

- SUBJECT:** Creation of the state employee wellness program
- COMMITTEE:** Public Health — committee substitute recommended
- VOTE:** 8 ayes — Laubenberg, Jackson, Cohen, Coleman, Gonzales, S. King, Olivo, Truitt
- 0 nays
- 1 absent — Delisi
- WITNESSES:** For — Cleaves Bennett; (*Registered, but did not testify:* Marianne Fazen, Texas Coalition for Worksite Wellness, Texas Business Group on Health; Walter Fisher and Rebecca Waldrop, Sanofi-Aventis; Shelton Green, Texas Association of Business; Greg Herzog, Texas Medical Association; Andrew Homer, Texas Public Employees Association; Carrie Kroll, Primary Care Coalition; Michele O'Brien, Christus Santa Rosa Healthcare; Joel Romo, Partnership for a Healthy Texas, American Heart Association; Charles Stuart, Blue Cross and Blue Shield of Texas; James H. Willmann, Texas Nurses Association; Lynda Woolbert, Coalition for Nurses in Advanced Practice; Michelle Romero, Texas Academy of Internal Medicine Services)
- Against —None
- On — (*Registered, but did not testify:* Debra Hujar, Legislative Budget Board; Jennifer Smith, Department of State Health Services)
- BACKGROUND:** The State Employees Health Fitness and Education Act of 1983 — Government Code, ch. 664 — allows a state agency, department, institution, or commission to use public funds for health fitness education and activities and available facilities for health fitness programs. The purpose of this program is to diminish the risk factors associated with disease, develop greater work productivity and capacity, reduce absenteeism, reduce health insurance costs, and increase the general level of fitness.
- DIGEST:** CSHB 1297 would amend Government Code, ch. 664 to authorize the Health and Human Services Commission (HHSC) to designate a statewide wellness coordinator, who would create and develop a model statewide

wellness program. The coordinator would coordinate with other agencies that administer health benefits programs to develop the model wellness program to prevent duplication of efforts. The wellness program would include:

- an education component to target the most costly and prevalent diseases and provide information about stress management, nutrition, alcohol and drug abuse, physical activity, and smoking;
- distribution and use of health risk assessment tools and programs including surveys to identify an employee's risk levels and methods for minimizing risks;
- development of strategies for the promotion of health, nutritional, and fitness resources in state agencies;
- development and promotion of strategies that integrate healthy behaviors and physical activity, including making healthy food choices available in snack bars, vending machines, and cafeterias in state buildings; and
- optional incentives to encourage participation in the wellness program, including coordination with gyms and fitness centers and flexible scheduling to allow employees to exercise.

In developing the model wellness program, the coordinator also would consult with state agencies that operate health care programs and administer health benefits and other coverage for government employees to avoid duplication of efforts and provide information about the benefits included in the new program. The coordinator could assist agencies in establishing employee wellness demonstration projects that incorporate best practices for encouraging employee participation and achievement of wellness benefits. The demonstration project would implement strategies to optimize the return on state investment in employee wellness, including savings in direct health care costs.

State agencies would designate an employee to serve as a wellness liaison between the agency and the coordinator. Agencies could implement their own wellness programs based upon the model program or components of the model.

The HHSC executive commissioner would be required to adopt rules to administer the State Employee Wellness Program by January 1, 2008.

The bill would take effect September 1, 2007.

**SUPPORTERS
SAY:**

CSHB 1297 would benefit the state of Texas and its employees by instilling a culture of health and wellness in state agencies. By creating a model employee wellness program and encouraging a variety of health promotion activities, the bill would help improve the health of state employees and reduce expenditures on health care costs, particularly those caused by preventable illnesses. The establishment of a model program also would improve the efficiency of government by helping decrease sick time and leave taken by employees.

The model program developed as a result of CSHB 1297, and other programs based on it, would help decrease some of the burden on taxpayers who ultimately pay for the health care of state employees. By some estimates, every dollar invested in wellness programs can yield returns ranging from \$3 to \$6 on that investment.

In addition, many of the strategies and incentives that state agencies could employ to dramatically improve employee health would not necessarily require the expenditure of funds. For example, an agency could encourage healthy eating habits by ensuring that cafeterias and vending machines contained sensible options for snacks and meals. Also, an agency could offer employees time off to exercise or attend smoking cessation support groups. Any of these common-sense, low-budget approaches applied on a large scale could be tremendously effective in preventing some of the most prevalent and costly diseases, including heart disease, cancer, stroke, and the complications of diabetes.

**OPPONENTS
SAY:**

Instead of the model state program outlined in CSHB 1297, the state should embark upon a more comprehensive program based on similar programs in the private and public sectors, such as the one proposed in the bill as introduced. For the wellness program to be truly successful in changing employee behavior, state agencies should receive additional funding to offer meaningful incentives to state workers, rather than optional incentives carved out of an agency's existing budget.

NOTES:

According to the Legislative Budget Board, the bill would cost the state approximately \$420,030 in general revenue-related funds in fiscal 2008-09 in additional staff costs for the Department of State Health Services to develop the state employee wellness program.

Unlike the bill as introduced, the committee substitute would:

- grant the coordinator authority to create a model program;
- make the provision of employee incentives optional ;
- not apply to institutions of higher education;
- authorize the coordinator to consult with other agencies to develop wellness demonstration projects; and
- require agencies designate an employee as a liaison.