



**SEANC BOARD OF GOVERNORS RESOLUTION OPPOSING
STATE HEALTH PLAN DISCRIMINATORY
TOBACCO AND BMI TESTING**

WHEREAS SEANC has supported and encouraged healthy lifestyles by:

- Encouraging state employees to abstain from tobacco products and maintain a healthy weight
- Supporting health care initiatives to reduce State Health Plan (SHP) costs such as the PPOs
- Supporting legislation to limit exposure of citizens and state employees to secondhand smoke

WHEREAS the “so-called” State Health Plan Comprehensive Wellness Initiative is punitive in nature and:

- Reduces health benefits to a 70/30 level unless ALL family members meet tobacco and BMI requirements
- Makes plan members potentially pay thousands of dollars in additional out-of-pocket expenses
- Provides no appeal rights for plan members if their attestation form is incomplete or not received
- Makes state government non-competitive since 80/20 coverage is a standard benefit for large employers
- Fails to provide positive incentives such as credits for deductibles, co-pays or fitness activities

WHEREAS testing for tobacco use and/or BMI has created major privacy concerns including but not limited to:

- Use of the State Health Plan HIPAA exemption to further discriminate based on health status or disability
- Workplace testing creates a hostile work environment destroying trust between employer/employee
- State employees fear a lack of privacy and may no longer freely communicate with their health providers
- May require disclosure of confidential information in violation of the Americans with Disabilities Act

WHEREAS the SHP Wellness Initiatives as currently designed may increase costs to the State Health Plan by:

- Spending at least \$10 million dollars to administer tobacco and BMI testing without any known cost savings
- Delaying treatment by those in the PPO 70/30 Plan who cannot afford higher co-pays/deductibles

WHEREAS major, national health advocacy organizations have issued a joint policy statement opposing such discriminatory measures which reads:

“The American Heart Association, American Cancer Society, and American Diabetes Association support comprehensive wellness programs in the workplace. However, all three groups believe that financial incentives used to motivate behavior should not be tied to premiums, deductibles or other coinsurance paid by employers. The evidence that insurance based incentives change behavior is lacking, and the risk that these plans could be used to discriminate against persons who are less healthy than their counterparts is not insignificant. Health care reform should not replace the practice of charging higher premiums for individuals who smoke, are overweight, or suffer from high blood pressure, with plans that charge lower premiums for people who don’t smoke, are not overweight, or who have normal blood pressure. Many individuals with chronic conditions will find it difficult to meet the standards set by wellness plans and could end up paying higher premiums in the individual and small group markets – just as they do now. Furthermore, the individual’s right to privacy about their personal health status in the workplace can be compromised by these programs.

THEREFORE BE IT RESOLVED THAT SEANC/ SEIU LOCAL 2008:

Petition the North Carolina General Assembly to:

- **Restore the PPO Standard Plan 80/20 for all employees/retirees with the exception of those electing the PPO Basic 70/30 Plan in order to reduce premiums for dependent coverage**
- **Eliminate employee workplace testing and use the savings for wellness incentives**
- **Restore HIPAA protections to state employees and eliminate the HIPAA waiver request**

Request SEIU International seek Congressional action to amend HIPAA legislation to prevent special waivers for “self-funded” health plans and protect the rights of public and private sector employees in such health insurance plans.

Initiate legal action, as deemed appropriate by the SEANC Executive Committee, to prevent or delay implementation of State Health Plan Wellness Initiative testing requirements and penalties.

ADOPTED BY THE SEANC BOARD OF GOVERNORS THIS THE 6th DAY OF NOVEMBER, 2009