



Bravo Wellness Plan

FREQUENTLY ASKED QUESTIONS



 **BRAVO WELLNESS**SM



Is this really legal?

Yes. With the Final HIPAA NonDiscrimination Wellness Program Regulations issued, employers have legal ways to reward their employees based on the outcomes/results of a health screening.

HIPAA regulations have evolved over the past decade from their beginnings in 1996 with the requirement of uniform coverage and nondiscrimination to the 2001 interim "bonafide wellness rules" which introduced exceptions for wellness plans.

In 2007, the final wellness rules were issued providing a distinction between incentives for participation and incentives "contingent upon the satisfaction of a health standard".

In 2008, the FAB 200802 was issued which delivered a checklist for Wellness Programs.

The newest NonDiscrimination regulations let employers take 20% of their healthcare costs and tie them to the results of wellness tests. Rather than just measuring participation in a wellness program, employers can design incentives that pay for employees who actually achieve a desirable or healthy benchmark. There are obviously some rules to follow, and that's where we're here to help you!

When an incentive or penalty is contingent upon the satisfaction of a health standard, it must:

- ✓ Be designed to promote health and wellness
- ✓ Not exceed 20% of the total cost of coverage offered
- ✓ Be available to all "similarly situated individuals"
- ✓ Offer an appeals process
- ✓ Provide "reasonable alternatives" when appropriate
- ✓ Offer reassessments at least once per year

What is Human Resources responsible for?

Bravo Wellness provides all the support tools online and offline to educate an organization's employees. These include print-ready payroll stuffers and posters as well as your personalized online wellness portal which will link your employees to wellness education through proven programs. The contact point for the group (typically the insurance broker) will complete the group presentations to educate your employees on the program. All employees will sign up for screenings online in your customized, secure Bravo Wellness site. Paper registrations can also be accommodated.

Human Resources staff should be prepared to explain the program to an employee. Additionally, Human Resources will need to provide key information to customize the plan including group census

and employee benefits information. The company should also supply at least one person at large onsite screening events to help facilitate the flow of people and keep things on schedule. Bravo handles all the tracking and results!

Who are the organization's contact points?

You will have multiple contact points for your Wellness programs including a toll-free Bravo Wellness number, online support and an assigned Bravo Wellness Account Manager.

What if I'm concerned about employee enrollment?

Employee education is important to the success of the program. Employees should understand that wellness is the focus. Bravo Wellness provides all the tools to be successful. The first step will be a detailed group meeting where the Strategic Business Partner (typically the insurance broker) will present the program. At that time, questions will be answered and examples shared.

Next, employees will receive payroll stuffers and see the posters explaining and encouraging them to sign-up online for their screenings. The screening process is discreet, fast and easy to understand. The summary report shares the employee's results. Help is available! Employees will be offered a customized program if they file an appeal and qualify for an alternative program. Also, Bravo Wellness can work with the employee and their physician to set alternative goals.

It is our experience that over 90% of employees will participate.

Some employers might be concerned that employees will question the sharing of personal information and/or feel this type of program is unfair. This program is in compliance with the HIPAA Privacy



regulations that have been provided. The screening and reporting is secure and private. The employer will know that a testing area was passed or failed but not the specific quantifiable results i.e. they may know an employee did not pass the blood pressure measure but they will not know if it was missed by 2 or by 50.

On the fairness issue, we have found the sentiment of employees is changing as to what is "fair" for employers to have their employees pay for health coverage. As a matter of fact, 53% of U.S. adults think it is fair to ask those with unhealthy lifestyles to pay more for their health insurance (up from 37% only three years ago).¹ Statistics abound pointing to the fact that our poor lifestyle choices create demand for health care services which in turn escalate the costs associated with employers offering a health plan. Healthy employees do not want to carry the cost of their unhealthy counterparts, especially when it's lifestyle driven, i.e. smoking, eating poorly etc.

1. Wall Street Journal / Harris Interactive Poll

These facts have created an industry centered on wellness of employees. Programs that help employees understand their conditions, change poor habits, and begin healthy lifestyles have begun to appear.

Who are your competitors?

At this time, there are few, if any, competitors that complete the entire process of assessment, appeals and alternatives which support offering wellness incentives while reducing an organization’s cost.

Typically, competitors in the “wellness” arena include health coaching vendors, hospitals or physician practices that offer tools to help employees improve their health. Some provide a positive employee education experience, however, they are not equipped to offer an appeals process or reasonable alternatives when a goal is missed. Most do not reach employees that are new or that miss an annual wellness screening either.

Most wellness solution providers welcome a relationship with Bravo Wellness. We do not directly provide the things that they do and they do not provide what we offer. Most who offer incentive support will tell employers to indemnify their company and consult their own attorney regarding legality. Bravo

Wellness will stand behind our plan design and the program administration.

If an organization wants to offer a “results” based program, Bravo Wellness can offer a proven appeals process and nationally recognized, leading reasonable alternatives, making Bravo the right choice.

What different types of plans are available through the Bravo Wellness services?

- ✔ Premium contribution
- ✔ Variable Plan designs (variable deductibles, copays, etc.)
- ✔ HRA deposits/contributions

Can HSA contributions be determined by biometric outcome based results?

Yes! As long as the employer contributions to the Health Savings Account are through a qualified cafeteria (Section 125) plan. The amount deposited to each employee’s H.S.A. account can vary based on the results of their health assessment.

How does the 20% Wellness rule apply to the administration of the plans available through Bravo?

Bravo Wellness provides illustrations, consulting, and ensures compliance within each of the plans being reviewed and implemented. The 20% rule stating that an incentive or penalty that is contingent upon the satisfaction of a health standard may not exceed 20% of the total cost of coverage being offered is strictly enforced.

What about spouses and dependents?

Bravo Wellness has never included dependent children in the result measurements but often coordinates the inclusion of covered spouses. Spouses can either participate in the full screening process or just start with providing self-reported lifestyle information such as tobacco use. Bravo’s proposal will illustrate the most prevalent plan designs, but this is ultimately an employer’s decision.

Can you screen remote employees? What about new hires?

Challenges like new employees, small locations and work-at-home participants are not an issue for Bravo Wellness. Through dozens of local, regional and national partnerships, Bravo will dispatch screeners for as few as one person. The use of kits for individuals to take to local retail clinics, laboratories or their own physician has also been accommodated.

What if an employer is sued for discrimination?

The laws regarding result-based wellness programs are fairly new. Bravo Wellness’ entire focus is compliance with all applicable laws. As such, Bravo maintains appropriate levels of professional liability insurance



that protects employers in the event of a sustained loss that stemmed from their use of Bravo Wellness or their implementation of a Bravo-designed incentive plan.

Will Bravo guarantee savings?

The evidence suggests that people will often change behaviors in order to avoid financial penalties. Just look how many people swapped their SUV for a small hybrid! Nevertheless, it’s difficult to illustrate how many heart attacks are prevented, how many cancers were avoided and how many hospital stays did not occur because someone took control of their health. The difference with Bravo is that employer savings are not solely tied to these items. The immediate savings are generated by cost-shifting to employees who fail to exhibit healthy lifestyle choices (and don’t have a medical issue that prevents them from doing so). If an employer pays 70% of the cost instead of 80%, their savings are guaranteed!

What if an Employer wants more of a “Reward” and less of a “Penalty”?

Bravo always seeks to present options that reflect immediate Return on Investment (ROI) for employers. This always involves cost-shifting or penalizing those who fail the result-based measures. If an employer does not need immediate ROI and wants to lower costs for the healthy instead of raising costs for the unhealthy, they can absolutely build and communicate the plan that way. Bravo can help design a plan where some pay less and others pay more, and a cost-neutral solution can usually be created.

What other flexibility exists?

It’s rather unlimited. Some employers just grade tobacco use the first year. One union negotiated a one-year delay of the BMI penalty. Employers choose which categories are measured, what goal must be achieved to earn a reward or avoid a penalty and what the corresponding reward or penalty is. Bravo Wellness can help design a plan that meets financial and cultural objectives.



What is included in your setup fee?

- Compliance and legal review
- Plan language/SPD for wellness plan
- Compliance Checklist (Completed DOL FAB 200802)
- Design of Employee Communications: Powerpoint, Plan Overview, Posters, payroll stuffers, emails, etc.
- Assigned Account Manager to guide implementation
- Programming of imports and exports (results and payroll/eligibility files)
- Custom web portal for signup, health risk assessment and screening times

What is included in your “per participant” fee?

Note: The fee only applies to employees who participate, not all eligible employees

- Member registration
- Coordination of Biometric Screenings
- Phlebotomy (blood draw), shipping, travel and all screening events from one to several thousand people.
- Laboratory Fees (chem.20 wellness profile) and nicotine check in blood
- Upload of results to selected Health Risk Assessment
- Printing and Mailing of Member Results
- Administration of all appeals (including accuracy disputes and requests for exceptions due to medical issues)

- Coordination and tracking of all “reasonable alternatives”
- Aggregate reports to employer
- Data files to health promotion/outreach partners

Why aren’t all companies offering services like Bravo Wellness?

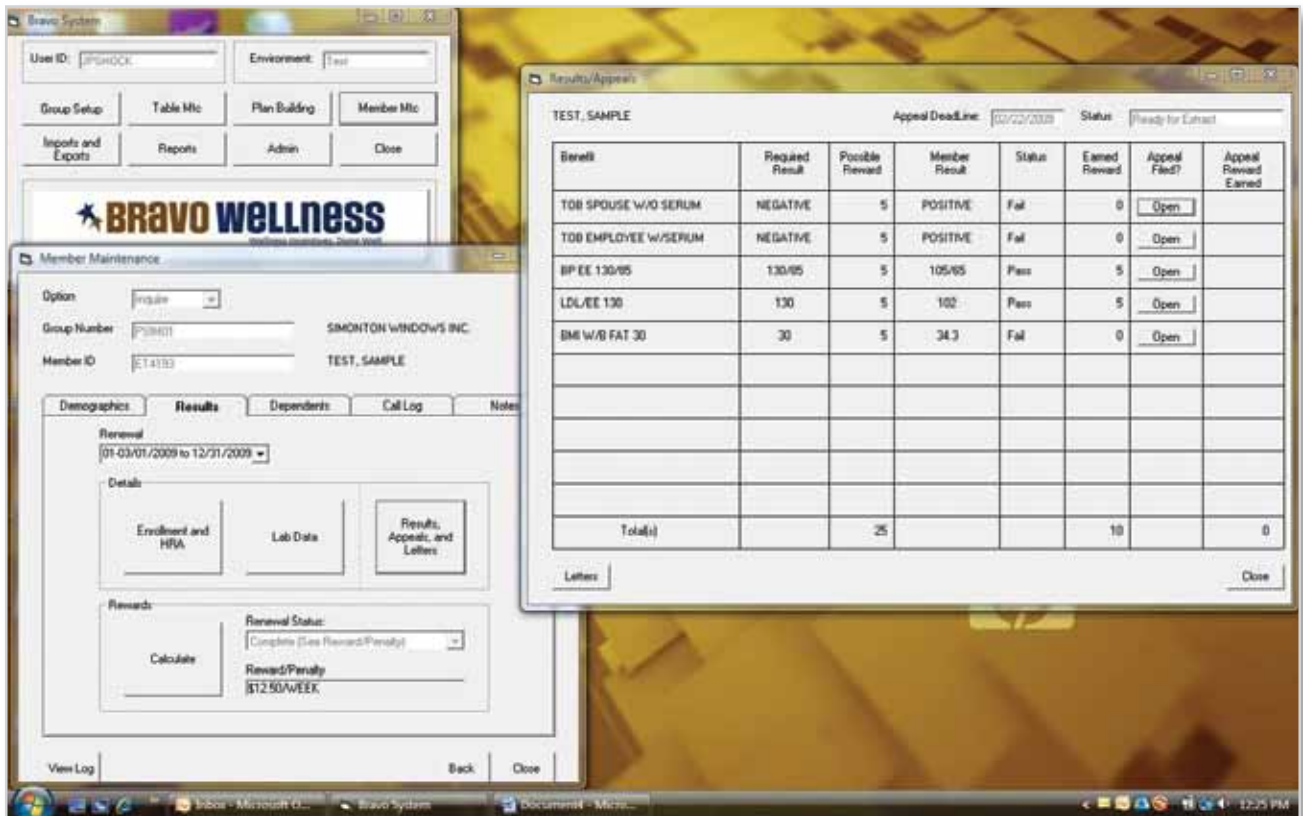
For starters, the laws are new and complex. Bravo Wellness has been on the forefront of the wellness legislation and has unique expertise. We have also found that most wellness solution providers start with a great idea to get people healthy and then struggle to create ways to make them participate. In our approach, we started with the incentive and ways to drive nearly 100% participation and then we use the savings to pay for your wellness program of choice. Our proprietary technology is another reason why most companies view us as a strategic partner instead of a competitor.

State of the Art Technology

Bravo’s proprietary incentive tracking software supports a virtually unlimited number of plan designs. The technology tracks both activities and results and can assign equal or variable reward values to each item. Rewards or penalties can be given in the form of points or dollars.

The system tracks all calls and correspondence as well as appeals. Users are guided to group specific and category specific “reasonable alternatives” process for qualified appeals and can instruct members accordingly.

Standard imports for eligibility files, registration files and lab results exist. Standard exports for member result reports, payroll files, eligibility files and critical care outreach are supported as well. Custom requests can be accommodated through our data warehouse (SQL database).

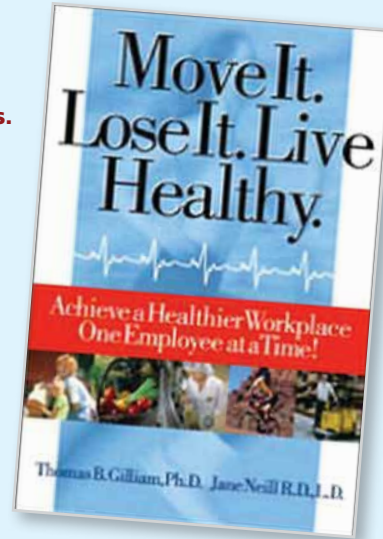


Tell me more about your optional health improvement programs.

Obesity: To address the obesity epidemic, we recommend a program called *Move It, Lose It, Live Healthy*. For only \$2 per employee per month employers receive a turnkey educational program that does not require employees to log into the internet.

This educational program includes:

- PR Launch Kit
- Educational DVDs
- Motivational Minutes
- Posters
- Newsletters
- Weekly Challenges
- More!



Tobacco Cessation:

- The nation's leading tobacco cessation program
- Telephonic behavioral coaching, medication support and web based learning
- Over 500,000 participants. 43% quit rate.

Self-Paced Health Coaching:

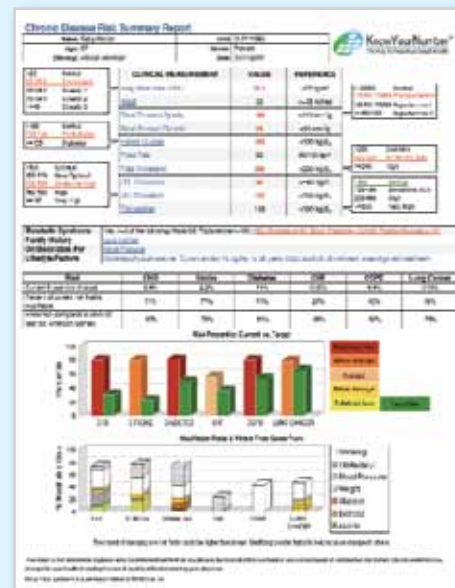
- Powered by 2 Leading Brands: Life Time Fitness and Mayo Clinic
- 90-Question Online Health Assessment
- Data Integration with Biometric Screenings
- Personalized Content, Tools and Trackers
- Aggregate and Individual Reporting



Health Risk Appraisal:

Individual and Aggregate data in multi-dimensional process:

- Disease Stattes
- Risk Assessments
- Treatment Care Guidelines
- Employer Aggregate Reports
- Chronic Condition Predictors
- Integrated with lab results





LIVE WELL, PAY LESS.