

Workplace Wellness – Promoting Good Programs, Avoiding Bad Incentives

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AARP Supports Workplace Wellness

- Workplace wellness programs have great potential to promote healthier lives and lower premiums and total system costs.
- They:
 - Promote healthy behaviors like physical activity and smoking cessation; and
 - Include important programs like proper medication management.



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- Grants or tax credits for employers who offer these programs merit strong support:
 - We support House workplace wellness provisions, including grants to small employers for up to half the cost of evidence-based programs.
 - Importantly, the programs must meet specific, reasonable criteria.



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- Reasonable criteria include policies and services at the worksite to address:
 - Tobacco use at the worksite;
 - Nutrition in cafeterias and vending machines;
 - Minimizing stress and promoting positive mental health; and
 - Encouragement of physical activity before, during, and after work hours.

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- Reasonable criteria include counseling, seminars, on-line programs, etc. on:
 - Tobacco use;
 - Obesity;
 - Stress management;
 - Physical fitness & nutrition;
 - Substance abuse & mental health promotion.

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- Reasonable criteria include:
 - Active employee engagement through worksite assessments, onsite delivery, evaluation, and improvement efforts;
 - Making programs physically accessible and culturally competent; and
 - Opportunity for periodic screenings and referrals for appropriate follow-up.



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- House bill criteria further include:
 - Making sure participation is voluntary;
 - Making programs available to all workers;
 - Protecting employee privacy; and
 - Not tying financial incentives to premiums or cost sharing.

Concerns About Senate Workplace Wellness

- The Senate bill also includes many good prevention/wellness provisions, but:
 - Does not include all the important wellness program criteria in the House bill; and
 - Increases the amount employees can be charged for not meeting specific outcomes from the current 20% to at least 30% and potentially up to 50%.

Concerns About Senate Workplace Wellness

- Linking participation and outcomes to employee costs can be very appealing:
 - We all want to promote individual responsibility as part of health reform;
 - But lower costs for successful participants requires higher, potentially unaffordable costs for people who cannot participate, change behaviors or achieve health targets.

Concerns About Senate Workplace Wellness

- Linking employee costs to specific outcomes is a serious concern because behavior alone often cannot control wellness priorities, such as:
 - Obesity;
 - High cholesterol; and
 - High blood pressure.

Concerns About Senate Workplace Wellness

- Weight, cholesterol and blood pressure problems are caused not just by behavior but are also strongly linked to:
 - Genetics;
 - Physical and mental disabilities;
 - Lack of community resources; or
 - Other life priorities like care-giving or the need to work multiple jobs to pay family expenses.

Concerns About Senate Workplace Wellness

- This is a big concern for AARP because many of these conditions not completely controlled by behavior become more prevalent with age.
 - Pre-existing conditions discrimination is a key reason why more than 7 million 50-64 year olds cannot find affordable coverage today.

Concerns About Senate Workplace Wellness

- This also is a concern in low-income and minority communities because of:
 - Higher obesity, hypertension and high cholesterol rates;
 - Barriers to behavior change from economic hardships, unsafe neighborhoods, little access to healthier foods, etc.; and
 - The Senate bill's explicit ban on premium subsidies covering higher costs linked to wellness participation and outcomes.



Concerns About Senate Workplace Wellness

- With average family premiums already over \$13,000 a year, increasing costs by 50% could make coverage unaffordable for those who cannot achieve target outcomes because of genetics, disabilities, or life circumstances.
 - Health reform should ensure that everyone can have affordable coverage regardless of health status.

Concerns About Senate Workplace Wellness

- The Senate makes a good-faith effort to address these concerns with “reasonable alternatives” for those who cannot meet targets due to medical conditions;
 - But doctors often cannot tell if genetics or other factors than behavior are at fault;
 - So “reasonable alternatives” do not fully prevent this from becoming a backdoor to pre-existing conditions discrimination.

Reform Should End All Forms of Health Status Discrimination

- We have promised the American people that reform will end health status discrimination.
 - Healthy behavior discounts should not become a back door to discriminating against people with pre-existing conditions.
 - Charging more based on health status is a practice that health reform must end once and for all.