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# Your "Total" Advisor

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## Annual Survey Highlights Trends in Employer-Provided Health Benefits

Premium costs, eligibility, employee contributions, Health Care Reform, and wellness programs are among the topics analyzed in the annual [2012 Employer Health Benefits Survey](#), conducted by the Kaiser Family Foundation and Health Research & Educational Trust.

Key findings from the survey include:

- 61% of small firms (those with fewer than 200 workers) reported offering health benefits, similar to the percentage for 2011.
- 58% of firms had at least one grandfathered plan, down from 72% last year ([grandfathered plans](#) in existence as of March 23, 2010 that have not made changes which significantly reduce benefits or increase out-of-pocket spending for workers may be exempt from certain requirements under [Health Care Reform](#)).
- The percentage of workers enrolled in high deductible plans with a savings option (e.g., HSAs and HRAs) remained steady at 19%, the first year without a significant increase since 2009.

A wide range of industries is represented in the survey, including service, health care, manufacturing, retail, and finance. Survey data was collected between January and May of 2012. [More details and survey results](#) are available from the Kaiser Family Foundation. For more information and guidance on developing your employee benefits package, visit our section on [Benefit Planning](#).

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## Drive Safely Work Week: 5 Ways to Discourage Distracted Driving

Did you know that [motor vehicle crashes](#) are the leading cause of worker fatalities each year? [Drive Safely Work Week](#), observed during the first week of October, calls attention to the importance of preventing distracted driving on the job.



### What is Distracted Driving?

[Distracted driving](#) is any activity that could divert attention away from the primary task of driving, such as using a cell phone or smartphone, eating or drinking, and reading maps or using a navigation system. Because text messaging requires visual, manual, and cognitive attention from the driver, it is by far the most alarming distraction.

As a business owner or manager, it's your legal responsibility under the federal [Occupational Safety and Health Act](#) to safeguard workers who drive as part of their job. Companies are in violation of the law (and many [state laws](#)) if, by policy or practice, they:

- Require texting while driving;
- Create incentives that encourage or condone texting and driving; or
- Structure work so that texting while driving is a practical necessity for workers to carry out their jobs.

### How to Discourage Distracted Driving

[OSHA](#) advises employers to send a clear message to workers and supervisors that the company neither requires nor condones texting while driving. Specifically, employers should:

1. Enact a company policy on distracted driving that prohibits texting while driving (this [model policy](#) can help you get started).
2. Establish work procedures and rules that do not make it necessary for workers to text while driving in order to carry out their duties.
3. Set up clear procedures, times, and places for drivers' safe use of texting and other technologies for communicating with managers, customers, and others.
4. Incorporate safe communications practices into worker orientation and training.
5. Eliminate financial and other incentive systems that encourage workers to text while driving.

Check out OSHA's [Distracted Driving Page](#) for more guidance on work-related driving distractions. Our [Safety and Wellness](#) section offers other helpful information on how to keep your employees safe.

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**Oct. 15 Deadline for Providing Medicare Part D**

## Creditable Coverage Notices

As a reminder, the Medicare fall [open enrollment period](#) now begins on October 15th and ends December 7th. This means that **sponsors of group health plans (including employers)** that provide prescription drug coverage must distribute required creditable coverage disclosure notices to Medicare eligible participants **prior to October 15th**.

The [Medicare Modernization Act](#) requires entities whose policies include prescription drug coverage to notify Medicare eligible policyholders whether their prescription drug coverage is creditable coverage, which means that the coverage is expected to pay, on average, as much as the standard Medicare prescription drug coverage. For such an entity, there are two disclosure requirements:

- A [written disclosure notice](#) to all Medicare eligible individuals annually who are covered under its prescription drug plan, prior to October 15th each year and at various other times. This notice must be provided to Medicare eligible active working individuals and their dependents, Medicare eligible COBRA individuals and their dependents, Medicare eligible disabled individuals covered under the prescription drug plan, and any retirees and their dependents.
- [Online disclosure](#) to the Centers for Medicare & Medicaid Services to report the creditable coverage status of the entity's prescription drug plan. This disclosure is also required annually, no later than 60 days from the beginning of the plan year, within 30 days after termination of a prescription drug plan, or within 30 days after any change in creditable coverage status.

Visit our section on [Medicare](#) to learn more about the program and the employer notice requirements under Part D (including model notices).

## Preventing Common COBRA Mistakes -- Do's and Don'ts

With so many requirements under [COBRA](#), it's easy to make a mistake that could result in costly penalties. Understanding your responsibilities when it comes to compliance is the best way to prevent expensive mistakes. The following do's and don'ts can help you get started.

- **DO count part-time employees to determine whether your plan is subject to COBRA.** COBRA generally applies to group health plans maintained by employers [with at least 20 employees](#) on more than 50% percent of typical business days in the prior year. Each part-time employee counts as a fraction of a full-time employee, equal to the number of hours the part-time employee worked divided by the hours an employee must work to be considered full-time.
- **DO stay on top of required notices.** Use the [Model General Notice](#) and [Model Election Notice](#) provided by the U.S. Department of Labor to help satisfy [notice requirements](#). Keep track of when and to whom notices are sent (and don't forget to provide a separate notice to the

- spouse or dependent child if necessary).
- **DON'T overlook qualifying events.** Remember that if a plan measures eligibility for coverage by the number of hours worked in a given time period, an employee's failure to work the minimum number of required hours may be considered a [reduction in hours](#) that gives rise to COBRA election rights.
  - **DON'T terminate COBRA coverage too early.** There are very specific rules regarding when COBRA may terminate prior to the end of the [maximum period of coverage](#) (for example, when premiums are not paid). In certain circumstances the maximum period of COBRA coverage may be extended due to disability or the occurrence of a second qualifying event.
  - **DON'T forget about state law.** Many states have enacted what are commonly referred to as 'mini-COBRA' laws, which typically require continuation of group health plan coverage provided by employers with fewer than 20 employees. Employers of all sizes should check to see if a state mini-COBRA law applies to their plans and if so, how the law differs from federal COBRA.

Most importantly, DO consult with a trusted employment law attorney or benefits advisor if you have any questions as to how COBRA applies to a particular plan or your obligations under the law. Our page on [Preventing Common COBRA Mistakes](#) features additional mistakes employers may make and tips on how to avoid them.

## 7 Topics to Cover During New Employee Orientation

New employee orientation (also called onboarding) introduces new employees to the workplace and familiarizes them with some of the company's basic practices. Onboarding should be conducted as soon after an employee's start date as possible. Some of the topics you may wish to cover include:

1. **Welcome.** Give your new employee a brief tour of the workplace and introduce managers and co-workers. Be sure the employee's work station is neat and organized to make him or her feel welcome.
2. **New Hire Paperwork.** Orientation is a good time to collect and complete any necessary paperwork, such as [Form I-9](#) (employee must complete no later than the first day of work for pay), Form W-4 and any required state income tax withholding forms.
3. **Compensation and Benefits.** Provide details on pay periods, direct deposit, payroll deductions, health insurance and any other benefits to which your new employee may be entitled. Prepare a benefits packet ahead of time to give to the employee and let him or her know who can answer questions.
4. **Attendance and Leave.** Review the employee's expected hours of work, as well as the company's policies regarding absenteeism, meal and break periods, and time off (including notice required).
5. **Employee Conduct.** Make sure the employee understands the rules regarding dress code, telephone and computer use, and other expectations. If your policies are explained in an employee handbook, be sure the employee receives a copy.
6. **Safety and Security.** Explain necessary safety and security procedures

and distribute building keys, employee identification, and parking passes as appropriate.

7. **Required Training.** Schedule training sessions as soon as possible so the employee can learn about the technology, safety, and any other special skills necessary to perform his or her job.

Regardless of whether you distribute a full employee handbook, it's a good idea (and in some instances may be legally required) to inform employees in writing of your company's policies. Remember to follow-up with your employee during the first several weeks to address any concerns and answer any questions that may come up. You can find more tips for helping the orientation process run smoothly in our section on [Onboarding](#).

**Newsletter provided by:**

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