The cost of providing health care to employees has risen 11.2 percent this year, according to the results of an authoritative national survey reported yesterday.

It was the fourth consecutive year of double-digit increases in health insurance premiums, which has resulted in a steady decline in the number of the nation's workers and their families receiving employer health care coverage.

The annual survey of 3,000 companies, conducted between January and May by the Kaiser Family Foundation and Health Research and Educational Trust, is considered a reliable indicator of health care costs paid by companies and their workers.

Perhaps the only good news in the report was its indication that the rate of increase slowed from the record 13.9 percent in 2003, turning down for the first time since 1996. But this year's jump was still more than five times the national 2.2 percent increase in wages from the spring of 2003 to spring 2004, as reported by the Bureau of Labor Statistics.

Small businesses are being especially hard hit as the average family coverage in preferred provider networks, the most common type of health plan, has risen to $10,217, with employees paying $2,691 of the total. In response to the soaring costs, many small companies are simply no longer offering coverage of a worker's spouse and children.

"Small employers just cannot afford to spend the bulk of $10,000 on a family health plan for a $30,000 employee," said Kate Sullivan Hare, the executive director of health care policy for the United States Chamber of Commerce. That same family coverage "used to cost $4,500 about six years ago," she noted.

The survey found that the share of companies of all sizes offering health benefits to their workers declined to 61 percent, down from 65 percent in 2001. As a result, an estimated five million fewer workers have access to employer health care coverage than the 127 million reported in 2001, said John Gabel, vice president of Health Research and Educational Trust.

With health care high on the list of voter concerns in election year polls, the Bush and Kerry campaigns quickly jumped into the fray.

Senator John Kerry blamed Bush administration policies. "It's wrong to allow skyrocketing health care costs to choke off new jobs, eat up family incomes and leave millions uninsured," Mr. Kerry, the Democratic presidential candidate, said yesterday during a campaign stop in Des Moines.

The Census Bureau said last month that the nation's total number of uninsured people had risen by 1.4 million in 2003, to a record 45 million.

Reed Dickens, a spokesman for the Bush-Cheney campaign, said: "This administration has helped slow the rate of increase for the first time in seven years. The president's approach to this is a consumer-driven approach, and John Kerry's philosophy is to shift the decision-making power to the federal government and shift the financial burden to the taxpayer."

But Ms. Sullivan Hare at the Chamber of Commerce said that "neither presidential candidate is really talking about government policies to control health care inflation." She added that most employers feel frustrated by the problems but they do not see "any magic bullets to help bring down costs."

Health premiums are rising faster than the underlying cost of doctor and hospital care, as consolidation in the insurance industry has given insurers greater clout. The monthly cost of two-person coverage for workers and their spouses increased 23 percent, to $836.78, this year at the John G. Shelley Company, a distributor of industrial products with 26 employees in Wellesley Hills, Mass. Monthly premiums for individuals rose 13 percent, to $418.39.

Full family coverage at Shelley is now $1,255.17, with the company offering to pay nearly half. Kara Connaughton, the financial controller at the Shelley company, said nobody signed up. "They all have their children covered under their spouse's plan," she said.

Frank Ciotola, an owner of Da Vinci Ristorante in northwest Columbus, Ohio, is another employer grappling with premium inflation.

"It's the same story with everybody I talk to," Mr. Ciotola said. "We got 31 percent increase last month to renew our insurance." He said he erased the increase by changing to a health savings plan, with a $1,700 annual deductible, for the three owners and four full-time employees in the plan.

The Kaiser report said that a growing number of employers were familiar with the health savings approach, a centerpiece of President Bush's health care program that combines pretax savings accounts and high deductibles. But the report said that only 3.5 percent of the employers in the survey had adopted the plans. The favorable tax feature took effect last January.

Megan Hauck, deputy policy director of the Bush campaign, said that a survey by Fortis Health, a company that sells the health savings plans, reported that about one-third of the early recruits were "previously uninsured."

For years, employers have been paying about 84 percent of premium costs, with workers picking up the remaining 16 percent, the survey said. But in dollar terms, that now means the average employee's share has risen by more than $1,000 since 2000, said Drew Altman, the chief executive of the Henry J. Kaiser Family Foundation.
The rising cost of health insurance is not only affecting the current working population.

The federal Centers for Medicare and Medicaid announced last week that Medicare premiums deducted from Social Security checks of elderly and disabled people would rise 17.4 percent next year to $78.20 a month. Meanwhile, Social Security payments are expected to rise by only 2 to 3 percent, according to the Medicare Rights Center, an advocacy group for Medicare beneficiaries.