



The HR resource every business needs

The "Total" Advisor

June 2012

Brought to you by: Total Insurance Services, Inc.

2013 Contribution Limits and Minimum Deductibles for Health Savings Accounts

The Internal Revenue Service (IRS) has released the [2013 inflation adjusted amounts](#) for [health savings accounts](#) (HSAs). To be eligible to have contributions made to an HSA, an individual must be covered under a high deductible health plan (HDHP) and meet certain other [eligibility requirements](#).

An HSA may receive contributions from an eligible individual or any other person, including an employer or a family member, on behalf of the individual. Contributions, other than employer contributions, are deductible on the eligible individual's return. Employer contributions are not included in income. Distributions from an HSA that are used to pay qualified medical expenses are not taxed.

Annual Contribution Limitation

For calendar year 2013, the annual limitation on HSA deductions for an individual with self-only coverage under an HDHP is **\$3,250**. The annual limitation on HSA deductions for an individual with family coverage under an HDHP is **\$6,450** for calendar year 2013.

High Deductible Health Plan

For calendar year 2013, a 'high deductible health plan' is defined as a health plan with an annual deductible that is not less than \$1,250 for self-only coverage or \$2,500 for family coverage, and the annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums) do not exceed **\$6,250** for self-only coverage or **\$12,500** for family coverage.

To view the IRS announcement, please see [Revenue Procedure 2012-26](#). You can read more about HSAs in our section on [Health Savings Accounts](#).

In this Issue

[2013 Contribution Limits and Minimum Deductibles for Health Savings Accounts](#)

[5 Do's and Don'ts of Employee Performance Reviews](#)

[Complying with the New Summary of Benefits and Coverage Notice Requirements](#)

[Preventing Heat-Related Illnesses Among Outdoor Workers](#)

[New Guidance on Retirement Plan Fee Disclosure Rules](#)

5 Do's and Don'ts of Employee Performance Reviews

Performance reviews are important for ensuring that your employees are successfully meeting their job requirements, identifying under-performance issues and providing employees with an opportunity to raise any concerns they may have.

Keep the following do's and don'ts in mind to minimize the stress level for both employees and their managers, as well as maximize the effectiveness of your performance review process:



1. **DO have a system in place for measuring performance.** Make sure you have a clear system upon which to measure performance and that your employees understand the performance standards against which they will be judged.
 - o This could be as simple as tracking the number of clients contacted or the number of sales per month, or it could be obtained from sources like customer satisfaction surveys.
2. **DON'T delay discussing performance issues with an employee until the annual performance review.** When it comes time for the formal review, there really shouldn't be any surprises if there has been ongoing communication and feedback between the supervisor and employee.
3. **DO be direct, factual and detail-oriented.** A well-prepared and honest performance review is key to managing employee performance and helping to achieve your company's goals by aligning your employees' development and growth with that of your business.
 - o Provide a clear, concise explanation of the issues you wish to address with the employee and provide specific examples.
 - o Discuss a plan of action for helping the employee to improve performance and encourage the employee to contribute ideas on how to reach performance goals.
4. **DON'T make negative comments that attack an employee's attitude rather than performance.** Be sure to review the employee's overall performance based upon specific, job-related criteria and provide concrete examples of performance problems.
5. **DO document all points covered in the performance review.** Accurate documentation allows for ongoing feedback and can help you measure an employee's progress. Performance records can also provide important documentation for your company in the event a disciplinary action, termination or other adverse personnel decision becomes necessary.
 - o Remember to be honest with your review--if you provide a very positive review of an employee without detailing the problems, you now have documentation that does not support a decision to discipline or terminate. If a lawsuit surrounding the

termination occurs, it may be more difficult to defend your company's actions.

Remember to treat all of your employees equitably when it comes to performance reviews, and avoid any statements or actions that can be construed as discriminatory. If you have any questions regarding discrimination matters, contact an employment law attorney who knows your state laws. Our section on [Performance Reviews](#) provides additional information and resources including preparation steps, tips on how to conduct a performance review meeting and sample forms.

Complying with the New Summary of Benefits and Coverage Notice Requirements: Additional FAQs and Corrected Template

The U.S. Department of Labor (DOL), together with other federal agencies, continues to address questions from group health plans and issuers regarding the [new summary of benefits and coverage \(SBC\) notice requirements](#) under Health Care Reform. The new requirements are scheduled to become effective for plan years and open enrollment periods beginning on or after September 23, 2012.

New FAQs Provide Clarification on SBC Requirements

A [new set of Frequently Asked Questions](#) (FAQs) builds upon [previously released questions and answers](#) to clarify issues related to timing, electronic delivery, combining benefit package information from multiple issuers, penalties and other issues regarding the SBC requirements.

Corrected SBC Template and Related Materials

Additionally, updated versions of the [SBC template](#) and [related materials](#) are now available for use by plans and issuers, and replace the prior versions issued in February 2012.

- The updated materials correct typographical errors in the original versions and also include certain appearance modifications to ensure the SBC is accessible to individuals with disabilities.
- [According to the FAQs](#), plans and issuers may use either version, or may make similar modifications to their own SBCs, without violating the SBC appearance requirements.

You may review the [new set of FAQs](#) in its entirety from the DOL. For more on the Affordable Care Act and the SBC notice requirements, including previously released questions and answers, please visit our [Health Care Reform](#) section.

Preventing Heat-Related Illnesses Among Outdoor Workers

The U.S. [Occupational Safety and Health Administration](#) (OSHA) is preparing for the arrival of summer by kicking off its [national outreach initiative](#) to educate

workers and their employers about the hazards of working outdoors in hot weather. According to OSHA, every year thousands of workers across the country suffer from serious heat-related illnesses.

The Dangers of Heat

Labor-intensive activities in hot weather can raise body temperatures beyond the level that normally can be cooled by sweating. Heat illness initially may manifest as heat rash or heat cramps, but quickly can become heat exhaustion and then heat stroke if simple prevention steps are not followed. Heat stroke has killed, on average, more than 30 workers annually since 2003.

Keeping Outdoor Workers Safe

In preparation for the summer season, OSHA has developed heat illness educational materials in English and Spanish, as well as a curriculum to be used for workplace training. Information and resources on heat illness for workers and employers, including how to prevent it and what to do in case of an emergency, can be found on OSHA's [heat illness website](#).

More information on workplace injury and illness prevention can be found in our section on [Developing a Safety & Health Program](#).

New Guidance on Retirement Plan Fee Disclosure Rules

[New guidance](#) issued by the U.S. [Employee Benefits Security Administration](#) can help plan administrators comply with new rules requiring that workers who make their own investment decisions in 401(k)-type retirement plans be provided with [certain information about plan and investment costs](#).

Retirement Plan Fee Disclosures

[Beginning later this year](#), plan administrators will be required to [disclose information regarding the fees and expenses](#) associated with 401(k) and similar retirement plan accounts to participants. The new requirement works in conjunction with a second and related rule which requires [fee disclosures by certain service providers to plans](#) so that administrators may in turn provide the necessary information to participants.

FAQs Provide Guidance for Compliance

The [new guidance](#) responds to frequently asked questions (FAQs) about these rules. Among other issues, the FAQs address questions for plan administrators relating to:

- Timing requirements (note that for most plans, the first initial disclosures must be furnished to participants and beneficiaries no later than August 30, 2012);
- The required form of disclosure;
- Clarification of specific information that must be disclosed;
- The requirement that investment-related information be provided in a chart or similar format that makes it easy to compare the plan's investment options; and
- The glossary that plan administrators are required to provide to fulfill

part of their disclosure obligations

For More Information

To view the new guidance, please see [Field Assistance Bulletin No. 2012-02](#). For more information on the new rules, you may visit our section on [Retirement Plan Fee Disclosure Rules](#).

You're Invited!

Total Insurance Services is excited to offer an educational seminar with our strategic wellness partner, Interactive Health Solutions, on **Thursday June 14th** at *Marcello's Restaurant at 1911 Cherry Lane* in Northbrook.

Agenda:

8:30 a.m. Complimentary health evaluation, light breakfast will be provided

9 a.m. Introductions: Mike Levin & Andy Kupferberg of Total Insurance Services

9:20 a.m. Leveraging Incentives to Offer a HIPAA Compliant Performance-Based Health Plan that Drives Results - Amy Matesic of Interactive Health Solutions (IHS)

9:40 a.m. Nutrition in the Workplace (creating a healthier environment) - Registered Dietician and Health Coach at IHS

10 a.m. Closing Remarks: Mike Levin & Andy Kupferberg

10:20 a.m. Questions and Discussion

Learn the value the Interactive Health Solutions performance-based wellness program delivers for clients. And, take advantage of the opportunity for a complimentary health evaluation to experience their program yourself.

Your **Preventive Health Evaluation** includes:

- Comprehensive blood test, blood pressure analysis and health risk assessment

- Printed and on-line results
- Access to the member website and other health education tools
- Personal health coaching

To secure your complimentary health evaluation, please call Interactive Health Solutions at 1-800-840-6100 and ask for "the Total Insurance Gift of Health."

As the health evaluation is a fasting test, a light breakfast will be provided.

For those participating in the health evaluation, please fast for hours before the test. Please drink, plenty of plain water - no food or other beverages.

We look forward to seeing you.

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.

© 2012 HR 360, Inc. - All rights reserved