



March 20, 2015

The Honorable Lamar Alexander
Chair
U.S. Senate Health, Education, Labor and Pensions (HELP) Committee
428 Dirksen SOB
Washington, DC 20510

The Honorable John Kline
Chair
U.S. House Education and the Workforce Committee
2181 Rayburn HOB
Washington, DC 20515

Dear Chairmen Alexander and Kline:

The National Business Group on Health writes in **strong** support of S. 620/H.R. 1189, the Preserving Employee Wellness Programs Act.¹ We applaud your leadership to align government policy and provide legal clarity to support employers' wellness programs and financial incentives that reward healthy lifestyles.

The National Business Group on Health represents approximately 415 primarily large, employers (including 67 of the Fortune 100) who voluntarily provide generous health benefits and other health programs to over 55 million American employees, retirees, and their families.

Voluntary wellness programs are widespread among employers. According to the *National Business Group on Health (NBGH) and Fidelity Investments Sixth Annual Employer-Sponsored Health & Well-being Survey: Taking Action to Improve Employee Health*, in 2015, 96.7% of employers offered lifestyle programs centered around 1) providing feedback to employees on their health status (health risk assessment and biometric screening), and 2) changing unhealthy behaviors (smoking cessation, physical activity programs, weight management, stress management, health coaching and use of fitness centers).

Employers adopt wellness programs for a number of reasons including to: respond to employee interest, improve employee health and productivity, encourage employees and

¹ The act would reaffirm existing law that allows employers to offer voluntary wellness programs that reward employees and their families with financial incentives for attaining health care goals. It would also provide ample time (6 months) for employees to request and complete alternative wellness programs if they cannot participate in the original programs.

their families to choose healthy lifestyles, actively engage in their own health and wellbeing, reduce health care costs and foster a culture of health in the workplace. According to *Virgin HealthMiles and Workforce Management Magazine's The Business of Healthy Employees: A Survey of Workplace Health Priorities*², in 2013, of the over 9,900 employee respondents participating in wellness programs, 75% improved their physical activity, 55% reported they are healthier and happier, 48% reported they are more energetic and 49% achieved weight loss goals. Twenty-nine percent also reported improvements in controlling chronic conditions, 22% in reducing sick days and 21% in improving workplace morale.ⁱ

As you know, employers offer financial incentives as a key component to engage employees to participate in wellness programs and to achieve health goals through such programs. The NBGH/Fidelity Investments survey cited above found that 79% of employers used incentives for these purposes. The Virgin HealthMiles/Workforce Management Magazine Survey found that over 61% of employees participated in employer-sponsored wellness programs specifically to earn the incentives.ⁱⁱ

The Equal Employment Opportunity Commission's (EEOC) recent legal actions have caused concern for many employers about the future of wellness programs due to its seeming contradiction with the Affordable Care Act (ACA) and the Health Insurance Portability and Accountability Act (HIPAA), which encourage the adoption and expansion of these programs.

The National Business Group on Health appreciates your efforts to protect workplace wellness programs. Your proposed legislation would clear up this confusion for employers and the employees who value these programs and aligns the federal government's policy to consistently support wellness programs. Please contact me or Steven Wojcik, the National Business Group on Health's Vice President of Public Policy, at (202) 558-3012, if we can be of any assistance or if you would like to discuss our comments in more detail.

Sincerely,



Brian J. Marcotte
President

cc:

The Honorable Orrin Hatch, Chair, U.S. Senate Finance Committee

² Since the 2013 survey, VirginHealthMiles has changed its name to Virgin Pulse and Workforce Management Magazine has changed its name to Workforce Magazine.

The Honorable Michael B. Enzi, Chair, U.S. Senate HELP Subcommittee on Primary Health and Retirement Security

The Honorable Johnny Isakson, Chair, U.S. Senate HELP Subcommittee on Employment and Workplace Safety

The Honorable Tim Scott, U.S. Senate HELP Committee

The Honorable Pat Roberts, U.S. Senate HELP Committee

The Honorable Tim Walberg, Chair, U.S. House Subcommittee on Workforce Protections

The Honorable David Roe, Chair, U.S. House Subcommittee on Health, Employment, Labor, and Pensions

ⁱ Virgin Healthmiles and *Workforce Management Magazine*. The Business of Healthy Employees: A Survey of Workplace Health Priorities. 2013,

http://ihrim.org/Pubonline/Wire/Sept13/Business_HealthyEmployees2013.pdf

ⁱⁱ Ibid.