

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

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Action: Do Pass

Vote: 9 - 0 - 0

Yeas: Clem, Conger, Harker, Kennemer, Keny-Guyer, Lively, Thompson, Weidner, Greenlick

Nays: 0

Exc.: 0

Prepared By: Tyler Larson, Administrator

Meeting Dates: 5/3, 5/29

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**WHAT THE MEASURE DOES:** Directs Department of Consumer and Business Services apply for participation in wellness program demonstration project through United States Secretary of Health and Human Services.

**ISSUES DISCUSSED:**

- Impact of health and wellness choices on individual health
- ACA spell out limits on health incentive programs
- Methods of evaluating outcomes from wellness program demonstration project

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Affordable Care Act (ACA) codifies and amends certain Health Insurance Portability and Accountability Act (HIPAA) nondiscrimination laws and regulations. Two of the changes are:

1. HIPAA non-discrimination rules/regulations prohibit a group health plan from discriminating based on a health status related factor; however, it does provide an exception for wellness programs that meet certain criteria.
2. ACA codifies and applies non-discrimination rules to plans offered in the individual market, but not the wellness program exception.

Proponents assert that rewards provided in the individual market (starting January 1, 2014) may be prohibited except through the 10-state individual market wellness program demonstration project.

Senate Bill 539 directs the Department of Consumer and Business Services, in consultation with the Oregon Health Authority, to apply for participation in the wellness program demonstration project.