



Health Promotion Advocates is a 501c4 non profit organization created to integrate health promotion concepts into national health policy and all aspects of society.

### Board of Directors

Michael P. O'Donnell, Ph.D.,  
chair

Donald E. Barr, Ph.D.

Donna Allen Cover, Ph.D.

Vin DeProssino

Lawrence W. Green, Dr.Ph.

John Harris, M.Ed.

Kenneth Pelletier, PhD, MD(hc)

Anna Silberman, M.P.H.

Leslie Spencer, Ph.D.

Derek Yach, MBChB, M.P.H.

### Advisory Board

Lester Breslow M.D.

Bill Foege, M.D.

James Fries, M.D.

Martha Hill, Ph.D, R.N.

Dean Ornish, M.D.

J.Michael M. McGinnis, M.D.

Gilbert Omenn, M.D., Ph.D.

Mike Roizen, M.D.

**Vision** - The vision Health Promotion Advocates is to promote healthy lifestyles among all Americans and thereby reduce medical costs and utilization, improve quality of life, and enhance productivity.

**Mission** - Our mission is to make health promotion an integral part of all elements of society including clinical settings, schools, workplaces, neighborhoods, families, and local, state and federal policy.

**Strategy** - Our strategy is to engage the health promotion community in developing, supporting and passing legislation that contributes to our mission.

### Healthy Workforce Act

S.803 Harkin / Cornyn;H.R.1897 Blumenaur /Bono-Mack

Healthy Workforce Act will provide a tax credit to employers who offer comprehensive workplace health promotional programs. The result will be improved health of American workers, reduced medical costs and 40,000 new health promotion jobs.

#### Tax Credit for Comprehensive Workplace Health Promotion Programs.

A tax credit will be available to all employers, including for profit, not for profit and state and local governments, for 50% of the cost of a qualified employer health promotion program. The credit can be up to \$200/employee for the first 200 employees and \$100/employee for remaining employees. The tax credit is paid through income tax for profit companies and payroll tax refund for local governments, tax-exempt not-for-profit organizations, sub chapter S corporations and employers who did not pay income taxes because they are not earning a profit. Employers with existing programs can receive the tax credit for up to three years and employers who do not have programs can receive the tax credit for up to 10 years. Employers who enhance existing programs to meet the qualifying criteria may be eligible for additional years of tax credits. Employers who receive comprehensive health promotion programs through their health plan, can receive a tax credit for the portion of health plan fees that cover the cost of the program.

The Secretary of HHS, in conjunction with the Centers for Disease Control and Prevention (CDC), will develop simple standards to determine qualifying criteria but all programs must have the following specific features: 1). Include at least three of the following four components: health awareness, behavior change, employee engagement and supportive environments. 2). Use practices that are consistent with evidence based research and best practices strategies. 3). Focus on employee populations with disproportionate health burdens, and be culturally competent and meet employee's health literacy needs. 4). Offer all programs to all employees who work at least 25 hours per week.

#### Educational Campaign

The Department of the Treasury, in conjunction with CDC and business groups, will launch a campaign to promote the benefits of workplace health promotion programs and the availability of the tax credit.

#### Why is this Important?

*Many US employers spend more on medical care than they earn in profits. This makes it difficult for them to compete in a global market place, and is threatening the survival of some companies. The federal government struggles to cover the medical costs of its own employees. Medicare will be insolvent in a decade and Medicaid is the number one cost for most states. Chronic diseases, including cancer, hypertension, diabetes, and heart disease are responsible for 75% of medical costs, at least \$1.8 trillion/year. Lifestyle behaviors like tobacco use, insufficient physical activity and poor nutrition cause 75% of chronic disease. Research has shown that well-designed health promotion programs not only improve health and reduce chronic disease, they often pay for themselves through medical care costs savings that exceed program costs. They often produce even greater savings by reducing absenteeism and enhancing productivity.*

*The workplace is the most cost-effective setting to improve people's health because people spend so much of their waking time at work, economies of scale and quality controls can be achieved, and employers will pay most of the program costs. This tax credit will stimulate investments in workplace health promotion programs by health plans and by employers, especially small employers who are not self insured and thus do not capture medical cost reductions that occur when health improves and medical costs drop. This legislation is expected to engage 28 million employees in 76 thousand workplaces in organized efforts to improve their health for the first time.*

**Economic impact.** *New investments in health promotion stimulated by this bill are expected to create 41,000 new health promotion jobs, at \$75,000 per job. Income and payroll taxes from these new jobs are expected to cover 80% of the cost of the tax credit. If new health promotion programs save only 20 cents in medical costs for every 1 dollar invested, total new income and payroll tax will cover the full cost of the tax credit, and the legislation will be revenue neutral. Also tax credits will be redeemable by employers in the year AFTER they invest in programs. Therefore, if there is no spending on programs, no tax credits will be granted, thus eliminating financial risk to the federal government.*