

# SENATE BILL REPORT

## SB 5811

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As of February 21, 2013

**Title:** An act relating to employee wellness programs.

**Brief Description:** Addressing employee wellness programs.

**Sponsors:** Senators Tom, Fain, Hill, Rivers, Baumgartner and Shin.

**Brief History:**

**Committee Activity:** Ways & Means: 2/21/13.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Pete Cutler (786-7474)

**Background:** Current state law requires the Health Care Authority (HCA) to establish and maintain a state employee health or wellness program focused on reducing the health risks and improving the health status of state employees, dependents, and retirees enrolled in public employees' benefits board (PEBB) plans. The program must use public and private sector best practices to achieve goals of measurable health outcomes, measurable productivity improvements, positive impact on the cost of medical care, and positive return on investment.

Public and private sector wellness programs use a variety of interventions and incentives to promote healthy employee lifestyles and behavior. The financial incentives to promote healthy employee behaviors can include increases or reductions to premiums, deductibles, co-pays, and co-insurance, and may provide subsidies for health club memberships, and similar incentives for such means.

The state employee collective bargaining statutes provide that the employer is not required to bargain over matters pertaining to health care benefits or other employee insurance benefits, but must bargain regarding the dollar amount expended on behalf of each employee for health care benefits.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Proposed Substitute):** The state collective bargaining statutes are amended to provide the following:

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- the employer is not required to bargain over matters pertaining to employee wellness programs; and
- financial incentives included as part of an employee wellness program, including increases or decreases in individual employee premium contributions, must not be included in calculating or negotiating the dollar amount expended for employee health benefits.

Beginning no later than January 1, 2014, all state employee health care benefit plans provided by HCA must be offered in conjunction with an employee wellness program developed by HCA pursuant to RCW 41.05.540.

The program must include premium reductions, premium increases, or other financial incentives to promote employee achievement of identified wellness targets or goals.

For employees covered by collective bargaining agreements for 2011-2013 the employee wellness program must be offered one year after the expiration of the bargaining agreements.

**Appropriation:** None

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No

**Effective Date:** Ninety days after adjournment of the session in which the bill is passed.