

In order to be eligible for Patriot's 3% wellness discount, an employer must agree to and comply with the following minimum program requirements. Employer responsibilities may be fulfilled either by the employer directly, or through a sponsoring organization authorized to administer the program on the employer's behalf. As a condition of the wellness discount, an employer group must commit to fund "Wellness Incentive Payments" totaling at least \$200 per participating employee per year.

Wellness Incentive Payments may be made in one of three ways: (1) cash paid directly to the employee, (2) cash deposited by the employer into the employee's health savings account ("HSA"), or (3) credit applied to the employee's health reimbursement account, provided that the terms of the account provide for the rollover of any unused portion of such credit to roll over from year to year.

The mandatory minimum \$200 contribution shall be conditional upon the employee's participation in the wellness activities outlined below. Employers may provide higher or additional wellness incentives and employers may make additional contributions to employee HSA's that may or may not be conditioned upon participation in the wellness program. In no event shall the employer's total Wellness Incentive Payment for any year exceed 20% of the employer's annual health insurance premium rate for employee only coverage.

The wellness program must include the following minimum program components:

A. Online health risk assessment:

The employer will make available to all members a detailed and comprehensive online health risk assessment (HRA) approved by Patriot. The HRA will identify opportunities for all employees to improve their health status. The HRA must cover chronic diseases, health risk indicators and lifestyle issues. The employer shall make a Wellness Incentive Payment of at least \$100 for completion of the health risk assessment. An additional Wellness Incentive Payment of \$25 shall be paid for employees who provide LDL cholesterol, hemoglobin A1c, albumin, fibrinogen, homocysteine, lipoprotein (a), and C-reactive protein levels, or similar additional details as part of the online health risk assessment. At the employer's option, the additional \$25 incentive for providing such details may be applied instead to other program activities outlined below.

Wellness Incentive Payments shall be made by the employer within 30 business days of receiving documentation on an employee's completion of the HRA, or the optional fields of the HRA.

B. Health education:

Based on the information gathered through the HRA, each individual will receive a recommendation for appropriate follow-up health education. Approved educational programs will be available online and in person.

1. Online programs:

Online programs shall require significant employee time and provide clear information and direct guidance on reducing relevant health risks for the employee. Employees who demonstrate successful completion of an online educational program directly relating to a health risk identified by the HRA shall be entitled to receive a Wellness Incentive Payment from the employer of \$25 or more. Employers shall be obligated to fund up to two online educational programs per employee. Wellness Incentive Payments shall not be paid for repeating a program for which a participant has already received a Wellness Incentive Payment.

Online program offerings shall include a sufficient number of programs covering a sufficiently wide variety of programs such that every employee will find at least two different programs a year addressing health status issues relevant to the employee.

2. In-person education

The employer shall also make available in-person programs in the community and at the workplace. In-person programs shall include at a minimum, programs directed at the group's most prevalent health risks, such as:

- Health and nutrition education
- Smoking cessation classes
- Health screenings (cholesterol, blood pressure, height and weight)
- Weight management
- Stress management
- Exercise counseling/training

In-person programs shall accommodate both physical limitations as well as work schedules. The employer shall pay a Wellness Incentive Payment equal to at least \$25 for the successful completion of an in-person program. Employers shall be obligated to fund up to two online educational programs per employee. Participation in onsite wellness activities shall be open to employees and spouses. Additional incentives may be paid to encourage participation. Wellness Incentive Payments paid for repeating a program for which a participant has already received

an incentive payment shall not apply toward the \$200 minimum commitment.

In-person program offerings shall include a sufficient number of programs covering a sufficiently wide variety of programs such that every employee will find at least two different programs a year addressing health status issues relevant to the employee.

3. Employer Incentive Payments:

Wellness Incentive Payments shall be made by the employer within 30 business days of receiving documentation on an employee's completion of an educational program, either online or in-person.

C. Reasonable Alternative Standards:

1. Any participant for whom it is reasonably difficult due to a medical condition to participate in any of the above wellness activities (and any participant for whom it is medically inadvisable to attempt to participate in any of the above wellness activities) during the plan year shall be given the same Wellness Incentive Payment if the individual satisfies a reasonable alternative standard that is tailored to the individual's situation.
2. All program materials and communications relating to the program distributed to participants shall include the following statement:

"If it is unreasonably difficult due to a medical condition for you to participate in any of the wellness activities to earn wellness incentive payments, please contact _____ [NAME] _____ at _____ [PHONE] _____ and we will work with you to develop an alternative means to earn the incentive payment.