

TULSA FOP 93 HEALTH AND WELFARE TRUST

WELLNESS COMMITTEE INTRODUCES

NEW PREMIUM INCENTIVE PROGRAM BEGINNING 2019

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

The goal of the Premium Incentive Program is to encourage participants 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 participants. *We will continue to provide nutrition education and encourage participants 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.¹ Smokeless tobacco, cigars, pipe tobacco E-cigarettes are directly linked to oral cancer, dental and gum diseases, heart disease, high blood pressure and stroke.² . 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.³ Obesity now accounts for almost 21% of U.S. health care costs.⁴

COVERAGE OPTIONS BEGINNING 2019

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.

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

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

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

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

The Trust is adjusting the wellness policy this year. Typically, wellness incentives earned are adjusted starting on the January paycheck. This period was originally so that the data could be collected and paycheck deductions could get to the City in time. In an effort to lessen confusion The Trust is going to start making these adjustments in July. In order to do that there has to be one long year so the deductions can get on track.

The Trust is also moving to a **TWO** tiered wellness plan as opposed to four.

Please see below for details.

For the Plan Year beginning 07/01/2019

Participants earned their incentives for this deduction period with their 2018 wellness efforts. Those incentives were effective on the 1/2019.

Participants who previously qualified for tier 1, 2, or 3 incentives will be moved to the new tier 1. Participants who previously qualified for tier 4 will be moved to the new tier 2. Those deductions will begin 7/1/19 and end 6/30/20. This is a one-time extended period to make this adjustment to align the incentive rate change with the health plan year.

Wellness incentives earned during the 2019 period will applied to the 7/1/2020-6/30/2021 plan year deductions.

For the Plan Year Beginning 07/01/2020

On the new wellness plan, the participant (and spouse if enrolled on the plan) can qualify for 4 out of 5 categories in order to receive the tier 2 incentive.

- Completed PHA
- Negative nicotine results
- Green or yellow in the heart health category
- Green or yellow in the A1C (glucose) category
- Waist/height ratio of .52 or less or a 5% weight decrease from the previous year

If the participant successfully completes at least 4 of the above categories they will earn the tier 2 deduction.

Trust-approved nicotine cessation programs and wellness education programs will be available for employees/retirees and their spouses for whom it unreasonably difficult or medically inadvisable for a participant to achieve the outlined parameters.

*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 (918) 878-3425 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.