

CALIFORNIA ADVOCATES, INC.



March 27, 2013

The Honorable William Monning
Member, California State Senate
State Capitol, Room 4066
Sacramento, California 95814

**SUBJECT: SB 189 (MONNING)—HEALTH CARE COVERAGE:
WELLNESS PROGRAMS – OPPOSE**

Dear Senator Monning:

The California Association of Health Underwriters (CAHU) regrets we must **OPPOSE** your **SB 189**, as introduced, that unreasonably limits access to preventive and wellness programs in California.

As introduced, **SB 189** would prohibit health plans from rewarding health care consumers who participate in wellness programs through lower premiums or reduced out-of-pocket expenses. CAHU is concerned that **SB 189**, as written, would essentially eliminate use of wellness programs--a scientifically proven tool for improving health.

CAHU members constantly work to help our individual clients, employers and their employees find affordable health care insurance and to educate them on preventive steps available as part of that health coverage as a path to better health. CAHU believes **SB 189** is the wrong approach to take if the real goal is for California to lead the way to better health in the future.

CAHU strongly believes that wellness programs save lives. Period. Eliminating wellness incentives, through **SB 189's** proposed barriers, will only lead to the continued escalation of health care costs and needless deaths. It is important to note that wellness programs tied to premium incentives are specifically included in the Patient Protection and Affordable Care Act because of their proven benefits and their ability to reign in costs.

In fact, new federal regulations continue to recognize the benefits of promoting innovative approaches to health care and wellness by increasing the value of rewards wellness programs may provide while assuring wellness programs are structured and implemented in a fair and appropriate manner. A far better approach, CAHU believes, would be for **SB 189** to be amended to instead require California to adopt the federal wellness plan rules.

The California Association of Health Underwriters (CAHU) is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians and businesses evaluate, select, purchase and use their health care coverage plans, resulting in greater health and financial security. CAHU agents and brokers also act as advocates for policyholders and their families when coverage disputes arise. CAHU agents and brokers perform many functions for small employers with respect to managing their employee benefits program--at no additional cost to the small employer.

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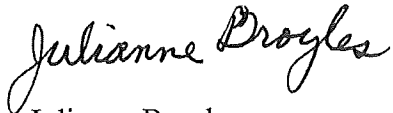
John F. O'Malley

Ralph F. Simoni

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CAHU is available to discuss our concerns regarding **SB 189** with you and your staff at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Julianne Broyles". The signature is written in black ink and is positioned above the printed name and title.

Julianne Broyles
On Behalf of California Association of Health Underwriters

cc: Office of Governor Brown