



MINNESOTA
CHAMBER of
COMMERCE

BUSINESS SOLUTIONS
HEALTH & BENEFIT E-NEWSLETTER

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ALERT -- EARLY RETIREE REINSURANCE PROGRAM – FUNDS AVAILABLE SOON!

The Early Retiree Reinsurance Program (ERRP) provides reimbursement to participating employment-based plans for a portion of the costs of health benefits for early retirees and early retirees' spouses, surviving spouses, and dependents. The program was authorized in the Affordable Care Act. This program is limited to \$5 billion. Applications will be processed in the order in which they are received. An application that does not meet the requirements will be denied and the applicant will have to submit a new application—*which puts you at the back of the line*. The final application is expected within the next few days but in the meantime you should: 1) determine if you qualify for the program; 2) determine if you want to apply for the program; and 3) if you do, read the Q&A and use the draft application to prepare your answers. The only difference that we are expecting in the final version is an address of where to send it. All information regarding the Early Retiree Reinsurance Program can be found at: www.hhs.gov.

UI EXTENSION: H.R. 4213, THE AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010

The U.S. House voted the day before breaking for the Memorial Day week recess to pass the American Jobs and Closing Tax Loopholes Act of 2010 (HR 4213). The bill includes a further extension of the American Recovery and Reinvestment Act (ARRA) provisions related to unemployment compensation. The unemployment provisions and a number of other items were modified in the final version of the bill passed by

the House to reduce cost in comparison to earlier versions. The unemployment provisions had been proposed to be extended through the end of 2010 but were cut back one month to an extension through November. Even with this reduction the unemployment provisions were projected to cost \$39.5 billion and would not be offset with other cuts in spending or tax increases in the bill.

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HEALTH CARE UPDATE

Critical Employer Issues in the Patient Protection and Affordable Care Act: The U.S. Chamber of Commerce has developed a white paper to guide employers through the health care legislation and the timeline and implementation schedule. Click [here](#) for the full report.

Small Business Health Care Tax Credit: As part of the Patient Protection and Affordable Care Act (PPACA), certain small employers and tax-exempt organizations that provide health care coverage to their employees may be eligible to receive a tax credit toward their cost of providing coverage. The tax credit is effective immediately, with the tax year beginning 2010, with an enhanced version of the tax credit beginning in 2014. Some IRS guidance is available now, particularly as it relates to the 2010 tax year. Click [here](#) to read more.

Dependent Health Insurance Coverage: The Departments of Health and Human Services, Treasury and Labor recently announced an interim final rule implementing a provision of the Patient Protection and Affordable Care Act impacting individual and group health plans. Health plans that already provide coverage to dependents must extend eligibility up to age 26, including allowing those who already have lost coverage to re-enroll.

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HIRE ACT - "HIRING INCENTIVES TO RESTORE EMPLOYMENT ACT"

Among the flurry of legislation passed within the first few months of 2010, President Obama signed the HIRE Act into law on March 18th. The law provides several different opportunities for businesses to take advantage of incentives for hiring employees who meet specific criteria. The HIRE Act was meant to encourage companies to hire new employees who had worked less than 40 hours in the 60 day period prior to their start date. Doing so entitles a business to obtain a significant financial incentive under certain circumstances. That incentive could be as much as \$7,622.00 per employee.

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DEPARTMENT OF LABOR ISSUES FINAL RULE REQUIRING FEDERAL CONTRACTORS TO NOTIFY EMPLOYEES OF THEIR RIGHT TO UNIONIZE – June 21 Effective Date

On January 30, 2009, President Barack Obama issued [Executive Order 13496](#). The Order stated that the government would require federal contractors to post notices in the workplace notifying employees of their "rights" under the National Labor Relations Act (the Act).

The executive order did not prescribe the content of the notice, nor any of the posting rules. However, many observers expected the notices would reiterate Section 7 of the Act, which sets forth employee "rights" under the Act. (Section 7 states that "Employees shall have the right to self-organization, to form, join or assist labor organizations, to bargain collectively, and to engage in other concerted activities for the purpose of collective

bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all such activities...")



STAFFING

Aligning Performance Management and Compensation Systems

As Human Resource Consultants, we see more frustration among our clients over performance management and compensation decisions than just about any other HR issue. Linking them together requires foresight, planning, and a strong sense of what you want to accomplish. Also, communicating the significant differences between base pay and incentive compensation is critical to the success of an aligned system of rewards and recognition. When done well, aligning performance and pay can enhance employee understanding of the expectations and improve your bottom line results.



Tips for Hiring Staff Post-Recession

The downsizings and layoffs of the recession injected many experienced, highly qualified job seekers into the market. Many of these individuals are still available, and now may be the time to selectively recruit candidates who will fortify your core team and increase your bench strength. The following tips will help you re-evaluate your employee hiring practices so that you're well-positioned for growth.



Holiday Survey

The Employers Association publishes an annual survey of office closings for the holidays throughout the year. For 4th of July holiday, the results were as follows:

4th of July Holiday	Closed Full Day		Closed Half Day		Uncertain		Not Applicable	
	#	%	#	%	#	%	#	%
424 Survey Participants								
July 2, Friday	43	10.1%	2	0.5%	31	7.3%	213	50.2%
July 5, Monday	362	85.4%	2	0.5%	27	6.4%	20	4.7%
Includes Office, Plant and Operations								

For more information or a list of surveys available through the Employers Association, go to www.employersinc.com.

Employee Benefits Conference

The Fifth Annual Employee Benefits Conference, "Dawn of a New Decade," hosted by the Employers Association will be held on Wednesday, June 16th. Starting out the day will be Nancy Blough, JD, MBA and President of American Health Data Institute. She will speak about how to create fiscally fit multi-year health benefit strategies. Breakout sessions will inform participants about innovative benefits communications,

broker selection, employee retention, wellness implementation and compliance with cafeteria plans and intermittent FMLA leave. To close out our conference, we will welcome Jean Abraham, Ph.D., University of Minnesota Division of Health Policy and Management, who will help us navigate through the Health Care Reform legislation and its impact on employers. Breakout sessions will inform participants about innovative benefits communications, broker selection, employee retention, wellness implementation and compliance with cafeteria plans and intermittent FMLA leave. To register, visit www.employersinc.com and search for Benefits Conference. Minnesota Chamber members pay the affiliate fee which is over \$100 off the regular price.

WORKSITE WELLNESS

Wellness: *Thinking Ahead* to Contain Rising Healthcare Costs

In today's environment, when every penny counts, employers are looking for the best way to maximize their benefits investment and contain costs. Many companies have dabbled at developing a wellness program, but it is the organizations that are taking it to the next level, basing decisions on claims analysis, employee feedback, evaluation, and cultural assessments, that are seeing the biggest return on their investment. Strategic, proactive wellness initiatives can significantly impact an organization's overall bottom line by raising employee morale and job satisfaction, reducing absenteeism, and increasing productivity—all leading to healthier and happier employees.

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SAFETY IN THE WORKPLACE

Heat-Related Illnesses

The human body tries to maintain its normal temperature of 98.6 degrees Fahrenheit. Heat related illnesses can include mild to life threatening degrees of illness when the body is exposed to more heat than it can handle.

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COMMERCE

MINNESOTA CHAMBER OF COMMERCE
400 N. Robert Street, Suite 1500
St. Paul, MN 55101
(651) 292-4650 / (800) 821-2230
www.mnchamber.com