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Newsletter

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New Rules and Guidance Provide Clarification for Employer-Sponsored Wellness Programs

On Thursday, April 16, the Equal Employment Opportunity Commission (EEOC) published a long-awaited proposed rule on employer-sponsored wellness programs. The new regulation gives much needed guidance to both employers and employees about how wellness programs offered as part of an employer's group health plan must comply with the Americans with Disabilities' Act (ADA) and the provisions governing wellness programs in the Health Insurance Portability and Accountability Act (HIPAA) and the PPACA.

The proposed rule describes how Title I of the ADA applies to employee wellness programs that are part of group health plans and includes questions about employees' health (such as health risk assessments) and medical examinations (such as screening for high cholesterol, high blood pressure or blood glucose levels). **To be acceptable, such programs must be voluntary and employers must provide employees with a notice that describes what medical information will be collected as part of the wellness program, who will receive it, how the information will be used and how it will be kept confidential.** Employers are bound to keep data collected as part of the program private and provide reasonable alternatives to employees who opt for it. Furthermore, the employers are bound by the financial incentive limitations of the PPACA, so financial incentives for wellness programs may not exceed 30% of the cost of coverage and smoking cessation incentives may not exceed 50%.

