

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Bates, Kruse, Morrisette, Morse, Monnes Anderson
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Robert Shook, Administrator
<b>Meeting Dates:</b>	4/14, 4/16, 4/21

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**WHAT THE MEASURE DOES:** Authorizes insurer to pay dividends in form of cash rewards to enrollees who participate in approved programs to promote health lifestyle, and encourages the insurer to compile and report data to Department of Consumer and Business Services., Directs department to report findings to the 77<sup>th</sup> and 78<sup>th</sup> Legislative Assemblies on the long-term effectiveness of paying dividends to encourage and promote healthy lifestyles.

**ISSUES DISCUSSED:**

- Definition of “healthy lifestyle”
- Concerns about the creation of additional bureaucracy
- Compliance with Health Insurance Portability and Accountability Act regulations
- Outcome based rather than participation based
- Small employer market and potential lower premiums

**EFFECT OF COMMITTEE AMENDMENT:** Eliminates the requirement for insurer reporting, but allows for voluntary participation. Clarifies the enrollee’s participation in a program that “promotes a health lifestyle”.

**BACKGROUND:** Healthy lifestyles are generally defined as eating a diet that is beneficial to ones health, or engaging in no less than 90 minutes of physical activity each week. Senate Bill 679-A authorize insurers to pay dividends in the form of cash rewards to their enrollees who participate in a health lifestyle program approved by the insurer.

Senate Bill 679 also encourages the collection of data regarding the effectiveness of the program, measuring the person’s level of participation and progress and the overall impact and long-term effectiveness of the dividend approach. The complied data will be reported to the Seventy-seventh and Seventy-eighth Legislative Assemblies on the effectiveness of paying dividends to enrollees, and recommend whether the authority granted by this bill should be expanded, modified, or repealed.