

# Insurance Discounts for Wellness Programs

This Act enables small employer insurance carriers to offer premium credits or discounts to small companies whose employees participate in wellness or disease management programs.

Submitted as:

Iowa

[HF 790](#)

Status: Enacted into law in 2007.

## Suggested State Legislation

(Title, enacting clause, etc.)

1           Section 1. [*Short Title.*] This Act shall be cited as “An Act to Promote Wellness Programs  
2 for Employees of Small Business and Associations of Small Businesses.”

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4           Section 2. [*Small Employer Incentives; Suspension or Modification of Premium Rate*  
5 *Restrictions.*]

6           a. In order to encourage voluntary participation in wellness or disease management  
7 programs, a small employer carrier as defined under [insert citation], may offer health insurance  
8 premium credits or discounts to a small employer as defined under [insert citation] or a bona fide  
9 association as defined under [insert citation], for the benefit of eligible employees of that small  
10 employer or association who participate in such a program. An employee shall not be penalized in  
11 any way for not participating in such a program.

12           b. The [commissioner] shall adopt, by rule or order, provisions allowing suspension or  
13 modification of premium rate restrictions to enable a small employer carrier to provide premium  
14 credits or discounts to a small employer or bona fide association based on measurable reductions  
15 in costs of that small employer or association, including but not limited to tobacco use cessation,  
16 participation in established wellness or disease management programs, and economies of  
17 acquisition or administration.

18           c. A small employer carrier may offer to transfer a small employer or bona fide association  
19 into a different class of business with a lower index rate based upon claims experience,  
20 implementation of managed care or wellness programs, or health status improvement of the small  
21 employer or bona fide association since issue.

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23           Section 3. [*Severability.*] [Insert severability clause.]

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25           Section 4. [*Repealer.*] [Insert repealer clause.]

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27           Section 5. [*Effective Date.*] [Insert effective date.]