

STATE OF NEW YORK

7177

2025-2026 Regular Sessions

IN ASSEMBLY

March 21, 2025

Introduced by M. of A. BICHOTTE HERMELYN -- 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:

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

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

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

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

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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 this article;
7 and

8 (3) the monitoring of the progress of each covered person to track
9 such person's adherence to such wellness program and to provide assist-
10 ance and moral support to such covered person to assist them to attain
11 the 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 insurer or health maintenance organization shall not require specific
15 outcomes as a result of an enrollee's or insured's adherence to the
16 approved wellness program.

17 § 2. Subsections (a), (b) and (c) of section 3239 of the insurance
18 law, as amended by chapter 3 of the laws of 2024, are amended to read as
19 follows:

20 (a) An insurer licensed to write life insurance may establish a well-
21 ness program in conjunction with its issuance of life insurance policies
22 and an insurer licensed to write accident and health insurance, a corpo-
23 ration organized pursuant to article forty-three of this chapter, a
24 health maintenance organization certified pursuant to article forty-four
25 of the public health law and a municipal cooperative health benefits
26 plan may establish a wellness program in conjunction with its issuance
27 of a group accident and health insurance policy or group subscriber
28 contract. A "wellness program" is a program designed to promote health,
29 longevity or prevent disease that may contain rewards and incentives for
30 participation. A "wellness program" shall not include limited benefits
31 health insurance. Participation in the wellness program shall be avail-
32 able to similarly-situated members of the group or with regard to life
33 insurance, to all insureds within the same class and equal expectation
34 of life and shall be voluntary on the part of the member or insured.
35 With regard to life insurance, an insurer is prohibited from increasing
36 premiums or charges stated in the policy as a result of participation or
37 non-participation in the program. The specific terms of the wellness
38 program shall be set forth in the policy or contract, or in a separate
39 document provided to insureds and members which shall be consistent with
40 the provisions of this section. With regard to a wellness program estab-
41 lished in connection with life insurance, an insurer shall provide a
42 prominent disclosure to an applicant at or prior to the time of applica-
43 tion that the program is not health insurance and participants should
44 not view the program as a substitute for the purchase of health insur-
45 ance.

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

- 48 (1) the use of a health risk assessment tool;
- 49 (2) a smoking cessation program;
- 50 (3) a weight management program;
- 51 (4) a stress and/or hypertension management program;
- 52 (5) a worker injury prevention program;
- 53 (6) a nutrition education program;
- 54 (7) health or fitness incentive programs;

1 (8) a coordinated weight management, nutrition, stress management and
2 physical fitness program to combat the high incidence of adult and
3 childhood obesity, asthma and other chronic respiratory conditions;

4 (9) a substance or alcohol abuse cessation program;

5 (10) a program to manage and cope with chronic pain;

6 (11) a preventive care program, screenings (including biometric
7 screenings), or chronic disease management program; ~~and~~

8 (12) a stress management program, including participation in a medi-
9 tation or sleep improvement program~~[-]~~;

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

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

14 (c)(1) A wellness program may use rewards and incentives for partic-
15 ipation provided that where the group health insurance policy or
16 subscriber contract is required to be community-rated, the rewards and
17 incentives shall not include a discounted premium rate or a rebate or
18 refund of premium, except as provided in section three thousand two
19 hundred thirty-one of this article, or section four thousand two hundred
20 thirty-five, four thousand three hundred seventeen or four thousand
21 three hundred twenty-six of this chapter, or section forty-four hundred
22 five of the public health law.

23 (2) Permissible rewards and incentives may include:

24 (A) full or partial reimbursement of the cost of participating in
25 smoking cessation, weight management, stress and/or hypertension, worker
26 injury prevention, nutrition education, substance or alcohol abuse
27 cessation, preventive care programs, screenings, chronic disease manage-
28 ment programs, or chronic pain management and coping programs;

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

31 (C) (1) the waiver or reduction of copayments, coinsurance and deduct-
32 ibles for preventive services covered under the group health insurance
33 policy or subscriber contract;

34 (2) a premium refund, discount, or policy value credit, or other
35 increase in benefits or decrease in charges under a life insurance poli-
36 cy;

37 (D) monetary rewards in the form of gift cards, gift certificates,
38 vouchers or discounts on products or services in return for engaging in
39 healthy behaviors;

40 (E) full or partial reimbursement of the cost of participating in a
41 stress management program or activity, including participation in a
42 meditation or sleep improvement program, provided that such program or
43 activity shall be based on data and research that the program or service
44 can be reasonably expected to result in overall good health, well being,
45 or improved mortality risk;

46 (F) full or partial reimbursement of the cost of participating in a
47 health or fitness program; and

48 (G) full or partial reimbursement of the cost of a wearable device and
49 any associated subscription membership to track physical activity or
50 biometric data, and which incents behavioral changes to improve health
51 or mortality risk.

52 (3) Where the reward involves a group member's meeting a specified
53 standard based on a health condition, the wellness program under a
54 health insurance policy shall meet the requirements of 45 CFR Part 146.

55 (4) A reward or incentive that involves a discounted premium rate or a
56 rebate or refund of premium under accident and health insurance policies

1 shall be based on actuarial demonstration that the wellness program can
2 reasonably be expected to result in the overall good health and well
3 being of the group as provided in section three thousand two hundred
4 thirty-one of this article, sections four thousand two hundred thir-
5 ty-five, four thousand three hundred seventeen and four thousand three
6 hundred twenty-six of this chapter, and section forty-four hundred five
7 of the public health law. A premium refund, discount, or policy value
8 credit, or other increase in benefits or decrease in charges under life
9 insurance policies in connection with a wellness program shall be based
10 on sound actuarial principles related to actual or reasonably antic-
11 ipated experience.

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

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

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

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

40 (C) the monitoring of the progress of each covered person to track
41 such person's adherence to such wellness program and to provide assist-
42 ance and moral support to such covered person to assist them to attain
43 the goals of the covered person's wellness program.

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

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

51 (c-1) Subject to the approval of the superintendent, an insurer or
52 health maintenance organization issuing an individual or group health
53 insurance contract pursuant to this section may provide for an actuari-
54 ally appropriate reduction in premium rates or other benefits or
55 enhancements approved by the superintendent to encourage an enrollee's
56 or insured's active participation in a qualified wellness program. A

1 qualified wellness program can be a risk management system that identi-
2 fies at-risk populations or any other systematic program or course of
3 medical conduct which helps to promote physical and mental fitness,
4 health and well-being, helps to prevent or mitigate the conditions of
5 acute or chronic sickness, disease or pain, or which minimizes adverse
6 health consequences due to lifestyle. Such a wellness program may have
7 some or all of the following elements to advance the physical health and
8 mental well-being of its participants:

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

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

21 (3) the monitoring of the progress of each covered person to track
22 such person's adherence to such wellness program and to provide assist-
23 ance and moral support to such covered person to assist them to attain
24 the goals of the covered person's wellness program.

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

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

32 (4) approval of the superintendent, an insurer or health maintenance
33 organization issuing a contract for qualifying small employers or indi-
34 viduals pursuant to this section may provide for an actuarially appro-
35 priate reduction in premium rates or other benefits or enhancements
36 approved by the superintendent to encourage an enrollee's or insured's
37 active participation in a qualified wellness program. A qualified well-
38 ness program can be a risk management system that identifies at-risk
39 populations or any other systematic program or course of medical conduct
40 which helps to promote physical and mental fitness, health and well-be-
41 ing, helps to prevent or mitigate the conditions of acute or chronic
42 sickness, disease or pain, or which minimizes adverse health conse-
43 quences due to lifestyle. Such a wellness program may have some or all
44 of the following elements to advance the physical health and mental
45 well-being of its participants:

46 (A) an education program to increase the awareness of and dissem-
47 ination of information about pursuing healthier lifestyles, and which
48 warns about risks of pursuing environmental or behavioral activities
49 that are detrimental to human health. In addition, information on the
50 availability of health screening tests to assist in the early identifi-
51 cation and treatment of diseases such as cancer, heart disease, hyper-
52 tension, diabetes, asthma, obesity or other adverse health afflictions;

53 (B) a program that encourages behavioral practices that either encour-
54 age healthy living activities or discourage unhealthy living activities.
55 Such activities or practices may include wellness programs, as provided

1 under section three thousand two hundred thirty-nine of this chapter;
2 and

3 (C) the monitoring of the progress of each covered person to track
4 such person's adherence to such wellness program and to provide assist-
5 ance and moral support to such covered person to assist them to attain
6 the goals of the covered person's wellness program.

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

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

14 5-a. subject to the approval of the superintendent of financial
15 services, the possible providing of an actuarially appropriate reduction
16 in premium rates or other benefits or enhancements approved by the
17 superintendent of financial services to encourage an enrollee's active
18 participation in a qualified wellness program. A qualified wellness
19 program can be a risk management system that identifies at-risk popu-
20 lations or any other systematic program or course of medical conduct
21 which helps to promote physical and mental fitness, health and well-be-
22 ing, helps to prevent or mitigate the conditions of acute or chronic
23 sickness, disease or pain, or which minimizes adverse health conse-
24 quences due to lifestyle. Such a wellness program may have some or all
25 of the following elements to advance the physical health and mental
26 well-being of its participants:

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

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

39 (3) the monitoring of the progress of each covered person to track
40 such person's adherence to such wellness program and to provide assist-
41 ance and moral support to such covered person to assist them to attain
42 the goals of the covered person's wellness program.

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

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