

This email contains graphics - please enable images in your email client to display completely.

	The HR resource every business needs The "Total" Advisor December 2011
---	---

Brought to you by: TOTAL INSURANCE SERVICES, INC.

In this Issue
<u>Compliance Date for Summary of Benefits and Coverage Will Likely Be Extended</u>
<u>8 States Adjust Minimum Wage Rates for 2012</u>
<u>Holiday Time Off: What Employers Should Know</u>
<u>Supreme Court to Hear Arguments Over Constitutionality of Health Care Reform</u>
<u>Tips to Prepare for Flu Season in the Workplace</u>
<u>4 Ways to Boost Employee Satisfaction</u>

Compliance Date for Summary of Benefits and Coverage Will Likely Be Extended

The U.S. Department of Labor (DOL) has released a [new set of Frequently Asked Questions](#) (FAQs) which addresses the timing of the Affordable Care Act's [requirement that](#)



[group health plans provide participants and beneficiaries](#) with certain information about their health plan benefits and coverage. The FAQs make clear that compliance will not be required until final rules are issued and effective.

Background

[Proposed rules](#) issued in August established the standards for group health plans to provide participants and beneficiaries a summary of benefits and coverage (SBC), as well as a uniform glossary of terms commonly used in health insurance coverage, as required under the [Affordable Care Act](#). Both documents must comply with certain appearance and format requirements and must utilize terminology understandable by the average plan enrollee.

Under the [proposed rules](#), the new requirement would be applicable beginning March 23, 2012.

Compliance Not Required Before Final Rules Become Effective

[According to the FAQs](#), final regulations regarding the SBC and uniform glossary are expected to be issued as soon as possible, taking into account comments and feedback on the proposed rules and the [proposed templates](#) to satisfy these requirements that were issued simultaneously. **Until those final regulations are issued, group health plans are not required to comply with the requirement to provide the SBC and uniform glossary.** It is anticipated that the final regulations, once issued, will include an applicability date that gives group health plans sufficient time to comply.

Tips to Prepare for Flu Season in the Workplace

Flu can be a big disruption for business. Employees who are sick may not be as productive when it comes to getting work done, and symptoms such as coughing, sneezing, and fever can spread germs to healthy employees.

[According to the Centers for Disease Control and](#)

[Prevention](#) (CDC), flu activity in the U.S. most commonly peaks in January or February. [Everyday preventive actions](#) that can help prevent flu and the spread of germs in the workplace include:

Cover Your Mouth and Nose

Cover your mouth and nose with a tissue when coughing or sneezing. Flu viruses are thought to spread mainly from person to person through coughing, sneezing, or talking to someone with the flu.

Avoid Touching Your Eyes, Nose, or Mouth

Flu viruses also may spread when people touch something with flu virus on it and then touch their mouth, eyes, or nose. Routinely clean frequently touched objects and surfaces, including doorknobs, keyboards, and phones, to help remove germs.

Clean Your Hands

Washing your hands often will help protect you from germs. Make sure your workplace has an adequate supply of tissues, soap, paper towels, alcohol-based hand rubs, and disposable wipes.

Stay Home When Sick

Employees should be encouraged to stay home from work when they are sick to help prevent others from getting ill. If there is only

To view the FAQs, please [click here](#). For more on the Affordable Care Act, please visit the [Health Care Reform](#) section.

Previously Released Questions:

- [FAQs About the Affordable Care Act Implementation Part I](#)
- [FAQs About the Affordable Care Act Implementation Part II](#)
- [FAQs About the Affordable Care Act Implementation Part III](#)
- [FAQs About the Affordable Care Act Implementation Part IV](#)
- [FAQs About the Affordable Care Act Implementation Part V](#)
- [FAQs About the Affordable Care Act Implementation Part VI](#)

8 States Adjust Minimum Wage Rates for 2012

The following states, and the City of San Francisco, have announced increases in minimum wage rates effective January 1, 2012:



- **Arizona:** The minimum wage in Arizona will increase to \$7.65 per hour.
- **City of San Francisco, California:** The City of San Francisco's minimum wage rate will rise to \$10.24 per hour.
- **Colorado:** The *proposed* state minimum wage is \$7.64 per hour, and \$4.62 for tipped employees.
- **Florida:** The minimum wage will increase to \$7.67 per hour in Florida, and \$4.65 for tipped employees.
- **Montana:** The state minimum wage will rise to \$7.65 per hour.
- **Ohio:** The state minimum wage will increase to \$7.70 per hour, and \$3.85 for tipped employees. The federal minimum wage of \$7.25 per hour may be paid to employees whose employers gross \$283,000 or less per year.
- **Oregon:** The minimum wage will rise to \$8.80 per hour in Oregon.
- **Vermont:** The state minimum wage will increase to \$8.46 per hour, and \$4.10 for tipped employees.
- **Washington:** The minimum wage in Washington will increase to \$9.04 per hour.

one employee who performs a particular task, consider training others so that coverage is available should that employee need to leave work early or stay home due to illness.

For more information and resources to help fight the flu in your workplace, visit the CDC's web page on [Seasonal Flu Information for Businesses & Employees](#).

4 Ways to Boost Employee Satisfaction

Are your employees actively engaged in contributing to your company's goals? Results from a [recent study conducted by Aon Hewitt](#) show that employee satisfaction, or engagement, continues to linger at its lowest level since 2008. For the first nine months of 2011, the global employee engagement level sat unchanged from 2010 at 56 percent, down from 60 percent in 2009 and 57 percent in 2008.

The findings are compiled from the company's "Employee Engagement Database," which includes more than 5,700 employers comprising approximately five million employees worldwide.

For more information on state minimum wage laws, including poster requirements, please visit the [State Laws](#) section, click on your state, and select Minimum Wage in the left-hand navigation menu.

Holiday Time Off: What Employers Should Know

The holiday season has begun and many employers have questions about whether they're required to provide time off or holiday pay. Here's a look at some frequently asked questions and answers.

Are employers required to provide employees time off for a holiday?

Although not generally required by federal or state law, many employers choose to grant employees time off for certain holidays or to close the business altogether on those days.

Companies with 15 or more employees are subject to [federal religious discrimination laws](#) and may need to allow employees time off for religious observance, unless such time off would be an undue hardship for the business. Employers should also consult their state's nondiscrimination laws to learn if there are similar requirements for time off related to religious observances for employers of fewer than 15 employees.

What are some common holidays that employers observe?

Common holidays observed in the U.S. include:

- New Year's Day
- Martin Luther King, Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day (Fourth of July)
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day and the Day After Thanksgiving
- Christmas Day

Do employers have to pay their employees if the business is closed for a holiday?

Federal law and most state laws do not require employers to pay employees if time off for holidays is granted. Whether or not employees are paid for holidays is generally a matter of company policy. Employers need to be careful when it comes to exempt employees, though--as a general rule, if an [exempt employee](#) performs any work during a workweek, he or she must be paid the full salary amount.

Reasons for Low Engagement Levels

According to the Aon Hewitt analysis, the most significant decrease in employee engagement this year resulted from employees' dissatisfaction with their company's management of employee performance. In particular, employees do not believe management is sufficiently improving productivity, nor do they feel their individual performance is adequately tied to the overall goals of the company.

How to Increase Employee Engagement

Although these findings may seem discouraging to employers, they also point to a variety of motivators that can help to boost employee satisfaction, including:

1. Acknowledging and rewarding employee contributions and providing regular, constructive feedback;
2. Providing training programs and mentoring to enhance skills development, learning and career growth;
3. Informing employees of the company's goals in relation to their job performance; and
4. Improving leadership to help increase employee performance.

To read more about the Aon Hewitt findings related to employee engagement levels, you

What about employees scheduled to work on a holiday if the business remains open?

Extra compensation (above and beyond an employee's regular rate of pay) for work on holidays is also generally a matter of company policy, although employers must comply with any specific state law requirements regarding holiday pay. Although some companies pay employees at a special rate (such as time-and-a-half) for holiday shifts, generally an employee is only entitled to his or her regular pay, plus any overtime.

Remember that states will generally enforce an employer's written policy regarding holiday pay, so it's important to follow company policy and to apply the rules consistently and fairly to all employees.

For questions about the specific requirements in your state, contact your [state labor department](#) or a knowledgeable employment law attorney. Our section on [Leave and Time Off](#) features more information on both mandatory and voluntary leave.

U.S. Supreme Court Will Hear Arguments Over Constitutionality of Health Care Reform Law

The U.S. Supreme Court has [announced](#) that it will hear more than five hours of oral arguments on the constitutionality of select provisions of the [health care reform law](#) (Affordable Care Act or PPACA). The arguments are expected to take place in late February or early March, with a ruling by the Court in June.

The following four issues will be addressed on appeal:

- **Constitutionality of the Individual Mandate.** The Court set aside two hours to hear oral arguments on whether Congress had the constitutional authority to enact the minimum coverage provision of the Affordable Care Act, which requires non-exempted individuals to maintain a minimum level of health insurance or pay a tax penalty beginning in 2014.
- **"Severability" of the Individual Mandate from the Entire Law.** Ninety minutes have been allotted for arguments on whether the individual mandate, if found to be unconstitutional, can be severed from the remaining provisions of the Affordable Care Act or whether some or all of the remaining law must also be invalidated.
- **Whether the Individual Mandate May Be Challenged Prior to Enforcement.** The Court will hear one hour of oral arguments on the question of whether federal law (specifically, the Anti-Injunction Act) prohibits the Court from hearing challenges to

may view the [press release](#). Our section on [Employee Retention](#) has more ideas on ways to increase employee engagement and satisfaction.

the individual mandate before the requirement becomes effective in 2014 and a taxpayer actually incurs a penalty tax for non-compliance.

- **Constitutionality of the Expansion of Medicaid.** Finally, one hour has been allotted by the Court to hear arguments on whether the Affordable Care Act's expansion of the eligibility and coverage thresholds that states must adopt to remain eligible to participate in Medicaid is a valid exercise of constitutional authority by Congress.

You can read more about these challenges to the health care reform law in the [Patient Protection and Affordable Care Act Briefs](#), posted on the Docket page of the U.S. Supreme Court website. For more information on other provisions of the Affordable Care Act, visit our section on [Health Care Reform](#).

Newsletter provided by:

Total Insurance Services, Inc.

3175 Commercial Avenue, Suite 200, Northbrook, IL 60062
847-205-1777

Please Note: The information and materials herein are provided for general information purposes only and are not intended to constitute legal or other advice or opinions on any specific matters and are not intended to replace the advice of a qualified attorney, plan provider or other professional advisor. This information has been taken from sources which we believe to be reliable, but there is no guarantee as to its accuracy. In accordance with IRS Circular 230, this communication is not intended or written to be used, and cannot be used as or considered a 'covered opinion' or other written tax advice and should not be relied upon for any purpose other than its intended purpose.

The information provided herein is intended solely for the use of our clients and members. You may not display, reproduce, copy, modify, license, sell or disseminate in any manner any information included herein, without the express permission of the Publisher. Kindly read our Terms of Use and respect our Copyright.

We respect your online privacy. If you have received this mail in error or are not interested in receiving this further, please accept our apology and reply with a request to be removed from our mailing list in the 'Subject' line.

© 2011 HR 360, Inc. - All rights reserved