



George Petersen Insurance Agency

News You Can Use

OPEN ENROLLMENT TIPS

Identify Workers' Needs, Consider Plan Costs, Benefits

WITH GROUP health plan open enrollment nearly upon us, employers should be focusing on driving engagement so that their employees can make informed decisions about their health insurance options.

We want to help you help your employees understand all of their options so that they can purchase a plan that is appropriate for their situation. So here is our advice for the open enrollment:

Listen to your workforce

Before you make any decisions, you should listen to your employees and better understand their needs and preferences.

With answers and feedback in hand you can create a benefits package which is more appealing to them, which in turn gives you a competitive edge when attracting and retaining workers.

Engage employees and solicit feedback through quarterly employee-benefits round table meetings. Invite employees from different age groups and different departments to participate in these meetings to ensure you have a good cross-section of your staff represented.

Get an early start

If your plan year starts Jan. 1, you should hold open enrollment meetings and dispense plan materials in October or November.

Avoid holding meetings in December. It's too busy and the ramping up period is too short.

Give advance notice

You can start this month with simple reminders for employees to start thinking about open enrollment and evaluate their current health plans. Send out memos and place posters in high traffic areas.

If you start with this in October, they can have time to assess their options, particularly if anything has changed in their lives like marital status, new children or health issues.

Costs are paramount

You need to settle on plan arrangements that will be within your and your employees' budgets (under the Affordable Care Act, in 2024 at least one plan you offer must cost less than 8.39% of any employee's household income).

Employees have a right to understand the costs, so let them know how to access the free transparency tools provided online by most medical carriers.

Communicate effectively

Your task is to get employees out of cruise control and truly assess all of their options.

This is especially true if you are making changes to cost-sharing, introducing new plans, introducing a wellness plan or health savings accounts or flexible spending accounts.

You should use a variety of different media to communicate with your workforce.

Use video, virtual and live meetings, e-mail communications and print materials to get through to your employees.

While the attentive ones may think it's overkill, using different forms of communication ensures that you reach the widest number of staff.

See 'Remind' on page 2



George Petersen Insurance Agency

CONTACT US:

If you have a question about any article in this newsletter or coverage questions, contact your broker at one of our offices.

Auburn
Colusa
Eureka
Fort Bragg
Ferndale
Gualala

Healdsburg
Redding
San Rafael
Santa Rosa
Ukiah

Phone: 1-800-236-9046

E-mail: info@gpins.com

License No. : 0603247

HUMAN RESOURCES

New Law Expands Mandatory Paid Sick Leave

GOV. GAVIN Newsom has signed legislation that will increase the amount of paid sick leave days California workers are eligible for.

The law, SB 616, will expand the minimum number of paid sick leave days that employers are required to provide to five days (40 hours) from the current three, or 24 hours.

With an effective date of Jan. 1, 2024, employers will have a short time to ramp up and adjust their human resources systems to account for the changes, particularly if they already use the accrual method for building up sick leave. Here's what you need to know:

Options for providing sick leave

Employers will have these options for providing sick leave:

Up front: Employers can provide all five paid sick days up front for the year that can be used immediately.

Accrual: Under the new law, if an employer chooses the accrual method, it has two choices to build up paid sick leave:

- Accruing one hour of paid sick leave for every 30 hours worked, or
- Providing 40 hours of paid sick leave by the 200th day of the year (up from the current 24 hours by the 120th day of the year).

The law also changes the minimum accrual cap, which is the floor for how many days or hours an employer can allow workers to accumulate paid sick days. The current cap is six days — or 48 hours.

Starting in 2024, that minimum accrual cap will be 10 days, or 80 hours.

One more change: Under the new law, employees must be eligible for at least all five days or 40 hours of sick leave or paid time off within nine months of employment.

What's not changing

The new law keeps in place requirements that all full-time, part-time and temporary workers are eligible for sick time if they meet the following qualifications:

- They work for the same employer for at least 30 days in a year, and

- Complete a 90-day employment period before taking any paid sick leave.

Paid sick leave can be used to:

- Recover from physical/mental illness or injury.
- Seek medical diagnosis, treatment or preventive care.
- Care for a family member who is ill or needs medical diagnosis, treatment or preventive care.

The takeaway

Employers may provide more paid sick leave hours or days off than the law requires.

Now is the time to...

- Update your paid sick leave,
- Ensure you are complying with the state law or your local ordinance (if more generous than the new law),
- Update applicable accrual rates or frontloading numbers in your payroll systems, and
- Train management on the new law.



Continued from page 1

Remind Your Staff About Their Obligations under the ACA

Get spouses involved

If you offer family coverage, ask your staff to invite their spouses to join your open enrollment meetings. You can also invite them to view materials you may post online or by e-mail.

Remind them of the law

Inform your staff of their responsibilities to secure coverage under the Affordable Care Act. Let them know that employees that refuse affordable coverage from their employer and opt to purchase it on a public exchange will usually not be eligible for government premium subsidies.

Your Open Enrollment Meetings

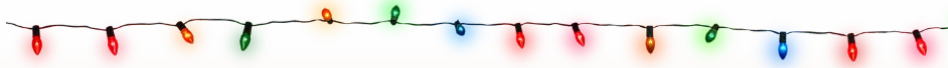
- Send out meeting notices early to give your employees time to prepare and set aside time and invite their spouses (if needed).
- Make the meetings engaging with visual aids and real-life examples.
- You may want to consider video recording the sessions and also providing remote access to employees that don't work onsite.
- Provide enough time for the presentation as well as questions from your employees.

SEASONAL RISKS

Keep Your Home, Family Safe During the Holidays

AS THE holidays approach and the merriment gets underway, don't forget to keep your home safe from fires, injuries and burglaries.

Homeowner's insurance claims spike in November and December every year, most of them due to fires as you start sprucing up your home for the holiday season, so keep an eye out for these common holiday trip-ups, fire hazards and other safety snafus.



Outdoor Lighting Safety

- When purchasing light strings, extension cords, spotlights, electrical decorations, gas appliances or carbon monoxide alarms, look for the certification mark of an accredited organization such as CSA International, UL or ELT.
- Inspect holiday light strings each year and discard any with frayed cords, cracked lamp holders or loose connections.
- When replacing bulbs, unplug the light string and be sure to match voltage and wattage to the original bulb.
- When hanging outdoor lights, keep electrical connectors off the ground and away from metal rain gutters. Use insulated tape or plastic clips instead of metal nails or tacks to hold them in place.



Indoor electrical safety

Buy a freshly cut tree, as they are less likely to ignite. Keep your tree watered. Both real and artificial trees should be kept away from open candles, heaters and fireplaces.

Don't overload your outlets by filling a power strip with plugs to light up your home. Turn the lights in your windows out before you go to bed.

Fire safety

Gas fireplaces – Don't use your gas fireplace if the glass panel is removed, cracked or broken, and only allow a qualified professional to replace fireplace parts.

Wood fireplaces – Have your fireplace inspected and cleaned before using it for the first time this winter. Be sure the fireplace flue is open. Keep evergreen boughs away from the fireplace. Don't burn trees, wreaths or wrapping paper, and always use a fireplace screen.

Candles – Keep candles at least a foot away from flammable items. Use candleholders that can't be easily knocked down. Never leave burning candles unattended.

Don't forget...

There are a number of other safety issues to consider during the busy holidays:

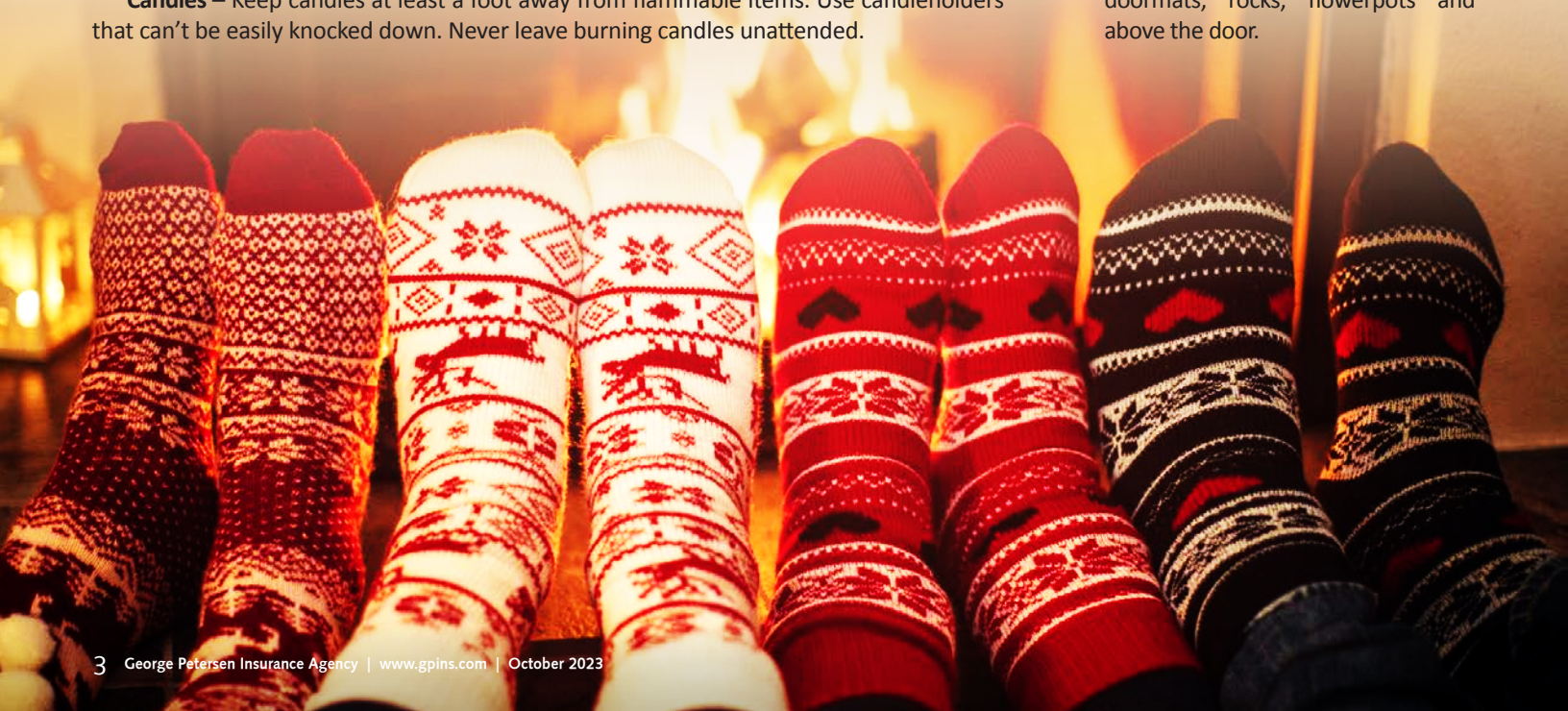
Secure your tree – Secure your tree properly with a strong stand that doesn't lean. If you have a fresh tree, don't whittle or taper the trunk to fit your stand; this makes the tree less stable.

Check your alarms – Test your smoke alarms monthly to make sure they work, and be sure to install smoke and carbon monoxide alarms on every level of your home — especially near sleeping areas.

Kitchen fires – Don't leave cooking unattended. When using the stovetop, stay in the kitchen so you can keep an eye on the food. If you have something in the oven, check on it frequently; set a timer as a reminder.

Thwart thieves – Lock doors and windows when you leave home — particularly if you're traveling to relatives. Consider:

- Leaving the radio or TV on so it seems like someone is home.
- Keeping indoor lights on a timer to turn on when it gets dark.
- Not openly displaying gifts in a room that's visible from your front windows.
- Asking someone to pick up your mail or newspaper if you'll be gone for a longer than normal period of time.
- Not hiding your spare key in obvious places. Thieves know to look under doormats, rocks, flowerpots and above the door.



EMPLOYMENT PRACTICES LIABILITY INSURANCE

Your Protection Against Employee Lawsuits

EVERY EMPLOYER, no matter how small, faces the specter of being sued by a past, present or prospective employee at some time.

Such employment practices claims are widespread – so much so that most businesses are much more likely to have an employment practices liability claim than a general liability or property loss claim.

Nearly 75% of all litigation against corporations today involves employment disputes, which can be extremely costly. The cost associated with an employment practices claim can be significant.

In 2022, the Equal Employment Opportunity Commission resolved 65,000 charges of discrimination and recovered about \$513 million in remedies for discrimination plaintiffs.

The EEOC focused on several major areas that can cost an employer dearly, including charges of discrimination, harassment, pay equity, and, more recently, the use of artificial intelligence in the hiring process.

Also, many employee-initiated cases are never filed with the EEOC. None of the above actions would be covered by your general liability or workers' comp policy.

For these reasons and more, employment practices liability insurance is crucial for any employer.

EPLI coverage

Policies cover:

- Defense costs (court fees, attorney fees and related costs).
- Payment of settlements and/or judgments up to the policy's limits.
- Any fines or penalties levied by government agencies.

EPLI policies cover business owners as well as directors, officers and managers. Some policies also cover employees. Additionally, you can buy third party policies to cover claims brought by non-employees, such as clients.

Actions EPLI covers

- Discrimination based on gender, race, national origin, religion or disability
- Sexual harassment or other unlawful harassment in the workplace
- Wrongful termination
- Failure to employ or promote
- Retaliation
- Employment-related misrepresentation
- Failure to adopt adequate workplace or employment policies and procedures
- Employment-related defamation or invasion of privacy
- Negligent evaluation of an employee
- Wrongful discipline of an employee
- Employment-related infliction of emotional distress.

NOTE: Wage and hour claims, or disputes regarding overtime pay for non-exempt employees, have become more expensive in recent years, so most EPLI policies exclude this coverage. Business owners may be able to find endorsements to add wage and hour coverage.

Costs

Discrimination lawsuits can be costly for employers, as the average lawsuit settlement could range from \$15,000 to over \$300,000 depending on the severity and scope of the case.

Most businesses are wise to have at least \$1 million in coverage. However, higher coverage limits increase your premium cost, so you want to balance your coverage needs and your budgetary concerns.

Call us if you want further information or need help in gauging your EPLI coverage needs.

