

Plan Designs

What Is a Wellness Program?

A wellness program is an organized program intended to assist employees and family members in making voluntary behavior changes that reduce their health risks and enhance their individual productivity. Wellness programs vary widely in design and may offer opportunities or incentives for improving health and wellness, such as increasing fitness, losing weight, managing chronic health conditions or quitting smoking.

Why Offer a Wellness Program?

Investing in a wellness program may save money over time by reducing health care costs. Plan sponsors will have to determine whether the value expected to be derived from offering a wellness program is worth the cost. Depending on the scope of the program, it can be a relatively low-cost way to encourage healthy behavior among plan participants.

Sample Wellness Plan Design

The following is a sample plan provision regarding a wellness program.

A. Wellness

Subject to the participant maximum benefit limit, ABC Company will pay benefits for fees incurred by you, and your spouse who is a participant, for participation in any of the listed health and wellness programs that are sponsored by a hospital, YMCA (legally-operating Young Men's Christian Association), YWCA (legally-operating Young Women's Christian Association) or a covered organization as defined in (1) and (2) following:

1. A fitness or health club will be considered a covered organization by the claim administrator if the claim administrator, at its sole option, determines that the fitness facility or health club meets all of the following requirements:
 - a) each fitness instructor is certified in cardiopulmonary resuscitation (CPR), and a staff person certified in CPR is on the premises at all times of operation;
 - b) written procedures exist for medical emergencies with all staff trained in these procedures;
 - c) fire, rescue and police telephone numbers are posted by all telephones in the fitness facility or health club;
 - d) liability waivers are maintained on file for each participant by the fitness facility or health club;
 - e) the fitness facility or health club employs at least one full-time staff person with a minimum of a four-year degree in either health education, wellness education, physical education, exercise physiology, physical therapy or public health; or employs a full-time physician's assistant, registered nurse or physician;

- f) an individual performs and evaluates a review or assessment of medical and physical health for each participant;
 - g) membership fees are paid by or receipted to each participant on a quarterly or more frequent basis;
 - h) there is a designated manager or director of the fitness facility or health club; and
 - i) the fitness facility or health club has an accepted current wellness services provider application on file with the claim administrator as of the date fees are to be paid by the covered employee or his or her spouse who is a participant.
2. Other health agencies, post-secondary schools, clinics, fitness facilities or other organizations offering educational programs will be considered covered organizations by us if we, at our sole option, determine that program meets all of the following requirements;
- a) the organization employs at least one full-time staff person with a minimum of a four-year degree in either health education, wellness education, physical education, exercise physiology, physical therapy, or public health; or employs a registered dietitian, registered nurse, physician's assistant, nurse practitioner, physician, psychologist, psychiatrist, or a social worker with a master's degree.
 - b) the program instructor has appropriate training and experience and consults with a professional practicing in a field directly related to the program topic;
 - c) the program provides each participant with the opportunity to evaluate program content and the instructors;
 - d) the fees are to be paid by the participant on a per-session or per-course basis; and
 - e) the organization has an accepted current wellness services provider application on file with us as of the date fees are to be paid by the participant.
3. Subject to the participant maximum benefit limit, ABC Company will pay benefits at 90 percent of the fees charged for the following programs sponsored by a covered organization as described above.
- a) accident prevention and safety skills education classes;
 - b) healthy back education classes, including back pain prevention classes;
 - c) biofeedback education classes;
 - d) hypertension screening and treatment education classes;
 - e) nutrition and/or diet instruction including weight control and management classes, including necessary laboratory charges as part of the program, not including any food items or diet supplements;
 - f) educational classes for alcohol and drug misuse/abuse training and/or understanding;
 - g) parenting skills education classes (does not include prenatal, Lamaze, or birthing education or training);
 - h) stress management educational classes;
 - i) smoking cessation programs;
 - j) classes for wellness concepts; and
 - k) classes and assessment of lifestyle health risk factors including initial evaluations for admittance to an exercise program.
4. Subject to the participant maximum benefit limit, ABC Company will pay benefits at 60 percent of the fees charged for the following programs sponsored by a covered organization as defined above.
- a) any continuous three month or more frequent membership fees for aerobic fitness conditioning programs of a qualified fitness facility, health club, or other covered organization as defined above, including court fees, circuit weight training, and weight lifting that enhances aerobic training (does not include swimming lessons, initiation fees, tanning fees, or sauna fees and similar charges);

- b) CPR classes and instruction on first aid (does not include instructor training courses); and
 - c) prenatal classes, Lamaze classes, and birthing instruction courses.
5. Subject to the participant maximum benefit limit, ABC Company will pay benefits at 30 percent of the fees charged for the following programs sponsored by a covered organization as defined above.
- a) biomechanical assessment which includes flexibility, body and muscle strength, and/or percent body fat measurements;
 - b) relaxation skills and techniques educational classes;
 - c) retirement planning and educational classes; and
 - d) time management instruction and educational classes.

If you or your spouse who is a participant is eligible to receive payment for a fee under more than one of the above paragraphs, ABC Company will pay only the benefit for that program which provides the higher payment to you or your spouse who is a participant.

B. Health Risk Assessment

ABC Company will pay benefits for charges incurred by you, and your spouse who is a participant, from the facility currently contracted by us to provide this service and associated with the completion of the personal health risk assessment. The completed forms will be submitted to the facility at the address provided on the form. Confidential return of the evaluation will be directly to you or your spouse who is a participant. ABC Company does not require you to complete a health risk assessment.

Other types of health risk assessments may also qualify for payment under the policy, but the use of such an assessment must be authorized in writing in advance by the policyholder. The policy payment will be limited to the amount charged by the facility currently contracted by us to provide this same type of service.

C. Self-Care

ABC Company will provide plan participants with a health and wellness newsletter for each subscriber on a quarterly basis each calendar year. Additionally, we will periodically provide the policyholder with pamphlets and brochures on health and wellness subjects for distribution to subscribers.

ABC Company will have DVD programs on health and wellness subjects available for loan to plan participants. Such programs are subject to change, and availability will be on a first call basis.

Ron Sellers & Associates, Inc. welcomes the opportunity to help your organization examine its plan design(s) and make recommendations for improvement.

This copy of Plan Designs is not meant to be provided as legal advice. Readers seeking legal advice should contact an attorney.

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