

January 25, 2013

Phyllis C. Borzi, Assistant Secretary
Employee Benefits Security Administration
Room N-5653
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: Wellness Programs

Dear Ms. Borzi:

As organizations dedicated to the health of children and their families, we respectfully submit comments on the proposed regulations on **Incentives for Nondiscriminatory Wellness Programs in Group Health Plans** issued by the Departments of the Treasury, Health and Human Services, and Labor.

The Departments invite comment on how to apportion rewards in health-contingent wellness programs under family coverage. *We urge the Departments to adopt an approach that allows health-contingent rewards only for an employee, not for other individuals – especially children -- who are covered under an employee’s family plan.* Thus, health contingent rewards should be limited to a portion of the family coverage premium no greater than the premium amount charged for employee-only coverage.

Health-contingent workplace wellness programs, generally speaking, are not appropriate for dependents, especially dependent children, for several reasons. First, the cost to families of covering their children should not depend on children’s health status, behavior, or health choices.¹ Families should not be financially penalized based on a child’s ability or willingness to participate in an employer-based health-contingent wellness program. Children’s participation does not fit with the design of health-contingent workplace wellness programs--they aim to improve health and reduce costs by providing employees with financial incentives. Financial incentives offered to parents cannot be expected to have a direct impact on children’s behavior, nor should children’s access to care be in any way contingent on their behavior. Parents should be encouraged to make health decisions for their children based on the needs and best interests of their children, not on financial incentives developed by their employers or health insurance issuers.

Further, health-contingent wellness programs are unlikely to generate short-term savings through children’s participation. On average, the cost of covering children is low relative to adults. For the small minority of children with high health costs, the kinds of interventions typically promoted in workplace wellness programs would be unlikely to reduce costs significantly. In fact, increasing costs for family coverage,

¹ Note that in [comments on HHS’s proposed rule](#) on rating variation based on tobacco use, we urged that tobacco rating not apply to children.

with a premium surcharge or higher deductible or copays, could prevent children from getting the care they need to stay healthy or manage a disease.

Even for other adults covered by a family plan, health-contingent workplace wellness rewards are problematic. Other adults in the family may not have access to the same resources and supports as an employee, such as a fitness center, health care provider, or health coach located at the workplace.

Because they are linked to the workplace, health-contingent workplace wellness rewards should be based only on the costs of covering the employee. When an employee enrolls in family coverage, rewards should nonetheless be based on the premium charged for employee-only coverage.

We appreciate the opportunity to comment on these proposed regulations. Any questions or requests for further information may be directed to Joe Tuschner of the Georgetown University Center for Children and Families at jdt38@georgetown.edu.

Sincerely,

First Focus
Georgetown University Center for Children and Families
Voices for America's Children