

The Answer

An E-Newsletter from *Answer Human Assets*

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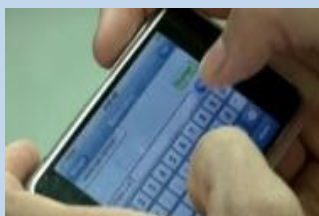
Answer Human Assets

As a Human Resources outsourcing company, *Answer Human Assets (AHA)* provides experienced, knowledgeable, personalized Human Resources support to small and mid-sized companies in a cost effective way so the company's management can focus on the core business.



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Please contact us at theanswer@ahahr.com to discuss any of the issues in this newsletter.

MESSAGE FROM THE FOUNDER - KEN POLLET

For the first time in quite a while, we're seeing some signs of an improving economy within our client base. Employees are leaving for what they perceive as better opportunities, and prospective candidates are declining job offers, citing other available alternatives. Also, the stock market continues its climb!

At the same time, many states and municipalities are in financial trouble and public sector layoffs are looming. Problems in the housing market continue and the percentage of Americans owning a home is the lowest it's been in over a decade.

Have we turned the corner? In some sectors, yes, it may seem that way. On an overall basis, we still have a long way to go! This edition of "The Answer" deals with two very current topics: social media and healthcare.

Many companies are recognizing the impact of social media, especially the unlimited potential as a marketing tool and the ability to learn more about potential candidates. With all the positive factors, companies are also assessing the risks and the impact on their image and their brand.

From an employment perspective, LinkedIn is quickly becoming one of the best ways to conduct a job search. I was recently asked to speak at a meeting for "young executives" and the topic was "Using Social Media to Aid in a Job Search." The basic message that I and the other panelists delivered was that social media can cut both ways. On one hand, it's easier to become aware of potential employment opportunities. On the other

hand, employers can learn details about candidates which might affect hiring decisions. Those comments and pictures on Facebook might influence a manager NOT to hire someone! I thought it was interesting when one of the young executives at the conference asked, "How long does the information stay out there?" Maintaining a consistent and professional brand image for a company, for its employees and for a candidate is very, very important.

With healthcare reform, as plans renew and the new laws come into play, companies are struggling to understand the changes and how to educate their employees on the issues.

A broker friend of mine told me a story about a small company based in Pennsylvania that has some employees based in the home state and others working and living in other states. Unfortunately, a couple of the spouses of employees have significant health issues. Because of the company's small size and multiple locations, their case is being underwritten, meaning that the premium is based, in part, on the health of the population being insured. This small company is paying exorbitantly high premiums for a pretty basic HMO-type plan and the cost for the employees to use this expensive plan is also very high.

Our employment laws tell us very clearly that we cannot consider health or disability when making employment decisions. Until our insurance laws and practices catch up with our employment laws, we've got a problem.

Ken Pollet, Founder, kpellet@ahahr.com

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The Trend of Social Media in the Workplace

The growing trend of social media use such as Facebook and Twitter is too big for employers to ignore. Companies are realizing that social media is not going away anytime soon. Employers need to set clear boundaries for their employees based on their corporate culture, work environment and industry.

A “one-size-fits-all” standard for proper social media usage in the workplace does not exist. Many companies block access to certain websites containing inappropriate content, such as pornography and gambling. Companies may be tempted to just add social media sites to this list, but experts caution against this restriction. Completely blocking social media use could severely impact opportunities for employees to use social media to successfully achieve business goals.

In general, due to the fast growing trend of diverse social media outlets, a lack of clarity exists on the part of employees about what is acceptable and not acceptable. Companies may want to establish policies and ongoing dialogue with employees so everyone can be on the same page. The most important factor to consider is whether each employee is able to meet his/her objectives in the job. Some employees, especially many in sales, marketing, and human resources positions, may likely need to use social media in order to successfully meet their goals. Salespeople may want to research a potential client ahead of a meeting. Human resource officials may want to search for appropriate candidates and also research specific people. Company executives may want to learn more about what their customers are saying about their products. When establishing guidelines for social media, companies need to take these factors into consideration.

A good way to guide employees through the etiquette of social media in the workplace is to establish a formal policy and then communicate the expectations and the guidelines to all employees. What sites are appropriate to use for the company? When can employees check their personal e-mail? What sites can be used to conduct business? Experts agree that having a policy in place helps make a company more efficient.

Facebook and Twitter may not be around forever, but the technology that makes them possible is very likely to grow in the years ahead. Businesses, small and large, will be affected. By taking appropriate steps now, companies can mitigate any risks and take advantages of the benefits to remain competitive in the marketplace.

By Paula Ciccimarra, Associate, (212) 292-2390, pciccimarra@ahahr.com



Keep Your Employees Healthy & Fit

The beginning of the year is a good time for employers to think about planning Wellness Initiatives for their employees. Organize a wellness fair that includes blood pressure and cholesterol screenings, etc. Remind employees of the wellness benefits that their health plans may offer such as gym discounts and online tools to help with smoking cessation and nutrition, etc. Healthy employees keep healthcare costs down for employers. More importantly, overall productivity increases due to less days lost for illness related absences!

Questions? Contact AHA at theanswer@ahahr.com and we would be happy to help you.

HEALTHCARE REFORM ACT – WHAT YOU NEED TO KNOW

It's been almost a year since healthcare reform passed, but the Patient Protection and Affordable Care Act signed into law by President Obama last March 23rd is still a hot button issue. The new Republican majority in the House of Representatives voted to overturn the law, while the Democratically-led Senate voted to keep the law in place. Whether or not you agree with the legislation, your company needs to be familiar with the impact and how these changes could affect your organization's health benefits plan.

The law was created with broad terms and specific regulatory guidance still needs to be written. Additionally, plans in existence on March 23, 2010 are grandfathered, and have different employer options than for plans established after that date. Plans subject to collective bargaining also have different effective dates for certain provisions. Here is a general overview of the law's main points.:

Dependents must be allowed to stay on individual or group plans offering such coverage until they are 26 years of age.

Lifetime limits in individual and group plans must be eliminated on "essential health benefits."

Exclusions of coverage for pre-existing conditions were eliminated for participants under age 19. Effective in 2014, exclusions for pre-existing conditions for participants of all ages will be eliminated.

Also starting in 2014, employers with 200 or more employees must automatically enroll new employees into health coverage (employee may choose to opt out). While the law does not require employers to offer health coverage, penalties will be imposed under certain circumstances on employers that do not offer coverage.

Organizations need to be aware of certain employer disclosure requirements:

2012 – *Employers must disclose the value of 2011 health insurance coverage on the employees' W-2s.*

2013 – *Employers must notify employees about state health insurance exchanges, whether or not the plan meets minimum coverage requirements, and how to obtain information on premium subsidies.*

2014 – *Organizations with 50 or more employees will need to report if they offer the opportunity to enroll in minimum coverage, what their waiting periods are, their lowest cost options, their shares of costs and the names of employees receiving coverage.*

The Patient Protection and Affordable Care Act is complex legislation, with different requirements depending on company size. Benefits managers need to consult the law to ensure their organizations are meeting requirements. As always, the associates of Answer Human Assets are available to answer your questions and to provide guidance.

By Susan Gallen, Associate, 610-500-1801, sgallen@ahahr.com



FLEXIBLE SPENDING ACCOUNTS

If your company allows the 2.5 month grace period for employees to use the balance of their 2010 flex dollars to pay for medical expenses in 2011, remind your employees to incur eligible expenses by March 15, and submit reimbursement for these expenses by May 31st.

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