



MEMO

To: Katie Cavanor
From: Melissa Hansen
Date: Sept. 20, 2007
Re: Information Request:

States with incentive programs:

Florida: Florida's Enhanced Benefit Program gives credit for over the counter health care goods.

Idaho: Idaho's Behavioral Prevention Health Assistance Program, a voluntary program that gives points that can be exchanged for monetary rewards to be used for preventive services not covered by the plan.

HOA States: At least three states (TX, SC, and IN) are looking at establishing Health Opportunity Accounts for Medicaid recipients. These accounts are matched with incentives dollars and used for preventive services and disease management services.

Kentucky: As part of the KyHealth Choices beneficiaries do not have co-payments for preventive services, such as annual check-ups and vaccinations. KyHealth Choices will also provide incentives to beneficiaries who are engaging in healthy behaviors. Funds will be deposited in accounts to offset specific health care-related costs, such as co-payments, smoking cessation and weight loss programs. Initially, participation in the program will be limited to pulmonary disease, diabetes and cardiac conditions.

West Virginia: West Virginia's reform provides enrollees with a basic plan, which includes all federal and state mandatory services, or an enhanced plan that offers additional health care services to members who elect to sign, and comply with, a member agreement.

The agreement outlines member rights and responsibilities. Members who chose to sign the agreement must agree to several conditions, including:

- Going to a medical home for check-ups;
- Arriving on time for check-up appointments; and,
- Using the hospital emergency room for emergencies only.

In exchange for signing the member agreement, these individuals will receive a richer package of benefits. For example, under the enhanced benefit plan, adults will have coverage for chiropractic services, cardiac rehabilitation, stop-smoking programs, diabetes care, emergency dental services and limited chemical dependency and mental health services—all services not covered under the basic plan. This plan is voluntary and has only enrolled about 7% of those people eligible.

Examples of other programs:

- Clarian Health Partners, an Indiana-based hospital chain, will, beginning in 2009, charge employees up to \$30 every two weeks unless they meet weight, cholesterol and blood pressure guidelines the company deems healthy, i.e., employees' pay will be docked if they fail to meet certain weight ratios, cholesterol, blood pressure or if they smoke.
- UnitedHealthcare, a national insurer, introduced a plan that, for a typical family, includes a \$5,000 yearly deductible that can be reduced to \$1,000 if an employee isn't obese and doesn't smoke.
- County workers in Benton County, Ark., were offered, beginning last summer, a similar plan. The \$2,500-a-year deductible can be reduced to \$500 if a worker meets low height/weight ratios during yearly on-site physicals.
- Mercy Health Plan (Philadelphia) gives \$10 gift certificate for diapers when a child was immunized.