

Fiscal Estimate Narratives

OCI 2/10/2010

LRB Number	09-3992/1	Introduction Number	AB-0699	Estimate Type	Original
Description Exempting wellness programs from unfair trade or marketing practices					

Assumptions Used in Arriving at Fiscal Estimate

The fiscal effect for local governments is indeterminate. OCI does not collect information related to local government participation in wellness programs or whether this change will incent local governments to begin a wellness program as a part of their health benefit plan. Employers who put wellness programs into place can experience lowered health care costs or a decrease in the rate of increase in health care costs. This savings, however, may not occur until a number of years have passed. Insurers may also offer reduced premiums to local governments for establishing wellness programs, which will result in more immediate savings for local governments.

Long-Range Fiscal Implications