



Colorado State Association of Health Underwriters

SUPPORTS HB09-1012

The Creation of Financial Incentives for Voluntary Wellness and Prevention Program Participation

Purpose of the Legislation: Authorizes health insurers to provide actuarially appropriate reductions in health insurance premiums for an enrollee's or insured's participation in a wellness program. The legislation would also provide for the appointment of an advisory committee on wellness to report on the development and effectiveness of wellness programs.

Intent: An effective wellness plan is one that is a behavioral modification tool. It is a plan or a program that educates and motivates individuals to change or eliminate unhealthy habits or lifestyles, such as bad nutrition, tobacco, lack of exercise, stress, etc. and help the individual to adopt healthy habits and lifestyles. Promoting Wellness and Prevention increases awareness to the role one can play in sharing responsibility for their health. Whether you are 20 or 60, chronically sick or healthy, regardless of health experience to this point, all people could be eligible for premium discounts if they participate in a qualified wellness program. Sometimes, it may be walking a few extra steps to ramp up activity or logging the glasses of water you drink daily. Other tools can allow individuals to enter their personal information to create health goals and strategies for achieving those goals. Everyone will benefit by focusing on proactive steps toward wellness regardless of their current status.

The focus on wellness instead of just "sick care" will allow market forces to develop innovative ways to alter how health care is provided and financed so as to encourage general good health and well-being of Colorado's citizens. Encouraging a more systematic approach to increasing the good health of the state's population will not only enhance quality of life, it will also help to reduce health care costs and hence premiums charged to individuals and large & small employers.

Benefits of Workplace Health Promotion

Many large employers already provide financial incentives for participation in wellness and prevention programs. Helping employees establish and maintain a healthy lifestyle has significant benefits to the individual and the organization. Healthy employees have lower health care costs, fewer workers' compensation claims, and reduced absenteeism. Additional intangible benefits include increased employee morale and reduced stress. Given the amount of time and energy that individuals spend on the job, the workplace is likely to become one of the most influential settings in promoting healthier lifestyles. Study after study has shown that for every dollar a company spends on employee health, it reaps the benefits through:

- Decreased absenteeism
- Reduced health care costs
- Increased productivity
- Improved employee health and morale

Larger employers can use these incentives; why wouldn't we extend this to individuals and smaller employers who make up the bulk of Colorado business? Please support HB09-1012 to help bring relief to the rising cost of health insurance for many of Colorado's working families.

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