

# U.S. agency sues Honeywell over employee wellness testing

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Oct 29 (Reuters) - The U.S. Equal Employment Opportunity Commission has sued Honeywell International Inc to stop the company from imposing penalties on employees who refuse to undergo testing under its corporate wellness program.

The lawsuit is the third case since August filed by the federal agency challenging a corporate wellness program, with Honeywell the biggest company to be targeted. Wellness programs that encourage healthier habits have become increasingly popular in Corporate America, as they promise to improve productivity, cut absenteeism and reduce medical costs.

Such programs are also encouraged under President Barack Obama's healthcare law, the Affordable Care Act (ACA).

Honeywell employees could be penalized up to \$4,000 each, through surcharges and lost contributions to health plans, if they or their spouses do not comply with the biometric testing, according to the lawsuit, filed on Monday in U.S. District Court in Minnesota.

Honeywell said a penalty of \$4,000 is "the absolute worst-case scenario," in part because \$1,500 of the \$4,000 is Health Savings Account funding that the company is not required to do and does not for employees who make more than \$100,000.

According to the lawsuit, employees and spouses are screened for blood pressure, cholesterol, blood-sugar levels, waist circumference and nicotine. Honeywell had informed employees that testing was to occur from Oct 22-31, the lawsuit said.

The testing program violates the Americans with Disabilities Act and Genetic Information Nondiscrimination Act, according to the lawsuit. The EEOC enforces federal labor laws having to do with discrimination.

The agency asked for a temporary restraining order and preliminary injunction enjoining Honeywell from seeking to impose the penalties. A hearing is set for Monday, according to court documents.

Honeywell employs about 51,000 people in the United States, according to its most recent annual U.S. securities filing. Of Honeywell employees and spouses enrolled in a health plan, 77 percent

of participated in the company's wellness program last year, up from 36 percent in 2011, the company said.

The company said in a statement that the EEOC was "woefully out of step with the healthcare marketplace" and unfamiliar with the details of its wellness plan. Biometric testing provides "valuable private information to each employee about potentially life threatening issues," the company said.

"Honeywell wants its employees to be well informed about their health status not only because it promotes their wellbeing, but also because we don't believe it's fair to the employees who do work to lead healthier lifestyles to subsidize the healthcare premiums for those who do not," the company said in a statement.

A survey by the National Business Group on Health found that 95 percent of employers offer a health risk assessment, biometric screening or other wellness program in 2014. About three-quarters of employers use incentives to engage employees in these programs, according to the organization, which seeks to represent large employer views on health policy.

Employers have been seeking guidance from the EEOC about how federal law applies to wellness programs, according to the group's president, Brian Marcotte.

"This seems like a big step backward from what has been encouraged by the ACA," Marcotte said.

(Editing by Cynthia Osterman)