



State of Tennessee
PUBLIC CHAPTER NO. 118

SENATE BILL NO. 1119

By Woodson, Stewart

Substituted for: House Bill No. 682

By Marsh, Gilmore, Hardaway, Haynes, Parkinson, Evans

AN ACT to amend Tennessee Code Annotated, Title 56, relative to health promotion programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 8, Part 1, is amended by adding the following language as a new, appropriately designated section:

56-8-1__.

(a) An insurer issuing a group or individual benefit plan may offer a voluntary wellness or health improvement program that uses incentives or rewards, or any combination of incentives or rewards, to encourage or reward a plan member's participation in the program. Such incentives and rewards may include, but not be limited to, the following:

- (1) Merchandise;
- (2) Gift cards;
- (3) Debit cards;
- (4) Premium discounts or rebates;
- (5) Contributions towards a plan member's health savings account; or
- (6) Modifications to co-payment, deductible, or co-insurance amounts.

(b) If an incentive or reward established pursuant to this section is disclosed in the insurer's policy or certificate, then giving, or offering to give, the incentive or reward to a plan member shall not constitute a violation of § 56-8-104(8).

(c) An insurer may require a plan member to provide verification to the insurer that the plan member has a medical condition that makes the plan member's participation in the program unreasonably difficult or medically inadvisable prior to establishing a reasonable alternative standard for obtaining an incentive or reward.

(d) Nothing in this section shall prohibit an insurer from offering or giving an incentive or reward to a plan member to encourage or reward the member's participation in a voluntary wellness or health improvement program if additional incentives or rewards, or uses of incentives or rewards, are otherwise permitted by state or federal law.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: April 11, 2011



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 25th day of April 2011



BILL HASLAM, GOVERNOR