

CHAPTER 93**(SB 114)**

AN ACT relating to health benefit plan wellness programs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF SUBTITLE 17A OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

- (1) *An insurer issuing a group or individual health benefit plan may offer a voluntary wellness or health improvement program that allows for rewards or incentives to encourage participation or to reward members for participation, including but not limited to:*
 - (a) *Merchandise;*
 - (b) *Gift cards;*
 - (c) *Debit cards;*
 - (d) *Premium discounts or rebates;*
 - (e) *Contributions toward a member's health savings account;*
 - (f) *Modification to copayment, deductible, or coinsurance amounts; or*
 - (g) *Any combination of the incentives authorized by paragraphs (a) through (f) of this subsection.*
- (2) *Any reward or incentive established under this section shall not be deemed an inappropriate inducement to obtain or retain insurance, in violation of KRS 304.12-090 and 304.12-110, if disclosed in the policy or certificate of coverage.*
- (3) *The health plan member may be required to provide verification, such as a statement from his or her physician, that a medical condition makes it unreasonably difficult or medically inadvisable for the member to participate in the wellness or health improvement program.*
- (4) *Nothing in this section shall prohibit an insurer from offering incentives or rewards to members for adherence to a voluntary wellness or health improvement program, if otherwise allowed by state or federal law.*

Signed by Governor March 17, 2011.