



### What does it do?

Creates an income tax credit for employers who pay costs in connection with a qualified wellness program.

### How much is the credit?

50% of the cost of the wellness program, up to \$200 per employee for the first 100 employees.

\$20k annual limit per employer.

Available on "first-come, first-serve" basis, up to a cumulative statewide annual cap of \$1 million.

### Who gets the credit?

Any employer who provides a qualified wellness program for its eligible employees.

### Who is an eligible employee?

Any employee working an average of not less than 24 hours per week during the taxable year.

The bill does not stipulate that the employee must also be on employer-sponsored health insurance.

Both full-time and part-time employees, even uninsured or insured elsewhere, may benefit.

### How does a wellness program become "qualified"?

The MS Dept. of Health/Office of Preventive Health, shall certify employers as qualified, meaning that the wellness program must consist of at least 3 of the following:

- A health awareness component, which helps employees understand specific health needs and risks and allows for periodic health screenings and medical referrals.
- An employee engagement component, which provides for the establishment of leadership to engage employees in programs, planning, evaluation, and tracking participation.
- A behavioral change component, utilizing coaching, seminars, and other education to address issues such as tobacco use, physical fitness, nutrition, and substance abuse, as well as prevention and management of conditions such as obesity, diabetes, heart disease, cancer, pre-term delivery, mental health, and other chronic conditions.
- A supportive environment component, which includes policies and services that promote a healthy lifestyle, such as smoking cessation, proper nutrition, exercise, and access to on-site care and/or telehealth services.

In order to be re-certified annually, employer must show success in measurable compliance to at least 3 of the above criteria.

### Other Details

If the taxpayer is a partnership or Sub S corporation, the credit is allowed to the partners or shareholders in accordance with applicable sections of the Internal Revenue Code. The credit may not be carried forward or back. In no event shall a credit reduce the taxpayer's liability to less than zero. Also, if the employer is an insurance company, the credit will be applied to the employer's premium tax instead of the employer's income tax.

A \$30,000 annual appropriation shall be given to the MS Dept. of Health/Office of Preventive Health, to assist with certification duties. Credit will be subject to a three year repealer, allowing the legislature to determine worthiness of extending the credit at that time.

### Why Wellness?

Many studies, including a recent Harvard study, indicate a significant return on investment.

In other words, for every dollar spent on wellness, there is a significant return to society. Mississippi has an opportunity to become one of only a few states in the nation to offer such a powerful incentive for healthy living – and in so doing, the savings and long-range benefits for our people, could prove monumental.

ACCORDING TO OUR RESEARCH, TAX CREDIT PROGRAMS ARE NOW ACTIVE IN ONLY THREE STATES: MASSACHUSETTS, MAINE & WISCONSIN.