

# State Corporation Commission

## 2022 Fiscal Impact Statement

**1. Bill Number:** SB 42

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Marsden

**3. Committee:** Commerce and Labor

**4. Title:** Health insurance wellness programs; COVID-19 vaccine.

**5. Summary:** Provides that a wellness program provided by a health carrier may include, at the employer's discretion, a program that assesses a surcharge or provides a reward to encourage individuals to receive a vaccine for the prevention of COVID-19.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

**10. Technical amendment necessary:** The State Corporation Commission Bureau of Insurance advised the patron of SB 42 that Federal regulations at 78 FR 33160 address health-contingent wellness programs in greater detail. The Bureau suggested that the following technical amendments would delineate more clearly the potential for a reward and for a penalty as "reward" is defined in federal rules and make clear that any of the wellness program options are at the employer's discretion as follows:

At lines 13-15:

A health carrier offering a health benefit plan providing group health insurance coverage may provide, at the employer's discretion, for a wellness program if such program is made available to all similarly situated individuals. A wellness program may include:

At Lines 26-27:

~~6. At the employer's discretion, a~~ A program that assesses a surcharge or provides a reward to encourage individuals to receive a vaccine for the prevention of COVID-19.

After Line 54 add a new section C:

C. A reward, except where expressly provided otherwise, refers in this section to:

1. An individual obtaining a reward include both obtaining a reward (such as a discount or rebate of a premium or contribution, a waiver of all or part of a cost-sharing mechanism, an additional benefit, or any financial or other incentive) and avoiding a penalty (such as the absence of a premium surcharge or other financial or nonfinancial disincentive): and

2. A plan providing a reward include both providing a reward (such as a discount or rebate of a premium or contribution, a waiver of all or part of a cost-sharing mechanism, an additional benefit, or any financial or other incentive) and imposing a penalty (such as a surcharge or other financial or nonfinancial disincentive).

**11. Other comments:** None

**Date:** 01/12/22/ V. Tompkins