

# STATE OF NEW YORK

7472

2019-2020 Regular Sessions

## IN ASSEMBLY

May 6, 2019

Introduced by M. of A. GOTTFRIED, ARROYO, BLAKE, BUTTENSCHON, COLTON, COOK, CROUCH, CRUZ, DICKENS, DINOWITZ, FALL, GALEF, JEAN-PIERRE, LUPARDO, MOSLEY, OTIS, SALKA, SAYEGH, SIMON, STIRPE, THIELE -- Multi-Sponsored by -- M. of A. LAWRENCE, LENTOL -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law and the public health law, in relation to making actuarially appropriate reductions in health insurance premiums in return for an enrollee's or insured's participation in a qualified wellness program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 3231 of the insurance law, as added by chapter 501 of the laws of 1992, is amended by adding a new subsection (c-1) to read as follows:

(c-1) Subject to the approval of the superintendent, an insurer or health maintenance organization issuing an individual or group health insurance policy pursuant to this section may provide for an actuarially appropriate reduction in premium rates or other benefits or enhancements approved by the superintendent to encourage an enrollee's or insured's active participation in a qualified wellness program. A qualified wellness program can be a risk management system that identifies at-risk populations or any other systematic program or course of medical conduct which helps to promote physical and mental fitness, health and well-being, helps to prevent or mitigate the conditions of acute or chronic sickness, disease or pain, or which minimizes adverse health consequences due to lifestyle. Such a wellness program may have some or all of the following elements to advance the physical health and mental well-being of its participants:

(1) an education program to increase the awareness of and dissemination of information about pursuing healthier lifestyles, and which warns about risks of pursuing environmental or behavioral activities

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 that are detrimental to human health. In addition, information on the  
2 availability of health screening tests to assist in the early identifi-  
3 cation and treatment of diseases such as cancer, heart disease, hyper-  
4 tension, diabetes, asthma, obesity or other adverse health afflictions;

5 (2) a program that encourages behavioral practices that either encour-  
6 age healthy living activities or discourage unhealthy living activities.  
7 Such activities or practices may include wellness programs, as provided  
8 under section three thousand two hundred thirty-nine of this article;  
9 and

10 (3) the monitoring of the progress of each covered person to track his  
11 or her adherence to such wellness program and to provide assistance and  
12 moral support to such covered person to assist him or her to attain the  
13 goals of the covered person's wellness program.

14 Such wellness program shall demonstrate actuarially that it encourages  
15 the general good health and well-being of the covered population. The  
16 insurer or health maintenance organization shall not require specific  
17 outcomes as a result of an enrollee's or insured's adherence to the  
18 approved wellness program.

19 § 2. Subsections (a), (b) and (c) of section 3239 of the insurance  
20 law, subsection (a) as added by chapter 592 of the laws of 2008, and  
21 subsections (b) and (c) as amended by chapter 180 of the laws of 2016,  
22 are amended to read as follows:

23 (a) An insurer licensed to write accident and health insurance, a  
24 corporation organized pursuant to article forty-three of this chapter, a  
25 health maintenance organization certified pursuant to article forty-four  
26 of the public health law and a municipal cooperative health benefits  
27 plan may establish a wellness program in conjunction with its issuance  
28 of a group accident and health insurance policy or group subscriber  
29 contract. A "wellness program" is a program designed to promote health  
30 and prevent disease that may contain rewards and incentives for partic-  
31 ipation. Participation in the wellness program shall be available to  
32 similarly-situated members of the group and shall be voluntary on the  
33 part of the member. The specific terms of the wellness program shall be  
34 set forth in the policy or contract, or in a separate document provided  
35 to insureds and members which shall be consistent with the provisions of  
36 this section.

37 (b) A wellness program may include, but is not limited to, the follow-  
38 ing programs or services:

- 39 (1) the use of a health risk assessment tool;  
40 (2) a smoking cessation program;  
41 (3) a weight management program;  
42 (4) a stress and/or hypertension management program;  
43 (5) a worker injury prevention program;  
44 (6) a nutrition education program;  
45 (7) health or fitness incentive programs;  
46 (8) a coordinated weight management, nutrition, stress management and  
47 physical fitness program to combat the high incidence of adult and  
48 childhood obesity, asthma and other chronic respiratory conditions;  
49 (9) a substance or alcohol abuse cessation program; ~~[and]~~  
50 (10) a program to manage and cope with chronic pain~~[ ]~~ ;

51 (11) assistance, financial or otherwise, provided to an employer for  
52 health promotion and disease prevention; and

53 (12) incentives for insureds or members to access preventive services,  
54 such as mammography screening.

55 (c)(1) A wellness program may use rewards and incentives for partic-  
56 ipation provided that where the group health insurance policy or

subscriber contract is required to be community-rated, the rewards and incentives shall not include a discounted premium rate or a rebate or refund of premium, except as provided in section three thousand two hundred thirty-one of this article, or section four thousand two hundred thirty-five, four thousand three hundred seventeen or four thousand three hundred twenty-six of this chapter, or section forty-four hundred five of the public health law.

(2) Permissible rewards and incentives may include:

(A) full or partial reimbursement of the cost of participating in smoking cessation, weight management, stress and/or hypertension, worker injury prevention, nutrition education, substance or alcohol abuse cessation, or chronic pain management and coping programs;

(B) full or partial reimbursement of the cost of membership in a health club or fitness center;

(C) the waiver or reduction of copayments, coinsurance and deductibles for preventive services covered under the group policy or subscriber contract;

(D) monetary rewards in the form of gift cards or gift certificates, so long as the recipient of the reward is encouraged to use the reward for a product or a service that promotes good health, such as healthy cook books, over the counter vitamins or exercise equipment;

(E) full or partial reimbursement of the cost of participating in a stress management program or activity; and

(F) full or partial reimbursement of the cost of participating in a health or fitness program.

(3) Where the reward involves a group member's meeting a specified standard based on a health condition, the wellness program must meet the requirements of 45 CFR Part 146.

(4) A reward or incentive which involves a discounted premium rate or a rebate or refund of premium shall be based on actuarial demonstration that the wellness program can reasonably be expected to result in the overall good health and well being of the group as provided in section three thousand two hundred thirty-one of this article, sections four thousand two hundred thirty-five, four thousand three hundred seventeen and four thousand three hundred twenty-six of this chapter, and section forty-four hundred five of the public health law.

§ 3. Subsection (h) of section 4235 of the insurance law is amended by adding a new paragraph 5 to read as follows:

(5) Each insurer doing business in this state, when filing with the superintendent its schedules of premium rates, rules and classification of risks for use in connection with the issuance of its policies of group accident, group health or group accident and health insurance, may provide for an actuarially appropriate reduction in premium rates or other benefits or enhancements approved by the superintendent to encourage an enrollee's or insured's active participation in a qualified wellness program. A qualified wellness program can be a risk management system that identifies at-risk populations or any other systematic program or course of medical conduct which helps to promote physical and mental fitness, health and well-being, helps to prevent or mitigate the conditions of acute or chronic sickness, disease or pain, or which minimizes adverse health consequences due to lifestyle. Such a wellness program may have some or all of the following elements to advance the physical health and mental well-being of its participants:

(A) an education program to increase the awareness of and dissemination of information about pursuing healthier lifestyles, and which warns about risks of pursuing environmental or behavioral activities

1 that are detrimental to human health. In addition, information on the  
2 availability of health screening tests to assist in the early identifi-  
3 cation and treatment of diseases such as cancer, heart disease, hyper-  
4 tension, diabetes, asthma, obesity or other adverse health afflictions;

5 (B) a program that encourages behavioral practices that either encour-  
6 age healthy living activities or discourage unhealthy living activities.  
7 Such activities or practices may include wellness programs, as provided  
8 under section three thousand two hundred thirty-nine of this chapter;

9 (C) the monitoring of the progress of each covered person to track his  
10 or her adherence to such wellness program and to provide assistance and  
11 moral support to such covered person to assist him or her to attain the  
12 goals of the covered person's wellness program.

13 Such wellness program shall demonstrate actuarially that it encourages  
14 the general good health and well-being of the covered population. The  
15 insurer or health maintenance organization shall not require specific  
16 outcomes as a result of an enrollee's or insured's adherence to the  
17 approved wellness program.

18 § 4. Section 4317 of the insurance law is amended by adding a new  
19 subsection (c-1) to read as follows:

20 (c-1) Subject to the approval of the superintendent, an insurer or  
21 health maintenance organization issuing an individual or group health  
22 insurance contract pursuant to this section may provide for an actuari-  
23 ally appropriate reduction in premium rates or other benefits or  
24 enhancements approved by the superintendent to encourage an enrollee's  
25 or insured's active participation in a qualified wellness program. A  
26 qualified wellness program can be a risk management system that identi-  
27 fies at-risk populations or any other systematic program or course of  
28 medical conduct which helps to promote physical and mental fitness,  
29 health and well-being, helps to prevent or mitigate the conditions of  
30 acute or chronic sickness, disease or pain, or which minimizes adverse  
31 health consequences due to lifestyle. Such a wellness program may have  
32 some or all of the following elements to advance the physical health and  
33 mental well-being of its participants:

34 (1) an education program to increase the awareness of and dissem-  
35 ination of information about pursuing healthier lifestyles, and which  
36 warns about risks of pursuing environmental or behavioral activities  
37 that are detrimental to human health. In addition, information on the  
38 availability of health screening tests to assist in the early identifi-  
39 cation and treatment of diseases such as cancer, heart disease, hyper-  
40 tension, diabetes, asthma, obesity or other adverse health afflictions;

41 (2) a program that encourages behavioral practices that either encour-  
42 age healthy living activities or discourage unhealthy living activities.  
43 Such activities or practices may include wellness programs, as provided  
44 under section three thousand two hundred thirty-nine of this chapter;  
45 and

46 (3) the monitoring of the progress of each covered person to track his  
47 or her adherence to such wellness program and to provide assistance and  
48 moral support to such covered person to assist him or her to attain the  
49 goals of the covered person's wellness program.

50 Such wellness program shall demonstrate actuarially that it encourages  
51 the general good health and well-being of the covered population. The  
52 insurer or health maintenance organization shall not require specific  
53 outcomes as a result of an enrollee's or insured's adherence to the  
54 approved wellness program.

55 § 5. Subsection (m) of section 4326 of the insurance law is amended by  
56 adding a new paragraph 4 to read as follows:

(4) approval of the superintendent, an insurer or health maintenance organization issuing a contract for qualifying small employers or individuals pursuant to this section may provide for an actuarially appropriate reduction in premium rates or other benefits or enhancements approved by the superintendent to encourage an enrollee's or insured's active participation in a qualified wellness program. A qualified wellness program can be a risk management system that identifies at-risk populations or any other systematic program or course of medical conduct which helps to promote physical and mental fitness, health and well-being, helps to prevent or mitigate the conditions of acute or chronic sickness, disease or pain, or which minimizes adverse health consequences due to lifestyle. Such a wellness program may have some or all of the following elements to advance the physical health and mental well-being of its participants:

(A) an education program to increase the awareness of and dissemination of information about pursuing healthier lifestyles, and which warns about risks of pursuing environmental or behavioral activities that are detrimental to human health. In addition, information on the availability of health screening tests to assist in the early identification and treatment of diseases such as cancer, heart disease, hypertension, diabetes, asthma, obesity or other adverse health afflictions;

(B) a program that encourages behavioral practices that either encourage healthy living activities or discourage unhealthy living activities. Such activities or practices may include wellness programs, as provided under section three thousand two hundred thirty-nine of this chapter; and

(C) the monitoring of the progress of each covered person to track his or her adherence to such wellness program and to provide assistance and moral support to such covered person to assist him or her to attain the goals of the covered person's wellness program.

Such wellness program shall demonstrate actuarially that it encourages the general good health and well-being of the covered population. The insurer or health maintenance organization shall not require specific outcomes as a result of an enrollee's or insured's adherence to the approved wellness program.

§ 6. Section 4405 of the public health law is amended by adding a new subdivision 5-a to read as follows:

5-a. subject to the approval of the superintendent of financial services, the possible providing of an actuarially appropriate reduction in premium rates or other benefits or enhancements approved by the superintendent of financial services to encourage an enrollee's active participation in a qualified wellness program. A qualified wellness program can be a risk management system that identifies at-risk populations or any other systematic program or course of medical conduct which helps to promote physical and mental fitness, health and well-being, helps to prevent or mitigate the conditions of acute or chronic sickness, disease or pain, or which minimizes adverse health consequences due to lifestyle. Such a wellness program may have some or all of the following elements to advance the physical health and mental well-being of its participants:

(1) an education program to increase the awareness of and dissemination of information about pursuing healthier lifestyles, and which warns about risks of pursuing environmental or behavioral activities that are detrimental to human health. In addition, information on the availability of health screening tests to assist in the early identifi-

1 cation and treatment of diseases such as cancer, heart disease, hyper-  
2 tension, diabetes, asthma, obesity or other adverse health afflictions;

3 (2) a program that encourages behavioral practices that either encour-  
4 age healthy living activities or discourage unhealthy living activities.  
5 Such activities or practices may include wellness programs, as provided  
6 under section three thousand two hundred thirty-nine of the insurance  
7 law; and

8 (3) the monitoring of the progress of each covered person to track his  
9 or her adherence to such wellness program and to provide assistance and  
10 moral support to such covered person to assist him or her to attain the  
11 goals of the covered person's wellness program.

12 Such wellness program shall demonstrate actuarially that it encourages  
13 the general good health and well-being of the covered population. The  
14 health maintenance organization shall not require specific outcomes as a  
15 result of an enrollee's adherence to the approved wellness program;

16 § 7. This act shall take effect on the one hundred eightieth day after  
17 it shall have become a law. Effective immediately, the addition, amend-  
18 ment and/or repeal of any rule or regulation necessary for the implemen-  
19 tation of this act on its effective date are authorized to be made and  
20 completed on or before such effective date.