

# House Bill 4074

Sponsored by Representative OLSON; Senator OLSEN (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Permits insurers, multiple employer welfare arrangements, health care service contractors and self-insured employee health benefit plans to offer health benefit plan that pays cash dividends to enrollee who participates in wellness program. Permits employer to pay additional cash dividends to participating employees. Defines "wellness program."

Creates subtraction from federal taxable income for cash dividends of \$1,000 or less that are paid for participation in wellness program.

## A BILL FOR AN ACT

Relating to health promotion; creating new provisions; and amending ORS 743.824.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 743.824 is amended to read:

743.824. (1) As used in this section[, *"healthy behaviors" means participating in constructive behaviors that encourage fitness, healthy eating and other activities that are beneficial to good health.*]:

(a) **"Enrollee" means an individual who:**

(A) **Is enrolled in an individual or group health benefit plan or a self-insured employee health benefit plan; or**

(B) **Receives health care coverage through a multiple employer welfare arrangement described in ORS 750.301 to 750.341 or from a health care service contractor described in ORS 750.005 to 750.095.**

(b) **"Health benefit plan" has the meaning given that term in ORS 743.730.**

(c) **"Wellness program" means a program in which an enrollee, on the basis of a health assessment, participates in one or more of the following:**

(A) **A tobacco use cessation program.**

(B) **A weight control program.**

(C) **A fitness program.**

(D) **A nutritional education program.**

(2) An insurer [*offering a health benefit plan, as defined in ORS 743.730*], **multiple employer welfare arrangement, health care service contractor or self-insured employee health benefit plan** may [*pay*] **offer a health benefit plan that pays** cash dividends to enrollees in the plan who participate in a [*program approved by the insurer that promotes healthy behaviors*] **wellness program. An employer may pay cash dividends, in addition to the dividends paid by the plan, to the employees who participate in the wellness program.**

(3) **The individual conducting the health assessment for purposes of a wellness program may be:**

(a) **An enrollee's health care provider; or**

(b) **An independent health care professional that contracts with an enrollee's employer,**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 insurer, third party administrator, multiple employer welfare arrangement or health care  
2 service contractor to conduct a health assessment, to determine the enrollee's recommended  
3 level of participation in one or more of the components of the wellness program and to  
4 monitor the enrollee's participation in the wellness program.

5 (4) The individual described in subsection (3) of this section is subject to all requirements  
6 of state and federal law regarding the retention and disclosure of protected health informa-  
7 tion.

8 (5) An enrollee may not be required to participate in a wellness program as a condition  
9 of coverage.

10 [(3)] (6) Dividends paid pursuant to this section are not premium variations for the purposes of  
11 ORS 743.767.

12 (7) Cash dividends of \$1,000 or less that are paid under subsection (2) of this section are  
13 not subject to the tax imposed under ORS chapter 316.

14 SECTION 2. Section 3 of this 2012 Act is added to and made a part of ORS chapter 316.

15 SECTION 3. There shall be subtracted from federal taxable income an amount, not to  
16 exceed \$1,000, equal to any cash dividends that are paid to a taxpayer pursuant to ORS  
17 743.824 (2).

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