



HEALTHCARE REFORM—ARE YOU READY?

By SHRM

Landmark legislation making major changes to healthcare insurance practices in the United States was enacted in March 2010. The law affects employers and HR professionals in a variety of ways, many of which are discussed briefly below. An interactive timeline that displays the effective dates of these provisions and includes links to detailed information will appear on the SHRM Health Care Reform Resources Page at www.shrm.org/healthcare.

Mandated Benefits: Beginning six months after the law’s enactment, all existing health insurance plans must:

- Prohibit lifetime limits.
- Prohibit rescissions.
- Restrict annual limits.
- Include limitations on excessive waiting periods.

Include a requirement to provide coverage for non-dependent children up to age 26; before 2014, this requirement is limited to non-dependent children who do not have an employer offer of coverage.

Beginning in 2014, group health plans must prohibit pre-existing condition exclusions and must prohibit annual limits.

Health Care Exchanges: The law requires states to create and maintain health care “exchanges” in which health insurance providers compete for customers on equal terms. The exchanges will be open to anyone without employer-provided coverage who wants to purchase a health insurance plan. If a state does not create an exchange, the federal government will create one for it.

Employer Penalty for Not Offering Coverage: The law will not require employers to offer health insurance; however, beginning in 2014, employers with more than 50 full-time employees that do not offer coverage will have to pay a penalty of \$2,000 per full-time equivalent employee for all full-time employees in excess of 30 if even one employee receives a federal government subsidy and purchases coverage in an exchange.

Employer Penalty for Unaffordable Coverage: If an employee opts out of an employer plan because coverage is “unaffordable”—that is, if the premium exceeds 9.5 percent of family income—the employer must pay a \$3,000 penalty for each full-time employee who receives a government subsidy and purchases coverage through an exchange.

Employer Penalty for Low-Value Plans: Employer health care coverage must have an actuarial value of at least 60 percent. If it does not, penalties will be assessed.

No Penalty for Waiting Periods: Employers will not be required to pay a penalty for employees during a waiting period that is required before an employee can enroll in an employer-provided health insurance plan. *Continued on page 3*

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We Have A Winner !



June 1, 2010 by Ginger Pingel— Gateway Human Resource Association (GHRA) is pleased to announce the 2010-2011 scholarship winner. Ms. Carly Green of Clinton, IA is the proud recipient of a \$1,000 scholarship.

Originally, one scholarship was available to a graduating high school senior and a second to an undergraduate student majoring in HR or a related field. However, as we received no high school applications, we were able to combine the two and increase the award given to the undergraduate winner.

Ms. Green is a Sophomore at the University of Dubuque, majoring in Psychology with a minor in Business. She is hoping to pursue an internship next year, and work towards a future career in Human Resources.

All scholarship applicants were asked to write an essay regarding their thoughts on the future impact of Human Resources. In Ms. Green's winning essay she wrote, "Today's companies need to keep up with many changes, not only in their employees, but also in the needs of its consumers....A successful Human Resource Department needs to be able to recognize and pursue top candidates, offer the training needed for today's competitive market, and offer the leadership needed for employees."

Congratulations!

Child Labor Law Changes

May 20, 2010 by MRA —

The Department of Labor's Wage and Hour Division published a Final Rule designed to protect working children from hazards in the workplace while also recognizing the value of safe work to children and their families. The Final Rule contains the most ambitious and far-reaching revisions to the child labor regulations in the last 30 years and marks another step forward in the Department's ongoing effort to promote positive, safe work experiences for young workers. The provisions of the Final Rule will become effective on **July 19, 2010**. All employers need to be aware of these provisions going forward and also as they hire summer help that involve minors in order to comply with these new rules.

Highlights of the new rule include:

- The Final Rule implements changes to seven non-agricultural hazardous occupation orders (HOs) and revisions to the rules for 14- and 15-year-olds. The Final Rule also incorporates into the regulations statutory changes regarding the assessment of child labor civil money penalties and the employment of youth by establishments that use machinery to process wood products.
- These changes stem from the Department's enforcement experience, two statutory changes, and the 2002 National Institute for Occupational Safety and Health (NIOSH) review of the child labor laws. NIOSH recommended 35 modifica-

tions to the existing non-agricultural child labor laws. The Department issued a Final Rule in December 2004 implementing six of the NIOSH recommendations. The current Final Rule addresses 25 of the remaining NIOSH non-agricultural HOs recommendations.

- The Final Rule strengthens child labor laws to protect against workplace hazards. Examples of new prohibitions impacting the employment of youth under the age of 18 years include:

1. Working at poultry slaughtering and packaging plants.
2. Riding on a forklift as a passenger.
3. Working in forest fire-fighting, forestry services, and timber tract management.
4. Operating certain power-driven hoists and work assist vehicles.
5. Operating balers and compacters designed or used for non-paper products.
6. Operating power-driven chain saws, wood chippers, reciprocating saws, and abrasive cutting discs.

- The rule expands youth workplace opportunities that have been judged to be safe for young workers. Examples include:

1. By removing a 40-year-old provision that generally limits the employment of 14- and 15-year-olds to jobs in retail, food service, and gasoline service establishments, the rule opens up safe and positive employment opportunities in industries such as advertising, banking, and information technology.

2. The Final Rule allows 14- and 15-year-olds to perform work of an intellectual or artistic nature in establishments that were previously prohibited. Such work includes computer programming, drawing, and teaching.
3. The Final Rule also incorporates into the regulations two longstanding Departmental enforcement positions that permit 16- and 17-year-olds to operate, under specified conditions, power-driven pizza-dough rollers and portable, countertop food mixers.
 - The Final Rule also updates the child labor provisions to better reflect the modern workplace.
 - It permits greater opportunities for the development of the technology-based skills that are increasingly in demand in a competitive 21st century labor market.
 - The Final Rule establishes a new work-study program for 14- and 15-year-old students who wish to use their school-supervised work experience as a means to realize their academic potential and obtain a college education.
 - It prohibits 14- and 15-year-olds from engaging in youth peddling activities or non-charitable door-to-door sales.
 - It clarifies the work hours and time-of-day limitations for 14- and 15-year-olds and defines the term *school hours* as it applies to nonagricultural employment.
 - It establishes a minimum age of 15 years for employment as a lifeguard at traditional swimming pools.

Healthcare Reform—Are you ready? *Cont. from page 1*

Beginning in 2014, however, a waiting period cannot exceed 90 days.

Employer-Provided Free Choice Vouchers: Employers that offer coverage must provide a free choice voucher to employees with incomes less than 400 percent of the federal poverty level whose share of the premium exceeds 8 percent but is less than 9.8 percent of their income and who choose to enroll in a plan in the exchange. The voucher amount must be equal to what the employer would have paid to provide coverage to the employee under the employer's plan. Employers providing free choice vouchers will not be subject to penalties for employees that receive premium credits in the exchange.

Automatic Enrollment Procedure: The law will require employers with more than 200 employees to enroll employees automatically into health insurance plans offered by the employer, allowing for an employee opt-out. The law is silent as to the effective date of this requirement.

Restrictions on Cafeteria Plans: The law caps flexible spending account (FSA) contributions at \$2,500 and excludes over-the-counter medications without a doctor's prescription as reimbursable expenses under FSAs, health reimbursement accounts, medical spending accounts (MSA) and health savings accounts (HSA). Penalties on non-medical HSA and MSA distributions are increased to 20 percent.

Incentives for Wellness: The law allows employers to offer premium discounts and other financial incentives for up to 30 percent of the total premium to individuals who satisfy a health standard. It includes provisions designed to ensure that discriminatory practices do not occur. The secretary of Health and Human Services has the authority to issue regulations to allow financial incentives up to 50 percent. The law provides for grants for up to five years to small employers that establish wellness programs.

Tax on High-Value Plans: Beginning in 2018, there will be a 40 percent excise tax on insurance companies and plan administrators for group health coverage that exceeds a threshold of \$10,200 for single coverage and \$27,500 for families, not counting stand-alone dental and vision plans. For retirees above age 55 and for plans that cover employees in high-risk professions, the thresholds are \$11,850 for single coverage and \$30,950 for families. The tax will apply to the amount of the premium that is in excess of the threshold. Beginning in 2019, the thresholds will be indexed to the rate of general inflation plus 1 percentage point.

Required W-2 Reporting: Beginning in 2011, employers will be required to report the value of employees' health benefits on W-2 forms.

Long-Term-Care Enrollment Procedures: The law creates a national social insurance program that provides limited long-term-care coverage for active employees through the workplace. All premium costs can be charged to employees. Beginning in 2011, employers must have in place automatic enrollment procedures that allow workers to opt out or procedures that allow workers to initiate enrollment.

Breaks for Nursing Mothers: A provision in the law amends the Fair Labor Standards Act to require employers, with some exceptions, to furnish "reasonable break time for an employee to express breast milk for her nursing child" for one year after the child's birth. It requires employers to provide a place, other than a bathroom, that is shielded from view and free from intrusion from co-workers and the public, that may be used by an employee to express breast milk.

A UNIQUE WAY TO REWARD EMPLOYEES

By *Soni Hook*

River City Gold refers to cash equivalent certificates that can be used only at retailers, who are local area Chamber of Commerce members. Purchasing "Gold" ensures that the business community remains strong by keeping local dollars local.

As a member of the Clinton Area Chamber of Commerce, Thomas & Betts uses the River City Gold

certificates. Thomas & Betts is proud to be a part of supporting a strong local economy, while also rewarding dedicated associates. River City Gold certificates are used for a variety of reasons from promoting safety and Christmas party prizes, to rewarding associates for process-improvement ideas.

If you would like to join Thomas & Betts in rewarding employees with River City Gold, please contact the Clinton Area Chamber of Commerce at (563) 242-5702 or at 721 S. 2nd Street, Clinton, IA.

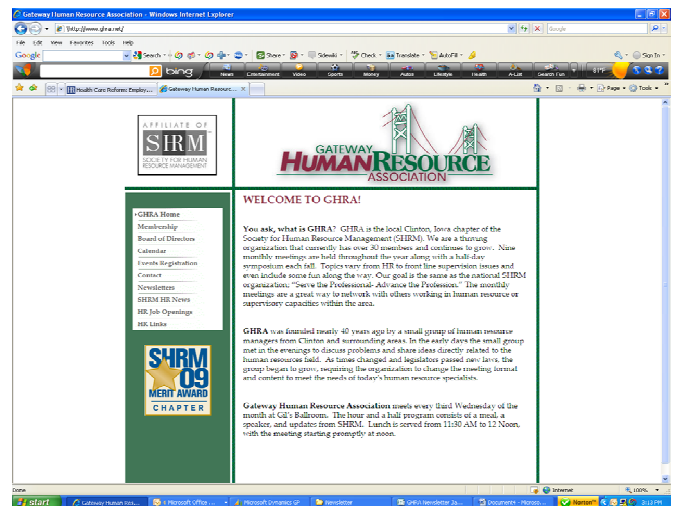
We Have A NEW Look!

By Ginger Pingel—As mentioned in our January newsletter, the Gateway Human Resource Association (GHRA) worked to bring a more modern look to the organization’s website (screen prints are inset to the right). In addition to the new image, you will find—

- Easier to view pages
- More clearly defined links, with less scrolling per page
- Archive of past newsletters
- NEW HR Job Opportunities page
- And more....

Websites are an excellent way to drive membership, increase participation among current members, and otherwise support the organization as a whole. Please utilize our website and help make it a success.

We are very interested in feedback on the new site. In addition, because the HR job opportunities page is new, we are eager to get members using the site. So, please do not hesitate to e-mail us your HR openings at ghra52732@yahoo.com




Upcoming Events/Meetings
Held at Gills Ballroom—11:30 am

June 16 Dan Anderson, Iowa Workforce Development—Unemployment Law Update.

July 21 MRA—Generations in the Workplace X,Y,Z

“Ultimately a contribution to the SHRM Foundation is an investment in our continued growth as leaders and guardians of the HR profession.”

Nereida (Neddy) Perez
 Vice President, Inclusion and Diversity
 National Grid, Brooklyn, NY



The GHRA Newsletter is printed quarterly with input from Gateway Human Resource Association members, under leadership from the Web Master/Communications Chair, and with approval from the Chapter President. Please write to us at ghra52732@yahoo.com with any questions or comments.



By Lori Strottman—We hope you all are planning to join us for the 23rd Annual Iowa SHRM State Conference, “The Amazing HR Race”!

The conference planning committee has been working hard for almost two years trying to put together a fabulous group of speakers and activities that maintains the quality of state conferences in years past. I thank each of them and their respective committees for the hard work and dedication that they have shown.

Speakers will be discussing very timely topics; from Healthcare Reform to Social Media in the Workplace. We will have sessions on Employment Law; Benefits, Compensation & Wellness; Communications, Training & Technology; Workforce Planning & Employment, and an entire track on Strategic Management for those with their SPHR designation. Those with a GPHR designation, rest assured we will also have sessions meeting your recertification needs.

This year we will be piloting a new on-line registration process that I hope you find to be very easy. We will be asking a few more questions upfront to gather additional information, but this information will assist us in the final phases of organizing a pleasant conference experience for you.

We have also kept in mind the fact that the economy and many employers may still be struggling to control expenses. As a result, we have kept the rates for this year’s conference at the same level as when we last hosted in 2007. We hope that this helps to solidify your decision to attend the 2010 Iowa SHRM State Conference. It will prove to be a conference well worth your attendance.



Lori K. Strottman,
SPHR, CEBS, GBA, CCP, GRP, FLMI
2010 Iowa

SHRM State Conference Chair

SAVE the Dates!

September 29, 30, & October 1, 2010

Sheraton West Des Moines Hotel

Early Bird-Special Price Deadline: 7/15

NEW VENTURES

By Erik Myers—The Iowa Quad Cities Chamber of Commerce and the NewVentures Initiative (NVI), in partnership with the Eastern Iowa Community College District (EICCD), have launched the **Business Information for Growth (BIG)** service. This data-mining service provides business owners, entrepreneurs, economic development professionals, and students access to highly-sophisticated online databases to

conduct research which will help identify new opportunities to grow and maximize business.

Databases Available :

Reference USA
Hoovers Plus
First Research
Acculeads
Demographics Now &
YIPSE

Access to these databases is often cost-prohibitive for many businesses, however, the **BIG service**

is free of charge and it takes only a brief training session to learn how to use the databases. After training, a person can do research using the dedicated computers located in the BIG Lab within the NewVentures Entrepreneurial Center (NVEC) in Davenport, Iowa, the McAvoy Business and Industry Center located in Muscatine, Iowa, or the **Clinton Community College Technology Center in Clinton, Iowa.**

To schedule training, call (563) 327-0160, or for more details call (563) 244-7065.