

## TULSA FOP 93 HEALTH AND WELFARE TRUST

### WELLNESS COMMITTEE INTRODUCES

### NEW PREMIUM INCENTIVE PROGRAM BEGINNING 2018

The Wellness Committee was established to provide members with ideas to improve their overall health and wellness. The focus is to provide information and incentives that will benefit all members by emphasizing a healthy lifestyle. By improving the overall health of our members we anticipate lowering future health care costs for all members.

The goal of the Premium Incentive Program is to encourage members to get a health assessment in order to have a total understanding of their current health status, reduce nicotine usage and lower the number of overweight members. *We will continue to provide nutrition education and encourage members to take advantage of the many exercise programs that are available.*

**Why focus on nicotine cessation and body composition?** Studies have shown that smokers have as much as 40% higher health care costs over non-smokers. In 2009, health care costs for smokers were \$21, 000.00 higher over a lifetime than costs for non-smokers.<sup>1</sup> Smokeless tobacco, cigars, pipe tobacco E-cigarettes are directly linked to oral cancer, dental and gum diseases, heart disease, high blood pressure and stroke.<sup>2</sup> . Obese adults spend 42% more on direct healthcare costs than adults who are a healthy weight. Per capita health care costs for morbidly obese adults (BMI>40) are 81% higher than healthy weight individuals. Moderately obese (BMI between 30 and 35) are more than twice as likely as healthy weight individuals to be prescribed pharmaceuticals to manage medical conditions.<sup>3</sup> Obesity now accounts for almost 21% of U.S. health care costs.<sup>4</sup>

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<sup>1</sup> <https://www.tobaccofreekids.org/research/factsheets/pdf/0327.pdf>

<sup>2</sup> <http://www.americanexchange.com/tobacco-users-health-insurance-premiums/>

<sup>3</sup> <http://stateofobesity.org/healthcare-costs-obesity/>

<sup>4</sup> <https://www.hsph.harvard.edu/obesity-prevention-source/obesity-consequences/economic/>

## **COVERAGE OPTIONS BEGINNING 2018**

Coverage options under the *Tulsa FOP 93 Health Benefits Plan* (the "Plan") will be based on "premium incentives" achieved by covered persons, called "Participants". These "tiers" will be based on each Participant's Personal Health Assessment (PHA) scores and other healthy levels as described below. The higher the Tier, the higher the Premium Incentive achieved by the Participant.

For the Plan Year beginning 01/01/18

- **Tier 1 Coverage Option- No Premium Incentive**  
Employee/retiree and/or covered spouse (if applicable) did not participate in PHA health screening.
  
- **Tier 2 Coverage Option- 5% Premium Incentive\***  
Employee/retiree and covered spouse (if applicable) participate in PHA health screening.
  
- **Tier 3 Coverage Option- 10% Premium Incentive\***  
Employee/retiree and covered spouse (if applicable) participate in PHA health screening + negative nicotine test.

*NOTE: Participant must be negative for nicotine by 8/31/17 for the 01/01/18 Tier 3 Coverage Option Premium Incentive. If a Participant has a positive nicotine test they have until 10/31/17 to take another test paid for by the Trust in order to receive the Premium Incentive effective 01/01/18. NOTE: If it is unreasonably difficult for a Participant to meet the negative nicotine test requirement (or if it is medically inadvisable for the Participant to attempt to do so), if the Participant completes a **Trust-approved** nicotine cessation program by 10/31/2017, the Participant is eligible for the Tier 3 Coverage Option Premium Incentive effective 01/01/2018, provided the Participant otherwise meets all the requirements for the Tier 3 Coverage Option.\*\**

For the Plan Year Beginning 01/01/19

- **Tier 1 Coverage Option- No Premium Incentive**  
Employee/retiree and/or covered spouse (if applicable) did not participate in PHA health screening.
- **Tier 2 Coverage Option- 5% Premium Incentive\***  
Employee/retiree and covered spouse (if applicable) participate in PHA health screening.
- **Tier 3 Coverage Option- 10% Premium Incentive\***  
Employee/retiree and covered spouse (if applicable) participate in PHA health screening + **either** a negative nicotine test **or** waist/height ratio is Green Category (or 5% weight loss)<sup>\*\*\*</sup>.
- **Tier 4 Coverage Option- 15% Premium Incentive\***  
Employee/retiree and covered spouse (if applicable) participate in PHA Health Screening + negative nicotine test + waist/height ratio in Green Category<sup>\*\*\*</sup> OR a 5% weight reduction from previous screening.

*NOTE: Participant must be negative for nicotine by 08/31/2018 for the 01/01/19 Tier 3 and Tier 4 Coverage Option Premium Incentives. If a Participant has a positive nicotine test they have until 10/31/2018 to take another test paid for by the Trust in order to receive the applicable Premium Incentive effective 01/01/19. NOTE: If it is unreasonably difficult for a Participant to meet the negative nicotine test requirement (or if it is medically inadvisable for the Participant to attempt to do so), if the Participant completes a **Trust-approved** nicotine cessation program by 10/31/2018, the Participant is eligible for the applicable Premium Incentive effective 01/01/2019, provided the Participant otherwise meets all the requirements for the applicable Tier 3 or Tier 4 Coverage Option.\*\**

*NOTE: If it is unreasonably difficult for a Participant to meet the waist/height ratio in Green Category\*\*\* OR a 5% weight reduction from previous screening requirement (or if it is medically inadvisable for the Participant to attempt to do so), if the Participant completes a **Trust-approved** nutrition education program by 10/31/2017, the Participant is eligible for the Tier 4 Premium Incentive effective 01/01/2019, provided the Participant otherwise meets all the requirements for the Tier 4 Coverage Option.\*\**

**Trust-approved** nicotine cessation programs and nutrition education programs will be available for employees/retirees and their spouses.

\*Premium Incentives are available for the employee/retiree and spouse (if applicable) Plan coverage option under which he/she is enrolled in. Premium Incentives are not available for any additional cost (if applicable) for dependent child(ren) Plan coverage.

\*\*Contact Rooney Insurance for further details regarding reasonable accommodations. *Note: To obtain a reasonable alternative standard, the written recommendation of your personal physician will be required.*

\*\*\*Green category is the acceptable category in the Personal Health Summary report provided by CareATC. In the event the Trust is no longer associated with CareATC, the standard used will be .52 waist/height ratios.

*Right to Terminate or Amend.* The Trust has the right, in its sole discretion to terminate the Program at any time without any liability for that action. The Trust has the right, in its sole discretion, at any time and without notice to modify, alter, or amend any or all of the rules of the Program.