any changes that needed to be made. The group reported that a few survey questions had been reworded to reflect what the question was intended to be asking. Based on the rewording of questions, the numbering was changed to maintain consistency throughout the survey. The renumber was discussed briefly, but it was suggested that the group make the suggested changes and post the new survey on QuickPlace for review. Other workgroups emphasized that some of their work was dependent on question numbers and it was important to get an updated questionnaire as soon as possible. The Questionnaire Design group agreed to have a new version of the survey posted to the QuickPlace site the week following the meeting.

Oriane Casale reported that definitions and explanations for all survey questions had been created. She said that these had been distributed and some comments and suggestions had been received. The list of definitions would be cleaned up and distributed back out to the consortium members as soon as possible.

Pam Schenker said that she had worked on a document looking at data edit checks to verify that skip patterns had been followed, questions were answered appropriately, etc. This was the "micro edit" piece discussed at the consortium meeting held in St. Louis designed to look at responses provided on individual survey forms. The document was written using Boolean logic statements to be programmed or examined for each survey question. Pam mentioned that since the question numbering on the survey would be changed, these edit checks would need to be modified appropriately. There was a suggestion that some simple text explanation be included with some of the statements so that it would be clear what was being examined and the reasoning. The edit checks were to be modified and posted on QuickPlace.

The Questionnaire Design workgroup recommended developing a list of frequently ask questions (FAQs) that could be made available to survey respondents. It was suggested that states post a list of FAQs related to the survey on their web site or provide a list along with the survey. The group argued that this would allow survey respondents to obtain answers to general questions and it may also ease some of the burden of staff answering questions about the survey. The Questionnaire Design workgroup said that it would look at questions asked in Missouri and lists of FAQs from other surveys and post recommendations on QuickPlace.

There was a question raised by the consortium as to whether it had ever been determined what constitutes a completed survey. Scott Hunzeker said that at the meeting held in St. Louis, there was a proposal from the Mathematical Processes group that any survey with the employment questions

answered and at least one benefit question answered could be considered complete. Sonya Williams suggested that the consortium wait until data from the pilot states is available to look at patterns of non-response before making more detailed recommendations of complete and non-complete surveys.

Pam Schenker had a question about how different employment would need to be from the EQUI file and on the survey form to necessitate follow-up with an employer. Frances Harris said that for the National Compensation Survey, percentage difference needed for follow-up depends on the business size. She gave an example that for an employer expected to have two employees but reporting three, there would be a 50% difference in expected versus actual employment; whereas for an employer with 1,000 employees, a 10% difference would be a large swing in employment. It was suggested that data from Missouri and other states that have conducted benefits surveys be examined to determine percentage difference from expected versus actual employment to make a recommendation on this issue.

Survey Administration Workgroup

The Survey Administration Workgroup said that the survey manual will be complete as it can be by August 27th to allow the second round pilot states time to review it before starting their surveys. The workgroup was going over the manual and identifying gaps that need to be filled. The Survey Administration workgroup reported that it was also going through to find things that had been written but not yet incorporated into the manual. Before the end of the meeting, the group said that it would get a list of sections of the manual still needed to the workgroups or individuals responsible for completing those sections. The group emphasized the importance of getting submissions from workgroups in enough time to get them edited and included before needed by the pilot states.

Brendan Kelly presented a list of “macro” edits used to look at the entire data set. The edit checks were designed to look for four problems with the data. The first check would look at outliers among the data and would flag any possible errors. The second edit would look at variability within cells to identify areas where there could possibly be error. The next edit check mentioned was to compare findings with other sources of data such as national data or other states to determine if the findings are reasonable. The final check discussed was to review the data for cells which may require suppression due to confidentiality concerns.

There was some discussion about testing the macro edit procedures and how that could be done. It was decided that real data would be needed to look at things such as outliers, non-response, and variability. No determinations could be made without seeing an actual data set. Once Missouri has finished collecting and entering data, the edit checks can be applied to determine if changes need to be suggested.

Frances Harris asked if the macro edits would include all recommended estimators, or just certain ones. Brendan said that the intention was that all estimators on the survey form would be included, but not necessarily those derived from multiple variables.

The Survey Administration mentioned that one of its priorities was to put the manual in “one voice” to make it read consistently throughout since different parts are received from different members. Another thing that the group was doing was making sure the manual was written in a way that allows states some flexibility in conducting the survey, but is firm in some regards to maintain consistency between states. The group mentioned that versions of the manual would be posted to the QuickPlace site so consortium members can print them as needed and make suggestions on the site.

There were some questions about whether or not another QuickPlace “training” session could be conducted by Nebraska. Scott Hunzeker said that Nebraska no longer had access to the WebEx online meeting software used to do the training before, but he would put something together to show how to use QuickPlace.

Mathematical Processes Workgroup

Sonya Williams reported that the first priority for the Mathematical Processes workgroup was to get procedures for sampling worked out. The steps for creating the survey sample were developed, but the group was trying to get them written up more clearly. The group said that the estimation procedures would not be completed to include in the manual by the August 27th date that the Survey Administration had set for a “final” version of the manual. The Mathematical Processes workgroup’s goal for estimation procedures was October 15th. This would be completed before needed for the Missouri pilot. Betty Brown confirmed that the estimation procedures would be received from the workgroup and then something would need to be programmed to create estimates. It was discussed that depending on when the estimation documentation was made available and the amount of time required to write a program to develop estimates, there could be a slight delay in Missouri producing estimates compared to the consortium’s timeline. It was understood that since Missouri is the first state to go through the process, there may be some delays.

The Mathematical Processes workgroup said that it needed to look over the macro edits developed by the Survey Administration group to ensure consistency between the math processes and recommended edits. The groups agreed to work together to determine a reasonable course of action to complete and verify the macro edits.

Sonya Williams asked if it would be possible for Nebraska to maintain the QuickPlace site at the end of the consortium. She thought that it would be beneficial for states conducting a survey to look over the documentation of the consortium recommendations to better understand how and why certain decisions were made. Phil Baker said that it should be possible to maintain the QuickPlace site, but it was probably an issue that needed to be discussed further. He had a few questions about who would maintain the site and respond to postings and questions asked. Betty Brown suggested that the Marketing and Training workgroup address the issue of continuing the QuickPlace site and develop a strategy for marketing and maintaining the site.

Frances Harris said that the Mathematical Processes workgroup would need to wait until states had gone through the process before making any recommend changes to the sampling or estimation procedures. The group said that it would respond to questions and concerns of the pilot states as they are asked and recommended changes to procedures would be made following the pilot surveys.

The meeting was adjourned for the day.

Wednesday, August 4th

The consortium reviewed the agenda and decided that since the former workgroups had time to meet, the best course of action would be for the new workgroups to have time to complete assignments. The group agreed to allow the new workgroups the morning to meet, with the entire consortium meeting back in the afternoon.

John Pinkos reported that he had followed up with the concerns about CIPSEA discussed the first day of the meeting. John said that the purpose of CIPSEA is to keep statistical data confidential. He said that within a state, if confidentiality agreements have been signed, there should not be an issue sharing address information. There would not be any way that confidential information could be shared between states, regardless of agreements signed. There was some discussion by the consortium of the need to clarify CIPSEA requirements so that it was clearer to the states. A suggestion was made to include something about CIPSEA in the manual.

The consortium split into workgroups to allow each of the new groups time to complete their activities.

Workgroup Reports

Survey Administration Workgroup

The Survey Administration workgroup reported that it was working to complete the manual and identify items still needed or those that needed to be updated. From the Questionnaire Design workgroup, a list of the “micro” edit procedures and updated survey questionnaire was needed. The group was working to update its own list of “macro” edit procedures to be updated and included in the manual.

One item identified as needed for the manual but not yet received was a list of what employees should be considered “in scope” on the survey. There were questions as to whether or not people such as owners, family workers, contracted workers, workers out on leave, etc. should be included in the employment counts. The discussion was that only paid workers (which may include paid owners) and workers on paid leave should be counted. Unpaid family workers, unpaid owners, contracted employees, and those on the company’s payroll such as leased employees should not be counted. It was suggested that this be included in the instructions on the survey form or within a list of frequently asked questions included with the survey.

The Survey Administration workgroup said that there were parts of the manual that would be completed as much as possible, but they may not be finalized until the pilots are complete. Examples would be the estimated costs for states to conduct a benefits survey or the amount of staff time needed for completing parts of the survey. Another example that was suggested was a list of contacts or resources that states conducting a survey could utilize to get answers. It was suggested that the Marketing & Training workgroup develop a resource list.

A recommendation was made by the workgroup that all consortium documents have a version number included on them. This would help everyone know which version is the latest updated version. The suggestion was that version 1.0 be the first drafts available to the second round pilot state in conducting their surveys. The documents would evolve from that point.

There were questions from the consortium about the process for submitting items or making edits to the manual. The Survey Administration workgroup asked that suggested changes to the manual be posted on the QuickPlace site. Anita Josten requested that any edits to the survey manual be done in a different color so they can be identified easily. She said that the feature in Word that allows the tracking of edits could create some problems incorporating different peoples’ changes into one manual.

Report Requirements Workgroup

The Report Requirements workgroup reported that approximately seven tables were being created. The tables were being created based on the list of estimators produced by the Mathematical Processes workgroup. There was a question whether the estimators would be changing since the survey questionnaire had some new wording and numbering. It was discussed that the estimators themselves would not be changing, only the numbering on the survey form. Pam Schenker said that the group was working on a naming convention for variables and the tables. This would be determined as soon as possible. The workgroup was also working on table formats for the ALMIS database and had the table structure started.

Marketing & Training Workgroup

The Marketing and Training workgroup reported that it had started to identify marketing and training opportunities. The group came up with a list of conferences and meetings that may allow the consortium time on the agenda. The first meeting discussed was the LMI forum being held in October 2004. As part of Missouri's contract for the pilot survey, Betty Brown was to present about the consortium. The group also identified the LMI Director's Conference being held in spring 2005 that may allow someone from the consortium an opportunity to speak.

The idea of holding training workshops for how to conduct a benefits survey was discussed by the workgroup. The group said that its goal was to team with the LMI Institute to get training sessions set up. Annette Miller was going to contact the institute to get more information on what it takes to get a session set up and the estimated costs for holding training sessions.

Overall, the Marketing & Training workgroup estimated \$27,000 for training-related expenses. These would include the development of training materials, wages for trainers, travel costs, costs at the training site, and materials. The training cost estimates made assumptions of two sessions with three trainers at each session. The workgroup said that it was too early to make some determinations about training that might influence the costs. It was pointed out that with approximately 20 states as members of the consortium, there was a potential to train staff at 30 states unless consortium member states would want to send staff to learn about the survey. Depending on interest in the training, the group said that it might be necessary to add additional training sessions. The workgroup did not have cost estimates for marketing created yet.

A list of potential funding sources and partners for a state wanting to conduct a benefits survey was brainstormed by the Marketing & Training workgroup. The group said that at a national level, agencies may be identified and targeted as potential partners or funding sources for a benefits survey. At the local level, states would need to use their contacts to determine the best marketing opportunities. The group stated that one of its goals was to create a marketing packet that could be given to states to market the benefits survey. This packet would be given to states, either sent automatically to all or provided at the training sessions. It would include a PowerPoint presentation that could be given by a state representative to a target audience, brochures that would explain the uses for benefits information, ideas for helping states sell the need for a survey to users of the data and secure funding, and instructions to help market the survey. Additionally, the group said that there was a plan for part of the survey training to be about marketing the survey – either the results after they are available, or to potential partners or funding sources beforehand.

Pilot State Workgroup

The Pilot State workgroup reported that it had developed a workplan that all second round pilot states would use. The budget developed was \$40,000 per state for the pilot surveys. The group reported that all communication should be taking place through the QuickPlace site. In addition, regularly scheduled conference calls would be held to make sure the pilots were progressing as expected.

Each of the pilot states would have some flexibility as long as the survey manual and recommended guidelines are followed. For instance, states could choose to use the software developed by Missouri for their pilot survey, they could modify that software, or develop something on their own. The pilot states were not being asked to produce a final publication for the consortium, but estimates would need to be created using the guidelines and tables recommended by the Report Requirements group would need to be populated and posted on the QuickPlace site.

There were seven reports identified that all of the second round pilot states would need to complete as part of the workplan. The reports were explained as:

Address refinement process report: the state's experience with the address refinement process, numbers and percentages of returned postcards, issues with refinement, staff time required, recommendations for improving process, and other relevant information.

Survey Response: response rates for the first and second mailings of the survey and the response rates after follow-up phone calls. This report would include issues encountered with calculating response rates and receiving completed surveys. The staff time required to track survey response would also be included in the report.

Survey Instrument Issues: identifying issues from employers with interpretation of survey items, systematic problems with the survey instrument, recommendations for improvement to the survey instrument.

Software: data capture, cleaning, analysis. This report would be produced regardless of whether the software a state uses is the software developed by Missouri or created in-house. The report should include the amount of staff time required to develop or modify survey software. Also included would be recommendations for software applications – either new software that should be developed or modifications done to software already available.

Report on Micro & Macro edits: which processes were used to do the micro and macro edits and how well the edits seemed to work. This report includes what kinds of items were flagged by the edits and recommendations related to the edits. Also included would be staff time needed to conduct the edits.

Consortium Documentation & Processes: how well is the manual written and other documentation written? Can the sampling, data collection, printing, and other instructions be followed easily? Are there any problems encountered that are not addressed in the manual? The report would also include recommended changes to different sections of the manual based on the state's experiences.

Final Report: any other recommendations that are not addressed on the other reports. Also included would be estimated costs for various parts of the survey process and other suggestions that might help the survey process run easier, reduce costs or time. This could include any other topics that the state feels should be addressed by the consortium.

The Pilot State workgroup said that a big reason for requiring progress reports from the pilot states was to ensure documentation of each state's experience with the survey. There was some question from the consortium how it would be determined which recommendations from the pilot states would be included in the manual. It was suggested that the consortium hold a meeting in early 2005 to incorporate changes from the pilot states into the manual and finalize the recommended procedures for conducting a survey.

All documentation produced by the pilot states would be available to consortium members on the QuickPlace site so progress could be followed for each of the states. Workgroups could use information contained in the reports as needed to complete their tasks. The timeline given for the group was that the second round states would begin in September 2004 and would complete the surveys in March 2005. States would be reimbursed for the surveys in three payments once certain deliverables were met.

Final Report workgroup

Members of the Final Report workgroup did not meet because of members serving on other workgroups. Oriane Casale did mention that a draft of the final report to be provided to ETA had been provided on the QuickPlace site. The report was 33 pages and was still in early draft form. All consortium members were encouraged to look at the draft report and post any suggested changes on the site.

Contract Extensions & Consortium Budget

There were some questions asked about the consortium budget and when it would be known how much money might be available to do additional pilot surveys. Phil Baker emphasized that the budget on QuickPlace was created using cost estimates from each of the workgroups. However, none of the workgroups provided detailed budget information, so costs were estimated based on their work assignments. Phil Baker said that it was also hard to get an accurate up-to-date amount because many states had not submitted expense reimbursements.

There was a question from the Pilot State workgroup whether or not funds would be available for a third round of pilot surveys. Scott Hunzeker said that he thought there would be funding using unspent money allocated to states for travel. It was asked how much would be available, but a figure was not available. It was agreed that Scott Hunzeker would get each state a figure of how much had been spent for travel. He would also get states a list of areas where reimbursements were expected but never submitted. Phil Baker and Scott Hunzeker agreed to take this information, along with the updated budget information from the workgroups, and create a new budget as soon as possible so a determination could be made about additional pilot surveys.

Contracts between Nebraska and each of the pilot states were set to expire on August 31, 2004. Extensions were being prepared to send to all consortium states by mid-August. The contract extensions would not allocate any additional funding to states for travel to consortium meetings.

The meeting was adjourned for the day.

Thursday, August 5th

The workgroups were all given time to complete tasks and plan upcoming work activities. All groups were asked to finalize a detailed timeline and work out any budget figures that had not yet been determined.

A detailed timeline was developed containing all workgroup tasks.

2004

August 12th

Anita Josten sends manual (as updated in the meeting) out to Survey Administration workgroup for proofreading and updating

August 13th

Questionnaire Design workgroup posts updated survey form on QuickPlace

August 18th	Nebraska sends work contracts sent out to pilot states to be signed
August 19th	Survey Administration workgroup members return comments on manual so it can be updated
August 20th	Survey manual posted to QuickPlace for everyone's comments Annette Miller contacts LMI Institute for figures for training. All consortium members post comments on QuickPlace about updated survey form Expense reimbursements for San Francisco meeting and any other prior meetings sent to Nebraska
August 26th	All consortium members submit final comments about survey manual to Survey Administration workgroup
August 27th	Final draft of survey manual available for pilot states to use (version 1.0) Betty Brown posts outline/draft for LMI Forum presentation on QuickPlace First pilot state conference call (likely to be held on a weekly basis thereafter)
August 31st	Contract extensions signed by all states Pilot states return signed contracts for the pilot
September 1st	Second round pilot states start Revised budget sent to consortium members Nebraska sends report of budget reimbursements submitted so far
September 3rd	Marketing & Training workgroup members identify national meetings/conferences/marketing opportunities and post findings on QuickPlace
September 13th	Phil Baker sends email to LMI Directors to get electronic copies of results pages, marketing sheets from states that have done benefits surveys
September 17th	Marketing & Training workgroup compiles list of national meetings, conferences, marketing opportunities and sets priorities for which to target
October 4th	Betty Brown's LMI Forum PowerPoint available for comments from the consortium
October 11th	Consortium members post any recommended changes about Betty's presentation
October 18th	List of survey estimators from Mathematical Processes workgroup available to be included in the manual Consortium meeting in Omaha, NE Marketing & Training workgroup develops outline for training curriculum and identifies items to include in "marketing packet"
October 25th	Betty Brown gives consortium presentation at LMI Forum
October 31st	Revised draft of survey manual available which includes edits to estimators section List of estimators available to Report Requirements workgroup to help create ALMIS table requirements
November 1st	First set of deliverables from pilot states due, first mailing goes out Third round of pilot states start (if there are three rounds) Deadline for "marketing packet" content submitted to Marketing & Training workgroup
November 5th	Table layouts for output tables posted to QuickPlace Marketing & Training workgroup posts draft outline of training curriculum on QuickPlace Marketing & Training workgroup starts bi-weekly conference calls

November 15th	Survey Administration workgroup posts revised manual based on input from pilot states' first deliverables
November 19th	Deadline for consortium members to provide input for final version of survey manual
November 29th	Marketing & Training workgroup finalizes training curriculum outline to present at December consortium meeting
December 7th	Final Report workgroup posts draft final ETA report on QuickPlace Consortium meeting held this week. Dates & location TBD
December 31st	Marketing packet available to consortium for review Final report delivered to ETA (Manual, CD, etc)
2005	
January 12th	Marketing packet complete & mailed out to LMI directors
February 1st	Deliverables for pilots due (second set of deliverables)
February 14th	Marketing and Training workgroup completes training curriculum and presents to consortium for review
February 15th	Revised manual available based on pilot deliverables
February 28th	Final comments about training curriculum due from consortium to Marketing & Training workgroup
March 14th	First "pilot" training session held in state interested in having multiple staff trained about survey
April 1st	Last set of deliverables for pilot states due
April 15th	Revision to manual created based on third set of pilot deliverables
Week of April 18th	Possible week for first "live" training session (alternate April 11 th)
Week of May 2nd	Possible date for second training session (alternate May 9 th)
Week of May 23rd	LMI Director's meeting – presentation to be give by consortium
May 31st	Last chance to submit expenses to Nebraska for reimbursement
June 6th	Potential date for third training session if needed (alternate June 13 th)
June 30th	End of consortium funding

Leaders for each of the four new workgroups were identified. These are the individuals that should be contacted if there are changes to the consortium timeline or if there are questions about the workgroup's progress. The group leaders are:

Final Report – Oriane Casale
Marketing & Training – Annette Miller
Survey Administration – Anita Josten
Pilot Advisory – Fran Styron

The process for editing the survey manual was discussed by the consortium. Anita Josten requested that consortium members take the latest version of the manual from the QuickPlace site and made any changes within the document in a different color. This would help identify what had been changed. She also asked that when the edited manual is posted back on QuickPlace, a brief description of the recommended changes is included within the posting so it is easy to identify.

The draft consortium timeline was handed out to consortium members and approved.

There were no other items for discussion. The meeting was adjourned.

**Employee Benefits Consortium Meeting
December 14-16, 2004
Marriott San Antonio Rivercenter
San Antonio, TX**

Minutes

In attendance:

Phil Baker – Nebraska
Cathy Bournier – Idaho
Betty Brown – Missouri
Frances Harris – Bureau of Labor Statistics
Scott Hunzeker – Nebraska
Anita Josten – New Hampshire
Chris Miller - Alaska
Pamela Schenker – Florida
Bob Schleicher – Montana
Laura Sichmeller – South Dakota
Annie Tietema – Minnesota
Jim VanGeffen - Texas

Not in attendance:

Representatives from Alabama, California, ETA, Iowa, Kansas, North Carolina, Washington, Wyoming

Tuesday, December 14th

Introductions

Scott Hunzeker opened the meeting and handed out agendas. Meeting attendees all introduced themselves to the group.

Updates

There had been some questions about whether contracts would need to be renewed for 2005, so it was mentioned that all contracts with all consortium member states were written through June 2005. Contract amendments for states conducting pilot surveys were written to allow states additional time to conduct the pilot based on the timeline in the survey manual. Work contracts would only need to be extended if a state had something to complete that would extend past June 2005 or if additional time were needed to complete a pilot survey. Nebraska's contract extension with ETA expires in September 2005, so all work needs to be completed prior to then.

The consortium budget was discussed in detail at the meeting held in October 2004 in Omaha. Since that meeting, there had not been any significant activity on the budget. Of the seven states conducting pilot surveys, not all had submitted their first reimbursement request. Those that did submit deliverables and cost reports had not yet been reimbursed by Nebraska. All pilot states and any other states with consortium expenses were asked to submit reimbursement requests to Nebraska as soon as possible so the budget would reflect to-date expenditures.

Phil Baker reported that the goal was to get the consortium's final report to ETA by the first week of January, 2005. A draft of the report was posted on the consortium's QuickPlace site by Oriane Casale for review by everyone. All consortium members were asked to post comments, additions, or changes to the final report on or before December 30, 2004. Phil Baker said that it was important not only that documentation for what was accomplished be included, but also any recommendations from the group. For instance, for any issues identified with the survey instrument or manual during the course of the pilot surveys, recommended changes should be identified. Also, any recommendations from the consortium, such as the need for finding an established LMI group like the OES Policy Council to help host benefits discussions once the consortium is dissolved, should be included.

There was some discussion about whether the consortium could continue in some form after money from ETA was no longer available. Chris Miller stated that the OES Policy Council was supportive of the consortium's activities, but there would not be any money for continuing the consortium in its current form. It was suggested that one recommendation that should be included in the final report would be a method for occasionally reviewing the benefits survey and making changes as necessary.

Missouri Pilot Survey Report

Betty Brown reported on Missouri's progress on their pilot survey. Data collection was finished and data cleaning was being conducted. Missouri finished with about a 55% response rate. Any late-arriving surveys were being accepted while Missouri waited for the final estimation and reporting tables from the consortium, so the final response rate may be slightly higher. Missouri's programmer was to start working on programming the estimation as soon as the final documentation was available.

Missouri developed a program in Microsoft Access for pulling the survey sample based on the consortium's sampling methodology. They also developed a data capture system to use with their survey and were working on a program to conduct estimation. The goal for Missouri and Minnesota was that the sampling software would produce a file that would input into Minnesota's data capture system. The output of the data capture system could then be fed into the estimation program. Annie Tietema said that this was being worked out between Minnesota and Missouri.

Betty said that Missouri sent a pre-survey postcard for address refinement and then did three complete mailings. A news release from the department director was also done prior to the start of the survey, but it was not known whether any news organization picked up the release or not. Overall, Betty said there were not a lot of surveys returned from companies out of business.

Missouri did phone calls to non-respondents for approximately five weeks. Betty said they tried to pursue non-respondents as much as possible. With three mailings and phone calls, everyone should have been contacted multiple times to complete the survey.

Early in the data collection process, Missouri contacted all respondents who skipped questions or provided questionable information. However, Betty mentioned that after a while, they began to get an idea of what the response would be to certain problems. Calls were then prioritized based on the problem with the survey form and expected response. For instance, follow-up calls were not made to those that skipped the cost of benefits questions because very few respondents provided this information when called. Betty reported that in doing the phone calling, many respondents were willing to fax information in, but were hesitant to provide it over the phone.

The consortium asked if there were any issues with the consortium's documentation for conducting a survey. Betty said that there were some sections of the manual that were difficult to follow. One example was the piece on sampling; Betty said that she thought it was too technical, but Missouri's programmer was able to use it to create the sampling software. Frances Harris suggested that all pilot states make notes of places in the manual that are difficult to understand and recommend what might make them easier to follow. This would particularly be important for the sampling documentation and any of the other sections created by the math workgroup.

Betty noted that the timeline included in the manual may not allow enough time to complete the survey. She said that things like address refinement, getting surveys printed, mailing, and other aspects of the survey take longer than might be expected. The process may go quicker for some states that conduct a lot of non-BLS surveys, but the timeline might need to be reviewed based on the other pilot states' experiences.

The consortium asked how many staff were involved with Missouri's survey. Betty said that a temporary worker was hired for about four months. There was also a part-time clerical person who worked on the survey half-time. The other person involved other than Betty was the programmer who worked on the sampling and data capture system that Missouri used for the survey.

The cost of conducting Missouri's survey was tracked in an Excel spreadsheet. Betty mentioned that Missouri's costs would likely be higher than normal because of being the first ones to conduct the full pilot survey for the consortium. Things such as programming the sampling software and more detailed documentation than most states would keep required more staff time than would usually be required. Information on the cost of Missouri's survey was to be provided following the meeting.

One issue that Missouri encountered that Betty thought the consortium should address was employers with union workers. Missouri received many surveys that had some problems because of a mix of union and non-union employees. Anita Josten mentioned that the instructions on the survey ask employers to fill out questions based on the majority of workers. If union employees represent the majority, questions should be answered based on what is offered to those workers; if union employees are the minority, questions should be answered based on what is offered to non-union workers. A question was raised by Bob Schleicher about those employers with workers from different unions. An example might be a construction business with workers from many different unions such as plumbers, electrical workers, carpenters, masons, etc.

To address issues such as union versus non-union workers, the consortium recommended that the pilot state workgroup develop a list of problems that pilot states had encountered and how they should be resolved. These questions and answers would include general questions that were identified in conducting the pilot surveys, as well as those that occur in certain situations. The pilot state workgroup agreed to develop a list of questions and answers by the end of the meeting. It was decided that this list would be a starting point and might need to be developed as states continue to receive returned survey forms. Changes would be made to the questions and answers as part of the final reports from the pilot states.

Chris Miller said that it is important that the consortium develops a list of recommendations that are specific enough that groups such as the WIC can understand the complexities of doing benefits research. Chris mentioned that this information needs to be available as soon as possible, as the next WIC meeting will be held in March 2005. The group will need the recommendations in enough time to

review them and decide on a course of action. One such recommendation would be which group will maintain the benefits consortium products when the consortium ends. The consortium thought that it would be best fit with the OES Policy Council, so this should be communicated to the WIC. The consortium agreed to produce a list of recommendations, both for the WIC and for the final report for ETA prior to the end of the meeting.

Pam Schenker asked if Missouri created a questionnaire that could be emailed to respondents. The version would probably be either a pdf or Word form that only allows data entry into the blanks. Betty Brown said that Missouri had not created such a form because they were not actively seeking email responses. It was discussed that the questionnaire was available in Word format and could be modified into a form allowing for responses by a state wanting to solicit email responses.

Frances Harris mentioned that the final variable weighting and variance documentation had not been finished. Sonya Williams had been working on the variance and weighting pieces but was out of the office in December. Frances asked if there was a fallback plan if Sonya was not able to complete the documentation in time for Missouri to use it. The consortium decided to wait and see if Sonya was able to finish the variances and develop a plan if she was not.

Pilot State Reports

Montana

Bob Schleicher reported that Montana's survey was first mailed out on November 9th. He said that the second mailing was sent on December 7th but had some problems due to the mail merge. Montana included the employment number as one of the mail merge fields on the form. For the second mailing, the employment number was accidentally placed on the address field in front of the street address. This caused a number of surveys to be returned with invalid addresses. Those that were returned were mailed out again with the address corrected.

Bob reported that 38% of the surveys were returned after the first mailing. This included all surveys that were returned, including those with valid responses, bad addresses, refusals, out of business, etc. A response rate of valid surveys was unknown because not all survey forms had been checked at the time of the meeting. It was noted that the EQUI file seemed to be very clean as there were few returned surveys with bad addresses. The file used was one year old, as it was from the 3rd quarter of 2003.

Of the surveys that were returned, staff was going through them one-by-one to determine how well they had been filled out. Any problems or questionable responses were circled so that someone could go back and make phone calls to those respondents.

Bob mentioned that in the cover letter that went out with the second mailing, there was a note that said if the respondent did not want to participate they should indicate that on the survey form and return it. There seemed to be a lot of non-response because of the letter, so it was suggested that other states do not give respondents the option to not respond in such a way.

Of those that had been checked in at the time of the meeting, there were several big corporations that had not yet responded. Bob thought that it might be difficult to get some of the larger companies to complete the survey. He said that phone call follow-up may focus on those industries or sizes where the response rates were lower. Montana's goal was to have a 50-55% response rate after the second mailing.

Annie Tietema was assisting with getting Montana's sampling into the proper format for Minnesota's data capture software. Annie said that she should have the system available for Montana by the end of the meeting. Bob reported that data entry would be started as soon as possible after the data capture system was available.

Bob said that he had spoken with several people in Montana about the benefits survey and they were very excited to see the results. Overall, he said that things had gone smoother than he anticipated.

Annie Tietema had a question for the consortium about what constituted a "valid" survey and how the response rates are determined. It was discussed that the consortium's definition of a valid survey is the first three questions – those asking about total, full-time, and part-time employment, as well as one question about benefits needed to be answered in order for a survey to be considered complete.

There were some questions about how the response rate for the survey should be calculated. After some discussion, it was agreed that the numerator for the response rate would be the number of surveys returned that were determined to contain valid data (the first three employment questions and one benefits question). The denominator for the response rate would be the total number of businesses in the sample minus any determined to be out of business or out of scope. Out of business establishments would include those that had permanently closed. Out of scope businesses would be any that did not meet criteria to be included in the survey sample such as those establishments that had moved outside of the state or area being surveyed or those in government, agriculture, or private-household industries. Refusals, surveys returned incomplete or without valid data, and any other type of non-response would not be included in the valid response rates.

Bob Schleicher reported that Montana's response rate of 38% includes all surveys returned back, not just those with valid data. He said that a response rate of only valid surveys would not be known until all forms had been reviewed. There was a question about how businesses that had reported their benefits but did not have any employees should be handled. Frances Harris said that as long as the business was still in operation, the survey should be included. The estimates calculated for establishments would include all businesses, regardless of the number of employees. Businesses with zero employment would not have any influence on the estimates produced by employees.

Minnesota

Annie Tietema reported that Minnesota was conducting their survey on a different timeline than the other pilot states. She said that address refinement was being done the second week of December and that the first mail out of the survey was scheduled for early January 2005.

Annie said that Minnesota has regional analysts assigned to different parts of the state and that they were all interested in regional benefits data. She mentioned that, although other research has shown that benefits vary more by business size and industry and not as much by region, Minnesota would conduct the survey for six regions of the state. Annie reported that Minnesota would like to propose an alternative sampling methodology to better accommodate regional estimates and because of some concerns with the consortium's methodology. She said that Oriane Casale was to be sending her documentation for the group to review and she would present it as soon as possible.

Annie talked about the data capture system that had been created in Minnesota. She said a lot of time had been spent converting the Job Vacancy Survey system and incorporating the consortium's

recommendations. The plan for the data capture system was that Missouri's sampling software would load directly into Minnesota's system. Data entry would be done into Minnesota's system and built-in data checks would be built in the system to verify the data. The data capture system also contains pre-defined reports that can be done to look at response rates by industry or business size. Annie said that the output of the Minnesota capture system was being built to feed into Missouri's system for developing estimates. More work was needed to connect the systems being developed in Missouri and Minnesota.

Since pilot states pulled their survey samples using the consortium's methodology but varying methods, the file format of the sample was different in each state. Annie Tietema said that she was helping the pilot states import their survey samples into the Minnesota data capture system. Annie reported that Minnesota's data capture system was built in Microsoft Access 2002. States with an older version of Access would either need to update their software or use the "stand-alone" version that Minnesota had created. Annie said that the stand-alone would work, but some of the functionality would be lost because of the inability for states to make changes to some of the tables and reports. States reported that they either had updated to Access 2002 or were in the process of updating to be able to use Minnesota's data capture system. Annie talked a little bit about the data capture system and agreed to give a demonstration later in the meeting.

Frances Harris asked whether the weights developed in the process of pulling the survey sample were carried through into the data capture system. She said that the sampling weights were needed for the estimation process and that the weights need to be a field in the data capture software. Frances also noted that the manual should highlight the need to keep the sampling weights, regardless of how data entry is done. This information should also be included in any training sessions. There was some discussion about conducting follow-up based on variable weights. The consortium decided that this should not be done as it would place more of a focus on those types of businesses with higher weights and this could skew the estimates.

The consortium discussed the need for the survey manual to have some "sidebars" that highlight important information. These sections would place an emphasis on important parts of the survey process that a state might overlook when conducting the survey. All pilot states were asked to come up with some recommendations for parts of the manual where extra attention might be needed.

Idaho

Cathy Bournier said that Idaho encountered several issues getting the survey ready. She said that there were no major problems encountered with the sampling documentation and that Idaho did not have any significant difficulties drawing the sample. Cathy reported that Idaho's sample was larger than most other states – about 3,700 businesses – because state and local government was included by request.

Idaho's surveys were printed with a response deadline of December 15th; however the surveys were not mailed out until December 7th. Cathy said that she expected phone calls asking about the deadline as a result of the later-than-expected mailing. She also mentioned that the surveys from the first round would be collected for two or three weeks and the second mailing would likely be sent out in early January.

Other than the surveys being mailed out later than anticipated, Cathy said that she had no problems following the survey manual and felt that overall the documentation provided was good.

Alaska

Chris Miller reported that Alaska's survey was going along very well. He said that most of the surveys done in the state are conducted by one of two units. The benefits survey was assigned to a unit that had never worked on a non-BLS survey. This was partially done to find out how well the consortium's documentation could be followed.

Alaska's initial raw survey sample was just over 2,400 units. Address refinement was done full time by two people for about three and a half weeks. Chris said that address refinement was done using a variety of sources to verify addresses. He said that postcards were not sent for address refinement because they have shown to be ineffective in the past for boosting survey response rates. An online address standardization program called Anchor Computer was used to check the final list of addresses and clean up typos. Chris mentioned that this software has been used in the past and has worked effectively. Alaska's theory with address refinement was that the more that is done up front pays dividends later on with more completed surveys.

Chris had a recommendation that states look for known accounting firms or other agencies that might receive mail for a number of different businesses and make sure to correct those addresses. He said that Alaska used any method available, including a number of online address look-up sites to correct addresses prior to mailing out the survey.

Alaska's survey was printed and mailed in house. Chris said that it took three full time staff about one need to print, stuff envelopes, and mail out the surveys. The first mailing of the survey was sent in early November with a due date of November 19th. Of the approximately 2,400 surveys mailed, about 1,400 were needed to obtain a 60% response rate. Chris said that at the time of the meeting, about 815 surveys (about 60% of the number needed to reach an overall 60% response rate) had been returned. The second mailing was scheduled to go out in mid-December.

Chris said that data entry had not yet started. Surveys were being checked for errors as they were returned. Alaska was waiting for a final version of Minnesota's data capture system. Annie Tietema said that since Alaska used the sampling software created by Missouri, the survey sample should input into Minnesota's capture system without any problems. Chris mentioned that Alaska updated their Access software, so the data entry should be started shortly following the meeting.

It was suggested that all states conducting a pilot survey that pulled the sample on their own should use Missouri's software to pull a sample. The two could then be compared – both the total sample size and the number included by industry or size – to determine whether Missouri's software worked properly and/or if there might be problems with the state's sample.

Kansas

Scott Hunzeker gave a brief report on the status of Kansas' survey based on the first survey deliverable from Kathy Klein. Kansas conducted the survey for one county in the Kansas City area. The survey was done for a local economic developer, which was part of the reason for doing a one-county survey.

Kansas pulled the sample using the consortium's methodology. However, because of past experience doing a benefits survey in the same county in the past, the response rate goal was lowered from the consortium's recommendation of 60% to 45%. The sample size for Kansas' survey was 900 units. The

only address refinement done prior to mailing the surveys was to do a series of queries to look for problems such as out of state, incomplete, and known problem addresses. They looked over the mailing list and correct obvious problems. The mailing list was also sent through a program available to Kansas called Desk Top mailer produced by First Logic. Any addresses that were not found in the software were corrected prior to mailing.

Kathy Klein provided a list of issues and questions about survey responses for the consortium. The Pilot State Workgroup agreed to look at the list of problems encountered to determine how they should be handled. Part of the group's task was to determine which issues might be unique to a particular state and which were found to be a problem in multiple states.

Scott Hunzeker said that the first deliverable from Kansas was available on the consortium QuickPlace site for anyone interested.

North Carolina

Scott Hunzeker provided an updated on North Carolina's survey based on the first survey deliverable. North Carolina used the consortium methodology to pull the survey sample with three population density categories. Businesses were selected using SAS code developed by North Carolina. This code was provided as part of North Carolina's first pilot deliverable. The survey sample was approximately 3,700 establishments. Another 245 were selected to test questions regarding paid leave offered in hours instead of days.

Addresses and business names were reviewed for correctness and completeness. Those with missing information were verified using phone books, the Internet, or other sources. Once a final mailing list had been developed, it was verified using the U.S. Postal Service software. A pre-survey postcard was mailed to the corrected addresses.

As part of North Carolina's first deliverable, Sonya Williams provided the progress report for sampling and address correction, SAS code for sampling, a list of frequently asked questions, definitions of terms, the cover letter included with the first mailing, and the survey questionnaire. Scott Hunzeker said that this report was available on the QuickPlace site. He also said that Sonya Williams indicated she would be out of the office for the remainder of December and that all survey activities were basically put on hold until she returned.

There was a question whether the data from all pilot states would be available for comparisons. As part of the work contract with the consortium, all pilot states were to provide their final data tables to the consortium. It was suggested that the Marketing and Training workgroup look at the results of the pilot surveys and determine if some kind of marketing piece could be created that shows results for different states. The workgroup agreed to look at that information when it becomes available.

Frances Harris asked that pilot states if it is correct that they are able to follow the guidelines set by the consortium without any problems. Betty Brown said that Missouri is able to conduct the survey, but it is taking a little longer than expected and there are some issues that come up. She thought that it is good that things are being identified so they can be corrected before the manual is finalized. Another comment from pilot states was that states have experience conducting the BLS surveys where all expectations and methods are pre-determined. There is not as much experience doing non-BLS surveys where the state has some flexibility in how the survey is administered.

Phil Baker had a few reminders for the pilot states in terms of the reporting that should be kept for their surveys. He noted that states should be tracking hours so that any other state interested in conducting a survey would know how much staff time and money would be needed to run the survey. Phil also asked states to make sure to post survey materials and reports on the QuickPlace site. All states, especially those conducting pilot surveys, were asked to submit reimbursements to Nebraska as soon as possible so the consortium budget could be updated.

Workgroup Reports

All of the workgroups provided a progress report to give the consortium an idea of what had been created since the previous meetings. Workgroups were also asked to report any tasks that were assigned but had not been completed.

Mathematical Processes Workgroup

Frances Harris provided a report on the Mathematical Processes Workgroup's progress. She said that the sampling documentation was finalized and had been posted on the QuickPlace site. The document containing the recommended estimators was also finished and the estimation formulas for each estimator was complete. Frances said that it would be good for someone to look over the estimation formulas, as they had not yet been reviewed. Pam Schenker and Laura Sichmeller agreed to review the estimation formulas when creating tables for Report Requirements Workgroup.

Francis Harris said that the things still needed from the workgroup included documentation about the variances and something that ties the math pieces together. She said that Sonya Williams was planning to create the variance document, but the status was unknown with Sonya being out of the office. Anita Josten said that the manual had been written in a way that a document tying the math pieces together would likely be unnecessary.

Another task assigned to the Mathematical Processes workgroup was evaluating Minnesota's proposal for sampling in their pilot survey. It was decided that this issue would be addressed after Annie Tietema presented information from Minnesota's proposal for sampling.

Frances Harris said one issue for the Mathematical Processes workgroup was how much could be done with Sonya Williams out of the office in December. Frances said that the documentation dealing with variance would likely be delayed.

ETA Final Report Workgroup

Phil Baker reported that the latest version of the final report for ETA had been posted by Oriane Casale on the QuickPlace web site. Phil said that the report was a historical summary of all findings of the consortium. It was formatted so that items from the original charter for the consortium were grouped together under the appropriate header. He asked all consortium members to review the document, specifically pieces that they had assisted with, and provide comments back through QuickPlace.

Additions were still being made to the final report, specifically those dealing with the Statement of Work from ETA from the second round of consortium funding. This included preliminary reports from the pilot states, information about the software developed by Minnesota and Missouri, and other recent consortium activities. Any missing pieces that people noticed were to be submitted to Phil Baker or Oriane Casale as soon as possible for inclusion in the report.

Phil said that the final report for ETA will be submitted as a “preliminary final” report, as there may be some changes made based on recommendations from the pilot states’ surveys. All workgroups were asked to develop a list of recommendations to include in the report.

The final report for ETA was to be delivered as soon as possible following the meeting. Phil mentioned that his goal was to submit the report by the end of December 2004. The report was also going to be submitted to the WIC for review.

As some point, all of the consortium’s findings would be put on a cd to give to states interested in the consortium’s findings. Phil Baker said that it was not the intention to send the final report to ETA to all states. It was discussed that the Marketing and Training workgroup was working to develop a cd of marketing materials that could include the survey manual, questionnaire, brochures, and other marketing pieces that may be of interest to the states.

Pam Schenker recommended that materials provided on the cds, as well as the final report for ETA be provided in pdf format so that changes could not be made. All workgroups were asked to look over the materials they had developed to determine anything that should go on the cd for non-consortium states.

Survey Administration Workgroup

Anita Josten reported that everything that had been posted on QuickPlace had been incorporated into the survey manual. She said that revisions were being made to the manual as they were received. To ensure that all changes to the manual were made in time to include the survey manual in the final report for ETA, Anita asked everyone to get final suggested changes to her prior to the end of the meeting.

One piece that was identified as missing from the survey manual was a list of problems encountered by the pilot states with the survey questionnaire. It was recommended that list of questions and answers be developed to help identify how problems that might be encountered should be resolved by a state conducting a survey. The Pilot State workgroup agreed to work on a list of issues with the survey and the proper way to handle them and provide this list to Anita before the end of the meeting. The group determined that the format of this document would answer the question, “What do I do if...”

Pilot State Workgroup

The Pilot State Workgroup members said that there wasn’t much that hadn’t been covered in the individual pilot states’ reports. The group was holding weekly conference calls to ensure that all states’ surveys were going as planned. All pilot states brought examples of problems encountered to review during workgroup breakout time. The group agreed that these issues would be worked into the list of questions and answers for the survey manual.

Marketing and Training Workgroup

Scott Hunzeker said that parts of a training session had been developed by the group members. The first draft of the training PowerPoint was pulled together prior to the meeting and needed to be reviewed by group members during workgroup time.

Betty Brown reported that she had spoken with the LMI Institute about assisting with the benefits survey training. However, the LMI Institute had since moved from South Carolina to Virginia. Betty

said that she was in the process of contacting Virginia to determine whether they would be able to assist with the training. Dates for the training session had not yet been determined, as the group was waiting to hear more from the LMI Institute.

The Marketing and Training workgroup said that the marketing materials were more of a work in progress. The group's goal was eventually to create a cd with a variety of marketing materials on it. This cd would be available for states interested in conducting a benefits survey and would help them to market the survey to local agencies or organizations.

Report Requirements Workgroup

Pam Schenker said that Report Requirements workgroup had created data tables for the survey data, but there were questions for the consortium. Pam reported that the tables were created to contain input data, not output data files. Depending on the consortium's decision for the type of data to include in the ALMIS database tables for benefits, it might be necessary to create flags for information that does not meet publication criteria.

Pam asked if the consortium wanted to include the input data and create flags to indicate if publishing criteria are met, or if summary information should be included. After some discussion, the consortium agreed that the ALMIS data files created should be summary information to avoid the need for including confidentiality flags. There were questions from the Report Requirements workgroup regarding calculated data versus summary information and how this should be handled. The group agreed to review this issue and get back to the consortium.

The agenda for Wednesday and Thursday was discussed and the meeting was adjourned for the day.

Wednesday, December 15th

The full consortium came together and decided that the best course of action would be for workgroups to have time to work on their assignments. The Pilot State, Report Requirements, and Survey Administration workgroups met separately. After meeting in workgroups, the consortium came back together to provide workgroup reports.

Pilot State Workgroup

The Pilot State workgroup reported that response rates for the survey had been discussed. Specifically, the group talked about how businesses with zero employees would figure in to the overall survey response rate. The group said that if a survey was returned with zero employees reported, or if the "zero employees" box on the front page of the survey were checked, the person conducting the survey should try to determine if the business is closed, or temporarily does not have any employees. This may include telephone follow-up with businesses, especially if a large number of employees were expected from the EQUI file. Frances Harris said that it is important to distinguish between out of business employers and those that are out of scope of the survey so that weights could be adjusted if necessary.

The overall response rate for the survey should be calculated with the numerator being the number of useable surveys received. The consortium previously defined a useable survey as one in which the survey respondent answers the first three questions about employment and at least one benefit question. It was discussed that other types of "response" that are non-useable such as refusals, out of business, or out of scope do not count in the survey response rate and are not included in the numerator for the response rate.

The denominator for determining the overall survey response rate was determined to be the total number of surveys mailed minus those that are out of scope or out of business. The Pilot State workgroup identified situations in which a survey would be out of scope, including:

- Zero employees reported. If a business reports having no employees, the state should conduct some kind of follow-up to determine if the business is permanently closed (Out of Business/OOB) or if there are temporarily no employees (Out of Scope).
- Government Ownership. According to the consortium's recommended sampling methodology, establishments with a government ownership code were to be excluded. The workgroup discussed the possibility that an establishment with a government ownership code may have received the survey, but agreed that it would be difficult to determine unless personal contact were made.
- Self-employed or Agriculture NAICS codes. The consortium's sampling methodology removes establishments with NAICS codes for self-employed or agriculture businesses. Much like those with government ownership, the workgroup discussed the possibility that a self-employed or agricultural business may have inadvertently received a survey form. If a state determines this is the case, the survey should be excluded as Out of Scope.
- Out of Area. A survey may be forwarded out of the area being surveyed. For instance, if the state sends the survey and it determined that the business has moved to another state, the survey should be considered out of scope. The workgroup discussed that this scenario is more likely to affect a state doing a survey for a region and finding that a business has moved to another region in the state.

A business should only be counted as Out of Business for the survey if it has permanently closed. States may make this determination a number of ways. In the process of address correction, a state may determine that a business has closed. Returned survey forms may also indicate an Out of Business employer. Those that report no employment on the form should also be contacted to determine whether the business has permanently closed or temporarily does not have employees.

The workgroup provided an example for calculating the response rate using the out of scope and out of business definitions:

- Assume 100 surveys mailed total
- 50 returned that meet the "usability" criteria (questions one through three and at least one benefit question answered)
- 5 businesses determined to be out of scope (OOS) using the above listed criteria
- 5 businesses out of business (OOB) - permanently closed
- 10 refusals
- The response rate numerator would be 50 (total usable surveys)
- The denominator would be 90 (100 surveys mailed – 5 OOS – 5 OOB)
- The response rate would be 55.6% (50/90)
- Note: the number of refusals does not calculate into the response rate

Response rates for individual questions were also discussed by the Pilot State workgroup. Frances Harris said that the consortium had previously agreed on a recommended overall 60% response rate, but there were no requirements for response rate by question. Instead, the consortium agreed to publish the estimates and variance. The consortium had not determined if there should be a minimum variance for publication. Data from the pilot states would be needed to figure variances that are

reasonable for the survey. Frances said that the National Compensation Survey does not have a minimum variance required for publication.

The Pilot State workgroup recommended that the survey manual highlight the fact that the survey collects point-in-time data and that data may be missed for certain industries if the survey is done in an off season. The group also recommended that published survey results make a mention of the time of year the survey was conducted, so users of the data could determine if seasonal patterns would influence their use of the information.

A process for making changes to the survey questionnaire or methodology was discussed by the Pilot State workgroup. Phil Baker reminded the pilot states that part of the contract for conducting the survey involved reporting issues with the survey documentation. He said that those reports could be used to identify common problems encountered by the pilot states. Pilot states were asked to make sure to include recommendations for improvements to the survey or processes as part of their reports to the consortium.

Cathy Bournier had some questions about the level of staff assisting with the survey. She said that Idaho was interested in having some temporary workers or student interns doing the follow-up phone calls or data entry and was interested in input from the other pilot states. The group consensus was that there shouldn't be any problem using students or temporary workers to assist with the survey, but that she should make sure she finds the right person for the job. For instance, the person making follow-up phone calls should be comfortable on the phone doing that type of work.

The Pilot State workgroup was asked by the consortium to develop a list of questions and answers based on issues encountered by the pilot states. The following list was developed:

Question #	Topic/Issue	Recommended Action
N/A	Questions left blank	States should follow up as much as possible to obtain data for blank responses. It may be necessary for states to prioritize follow-up if there are a lot of surveys returned with blanks.
N/A	Union employer – can't/won't provide benefits information	Several options: <ul style="list-style-type: none"> • Ask for a union contact and try to obtain the information from the union • Try to obtain a copy of the union contract to extract the benefits information • Employer should have some knowledge of benefits for union workers - at least the incidence data. Contact employer to obtain any information possible
N/A	Survey was sent back blank with no response or notes	Treat as a non-response. Mail a replacement survey in the second round of mailing. Send another copy unless there has been a refusal or response of some sort.
N/A	First three questions not filled out, but other benefits data provided	The first three questions dealing with employment need to be filled out for the survey to be counted as valid. Follow-up with the employer to obtain this information.
N/A	Ranges of data provided in blanks for number of days of	Contact employer to determine the number of days offered to the majority of workers. If this is not possible,

	time off offered	use the midpoint in the range provide. (i.e. 7-10 days paid vacation reported, use 8.5)
N/A	Comments written on survey (in margins, as clarification to responses, etc.)	A comment field should be included in the data capture system. The consortium recommends that states include question numbers along with comments in the comment field. This will allow for querying out comments based on a particular question in the survey. It would also be possible to query for a specific text string in the comment field to identify issues with the survey.
4-20	For number of employees offered a benefit, respondent reports “all”	If “all” is reported as the number offered the benefit, employment figures from questions 2 & 3 should be used. If “all” is reported for the number of employees enrolled in a benefit, the number offered the benefit should be used to fill in the blank (i.e. if “all” written in 5a, then figured provided for question 5 should be used)
6b	Problems with the percentage of family medical insurance premium that is employer paid.	Possible issues: <ul style="list-style-type: none"> • Employer may report that a set amount is paid that employee uses for any type of coverage (higher percentage will be covered for single insurance). Contact employer to determine what the insurance rates are so that percentage can be calculated. • Percentage provided for family-coverage insurance may be based on single insurance. (i.e. percentage of a percentage is reported). Likely that the respondent will need to be contacted for clarification.
7, 10	Checked the “yes” box for dental or vision insurance, did not answer follow-up questions. Hard to tell if questions skipped because of non-response or because benefits are part of medical insurance.	Look at follow-ups (7a and 10a). If they are answered, then benefit is likely separate from medical insurance. If not, look at question 4 – medical insurance. If checked “yes,” offered/enrolled/premium information should be filled down to the dental/vision questions. If checked “no,” follow-up with respondent to verify the data provided.
14-17	Comments written about number of days paid leave offered	Many different notes encountered by pilot surveys including: as needed, pro-rated, depends on tenure, accrued by time worked, proportion of full-time hours, etc. Try to obtain number, if possible. Track notes received on survey questionnaire so determinations can be made if changes need to be made based on pilot states’ experiences.
14-17	Confusion on what should be included in consolidated leave figures.	If consolidated leave is offered, check to make sure that respondent is not double counting the number of days of leave offered by reporting both consolidated and other types of leave. If there are problems determining what types of leave are offered under the consolidated leave plan, contact the employer.
26	Cost information provided is for a larger (or smaller) unit than the rest of the information	Should not be a problem, as long as the cost information provided is consistent (all four cost questions are referring to the same unit). The estimators for benefits

	provided on the survey form (i.e. statewide cost data provided)	costs are all proportions, so the establishment(s) included don't have to match the incidence data provided on the rest of the survey.
26	Cost information provided is not annual expenditures. May be things such as hourly rate paid to union, etc.	Contact the employer to see if more detailed information can be provided. Cost information must be provided as annual expenditures to be included in the estimates.

The Pilot State Workgroup recommended that pilot states develop a report of issues identified with the survey and submit it to the consortium. A suggestion was made that the report not be due until states had the opportunity to enter their surveys into the data capture system. This would allow for the discovery of additional problems found during data entry. The pilot states agreed to post any major problems that needed to be addressed quickly on the QuickPlace web site.

Pam Schenker said that all estimators recommended for the survey had been accounted for in the reporting tables. She recommended that any state interested in conducting a benefits survey be provided the tables to determine if the survey would fit their data needs. Pam mentioned that while creating the tables, it was found that an overall participation rate for retirement benefits was not a recommended estimate. Frances Harris said that the reason for this was because employees may have multiple options for a retirement plan. A total participation rate for retirement could not be calculated because employees may be double counted. Phil Baker suggested that this be noted somewhere in the manual so states were aware that it had been discussed.

Frances Harris said that there should probably be another item noted about the estimates. She said that the estimates are the percentage of employers offering a benefit and that will be the figure reported. However, the estimates are based on all businesses in the survey sample, so the percentage offering a benefit and the percentage that do not offer a benefit will not sum to 100% because of those that are non-determinable. For instance, if the results show that 60% of employers offer a benefit, the assumption would be that the other 40% do not offer the benefit. However, there is a percentage that are non-determinable, so in the example it may be the 60% offer the benefit, 30% do not, and 10% are non-determinable. Frances suggested that states publish the estimate and at least the percentage not determinable or the percentage that do not offer the benefit. With two of three reported, the other could be figured.

Annie Tietema presented Minnesota's proposal for sampling for the Minnesota pilot survey. Annie reported that the consortium's sampling methodology has a minimum of 90 sampling cells (eighteen industries by five size categories). Any sampling by area will multiple the 90 sampling cells by the number of regions. Annie said that Minnesota was interested in providing regional estimates. She said that although other research had shown little difference in benefits offerings by region, Minnesota felt that customers would not be interested in data unless it were local. Also, if no regional differences were found, that information would be used to conduct only a statewide survey in the future.

Minnesota's proposal was for an optimal allocation, stratified random sampling design. Annie read a document prepared by Mustapha Hammida, a statistician from Minnesota, explaining the sampling design. This document outlined that the advantage to optimal sampling is increased precision and a reduction in variances. Minnesota's sampling methodology would also drop all but one establishment per cell in cases where one company has multiple establishments within the cell. This would help to make the sample more efficient.

The document from Mustapha Hammida said that an advantage to PPS sampling as the consortium recommended is that it is self-weighting. However, he said that there is a concern with systematic sampling due to the fact that many benefits are offered more frequently by larger businesses. Mustapha recommended selecting businesses randomly, as PPS sampling may increase bias because of the correlation of benefit offerings and business size.

Annie Tietema reported that Minnesota's goal for the survey is to develop reliable estimates for regions, industries, and business size categories while minimizing variance. The proposal was that Minnesota would develop methodology for sampling by optimal allocation. Results from the survey would be compared to those obtained in the other pilot states. All documentation would be provided to the consortium.

Frances Harris read a message from Oriane Casale to Sonya Williams and Frances Harris. This document outlined two reasons that Minnesota was interested in creating a different sampling methodology. The first reason Oriane provided was that it was felt that the consortium's sampling guidelines would create too large a sample using 18 industries, five size categories, and the six regions Minnesota wanted to use. The second reason was a concern that PPS sampling would create bias into the sampling.

Frances Harris presented Sonya Williams' response to Oriane's memo. Sonya mentioned that optimal allocation is primarily used for surveying when there is a single topic of interest with a variance that closely corresponds to the sampling strata. The message indicated that the sampling proposal from Minnesota was adapted from the Job Vacancy Survey and that it may be appropriate for that type of survey but should not be adapted for a benefits survey.

Sonya's memo said that optimal allocation typically allows for a smaller sample size because the distribution of the measure being studied is already known. Because the benefits survey is collecting a number of measures and the survey has not been run in a complete setting before, a smaller sample would not be advisable.

The consortium discussed the sampling information provided and discussed the issue of whether Minnesota should be provided consortium funds for a pilot state using different sampling methodology. There were some concerns that if one state were to change the recommended procedures then it might give a message to future states that the methodology could easily be modified.

Annie Tietema reported that Minnesota will conduct a benefits survey regardless of the consortium's decision, however she hoped that a solution could be reached that would benefit both the state and the consortium. She said that the big concern was that reliable estimates could be produced for local areas.

The consortium decided that a decision could not be made without reviewing documentation from Minnesota's sampling proposal. It was decided that information from Mustapha Hammida, Oriane Casale, and Sonya Williams should be available to review the pros and cons of alternative sampling techniques. Additionally, the consortium decided that Minnesota sampling methodology should be reviewed by someone outside of the group. Frances Harris agreed to take the proposal to BLS statisticians for review.

The agenda for the meeting on Thursday was discussed briefly and the meeting was adjourned for the day.

Thursday, December 16th

Recommendations to be included in the consortium's final report were discussed.

Suggestions for Final Report

Phil Baker discussed the need for a group to host the consortium's activities when the consortium ends. A recommendation was made to ask the OES Policy council to maintain the consortium. Betty Brown suggested if the OES Policy Council takes over for the consortium that at least a subset of states included in the consortium should be retained to deal with issues that arise. The group may need to assist states conducting surveys, but could also do things such as marketing the survey. Chris Miller said that if the OES Policy Council were to take over for the consortium, a new sub-group would likely need to be formed to focus with benefits. That group would need to report back to the entire Policy Council to determine a direction for the benefits survey.

Phil Baker recommended that the consortium discuss items that might need further review by any group continuing the consortium's activities. One thing mentioned was the need to further examine how to collect information from union employers. Another example might be a determination of how often states should collect benefits information.

Frances Harris suggested that the consortium make recommendations for how the software developed by Missouri and Minnesota should be dealt with, specifically how it would be maintained. Chris Miller said that the Workforce Information Council was looking at options for maintaining the Job Vacancy Survey software and that the consortium might want to recommend a similar process for maintaining the benefits software and processes.

Pam Schenker had a question about who owns the benefits consortium and things that were developed. She had a concern that if something such as the software gets updated that it would become the property of whoever updates it. A suggestion was made that the consortium takes the necessary steps to maintain ownership of the software and processes that were developed. Chris Miller reported that North Carolina was looking at copyrighting the ADAM software. He said that it was his understanding that states could hold a copyright but the federal government cannot. With ADAM, it may be that North Carolina holds the copyright for the software, but the federal government may maintain it.

Frances Harris said that the group may want to have some communication with BLS to look at the possibility of sharing data and communicating about states conducting surveys. She mentioned that BLS would probably be interested in benefits data collection being done in states to compare with what is being done with the National Compensation Survey. Chris Miller agreed that the consortium should recommend continued cooperation with BLS. Frances asked about the need for other local area partners to assist with states' benefits surveys. The Marketing and Training Workgroup reported that a list of potential partners had been identified.

Phil Baker recommended that a benefits survey become one of the ALMIS deliverables for states using 215 funds. There was some discussion that if the benefits survey is ever determined to be a core product, it would need to go through OMB clearance.

Minnesota's Data Capture System

Annie Tietema provided a demonstration of the data capture system created in Minnesota. Annie explained that the system is built in two parts. The front end of the system is intended for data entry operators. The back end of the system is the place where the data is on a server to be accessed by the analyst overseeing the survey.

The data capture system includes several tabs to help with the survey project. Annie said that the "Management" tab is where the process should be started. This tab is used to link tables, get the mailing list set up, and create the survey mailing list. States that use Missouri's sampling software will be able to import their sample directly. Those that use alternative sampling techniques need to get the tables in the system and make sure they are named appropriately for use in the database.

When creating a mailing list, the data capture system provides an address to the business based on priority order of the database fields. The system first looks for an address in the "other" field and compares tax and physical addresses if there is nothing in the "other" field. The system tries to make sure that the address is complete, but it does not verify postal standards of the addresses selected.

A question was asked by the consortium how Minnesota would like to receive feedback for the data capture system. Annie Tietema asked the any problems or issues with the system be logged and submitted in written form so that they can be documented. It was suggested that all issues be submitted over the QuickPlace site so there is an open record of problems that states experienced.

The consortium asked whether documentation of the system will be provided by Minnesota. Annie said that she needed to better understand the purpose of the data capture system and how it will be used. She said that there were no plans to create any documentation. If the consortium were interested in some kind of manual for using the system, it could be created but more funding would be needed.

Annie said that Minnesota originally created the data capture system for use in their pilot survey. Other states were interested in adapting the software, so Minnesota agreed to make some changes based on the consortium recommendations. There were never intentions to create software specifically for the consortium and provide detailed technical manuals for it.

Frances Harris suggested that if Minnesota is able to answer basic questions for the pilot states, then maintenance for the system should be done by whatever group takes over for the consortium later. Phil Baker said that if there were no specific plans to update or maintain the data capture system, then it should be provided as an option for future states wishing to conduct a benefits survey. He said without updates to the system or documentation, training developed by the consortium should not focus on the system but should show it more of an example instead.

Annie Tietema continued showing the data capture system by entering actual survey data from Montana. The system was built in a way so that the skip patterns shown on the survey form must be followed because follow-up questions are grayed out if they are not applicable. Also, only the type of data expected can be entered. For instance, text cannot be entered in a number field.

Questions on the survey with "yes" and "no" answers are included in the data capture system as radio buttons, so that only one answer can be checked. Annie said that a button was added to clear answers if the data entry operator inadvertently checked an answer when one was not marked on the survey.

Scott Hunzeker had a concern that for blank responses, there would be no way to determine if the question was left blank by the respondent or skipped by the data entry operator.

Anita Josten had a question about address corrections from returned mail and whether a replacement survey could be sent using the system. Annie said that if a corrected address is put into the system, a replacement survey can be sent. Also, that address would be used for any follow-up mailing to non-respondents.

Annie Tietema mentioned that one thing the consortium needed to determine was instructions for how surveys should be entered. For instance, if a firm reports not part-time employment but those questions are answered, how should the survey be entered into the system? The consortium said that survey should be entered as they are completed, as long as they pass the data editing criteria.

Annie said that the data capture system included some error reports for the survey. These would catch things such as the number of employees offered a benefit greater than the number of employees reported. Examples of how the error reports worked were provided. Scott Hunzeker suggested that error reports for the cost questions be added. After some discussion, the consortium decided that three reports should be incorporated: cost of insurance as a percentage of payroll is not unreasonable, cost of retirement as a percentage of payroll not unreasonable, total cost of benefits per employee not unreasonable. For all three of these checks, what would constitute “unreasonable” would need to be determined based on the pilot states’ data.

There was a question about how the data capture system should be used if a state wanted to conduct a benefits survey in multiple years. There was some discussion on this issue and it was eventually determined that the best course of action would likely be to use a fresh database for each survey done. This would avoid any problems with database table names or field names being duplicated.

Another question was asked about tracking the date that survey forms were returned. The consortium recommended that states date-stamp completed surveys so there is a record of when the form was returned. Minnesota’s data capture system was built so that the date the survey data is entered would be entered in the database, although Annie said that this could be manually changed.

Annie concluded the demonstration of the data capture system by saying that she was working with pilot states to get survey samples put into the system. She said that if there were any questions about the system, she would be the contact. However, states should remember that Minnesota was not intending to provide support to the system and they would be busy conducting a pilot survey, so Annie’s time to help might be limited. The consortium thanked Annie and the Minnesota staff for their assistance with the data capture system.

The consortium split into workgroups to discuss activities that needed to be completed.

Workgroup Reports

The full consortium met to hear workgroup reports.

Final Report

Phil Baker said that a draft of the final report had been posted on QuickPlace by Oriane Casale. He mentioned that changes would be made based on things discussed at the meeting. All consortium members were asked to review the report, specifically from the point of view of any workgroups they had been a member of. Phil reminded consortium members that those reading the report would not

have access to all of the information included on QuickPlace and discussed by the consortium, so the final report would need to be a complete history of the consortium's activities and decisions.

One item that was identified as needed for the final report was an electronic version of the final report from the University of Alabama for the cognitive testing of the survey instrument. Anita Josten volunteered to contact Tammy to obtain an electronic copy of this report.

It was mentioned that credits and acknowledgements for both the final report and the survey manual would need to be added. Since the consortium was created through the WIC and funded by ETA, the logos for these agencies should be in the final report and manual. Anita Josten said she would try to contact both groups to get their logos and would share them with the consortium.

Survey Administration

Anita Josten said that the survey manual was basically as complete as it could be for inclusion in the final report. She said that other than contacting Tammy Jenkins for the cognitive testing report and the WIC and ETA for their logos, there were no changes that were likely to be made before the final report was submitted. Anita agreed to go through the manual, make any necessary changes, and submit the final version to Nebraska prior to the end of December.

All consortium members were asked to review the survey manual and submit any recommended changes to Anita Josten as soon as possible. Pilot states were asked to evaluate the survey manual based on their progress of the pilot survey. Any comments from pilot states were to be posted on the QuickPlace site by January 15th, 2005.

Marketing & Training

The Marketing & Training workgroup reported that dates and locations for a training session needed to be determined. These would depend on assistance provided by the LMI Institute. Betty Brown said that she was going to contact Susan McIver from Virginia about getting help in setting up the consortium's training session.

The group said that conference calls would be started to develop the marketing and training materials. These calls would start in early January. A meeting of the group may need to be held to finalize the training session and materials. This meeting was tentatively scheduled for the week of March 14th and would likely be held in one of the group members' offices.

Possible dates identified for the consortium's survey training session were April 18th, April 25th, or May 2nd, 2005. The goal was to hold the training session so that the final report from the training could be available by May 16th. The location and class size limits still needed to be discussed by the group. Bob Schleicher said that the plan was to have three full days of training, as the entire survey process and procedures would need to be covered.

Scott Hunzeker said that the Marketing and Training workgroup was hoping that all pilot states (except Minnesota) would have their surveys finished by April 2005. This would allow time for their feedback to be incorporated into the survey manual.

The consortium asked how software would be handled in the training sessions. Betty Brown said that the training sessions would cover the consortium's recommended process for sampling. Missouri's software may be shown as an example, but states would learn how to pull the sample without the use

of the software. The data capture systems created would be presented the same way – shown as examples of what states could use, but not the only options available. Betty said that states would be presented what they need to know if creating their own data capture system.

Frances Harris suggested that trainers provide pros and cons of the data capture systems. There would ultimately be three (possibly four) options for states for data entry – the systems developed in Minnesota or Missouri, or a system that a state develops on their own. A fourth option might be North Carolina's system, depending on what is developed. Pam Schenker said that a good thing about the systems that had already been developed is that they would have been tested and the pros and cons of them would already be known.

Pam asked what those attending the training session would receive. Betty Brown said that the idea is to provide a survey manual, marketing brochures, and all training materials and exercises used. The actual materials handed out would be determined when the training session were more finalized.

Report Requirements

Pam Schenker said that the Report Requirements workgroup was working to populate the ALMIS tables. She said that this won't gain anything until a method is built to deliver the data via the internet systems. Pam said that the group would continue working on the data tables.

LMI Forum Presentation

Betty Brown reported on the presentation given at the LMI Forum in October 2004. She said that she and Oriane Casale gave the presentation on the last day of the forum. There were approximately 12-15 people in attendance, even though the session was the last presentation on the last day. Betty said that 60 minutes were provided on the agenda, but she felt she could have spoken for 90 minutes because of so many questions that were asked.

The presentation focused on the consortium's background as well as the survey questionnaire and procedures developed by the consortium. Betty said that the presentation went very well and from what she heard there will be some great interest when the pilot surveys are complete and the consortium releases its final report. Frances Harris asked that Betty and Oriane's presentation be posted on the QuickPlace site.

Mathematical Processes

Frances Harris said that she had a concern of what would happen if Sonya Williams is not able to produce the variances. She said that the consortium may want to consider some kind of a back-up plan if Sonya cannot provide this documentation. Frances agreed to contact BLS to obtain anything about variances that was available. She said that it may be that BLS has some kind of documentation, but it might not be specific for the benefits survey.

Outside Support

Phil Baker asked if there were any plans for marketing the survey to national organizations. The Marketing and Training workgroup said that a list of organizations had been identified, but a plan for contacting those organizations had not been developed. Betty Brown agreed to compose a generic letter that could help market the benefits survey to national groups interested in the survey effort. Chris Miller said that a letter developed by the consortium could come through the Workforce Information Council.

Chris Miller said that if a letter were going to come from the WIC, it would be preferable to have a list of potential partners identified and their addresses. The consortium should plan on getting everything ready for a letter for the WIC to send. Chris said that the next meeting of the WIC would be in March 2005, and that a letter would need to be drafted well in advance to be reviewed prior to the meeting.

The consortium discussed potential organizations or agencies that the consortium would like to contact. Scott Hunzeker had an electronic list that was briefly reviewed. Additional target groups were identified including the National Governor's Association, the National Association of Workforce Boards, and National Association of Counties.

The Marketing and Training workgroup agreed to post a list of potential partner agencies or organizations so that consortium members could add others to the list. The group would take the final list and determine the appropriate contact person and mailing address for each agency. It was discussed that when the letter is drafted, it should include information about the benefits consortium, data produced by the survey, and how a partnership could benefit the agency.

The consortium wrapped up its activities and the meeting was adjourned.

Appendix 13: Lotus Notes QuickPlace

One can easily create a secure, shared workspace for the team that will help to communicate, share information and resources, keep track of meetings and tasks, and deliver projects on time.

Key Features

- › Easy-to-use team workspaces
- › Simple, browser-based access
- › Excellent integration with Microsoft Office
- › Team calendar integration with Lotus Notes and Microsoft Outlook
- › Extensive customization options

This web site proved to be a valuable tool for completing this project. All of the findings, questions, files, and project plans were maintained on the web. This allowed for the states and various workgroups to conduct their work in a spot where they all had access to all the information that had been developed. This proved to be a very good use of technology and helped the consortium to keep the project moving forward. QuickPlace also allowed for interested parties to stay involved in the progress of the consortium.

Appendix 14: An Assessment of the Alabama Employee Benefits Survey

An Assessment of the Alabama Employee Benefits Survey



*For the
Alabama Department of Industrial Relations*

FINAL REPORT

Institute for Social Science Research (ISSR) and
Center for Business and Economic Research (CBER)

THE UNIVERSITY OF ALABAMA

FINAL REPORT

An Assessment of the Alabama Employee Benefits Survey



*For the
Alabama Department
of Industrial Relations*

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June 7, 2004

THE UNIVERSITY OF ALABAMA

Assessment of Employee Benefits Survey

The purpose of the evaluation was to assess the validity of the State of Alabama Employee Benefits Survey instrument. Secondly, the study sought to identify any other problems with the survey instrument and its implementation that might lead to less than satisfactory results.

Study Objectives

Sample surveys were conducted in an effort to reveal potential sources of systematic and random error. Systematic error occurs primarily when survey respondents consistently misinterpret items on the survey instrument. Survey items that suffer from systematic error produce reliable (consistent) measures but not of the intended constructs. These errors are frequently the result of misleading instructions, improperly worded questions, or misleading instrument structure.

Random error is most commonly associated with ambiguous questions. Such questions are frequently misinterpreted but in an inconsistent manner. These kinds of questions evoke an inappropriate frame of reference or mindset—but not consistently the same inappropriate frame of reference or mindset in every reader.

Random error can also result when survey respondents are asked for information they do not have but they answer the question anyway. Both acquiescent behavior and faulty survey design contribute to this kind of random error. The study objectives were to identify questions that might suffer from systematic or random error and to recommend changes to minimize these sources of error.

The study was also designed to reveal other factors that might lead to less than satisfactory results. Specifically, study respondents were given multiple opportunities and actively encouraged to discuss all potential problem areas with the instrument and its execution.

The study consisted of three stages. In the first stage, personal interviews were conducted with a small sample of human resources professionals and personnel managers who reviewed a draft survey instrument. Feedback from these interviews was used to make revisions to the instrument. In the second stage, the revised instrument was mailed to a sample of 100 employers in Alabama. These employers were asked to review the instrument and provide their assessment of the survey and feedback for revisions. Additional revisions were made on the basis of their responses. In the third stage, the newly revised instrument was mailed to another sample of 100 Alabama employers and to nonrespondents from the first sample. These employers were asked to complete the survey for their companies and to provide feedback about the questions.

Personal Interviews

Methodology

A draft survey instrument, composed by a consortium of state employment relations specialists, was provided to the researchers by the Alabama Department of Industrial Relations (ADIR). The original intention was to interview firms in different parts of the state, in different industry groups, and in different size categories. Participants were to be chosen from a larger database provided by ADIR. Of the ten individuals selected for a personal interview, only one agreed to participate. A second sample of 10 produced similar results.

Drawing from a personal contact list, Dr. Carl Ferguson then selected and conducted personal interviews with a small sample of HR professionals and personnel managers from a representative set of Alabama companies.

Each of the selected participating human resources professional and personnel managers was provided with a copy of the draft instrument and a set of specialized instructions. The instructions and draft instrument can be seen in Appendix A. Dr. Ferguson conducted personal telephone interviews with each of the five participating human resources professionals and personnel managers.

The interview participants were instructed to read the instrument as a respondent and also to think carefully about the potential risks of misinterpreting individual questions or sections of the questionnaire

Personal Interview Findings

Based on the suggestions from the personal interviews, modest changes were made to the survey instrument prior to field testing to a larger group.

1. It was decided that a multicolor form would not be necessary. The field-tested form in the next round of testing was printed in black ink, using gray-scale highlights.
2. In the version originally provided to the researchers, there were identical instructions printed at the top of every page to reinforce to respondents how to correctly respond to the questions. The revised version of the form printed these instructions only at the beginning of the section.
3. The “review” version of the form inserted a section after each question that allowed the reviewer to write comments. This added more pages to the form.

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4. In the section on paid time off, we moved the large type bold word “Consolidated” so that it matched the sequence in which the questions were asked. That is,

Paid Time Off: Vacation, Sick, Holiday, Consolidated Leave
became

Paid Time Off: Consolidated, Vacation, Sick, Holiday Leave
because Questions 12, 13, 14, and 15 are about consolidated Paid Time Off,
vacation leave, sick leave, and holiday leave, in that order.

First Wave Mail Survey

Methodology

A sample of 100 employers was chosen from the ADIR-supplied database. A questionnaire and an instruction packet was sent to each prospective respondent. In February, 2004, 100 packets were assembled containing the following items:

1. An original cover letter that was designed to be sent to the entire statewide sample of firms, signed by John Bolland, Director of the Institute for Social Science Research, Carl Ferguson, Director of the Center for Business and Economic Research, and Phyllis Kennedy, Director of the Alabama Department of Industrial Relations.
2. A copy of the survey instrument that would be mailed to the entire sample of people statewide, printed on white 11” x 17” paper and folded.
3. A cover letter explaining that this was a test of the survey instrument, not a request for data. (Appendix B)
4. A set of instructions on what we were asking the reviewers to do and how. (Appendix B)
5. A copy of the version of the survey instrument that has room for reviewer comments, printed on goldenrod 8 ½” x 11” paper. (Appendix B)
6. A postage-paid return envelope.

Three weeks after the packets were mailed, telephone calls were made to all nonrespondents for whom a telephone number was available or could be obtained. In this telephone call, employers were asked if they had received the survey and if they would respond to the survey. If necessary the purpose of the project was explained, and we offered to resend the survey if they expressed willingness to review it. In this event, a packet containing items 3-6 from the above list was mailed within one or two days following the telephone contact.

First Wave Findings

We learned a great deal from this portion of the project. Some of these points are relevant only to the assessment project itself, while other points are relevant to a true data-collection effort, such as a statewide survey.

Survey Mailing

Several concerns arose in relation to the preparation of the surveys and the compilation of the packets that were mailed to the respondents.

1. There should be a unique number on each form so it can be tied back to a particular respondent. This facilitates non-response follow-up.
2. Do not include a copy of the “real” survey instrument and also a copy of “assessment” survey instrument. That confuses respondents. Just send the one they should work with.
3. Do not include the cover letters that go with the “real” survey. Just include the one that explains what the recipients of the survey assessment are supposed to do.
4. Insert the letters and other contents in a very particular order. Having the cover letter pertaining to this assessment fall beneath some of the other contents contributed to respondent confusion.

Points 1 and 4 underscore the importance of having quality controls in place prior to the respondents’ receiving the packet. Points 2 and 3 told us more about what is and is not important to respondents who are asked to comment on a survey.

Survey Returns

Tracking of returns and attempts to follow up the nonrespondents generated concerns related to responses to this and other similar surveys.

1. The procedure requires a very clean mailing list. After some effort to determine from the database which of several possible addresses was the best one to use for each firm, seven of these first 100 packets came back as undeliverable. We spent staff time tracking down correct addresses for those companies. This level of effort would not be possible for a larger mailing.
2. The response rate on this mailing was very low. We got back only six responses prior to any follow up.
3. We received seven additional responses after telephoning every non-respondent for which there was a telephone number in the database or for which we could find a telephone number. We spent additional staff time searching for correct telephone numbers. As with item 1, this level of effort would not be possible for a larger mailing. There were 26 firms for which we did not get a valid telephone number.

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4. Telephone follow-ups produced very modest results, but yielded important information about the process. At some firms (28) no one answered the telephone, although messages were left when possible. A few (2) said the survey was on its way back to us, although we never received it. Some people (15) said they were not interested in participating in the project. Some people did not remember seeing the first mailing and asked that the packet be resent or agreed with our offer to resend it, while some asked for replacement materials to be faxed rather than mailed. Second mailings and faxings to 20 firms yielded four responses. These four, plus an additional three that came back in response to the phone calls, comprised the seven responses that resulted from the follow-up efforts to 87 employers.

These points strongly underscore the need to find a way to quickly get the survey to the right person and to provide a compelling reason for completing the survey. A rather large amount of effort and resources was expended to produce a total of 13 responses.

Respondent Errors

We discovered several different types of respondent errors. The first type was a simple failure of the respondents to understand their role as evaluator—they answered the survey questions rather than evaluating the questions. From their responses to the questions we were able to note errors of the types described earlier—systematic and random.

1. Many respondents filled out the survey without making many or any comments, as had been requested. This response probably reflects minimal intellectual involvement on the part of the respondents. The research team thought that perhaps a new first paragraph of the Instructions might encourage greater emotional involvement.
2. Question 1 on the survey asks for Total Employees. Question 2 asks for full-time employees. Question 3 asks for part-time employees. The sum from Question 2 and Question 3 should equal Question 1. Occasionally, that was not the case. In a sense, this is a good reliability check to see if the survey really has the respondent's full attention. During the analysis, researchers can sum full- and part-time and compare that to the Total. Where they are different, we can count the number of such disagreements. That analysis will provide interesting insight into the reliability of the survey effort. The hope is that this percentage is very small.
3. Analysis of the sample findings revealed an incorrect skip pattern in Question 6. If No, then respondents were asked to skip to Question 7. The correct wording should have been "skip to Question 8."
4. The survey includes an option to check if the respondent would like a copy of the results of the survey. Several "assessment" respondents who completed the survey checked this box, even though the assessment project does not produce

any quantitative results. We assume they want results of the full statewide study, not the assessment. Once again, our initial mailing seems to have introduced some confusion among some respondents regarding the purpose of the study and their role.

5. The check boxes for Questions 19 – 24 did not line up with the questions. Some respondents were unsure where to mark their answers. Again, we had not asked for answers, but when our respondents tried to answer the question, they discovered a printing error that nobody had seen before the form was mailed.
6. Question 4 asks, “Does your organization provide medical insurance?” One respondent wrote ALL instead of reporting the actual number of employees who are offered this insurance.

Respondent Comments

Some of these comments were explicitly stated. Others were inferred by the researchers because of the answers to the questions on the survey instrument. Still other respondents called the telephone number given on the cover letter for more information to ask about how to answer certain questions.

1. Questions 4 and 5 ask about medical insurance; Questions 6 and 7 ask about dental insurance; Question 8 asks about vision insurance. Vision insurance is the only one of the three that does not ask for information about dependents or spouses. One respondent wondered if this was a mistake. However, the national survey consortium is aware that vision insurance for spouses is not included.
2. The questions about paid time off elicited several reactions.

Some exact comments were:

[I] wonder if paid sick leave is same as PTO or in addition?

How do we know if vacation, sick, etc. are additional or part of PTO?

In Question 15 about paid holidays a respondent wrote: *In addition to PTO?*

In Question 12 about consolidated paid time off, the respondent checked *No*. Then in the subsequent part of that question that begins, “If yes, how many days per year are provided?” the respondent entered “12 days” after one year of employment.

One respondent answered affirmatively that his firm offers both consolidated paid time off and paid holidays.

Although we recognized the confusion the question was eliciting, we did not make any changes as a result of these reactions because we did not have enough information to determine the most helpful revision.

Revisions from the First Wave

Responses to the first wave of surveys yielded only a few apparent problems with the instrument itself. The following changes were made in preparation for the second wave of surveys:

1. Corrected the skip instructions on Question 6.
2. Added skip instructions on Question 17.
3. Corrected the correspondence between check boxes and Questions 19-24.
4. Added commas in Question 22 for clarification.
5. Added column headings of “Full-time Employees” and “Part-time Employees” to all pages.

Second Wave Mail Survey

Methodology

With the second wave we asked respondents to complete the survey with data for their firm in addition to providing helpful comments about the questions. A new sample of 100 was chosen from the ADIR-supplied database. This sample was supplemented with 69 employers from the first wave who had not responded, had not indicated on the telephone that they did not wish to participate, and for whom we had a good address. The revised evaluation questionnaire and instruction packet was sent to each prospective respondent. In an effort to get the survey into the proper hands at an earlier point, the packets were addressed to “Human Resources,” rather than having no specific addressee as was the case for the first wave. In April, 169 packets were assembled containing the following items:

1. A cover letter explaining the purpose of the survey. (One of two versions for the two different samples.) (Appendix C.)
2. A set of instructions explaining what to do. (Appendix C.)
3. A copy of the survey instrument that had room for reviewer comments, printed on green 8 1/2” x 11” paper. (Appendix C.) Each survey had a label affixed to it containing the “uiacct” number from the database as well as the company name and address.
4. A postage-paid return envelope.

Three weeks after the packets were mailed, telephone calls were made to all nonrespondents for whom a telephone number was available or could be obtained. These calls were similar to those made with the first wave. Employers were asked if they had received the survey and if they would respond to the survey. If necessary the purpose of the project was explained, and we offered to resend the survey if they

expressed willingness to complete it. In this case, another packet was mailed within a few days following the telephone contact. (Cover letter, Appendix D.)

Second Wave Findings

This portion of the project revealed additional information useful for design of the survey instrument and for administration.

Survey Mailing

Changes to the mailed packet that were implemented after the first wave appear to have reduced the confusion on the part of the respondents. Their task was also more straightforward with the second wave, as they were now supposed to complete the survey. More in this wave, however, also provided us with comments on specific survey items. There were no other additional problems noted in relation to the mailing process.

Survey Returns

Results and implications regarding survey returns were very similar to those of the first wave.

1. As observed with the first wave, it is essential to have an accurate mailing list. For this mailing, 12 of the 100 packets sent to the new sample came back as undeliverable. We again spent staff time tracking down correct addresses for those companies. (Having already omitted the bad addresses from the previous sample, none were undeliverable in the group of 69 who received a second survey.)
2. Improvements such as addressing the envelope to “Human Resources” and making the contents of the packet less confusing did not greatly affect the return rate. In response to the initial mailing, we got back eight responses from the new sample of 100, and we received eight responses from the sample of 69 that had been in the previous group. Thus we had a total of 16 responses to the 169 surveys mailed in the second wave.
3. We received three additional surveys after attempting to telephone every non-respondent for which there was a telephone number in the database or for which we could find a telephone number. There were 39 firms for which we did not find a valid telephone number.
4. As with the first wave, telephone follow-ups produced very modest results, and yielded similar information about the lack of response. In this round of calls there were only four where no one answered the telephone, and no one said the survey was already on its way back to us. Some people (18) said they were not interested in participating in the project. The majority of people (80) agreed that we could resend the packet. Second mailings to 80 firms yielded three responses within the two-week time frame before preparing this report. These

three were the only responses that resulted from the follow-up efforts to 141 employers.

These points underscore the conclusions from the first wave, that response rates are very low and a large amount of effort and resources was expended to produce a total of 19 responses.

Respondent Errors

With the second wave of the survey, we were especially interested in looking at the actual responses to the questions to identify respondent errors in answering. A number of different types of respondent errors were revealed.

- 1. Errors of Omission.** The most common respondent errors were errors of omission, when individual items were left blank or a series of questions was skipped inappropriately.

A skipped item might result from a number of problems, such as

- The respondent simply does not see the item.
- The respondent believes the item should be skipped.
- The respondent does not wish to provide the information requested.
- The respondent does not know the information requested.
- The respondent does not want to take the time or effort to locate the information requested.

Any of these circumstances can lead to missing data for individual items. Following are some specific examples.

With the insurance questions (Questions 4-11), there were cases in which respondents checked the “yes” box indicating coverage was offered, but then they failed to complete one or more of the subsequent questions concerning how many employees are offered the insurance, how many are enrolled, and whether the premiums are 100 percent employer paid, 100 percent employee paid, or jointly paid. Each of them omitted this information for just a small number of the insurance questions, so these are not likely to be omissions caused by not wanting to provide the information. It is more likely that they are due to an oversight or lack of easy access to the information.

For paid leave time, several respondents failed to indicate the number of days of paid leave provided. Several failed to give complete information on their retirement plans (i.e., indicated there was a plan, but did not answer all of the follow-up questions). One respondent answered Question 1 with the total number of employees in the company, but gave no answer to Questions 2 and 3 to indicate how many employees are full-time and how many are part-time.

Occasionally, whole sets of questions were skipped. One respondent skipped the questions about life insurance and long-term disability insurance, but answered the other insurance questions. Five respondents did not provide any financial information on Question 24, and one respondent did not answer any questions on the entire last page of the survey. Except for financial information, there was no indication that respondents did not want to reveal the information being requested, so the omissions probably represent a simple oversight or lack of knowledge.

- 2. Errors of Commission.** Respondent errors can also fall in the category of errors of commission, when questions that should have been skipped are answered by the respondent. These may present somewhat less of a data analysis challenge than errors of omission, as these items can be re-coded to values indicating they should have been skipped. There is always a potential interpretation problem, however, as one must wonder if the base question preceding the missed skip was answered appropriately.

This kind of error was somewhat common on this survey. Most of the time the item that should have been skipped was answered “no,” so it did not give conflicting information with the preceding question. For example, if a company did not offer dental insurance (Question 6), the respondent was instructed to skip the irrelevant question about dental insurance for dependents and go on to Question 8. Many respondents, however, answered Question 7 anyway, saying “no,” dental insurance was not offered for dependents. For the task of data entry, this kind of error does present a potential dilemma for deciding whether to enter exactly what the respondent indicated or to enter what the respondents *should* have done, i.e., skipping the question.

In only one case did the error of commission result in conflicting or uninterpretable data. One respondent indicated on Question 16 that the company did not offer any retirement plan. The respondent should have skipped from this question to Question 19; but instead the respondent answered “yes” to Question 17 regarding a defined contribution retirement plan. In this case, it is unknown whether the answer to Question 16 is incorrect or the answer to Question 17 is incorrect.

No matter how carefully they are worded or where they are placed, instructions for skipping questions on a written survey inevitably result in some respondent errors.

- 3. Errors of Inconsistency.** Errors of inconsistency are another type of respondent error, occurring when information provided in several questions does not correspond, or answers appear to be illogical. For example, two respondents said their company offers a retirement plan, but they answered “no” both to Question 17 about defined contribution retirement plans and to Question 18 about defined benefit pension retirement plans. Another

respondent checked two boxes on one question, indicating that the benefit was both 100 percent employee paid and jointly paid.

Inconsistency also occurred when a respondent said the employer offered a defined *benefit* pension retirement plan (Question 18), but under part c of this question wrote in “401k,” which was listed as an example of defined *contribution* retirement plans in Question 17. In reviewing the text for Question 17, it appears that the parenthetical information should have come immediately after the question mark, with no intervening text.

In another example, a respondent indicated that the company has nine full-time employees, and for Questions 9, 10, and 11, the respondent said that nine full-time employees are offered various insurance benefits. On Question 4, however, the response shows that only four full-time employees are offered medical insurance. It is difficult to imagine a situation in which these numbers could be accurate, but there is no way to know if this is an error.

Finally, it appeared that one respondent changed the number of full-time employees from 27 to 28 in Question 1, but did not adjust all of the other answers, thus leaving the impression that some benefits are offered to 27 employees while others are offered to 28 employees. Inconsistencies such as these cause problems for data entry and for data analysis. The researchers have to decide whether to retain the inconsistency, try to correct it by making some assumptions about what the respondent intended, or have missing data for the inconsistent items.

- 4. Errors of Nonconformity.** Another common respondent error occurs when respondents give answers that do not conform to the response format provided. Unlike other errors, these errors of nonconformity are virtually always intentional, as respondents change the response format provided or write comments to clarify their answers or explain a non-response. In one such error, a number of respondents used the word “all” or wrote a percentage rather than a number when reporting how many employees are offered or enrolled in a benefit plan. Answers such as this require extra effort during data entry to convert the response to an accurate number.

In reporting amount of paid vacation, one respondent changed the year increments for parts b and c of Question 13. The question asked for days of vacation after three years and after five years of employment, but the respondent wrote in two years and ten years for these questions. This same respondent checked the “no” box for paid *sick leave* but wrote a note that *personal days* are offered and gave the number of days available for one year, two years, and ten years. Another respondent said dental insurance was not offered, but then wrote in a qualifying comment that their insurance carrier offers a wide variety of employee paid insurance. This comment renders ambiguous the information provided about dental insurance.

Reporting paid leave for part-time employees by number of days can be problematic. One respondent said that paid holiday time for part-time employees is equal to 1/5 the regular work week for a holiday. (Full-time employees are given six holidays, so we might assume that part-time employees get 1/5 their regular work week for each of the six holidays, but this was not stated as such.) Converting an answer like this one into codeable data is nearly impossible.

5. **Illegible Responses.** Errors attributable to respondents can also be illegible responses. In the set of returned surveys for this mailing, we did not have many problems with responses that were difficult to read. The survey is designed to keep handwriting problems to a minimum, requiring only check marks and numbers. The primary potential for such problems is when respondents write explanatory notes in the margins around questions.
6. **Patterns of Response.** In addition to the foregoing respondent errors, some other issues arose from inspection of the pattern of responses given.

Medical Coverage. With regard to dependent insurance coverage, one respondent indicated that all full-time employees with dependents are eligible for dependent insurance, but not all employees have dependents. It is also the case that only employees who have coverage for themselves are also eligible for dependent coverage. The question is, then, what is the correct way to answer “How many are offered medical insurance for their spouses or dependents?” Is it simply all employees who are eligible for medical coverage? The subset of employees who have medical coverage for themselves? Or only those who have their own coverage and who also have dependents? Based on the answers given by the respondents, it appears that any one of these might be the basis for answering this question.

PTO and Separate Leave Benefits. Another area of confusion lies in the distinction between consolidated PTO plans and separate leave benefits. Some respondents gave answers to all questions about paid leave, but the pattern of responses did not always seem plausible. For example, one respondent said a person with one year of employment would get 20 days of consolidated PTO, 5 days of paid vacation, 6 days of paid sick leave, and 6 paid holidays. It seems unlikely that an employee would be given 20 consolidated days plus the vacation, sick leave, and holidays indicated, but the math does not work out correctly to simply add the other numbers to arrive at consolidated PTO. Another respondent answered the consolidated PTO question and the paid vacation item with the same numbers (1 year = 5 days, 3 years = 5 days, 5 years = 10 days), which causes one to wonder if the same information is being reported twice or these are separate benefits.

The questionnaire actually instructs the respondent to skip the vacation and sick leave questions and go to Question 15 (paid holidays) if they answer “yes”

to the consolidated PTO question. This assumes there is no additional vacation or sick leave on top of the consolidated leave. It is not clear from these responses whether that assumption is true. Of the six respondents who said they do offer consolidated PTO, three followed the skip instructions correctly, and three did not follow the instructions, while three other respondents clearly changed their answers on Question 12 (presumably after reading Questions 13 and 14).

With written surveys, there is no way to guarantee that errors of the types illustrated above will not occur. The questionnaire should be constructed so as to minimize all these errors, but they cannot be eliminated completely.

Respondent Comments

Following are specific comments made by respondents (in italics) and some discussion of the concerns raised by these comments.

- 1. Medical Insurance.** Questions 4 and 5 ask about medical insurance. Question 4 refers to single coverage and Question 5 refers to insurance for spouses or dependents. Comments from two respondents indicated there was some ambiguity regarding the application of these terms.

I interpreted this question [#4] as meaning how many employees are covered for themselves, and the next question as meaning coverage in addition for spouses and children.

Not clear if employee & spouse is involved is #4 for employee and the spouse in #5, or if an employee and spouse gets coded to #5 only.

As presented, Questions 4 and 5 are appropriate for companies in which employees can enroll in single medical insurance for themselves and enroll in an additional plan that covers their dependents. These might be paid at the same or at different percentages by the employer. For some companies, however, employees have a choice between

- (a) a single coverage plan for the employee only, and
- (b) a family plan for the employee and dependents.

Each of these can be paid at the same, or different, percentages by the employer.

Thus, there are three types of insurance plans that might apply – single coverage for the employee only, dependent coverage for dependents only, and family coverage for employees and dependents together. The employee covered by insurance would be counted differently under these types of plans, but with the current presentation of the survey questions, it is not possible for the respondent to communicate this distinction.

For example, suppose Companies A and B have 100 employees each. All employees at each company have medical insurance for themselves, and 75 employees at each company have medical insurance for their families. Company A has a plan that includes single coverage for the employee, paid 100 percent by the employer; and they have an additional dependent coverage plan that is paid 50 percent by the employer. Company B also has single coverage for the employee, paid 100 percent by the employer; or the employee can choose a family coverage plan that is paid 50 percent by the employer. Data for the two companies should look somewhat different, as in the table below:

	Company A		Company B	
	# enrolled	% employer paid	# enrolled	% employer paid
Single coverage	100	100	25	100
Dependent coverage	75	50		
Family coverage			75	50

To provide this level of detail and make the respondents' task clearer, it would be preferable to re-work the insurance questions to include a family coverage-type plan as well as the single coverage and dependent coverage.

2. **Paid Time Off.** Questions 12, 13, 14, and 15 ask about paid time off, including consolidated PTO, vacation, sick leave, and paid holidays. In addition to the errors already noted for this group of questions, one comment also indicated confusion about reporting this information.

I'm not sure if this question (#12) refers to total paid time off (as in vacation + holidays) or a separate program altogether.

It could be that the phrase "consolidated Paid Time Off" is unfamiliar to some respondents, and thus they do not make a distinction between this and separate vacation and sick leave. Adding a qualifying phrase to Questions 13, 14, and 15 might help. For example, "Does your organization offer paid vacation in addition to days already reported in Question 12?" But this would not alleviate any confusion that might exist when answering Question 12. As noted previously, it was apparent that three respondents changed their answers to Question 12 after answering Questions 13 and 14, as if their interpretation of the question had changed.

3. **Retirement Benefits.** Questions 16, 17, and 18 ask about retirement benefits. Two respondents provided clarifications regarding the status of part-time employees and retirement plans. In both cases, an employee becomes eligible after working a minimum number of hours in a year, but both cases also

reported they had no part-time employees currently enrolled in the retirement plan.

Any employee who works 1,000 or more hours in a year receives retirement benefits.

Part-time employees are offered 401k after they reach the required hours worked.

While these comments may clarify specific situations, they do not seem to indicate a problem with the questionnaire or with the validity or reliability of responses to the questions.

- 4. Educational Benefits.** A comment was made concerning educational assistance programs, which are asked about in Question 20. The comment points out how differently this “benefit” might be applied in various settings.

Tuition/educational assistance/reimbursement is only for seminars or classes that further training in the field; it isn’t a college tuition program.

Although assistance programs that are limited to field-specific training and programs that are more broadly defined represent somewhat different types of benefits, either type of benefit is relatively rare. Thus, lengthening the survey by breaking this into two different questions is probably not necessary nor useful. However, if the interest is primarily in the broader type of college tuition assistance program, then the question needs to be rewritten to exclude job-specific seminars and classes.

- 5. Financial Information.** Several respondents commented on Question 24, which asks for financial information, saying either that their firm will not report this information or that it is not easily available.

Statewide Survey

Concurrently with this Assessment Project, ISSR and CBER were conducting a statewide employee benefits survey for ADIR. Although not directly a part of the Assessment Project, this large survey (sent to over 15,500 Alabama employers) has provided a great deal of information regarding possible areas of concern and questions that were not revealed in the smaller samples used for the Assessment Project. Some of these are issues related to the respondent task and others are related to coding and interpretation of responses for the purposes of data entry and analysis.

- 1. Benefits Hierarchies.** Some companies have two levels of benefits, one for hourly employees or union employees and a second level for exempt or management employees. There is no way for respondents to fit this information into the questionnaire format. And if they provide this information in handwritten notes, there is no good way to enter it into the data file, as the file is structured to match the questionnaire format. One resolution

of this problem is to record the benefits received by the majority of workers; however, we have no way of knowing which category this is. One could assume there are fewer management or exempt employees for most organizations, but this may not be true.

2. **Paid Time Off.** Paid time off for part-time employees is sometimes difficult to interpret and code, as the time may be tied to how many hours an individual typically works or it includes partial days. For example, if a person works 20 hours a week and gets a holiday, vacation day, or a sick day, is that technically a full day or a half day? How should it be entered in the data file? If a respondent records an answer such as “6 half days,” how should that be entered? Data files are typically set up to accept whole numbers or decimal numbers, but not numbers and text in the same variable.
3. **Data Entry Dilemmas.** For data entry purposes, there are several ways that data can be missing or unusable.
 - There are some answers that clearly seem to be inaccurate (e.g., 200 vacation days).
 - There are items that should have been answered but were left blank by the respondent.
 - There are items appropriately left blank because the item should have been skipped.
 - There are answers that do not fit the response format.
 - There are illegible answers.
 - There are answers that are inconsistent with preceding responses.

Although it is difficult to anticipate all these contingencies, to the extent possible, clear decision rules need to be established at the start of data entry and extended as necessary to ensure the highest possible reliability. Coding systems also need to be established that will distinguish among these types of missing data, if that is desirable.

4. **Leasing Companies.** The issue of how to handle leasing companies in terms of sample selection and obtaining information is not clear. It appears that leasing companies are not all the same in the ways that benefits are determined. While some might be able to answer the survey questions for all employees they lease to other companies, at least two leasing companies told us they do not determine fringe benefits. Rather the client makes these decisions, and thus the client businesses should complete the survey. The instructions for the survey, however, clearly tell companies not to count leased employees in their report of number of employees, as they will be counted by leasing companies in the sample.

-
5. **Parent and Child Companies.** Several issues also arise for parent and child companies. Some of the identified parent companies were management companies, and their relation to the child companies may or may not involve determination of benefits. Furthermore, some parent companies were not able or were not willing to separate information into individual worksites, but reported on a single survey for all worksites combined (perhaps including worksites that were not in the selected sample). This combined response may not be a problem for the overall data analysis, but it does make it difficult to analyze results by geographical regions, firm size, and even industry sector, if the parent company has child companies in multiple areas, sizes, or sectors.
 6. **Union Benefits.** One company that is a union contractor said that the company pays the union an amount for benefits, and the union offers the benefits to the workers. The firm does not know what benefits are being given or to what extent they are paid by the union or the employee.
 7. **Off-site vs. On-site workers.** Some employers have off-site workers, and questions arose regarding their inclusion in the counts reported. For example, if there are 30 employees at the site and also 15 who work off-site, but are paid out of that central office, should the 15 “off-sites” be included in the total count? Is the survey to be answered when considering 30 employees, or 45? Additional wording in the instructions could clarify this point.
 8. **Retirement Plans.** A number of people were confused about the two types of retirement plans described in question 17 and 18. Those who called to ask questions or wrote comments on the survey seemed unclear as to which category to use for the retirement plan offered by their company.
 9. **Mandatory vs. Voluntary Response to the Survey.** Some companies will not do a survey such as this if it is not mandatory. Making this survey voluntary clearly cut down on responses. Sending the survey with University of Alabama letterhead and envelope might also have reduced the likelihood that a company would feel compelled to complete it.

Final Conclusions and Recommendations

Survey Packet. In the first wave of mailed surveys, we sent too much information to the respondents. By aiming to give them complete information, we generated confusion about which form to review and what task they were being asked to do.

1. **Recommendation:** *Include only essential information in the packet, keep the information simple and straightforward, and provide very clear instructions.*

Voluntary vs. Mandatory Compliance. Employers are not eager to participate in this voluntary project. Even with personal phone calls to explain the purpose of the project, the response rate was very low and a number of employers said directly that they were not interested in participation. Some people were rude to the telephone follow-up callers. Many people asked if the survey were mandatory.

2. **Recommendation:** *Do whatever is possible to make the survey compelling.*
 - Consider using DIR letterhead instead of the letterhead of the researchers.
 - Consider pursuing legislation to make compliance mandatory.

Follow-ups and Response Rates. The mailed Assessment Surveys had a telephone follow-up to all nonrespondents, and the Statewide Survey has had three mailed follow-ups to this point. Initial responses were very low, and with extensive follow-up, response rates have reached only 16 percent. Follow-ups are expensive and there comes a point of diminishing returns. As long as a survey is not legally mandatory, a response rate of 50 percent is an unreasonable expectation.

3. **Recommendation:** *Assume a 10-15 percent response rate when figuring survey sample size.*

Formulating Content Questions. Respondents tended to skip questions that require research time. For example, they were more likely to answer the question about the number of employees to whom medical coverage is *offered* than to answer the question about the number of employees who are *enrolled*. Many times medical coverage is offered to everyone, but the respondent has to look in her files to determine how many are enrolled. Response to questions that require research is likely to be low and the quality of the data will be poor.

4. **Recommendation:** *Carefully consider the purpose of each question. If it is not truly important to know, don't ask.*

Mailing List. Effective mail survey research needs very good mailing lists. The mailing list ADIR provided was difficult for the survey researchers to use. Survey researchers need one address per company; the ADIR list provided up to three. Although we hoped the list provided was up to date, 12 percent of the assessment surveys came back as undeliverable. Some companies on the list do not exist, and some companies had bad addresses. Telephone follow-up was time-consuming because the address list did not provide a telephone number for all companies.

5. Recommendation: *Survey researchers should be given a very clean mailing list.*

- If telephone follow-up is expected, the list should include correct telephone numbers.
- The contracting agency should decide which address is the most appropriate, if there are several choices.
- The contracting agency should be the agency to decide which out-of-state addresses are appropriate for inclusion in the sample.

Address for the Survey Envelope. It is important to get the survey into the hands of the most appropriate person at the firm. It would be preferable for a human relations specialist to answer the survey, but many small firms don't have an HR person. Many times, the survey will be filled out by a clerical staff member who has limited access to financial and personnel documents.

6. Recommendation: *Make the envelope as clear and compelling as possible to maximize compliance.*

- If there is an appropriate contact person in the mailing list, the envelope should be addressed to that person.
- If there is not a contact person in the mailing list, the survey should be addressed to Human Resources.

Cover Letter. Using multiple versions of a cover letter to address various situations (e.g. parent companies, child companies, temporary services companies, out-of-state firms) is impractical from a logistics standpoint for a large survey. Large scale survey execution is too complicated to accommodate matching the multiple versions to the correct addresses.

7. Recommendation: *Develop one cover letter that works for every type of company.*

Parent-Child Firms. The survey research team had difficulty with parent-child firms. If a parent company is out of state, it is not likely to respond to a benefits survey about its Alabama establishments. A parent company is also not likely to tolerate filling out

separate survey forms for each of several of its Alabama establishments. A very compliant parent company will volunteer to fill out one survey form that covers information about all its Alabama child establishments, inclusively. But this kind of response adds difficulty to the geographic analysis of data results. Child companies frequently forward their forms to “headquarters,” and the problems stated above arise. However, sometimes a person at a child company will take the time to fill out and return the survey.

There are additional time-consuming and costly elements in a large survey that should be avoided:

- Having to prepare envelopes individually for each parent company,
- Inserting surveys and reply envelopes for multiple children in the sample,
- Paying additional postage because bulk mail cannot be used with envelopes of varying weights.

8. Recommendation: *The survey sample should not include parent companies.*

Keep establishments that are child worksites in the sample and mail the surveys directly to their addresses.

Paid Time Off, Vacation, Holiday, and Sick Leave. There was a good bit of confusion among respondents about what consolidated paid time off is and how it differs from other vacation, holiday, and sick leave. Respondents skipped inappropriately, answered inappropriately, and wrote notes in the margins that make coding the answers very difficult. Many respondents seemed to believe that the answers to Questions 13, 14, and 15 should sum to the total of the answer in Question 12.

9. Recommendation: *Put additional wording in front of Questions 13, 14, and 15 to make clear that the questions about these benefits are not part of PTO.*

Take out the skip instructions. Let every respondent answer every question, even when the answer is “no.”

Retirement Benefits. The questions about retirement benefits confused some respondents. This might be because the person answering the survey is not familiar with the varieties of retirement benefits commonly available in the American workplace. We discovered that many times the respondent to this survey is a clerical employee, not an HR professional.

10. Recommendation: *State more clearly exactly what types of plans might be available and what information is wanted about retirement benefits.*

In Question 17, place the sentence in the parentheses before the sentence about the skip information. (Although it might be advisable to omit the skip instructions, as recommended above.)

Part-Time Employees. The existing questionnaire does not make clear how respondents should answer questions about leave for part-time employees. Respondents did the best they could, but the varying ways they chose to answer the question makes data entry problematic and analysis difficult. Some people responded “one day” and some people responded “one half-day.” The research team thinks both responses were indicating the same amount of time off for a part-time employee.

11. Recommendation: *Make the instructions about leave for part-time employees clear about the way the response should be entered.*

Medical Insurance. Respondents had difficulty answering the questions about medical insurance. The current wording confuses respondents in answering appropriately about the difference between single coverage and single plus dependent coverage. Please see the longer discussion about this issue above.

12. Recommendation: *Change the wording in the medical insurance question to clarify for respondents how to estimate percentages among employer-paid plans for family, single, and single plus dependent.*

“Skips” on the Survey Form. Every survey form that has “skips” in or among the questions will introduce respondent error. The more skips, the more errors. Skips add complexity to the respondents’ burden and add ambiguity to the analysis. Adding response choices for “Don’t Know” or “Not Applicable” are a way to eliminate skips. Whereas survey questions that give respondents a “Don’t Know” option might seem to invite respondent laziness, that returned form is sometimes preferable to the poor quality of responses received from forms that don’t offer that option.

13. Recommendation: *Reduce or eliminate all skips.*

- Exception: Skips within a question are easier for respondents than skips that bypass an entire multipart question.

Add “Don’t Know” or “Not Applicable” choices to some questions.

Have a data entry code for data cells that are left blank because of a skip.

Leasing Companies. Data about leasing companies will be inconclusive. Several leasing companies told the research team that they don’t determine the benefits of their leased employees. The hiring company is responsible for that. Yet the survey instructions specifically asked respondents not to include leased employees. Leasing

companies are a fairly small percentage of total employers. Handling leasing companies separately in survey research is expensive in time and effort. It is possible that the data from these special cases will not affect the overall outcome of the study, yet handling them differently will significantly increase the cost of the study.

14. Recommendation: *Evaluate if the extra effort and cost to handle leasing companies separately is worthwhile.*

Costs of Benefits. This section of the survey is the most subject to errors of omission, nonconformity, and illegibility. People answering the survey are not necessarily the ones who have access to this kind of information, or they do not have it in the form requested. Frequently, they are not willing to track the information down in order to complete this questionnaire.

15. Recommendation: *Do not rely too heavily on the results from these answers.*

Appendix A



Appendix A

Instructions

Please read carefully!

Thank you for agreeing to participate in the evaluation of the **2004 Employee Benefits Survey**. In preparation for the evaluation, please have paper and pencil available for note taking. With out further comment from the evaluator, please carry out the following instructions.

1. Please read the **2004 Employee Benefits Survey**.
2. Please answer each of the following questions and record your answers on your note pages.
3. Did you understand the survey instructions on page 1? Please identify any recommended wording changes and why you think such new wording would be helpful.
4. Please go back and review questions 4 through 23—one at a time. For each question, please identify any recommended wording changes. Using your note paper, please identify the question number and the recommended wording changes.
5. With respect to question 24:
 - a. will most HR respondents have these data?
 - b. will most HR respondents be able to release these data?
6. Please identify any other suggestions you might have that you believe would improve the **2004 Employee Benefits Survey**.

Thank you taking the time to help us!

Survey ID #«IDNumber»

Revised 12/16/03

2004 Employee Benefits Survey

«MailName»
«MailAddress1»
«Mail Address2»
«MailCity», «MailState» «MailZip» «MailZip4»

<STATE
LOGO>

Please respond by <RESPONSE DATE>

Instructions:

- For accurate results, it is important that you fill out and return this survey even if your organization offers no benefits.
- If possible, please provide information only for the establishment and location listed on the address label of this survey. If this is not possible, please answer questions for the employees in <STATE NAME> only.
- The goal of this survey is to collect information for 1st Quarter 2004 (January 1 - March 31) or the most current information available.
- Please respond by <RESPONSE DATE>
- If you have any questions about the survey, please call <CONTACT PERSON> at <PHONE NUMBER> or email <EMAIL ADDRESS>.
- Please mail the completed survey in the postage-paid envelope or fax it to <FAX NUMBER>.
- Your response to this survey is crucial to ensure the results obtained are accurate and complete.
- **All information provided will remain strictly confidential.** Results will be presented in aggregate so that no individual response will be identifiable in any published results.

Contact Information

Contact Person: _____ Title: _____ Phone: (____) _____

(Contact information is requested in case clarification is needed about the responses to the survey.)

☐ Check here if you would like a complimentary copy of the survey results.

Employment

1. How many workers are currently employed at the establishment and location _____ employees listed on the address label of this survey?

If zero employees, please

☐ check here and return the survey form.

Based on your organization's definition of full-time and part-time, of the employees reported in question #1:

2. How many are full-time? _____ employees
3. How many are part-time? _____ employees

Please answer the remainder of the questions on the survey for the employees reported in this section.

Page #1

Insurance: Medical, Dental, Vision, Disability, Life

	Full-time Employees	Part-time Employees
<p>4. Does your organization offer medical insurance? <i>(if no, please skip to question #6)</i></p> <p>a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> single coverage medical insurance?</p> <p>b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in single coverage medical insurance coverage?</p> <p>c. For the majority of employees, what percentage of single coverage medical insurance premiums are <i>employer</i> paid?</p> <p>d. For the majority of employees, is there a waiting period for single coverage medical insurance?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p>_____ %</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p>_____ %</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5. Does your organization offer medical insurance for employees' spouses or dependents? <i>(if no, please skip to question #6)</i></p> <p>a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> medical insurance for their spouses or dependents?</p> <p>b. Of the employees reported in questions #2 and #3, how many <i>enroll</i> their spouses or dependents in medical insurance coverage?</p> <p>c. For the majority of employees, what percentage of medical insurance premiums for employees' spouses or dependents are <i>employer</i> paid?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p>_____ %</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p>_____ %</p>
<p>6. Does your organization offer dental insurance? <i>(if included as part of a medical insurance plan, check yes and skip to question #7. If no, please skip to question #7)</i></p> <p>a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> dental insurance?</p> <p>b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in dental insurance coverage?</p> <p>c. For the majority of employees, are dental insurance premiums:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>
<p>7. Does your organization offer dental insurance to employee's spouses or dependents? <i>(if no, please skip to question #8)</i></p> <p>a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> dental insurance for their spouses or dependents?</p> <p>b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in dental insurance coverage for spouses or dependents?</p> <p>c. For the majority of employees, are dental insurance premiums for employees' spouses or dependents:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>
<p>8. Does your organization offer vision insurance? <i>(if included as part of a medical insurance plan, check yes and skip to question #9. If no, please skip to question #9)</i></p> <p>a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> vision insurance?</p> <p>b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in vision insurance coverage?</p> <p>c. For the majority of employees, are vision insurance premiums:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>

	Full-time Employees	Part-time Employees
9. Does your organization offer life insurance? (if no, please skip to question #10)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered life insurance?	_____ employees	_____ employees
b. Of the employees reported in questions #2 and #3, how many are enrolled in life insurance?	_____ employees	_____ employees
c. For the majority of employees, is life insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
10. Does your organization offer short-term disability insurance (separate from workers' compensation)? (if no, please skip to question #11)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered short-term disability insurance?	_____ employees	_____ employees
b. Of the employees reported in questions #2 and #3, how many are enrolled in short-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is short-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
11. Does your organization offer long-term disability insurance (separate from workers' compensation)? (if no, please skip to question #12)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are offered long-term disability insurance?	_____ employees	_____ employees
b. Of the employees reported in questions #2 and #3, how many are enrolled in long-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is long-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Paid Time Off: Vacation, Sick, Holiday, Consolidated Leave		
12. Does your organization offer paid vacation leave?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If paid vacation is offered as a separate benefit, how many days of paid vacation are offered:		
a. After 1 year of employment?	_____ days	_____ days
b. After 3 years of employment?	_____ days	_____ days
c. After 5 years of employment?	_____ days	_____ days
13. Does your organization offer paid sick leave?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid sick leave is offered as a separate benefit, how many days of paid sick leave are offered per year?	_____ days	_____ days
14. Does your organization offer paid holidays?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid holidays are offered as a separate benefit, how many days are provided to employees each year?	_____ days	_____ days
15. Does your organization offer consolidated "Paid Time Off" (PTO)? (<i>"Paid Time Off" may be referred to as "a Time Bank," "PTO," etc. This leave may be offered in addition to other types of leave or may be offered in place of separate leave.</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If yes, how many days are provided per year?	_____ days	_____ days

Retirement

	Full-time Employees	Part-time Employees
16. Does your organization offer a retirement plan? (if no, please skip to question #19)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
17. Does your organization offer a <i>defined contribution retirement</i> plan? (401k, savings & thrift, deferred profit sharing, etc.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> a defined contribution retirement plan?	_____ employees	_____ employees
b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in the defined contribution retirement plan?	_____ employees	_____ employees
c. Is the defined contribution retirement plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
18. Does your organization offer a <i>defined benefit pension retirement</i> plan? (uses a specific, pre-determined formula to calculate an employees' future benefit)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. Of the employees reported in questions #2 and #3, how many are <i>offered</i> a defined benefit pension plan?	_____ employees	_____ employees
b. Of the employees reported in questions #2 and #3, how many are <i>enrolled</i> in the defined benefit pension plan?	_____ employees	_____ employees
c. Is the defined benefit pension plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Other Benefits

19. Does your organization offer child care benefits (including on-site or off-site child care, reimbursements, vouchers)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20. Does your organization offer tuition/educational assistance or reimbursement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21. Does your organization offer bonuses (e.g. hiring, signing, year-end, attendance, holiday)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
22. Does your organization offer flexible spending accounts (accounts allowing employees to set aside money out of their paycheck pre-tax to pay qualified expenses)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
23. Does your organization operate on shifts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If yes, does your organization offer shift differentials?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Cost of Benefits

For the cost questions below, please provide the most recent 12 month figures available. Include employer contributions only for insurance and retirement costs.

24. How much did your organization spend on each of the following components of compensation?	Annual Expenditures
a. Wages & salaries	\$ _____
b. Insurance (include only medical, dental, and vision insurance)	\$ _____
c. Retirement plans	\$ _____
d. What was the average employment for the same 12 month period of the costs reported in questions 24a - 24c?	_____ employees

Thank you for taking the time to complete this survey!
Please make any comments or clarifications to specific survey questions on a separate sheet of paper.

Appendix B



Culverhouse College of Commerce
and Business Administration

Center for Business and
Economic Research

THE UNIVERSITY OF
ALABAMA
B U S I N E S S

Dear Employer:

We need your help in evaluating the **2004 Employee Benefits Survey**. This survey is very important to the State of Alabama. Summary information from this survey will help Alabama retain jobs and recruit new business and industry. Thank you very much for helping us with this evaluation.

In addition to this cover letter, you will find a copy of the **2004 Employee Benefits Survey**, an evaluation packet, and a return envelope. Instructions are on the evaluation packet. Please return the completed evaluation using the enclosed envelope.

Your opinions are very important to us. Thank you again for your assistance.

Sincerely,



Carl Ferguson
Director
Center for Business and Economic Research

149 Bidgood Hall
Box 870221
Tuscaloosa, Alabama 35487-0221
(205) 348-6191
FAX (205) 348-2951
cber.cba.ua.edu

Evaluation Instructions

Statistical summaries of the *2004 Employee Benefits Survey* will be used to describe current benefits paid by Alabama employers. It is very important that the survey's instructions and questions be clear and easily understood. The attached copy of the *2004 Employee Benefits Survey* has been modified to allow you to comment on each section and question in the survey.

Please consider the following issues as you read and comment on the survey.

1. Are the instructions easy to read?
2. Do you understand the instructions?
3. Do the instructions give you the information you need to complete the survey?
4. Is each question easy to read?
5. Do you understand what each question is asking?

Please put your comments in the space provided after each question. Please feel free to make suggested wording changes directly on the question.

Thank you for taking the time to help us!

Survey ID #12345

2004 Employee Benefits Survey

John Doe
123 Main Street
Any Town, AL 35401

Please respond by

Instructions:

- ☐ For accurate results, it is important that you fill out and return this survey even if your organization offers no benefits.
- ☐ If possible, please provide information only for the establishment and location listed on the address label of this survey. If this is not possible, please answer questions for the employees in <STATE NAME> only.
- ☐ The goal of this survey is to collect information for 1st Quarter 2004 (January 1 - March 31) or the most current information available.
- ☐ Please respond by <RESPONSE DATE>
- ☐ If you have any questions about the survey, please call <CONTACT PERSON> at <PHONE NUMBER> or email <EMAIL ADDRESS>.
- ☐ Please mail the completed survey in the postage-paid envelope or fax it to <FAX NUMBER>. If you do not have the reply envelope, mail to: <ADDRESS>
- ☐ Your response to this survey is crucial to ensure the results obtained are accurate and complete.
- ☐ **All information provided will remain strictly confidential.** Results will be presented in aggregate so that no individual response will be identifiable in any published results.

Your comments on the above instructions:

Contact Information

Contact Person: _____ Title: _____ Phone: (____) _____

(Contact information is requested in case clarification is needed about the responses to the survey.)

☐ Check here if you would like a complimentary copy of the survey results.**Employment (Full and Part-time)**

1. How many full- and part-time workers are currently employed at the establishment and location listed on the address label of this survey?

_____ employees

If zero employees, please

☐ check here and return the survey form.**Based on your organization's definition of full-time and part-time, of the employees reported in question #1:**

2. How many are full-time? _____ employees

3. How many are part-time? _____ employees

Please answer the remainder of the questions on the survey for the employees reported in this section.

Your comments on the above questions:

Each numbered question below and its parts apply to the full-time and part-time employees identified in question 2 and 3 above. Please answer each group of questions using the two columns provided on the right side of the following pages.

Insurance: Medical, Dental, Vision, Life, Disability

	Full-Time Employees	Part-time Employees
4. Does your organization offer medical insurance? (If no, please skip to question # 6)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered single coverage medical insurance?	_____ employees	_____ employees
b. How many are enrolled in single coverage medical insurance coverage?	_____ employees	_____ employees
c. What percentage of single coverage medical insurance premiums are employer paid?	_____ %	_____ %
d. For the majority of employees, is there a waiting period for single coverage medical insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Your comments on the above question:

5. Does your organization offer medical insurance for employees' spouses or dependents? (If no, please skip to question #6)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered medical insurance for their spouses or dependents?	_____ employees	_____ employees
b. How many enroll their spouses or dependents in medical insurance coverage?	_____ employees	_____ employees
c. For the majority of employees, what percentage of medical insurance premiums for employees' spouses or dependents are employer paid?	_____ %	_____ %

Your comments on the above question:

6. Does your organization offer dental insurance? (If included as part of a medical insurance plan, check yes and skip to question #7. If no, please skip to question #7)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered dental insurance?	_____ employees	_____ employees
b. How many are enrolled in dental insurance coverage?	_____ employees	_____ employees
c. For the majority of employees, are dental insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Your comments on the above question:

<p>7. Does your organization offer dental insurance to employee's spouses or dependents? <i>(If no, please skip to question #8)</i></p> <p>a. How many are offered dental insurance for their spouses or dependents?</p> <p>b. How many are enrolled in dental insurance coverage or spouses or dependents?</p> <p>c. For the majority of employees, are dental insurance premiums for employees' spouses or dependents:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>
<p>Your comments on the above question:</p>		
<p>8. Does your organization offer vision insurance? <i>(If included as part of a medical insurance plan, check yes and skip to question #9. If no, please skip to question #9)</i></p> <p>a. How many are offered vision insurance?</p> <p>b. How many are enrolled in vision insurance insurance?</p> <p>c. For the majority of employees, are vision insurance premiums:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>
<p>Your comments on the above question:</p>		
<p>9. Does your organization offer life insurance? <i>(If no, please skip to question #10)</i></p> <p>a. How many are offered life insurance?</p> <p>b. How many are enrolled in life insurance?</p> <p>c. For the majority of employees, is life insurance:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>_____ employees</p> <p>_____ employees</p> <p><input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid</p>
<p>Your comments on the above question:</p>		

10. Does your organization offer short-term disability insurance (separate from workers' compensation)? <i>(If no, please skip to question #11)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered short-term disability insurance?	_____ employees	_____ employees
b. How many are enrolled in short-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is short-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Your comments on the above question:

11. Does your organization offer long-term disability insurance (separate from workers' compensation)? <i>(If no, please skip to question #12)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered long-term disability insurance?	_____ employees	_____ employees
b. How many are enrolled in long-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is long-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Your comments on the above question:

Paid Time Off: Consolidated, Vacation, Sick, Holiday Leave

12. Does your organization offer consolidated "Paid Time Off" (PTO)? <i>("Paid Time Off" may be referred to as a "Time Bank," "PTO," etc. This leave may be offered in addition to other types of leave or may be offered in place of separate leave. If no, please skip to question #13.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, how many days are provided per year:		
a. After 1 year of employment?	_____ days	_____ days
b. After 3 years of employment?	_____ days	_____ days
c. After 5 years of employment? <i>(skip to question #15)</i>	_____ days	_____ days

Your comments on the above question:

13. Does your organization offer paid vacation:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. After 1 year of employment?	_____ days	_____ days
b. After 3 years of employment?	_____ days	_____ days
c. After 5 years of employment?	_____ days	_____ days

Your comments on the above question:

14. Does your organization offer paid sick leave?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid sick leave is offered as a separate benefit, how many days of paid sick leave are offered per year	_____ days	_____ days

Your comments on the above question:

15. Does your organization offer paid holidays?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid holidays are offered as a separate benefit, how many days are provided to employees each year?	_____ days	_____ days

Your comments on the above question:

Retirement

	Full-time Employees	Part-time Employees
16. Does your organization offer a retirement plan? (If no, please skip to question #19)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Your comments on the above question:

17. Does your organization offer a defined contribution retirement plan? (401k, savings and thrift, deferred profit sharing, etc.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered a defined contribution retirement plan?	_____ employees	_____ employees
b. How many are enrolled in the defined contribution retirement plan?	_____ employees	_____ employees
c. Is the defined contribution retirement plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Your comments on the above question:

18. Does your organization offer a defined benefit pension retirement plan? (uses a specific, pre-determined formula to calculate an employees' future benefit)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered a defined benefit pension plan?	_____ employees	_____ employees
b. How many are enrolled in the defined benefit pension plan?	_____ employees	_____ employees
c. Is the defined benefit pension plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid

Your comments on the above question:

Other Benefits

19. Does your organization offer child care benefits (including on-site or off-site child care, reimbursements, vouchers)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20. Does your organization offer tuition/educational assistance or reimbursement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21. Does your organization offer bonuses (e.g. hiring, signing, year-end, attendance, holiday)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
22. Does your organization offer flexible spending accounts (accounts allowing employees to set aside money out of their paycheck pre-tax to pay qualified expenses)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
23. Does your organization operate on shifts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If yes, does your organization offer shift differentials?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Your comments on the above questions:

Cost of Benefits

For the cost questions below, please provide the most recent 12 month figures available. Include employer contributions only for insurance and retirement costs.

24. How much did your organization spend on each of the following components of compensation?

Annual Expenditures

- | | |
|---|-----------------|
| a. Wages and salaries | \$ _____ |
| b. Insurance (include only medical, dental, and vision insurance) | \$ _____ |
| c. Retirement plans | \$ _____ |
| d. What was the average employment for the same 12 month period of the costs reported in questions 24a – 24c? | _____ employees |

Your comments on the above question:

Thank you for taking the time to complete this survey!
Please make any comments or clarifications to specific survey questions on a separate sheet of paper.

Appendix C



Culverhouse College of Commerce
and Business Administration

Center for Business and
Economic Research

THE UNIVERSITY OF
ALABAMA
B U S I N E S S

Dear Employer:

We need your help in evaluating the *2004 Employee Benefits Survey*. This survey is very important to the State of Alabama. Summary information from this survey will help Alabama retain jobs and recruit new business and industry. Thank you very much for helping us with this evaluation.

In addition to this cover letter, you will find an instruction sheet, a copy of the *2004 Employee Benefits Survey*, and a return envelope. Please return the *2004 Benefits Survey* with your comments on the completed evaluation, using the enclosed envelope.

Your opinions are very important to us. Thank you again for your assistance.

Sincerely,



Carl Ferguson
Director
Center for Business and Economic Research

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THE UNIVERSITY OF
ALABAMA
ARTS & SCIENCES

Institute for Social Science Research

April 21, 2004

We are resending the survey we mailed to you several weeks ago. Perhaps it was lost in the mail, or perhaps you did not have the time to review it then.

A number of states, including Alabama, are conducting tests of survey instruments for reporting employee benefits, with the goal of developing a common instrument that can be used in all states and across all industry types.

Yours is one of a small number of companies randomly selected in Alabama to provide feedback about this survey. We truly need your perspective for evaluating the draft survey enclosed.

Please complete the survey and make any helpful comments you can regarding the questions and/or instructions.

Thank you

Box 870216
Tuscaloosa, Alabama 35487-0216
(205) 348-6233 FAX (205) 348-2849

Evaluation Instructions

Thank you for taking the time to respond to this *State of Alabama Benefits Evaluation Survey*. The evaluation survey will allow the State of Alabama to improve the *2004 Employee Benefits Survey*.

The *2004 Employee Benefits Survey* will be used to summarize the current benefits paid by Alabama employers. No individual company information will be released to the public.

It is very important that the survey's instructions and questions be clear and easily understood. The attached copy of the *2004 Employee Benefits Survey* has been modified to allow you to comment on each section and question in the survey.

Please consider the following issues as you read and comment on the survey.

1. Are the instructions easy to read?
2. Do you understand the instructions?
3. Do the instructions give you the information you need to complete the survey?
4. Is each question easy to read?
5. Do you understand what each question is asking?

Please put your comments in the space provided after each question. Please feel free to make suggested wording changes directly on the question.

Thank you for taking the time to help us!

Survey ID #12345

2004 Employee Benefits Survey

John Doe
123 Main Street
Any Town, AL 35401

Please respond by

Instructions:

- ☐ For accurate results, it is important that you fill out and return this survey even if your organization offers no benefits.
- ☐ If possible, please provide information only for the establishment and location listed on the address label of this survey. If this is not possible, please answer questions for the employees in <STATE NAME> only.
- ☐ The goal of this survey is to collect information for 1st Quarter 2004 (January 1 - March 31) or the most current information available.
- ☐ Please respond by <RESPONSE DATE>
- ☐ If you have any questions about the survey, please call <CONTACT PERSON> at <PHONE NUMBER> or email <EMAIL ADDRESS>.
- ☐ Please mail the completed survey in the postage-paid envelope or fax it to <FAX NUMBER>. If you do not have the reply envelope, mail to: <ADDRESS>
- ☐ Your response to this survey is crucial to ensure the results obtained are accurate and complete.
- ☐ **All information provided will remain strictly confidential.** Results will be presented in aggregate so that no individual response will be identifiable in any published results.

Your comments on the above instructions:

Page #1

Contact Information

Contact Person: _____ Title: _____ Phone: (____) _____

(Contact information is requested in case clarification is needed about the responses to the survey.)

☐ Check here if you would like a complimentary copy of the survey results.**Employment (Full and Part-time)**

1. How many full- and part-time workers are currently employed at the establishment and location listed on the address label of this survey?

_____ employees

If zero employees, please

☐ check here and return the survey form.**Based on your organization's definition of full-time and part-time, of the employees reported in question #1:**

2. How many are full-time? _____ employees

3. How many are part-time? _____ employees

Please answer the remainder of the questions on the survey for the employees reported in this section.**Your comments on the above questions:**

Each numbered question below and its parts apply to the full-time and part-time employees identified in question 2 and 3 above. Please answer each group of questions using the two columns provided on the right side of the following pages.

Insurance: Medical, Dental, Vision, Life, Disability

	Full-time Employees	Part-time Employees
4. Does your organization offer medical insurance? (If no, please skip to question # 6)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered single coverage medical insurance?	_____ employees	_____ employees
b. How many are enrolled in single coverage medical insurance coverage?	_____ employees	_____ employees
c. What percentage of single coverage medical insurance premiums are employer paid?	_____ %	_____ %
d. For the majority of employees, is there a waiting period for single coverage medical insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Your comments on the above questions:		
5. Does your organization offer medical insurance for employees' spouses or dependents? (If no, please skip to question #6)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered medical insurance for their spouses or dependents?	_____ employees	_____ employees
b. How many enroll their spouses or dependents in medical insurance coverage?	_____ employees	_____ employees
c. For the majority of employees, what percentage of medical insurance premiums for employees' spouses or dependents are employer paid?	_____ %	_____ %
Your comments on the above questions:		
6. Does your organization offer dental insurance? (If included as part of a medical insurance plan, check yes and skip to question #7. If no, please skip to question #8)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered dental insurance?	_____ employees	_____ employees
b. How many are enrolled in dental insurance coverage?	_____ employees	_____ employees
c. For the majority of employees, are dental insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		

	Full-time Employees	Part-time Employees
7. Does your organization offer dental insurance to employees' spouses or dependents? <i>(If no, please skip to question #8)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered dental insurance for their spouses or dependents?	_____ employees	_____ employees
b. How many are enrolled in dental insurance coverage or spouses or dependents?	_____ employees	_____ employees
c. For the majority of employees, are dental insurance premiums for employees' spouses or dependents:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		
8. Does your organization offer vision insurance? <i>(If included as part of a medical insurance plan, check yes and skip to question #9. If no, please skip to question #9)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered vision insurance?	_____ employees	_____ employees
b. How many are enrolled in vision insurance insurance?	_____ employees	_____ employees
c. For the majority of employees, are vision insurance premiums:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		
9. Does your organization offer life insurance? <i>(If no, please skip to question #10)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered life insurance?	_____ employees	_____ employees
b. How many are enrolled in life insurance?	_____ employees	_____ employees
c. For the majority of employees, is life insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		

	Full-time Employees	Part-time Employees
10. Does your organization offer short-term disability insurance (separate from workers' compensation)? <i>(If no, please skip to question #11)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered short-term disability insurance?	_____ employees	_____ employees
b. How many are enrolled in short-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is short-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		
11. Does your organization offer long-term disability insurance (separate from workers' compensation)? <i>(If no, please skip to question #12)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered long-term disability insurance?	_____ employees	_____ employees
b. How many are enrolled in long-term disability insurance?	_____ employees	_____ employees
c. For the majority of employees, is long-term disability insurance:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		
Paid Time Off: Consolidated, Vacation, Sick, Holiday Leave		
12. Does your organization offer consolidated "Paid Time Off" (PTO)? <i>("Paid Time Off" may be referred to as a "Time Bank," "PTO," etc. This leave may be offered in addition to other types of leave or may be offered in place of separate leave. If no, please skip to question #13.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, how many days are provided per year:		
a. After 1 year of employment?	_____ days	_____ days
b. After 3 years of employment?	_____ days	_____ days
c. After 5 years of employment? <i>(skip to question #15)</i>	_____ days	_____ days
Your comments on the above questions:		

	Full-time Employees	Part-time Employees
13. Does your organization offer paid vacation:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. After 1 year of employment?	_____ days	_____ days
b. After 3 years of employment?	_____ days	_____ days
c. After 5 years of employment?	_____ days	_____ days
Your comments on the above questions:		
14. Does your organization offer paid sick leave?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid sick leave is offered as a separate benefit, how many days of paid sick leave are offered per year	_____ days	_____ days
Your comments on the above questions:		
15. Does your organization offer paid holidays?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If paid holidays are offered as a separate benefit, how many days are provided to employees each year?	_____ days	_____ days
Your comments on the above questions:		
Retirement		
	Full-time Employees	Part-time Employees
16. Does your organization offer a retirement plan? <i>(If no, please skip to question #19)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Your comments on the above questions:		

	Full-time Employees	Part-time Employees
17. Does your organization offer a defined contribution retirement plan? <i>If yes, answer questions a through c. If no, skip to question #18. (401k, savings and thrift, deferred profit sharing, etc.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered a defined contribution retirement plan?	_____ employees	_____ employees
b. How many are enrolled in the defined contribution retirement plan?	_____ employees	_____ employees
c. Is the defined contribution retirement plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		
18. Does your organization offer a defined benefit pension retirement plan? <i>(uses a specific, pre-determined formula to calculate an employees' future benefit)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. How many are offered a defined benefit pension plan?	_____ employees	_____ employees
b. How many are enrolled in the defined benefit pension plan?	_____ employees	_____ employees
c. Is the defined benefit pension plan:	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid	<input type="checkbox"/> 100% employer paid <input type="checkbox"/> 100% employee paid <input type="checkbox"/> Jointly paid
Your comments on the above questions:		

Other Benefits

	Full-time Employees	Part-time Employees
19. Does your organization offer child care benefits (including on-site or off-site child care, reimbursements, vouchers)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20. Does your organization offer tuition/educational assistance or reimbursement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21. Does your organization offer bonuses (e.g. hiring, signing, year-end, attendance, holiday)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
22. Does your organization offer flexible spending accounts (accounts allowing employees to set aside money out of their paycheck, pre-tax, to pay qualified expenses)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
23. Does your organization operate on shifts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
a. If yes, does your organization offer shift differentials?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Your comments on the above questions:

Cost of Benefits

For the cost questions below, please provide the most recent 12-month figures available. Include employer contributions only for insurance and retirement costs.

24. How much did your organization spend on each of the following components of compensation?	Annual Expenditures
a. Wages and salaries	\$ _____
b. Insurance (include only medical, dental, and vision insurance)	\$ _____
c. Retirement plans	\$ _____
d. What was the average employment for the same 12-month period of the costs reported in questions 24a – 24c?	_____ employees

Your comments on the above questions:

Thank you for taking the time to complete this survey!
Please make any comments or clarifications to specific survey questions on a separate sheet of paper.

Appendix D



May 20, 2004

Dear Employer,

Thank you for talking with us a few days ago when we called regarding the Alabama Employee Benefits Survey. As you requested, we are resending the survey we had previously mailed to you.

A number of states, including Alabama, are conducting tests of survey instruments for reporting employee benefits, with the goal of developing a common instrument that can be used in all states and across all industry types.

Yours is one of a small number of companies randomly selected in Alabama to provide feedback about this survey. We truly need your perspective for evaluating the draft survey enclosed.

Please return the completed survey to us along with any helpful comments you can make regarding the questions and/or instructions.

Thank you,

Debra McCallum

Project Director

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