

COVID-19: Rethinking Wellness Program Administration



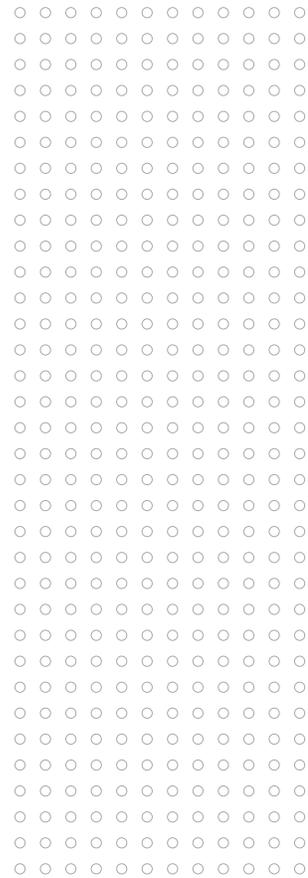
The COVID-19 pandemic has prompted questions from employers regarding administration of their corporate wellness programs, specifically incentive earning opportunities and deadlines for completing required activities.

Completing Requirements Tied to a Financial Incentive in the Next 90 days

Ask yourself if your employees are able to complete those steps in light of COVID-19's impact. The following situations may impact your employees' ability to complete their program goals:

- Work schedules have been significantly altered (significant increase or decrease in hours)
- Limited access to non-urgent medical care
- Limited access to fitness facilities or classes
- Self-quarantined, ill, or caring for someone who is ill
- Additional responsibility for child or elder care
- Increased levels of stress and anxiety
- Lack of time, mental health barriers or other situational constraints may make behavior change modification efforts (as part of an outcomes-based on participation-based program) more difficult to achieve as participants focus on more immediate challenges.

Consequently, employers may want to consider changes to wellness incentive deadlines. If your program's incentive deadline is within the next 30-90 days, and your employees are impacted by factors like the ones above, we recommend you consider extending those deadlines providing employees with a greater opportunity for success. Extending deadlines will give employees the necessary time to get back on track and meet their requirements. It's important that you clearly, concisely, and consistently communicate any changes to your wellness program. Remember that employees must have the opportunity to earn the incentive at least once per year.



COVID-19: Employer Wellness Program Considerations

Should you choose to extend your wellness program deadlines, consider health insurance renewals and premium changes that may occur during this “suspended state” of program requirements. If you cannot realistically extend deadlines, consider offering reasonable alternatives that employees can complete at home within the required timeline or waiving certain requirements. However, these alternatives, if offered, should generally be offered to all similarly situated employees.

Finally, while we continue to wait for the EEOC to issue new guidelines regarding appropriate and acceptable incentive amounts, it’s important that employers remain conservative in their incentive amounts.

Incentives Fulfillment in the Next 90 Days

If you intend to distribute your wellness program incentives in the next 90 days, we recommend pushing the date of incentive fulfillment back to match the new deadline date.

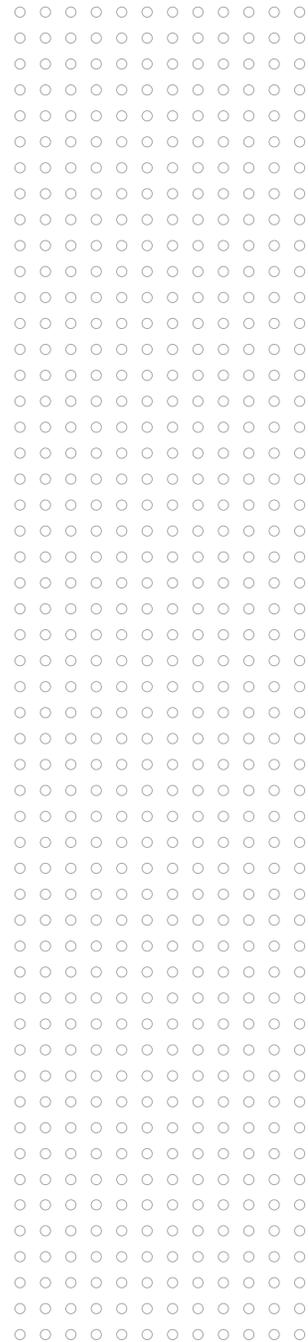
If your incentive is in the form of annual premium, HRA or HSA contribution, we recommend you make no changes to wellness rates at renewal. At your discretion, you can adjust rates mid-plan-year to allow all employees to equally participate in the program and earn the reward.

If your program requires employees to complete any outcomes-based standard (non-tobacco use, healthy blood pressure, weight, etc.), we suggest you carefully consider whether achieving those types of outcomes is realistic in light of COVID-19, and the factors listed above. Employers may want to consider relaxing those standards, prolonging the deadlines for meeting/achieving those goals, or completing available reasonable alternatives. Employers can also choose to waive certain requirements as long as they do it consistently for similarly situated employees. If the goal of your program is to improve employee wellbeing, please first consider what’s most important to the health and safety your workforce.

Please also remember that outcomes-based programs require that notice is provided to all employees. The compliance rules around wellness programs have not been lifted or relaxed during the COVID-19 crisis.

New Programs Launched During COVID-19 Pandemic

If you are planning to launch a new wellness program, it’s important that you provide employees with ample time to complete required activities. We strongly recommend that employers launching new wellness programs focus on self-care, and a holistic approach to total wellbeing that includes physical, financial, and mental wellbeing components. If you have any questions about your wellness program design or incentive structure, please call on your HUB benefits team, who will connect you with your HUB Health & Performance Consultant.



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