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HUFCOR Inc.

To: US Department of Labor at E-OHPSCA.EBSA@dol.gov
From: Pat Whitmore, Vice President of Human Resources
CC: Stuart J. Ishimaru/U.S. EEOC at 202-663-4114
Robert Kocker/The White House National Economic Council at 202-456-4796
Ezekiel Emanuel, MD/Office of Management and Budget
Pages: 1 of 2
Date: 12/2/2009
Re: Genetic Information Nondiscrimination Act of 2008 (GINA)

Hufcor Inc. is a global corporation with almost 500 employees throughout the US. We offer a self-funded medical insurance plan to all of our employees. Year in and year out, we saw our premiums increase in the double digits. Some years the premium increases exceeded 20%. Both the corporation and our employees could no longer afford to sustain these types of increases.

After extensive research and internal discussions, we started our wellness campaign beginning in 2007. This campaign includes offering clinical health risk assessments (HRA's) to our employees and spouses. In addition, we offer a variety of programs to support healthy lifestyles, including proper nutrition and exercise (from yoga to zumba classes).

The results have been incredible!!
In 2009 and 2010, our premiums have remained flat. So while other businesses struggle with the national medical trend of 9-10%, Hufcor's trend is 0%.

I think it is important to understand some the concepts and requirements of HRA's and disease management programs as they fit into wellness initiatives:

- The data the employees provide in the questionnaire regarding their lifestyle and family history is critical to assessing the entire picture of the current and future health of the employee.
- Employers never see the completed questionnaires or the results of individual employees. This information is only shared between the employee and the HRA vendor.
- Employers are only provided demographic data regarding their population. This information is important to plan wellness and support programs. For example, if we learn that our population has a high potential for heart disease, we can plan education, diet and exercise programs to help our employees understand and reduce their risks.
- Disease management is a proven and useful tool in managing chronic conditions. The results of disease management can be even better if there is early intervention. The HRA results can identify employees with current issues in addition to those with future risks. In most cases, our employees do not know what to do or where to turn, but a disease management program can give them the support and resources they need to better manage their health. Once again, the employer does not know who participates in these resources.

- In general, the US population is too sedentary, living on a diet of sugar and fat. It would be great if everyone would wake up one day and start living healthy, but in reality that is never going to happen. People need motivation. We motivate our employees by offering incentives if they reach their goals. They are not penalized if they do not reach their goal, but they are rewarded if they do. Incentives do drive positive behavior.

- The total costs of healthcare go far beyond the direct costs of treatment and medication. Presenteeism costs are the measurable extent to which health symptoms, conditions and diseases adversely affect the productivity of individuals who choose to remain at work, not to mention the impact on personal and family life. The indirect costs of presenteeism outweigh the direct costs. Wellness programs help employees to live better at work and home, reducing direct and indirect costs.

- The HRA and disease management programs are seen as additional benefits offered by the company. Our employees have been very appreciative of this benefit. Many employees and spouses have made lifestyle changes as the result of the information they learned about themselves.

Regardless of how healthcare is funded in the future, whether it is through employers or the government, the costs of healthcare will continue to rise with increased utilization. The most effective way to reduce utilization is to drive personal accountability for health.

In Hufcor's view, *the purpose of offering HRA's and disease management programs is not to discriminate, but to inform our employees about their own health conditions and how their lifestyle and family history may affect future health. We cannot force them to make changes, but we can give them knowledge and knowledge is power.*

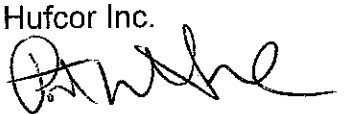
As I understand it, GINA was originally created and passed to stop employers from discriminating against applicants or employees regarding genetic health conditions. This law has now taken on a life of its own and spread to the wellness arena when that is not where discrimination is occurring.

Please do not make additional decisions or legislation that impacts our ability to offer wellness programs and initiatives. If you need to mandate anything, then mandate that a company must hire a third party to do the HRA's and confirm that detailed information cannot be shared with the employer, which is already covered under HIPAA. This protects the employee, but still gives the employer the flexibility to provide support and resources to improve health and reduce costs.

I appreciate your attention to this issue and this letter. Please feel free to contact me with any questions or if you need additional information on the employer perspective.

Sincerely,

Hufcor Inc.



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