

DSI NEWSLETTER

DEDICATION SERVICE AND INTEGRITY
"OUR BUSINESS IS TO SERVE YOUR BUSINESS"

Legal Updates and Industry News

VOLUME 5

FALL 2007

DANONE SIMPSON INSURANCE SERVICES LLC

Our commitment as your trusted insurance advisor is to assist you with your insurance needs including negotiations, implementation of plan designs, claims and risk management. We have partnered with several Human Resources Consultants, COBRA/Flex Third Party Administrators and other entities to provide personalized programs designed to fit your company's needs. By utilizing our buying power, we have had great success in creating service outsource options at reduced rates that are partially subsidized or cost free.

Our first and foremost goal is to service our clients, making them our priority in our every decision.

PRODUCTS AND SERVICES

- Group Medical, Dental, Vision
- Life/Long and Short Term Disability
- Long Term Care
- Employee Assistance Programs
- Voluntary Benefits
- COBRA/Flex
- 401k Plans
- Compliance Updates, Executive Seminars
- Workers' Compensation
- Property/Casualty
- Risk Services - Supervisor Training
- Travel Assistance Programs
- Errors and Omissions
- Directors and Officers
- EPLI—Employee Practices Liability Insurance
- Human Resources Consulting Services

Human Resources Executives- If termed employees or those who have exhausted their COBRA benefits are asking about individual coverage you may refer them to our website www.dsiemployeebenefits.com to obtain individual quotes.

Drugs Online?

United States National Medical Association

Do you buy pharmaceuticals online? The US NMA was specifically established to protect the consumer. The experts check every online shop for bogus medicines. The blacklist of unreliable or simply fraud shops is updated every week. US NMA strongly recommends you to visit their site before buying any medical products online.

The common ways of online cheating are:

- delivery of low quality or fraud products.
- an enormous delay (up to 2-3 months) in delivery of products.
- shops obtain all the credit cards numbers and other credit information and then simply send nothing.
- shops sell unlicensed products they know nothing or very little about.
- shops themselves don't have a license to sell the pharmaceuticals.

Please check the US NMA blacklist of unreliable and fraud shops before buying any medical products online!!!
Protect your family and yourself. Go to: <http://www.us-nma.com/>

Source: United States National Medical Association



DANONE SIMPSON
Insurance Services LLC
CA License 0F30734

Complimentary Seminar

HOT TOPICS - TOP 10 REASONS EMPLOYERS GET SUED!

This is a complimentary Workshop. This seminar will take a candid look at the risks some employers unwittingly take and what insurance will pay. Some of the topics that will be covered: Wage and Hour Issues, Undocumented Workers, Fair Employment Issues and much more. Our guest speakers are Karen Dinino, Esq. from EmployMentor, Inc., Aaron Blum and Emalyn Lovitt from Swett & Crawford

When: 09/18/07

Where: 22110 Clarendon Street #201, Woodland Hills, CA 91367

Time: 8:30 to 12:00

Registration and Continental Breakfast from 8:00-8:30.

If you are interested in attending this seminar please contact Connie Shaffer at (818) 676-0044.

REMINDER

We are still interested in receiving your recipes for the cookbook we are putting together as mentioned in the Summer 2007 newsletter. Please email them to Connie Shaffer:

connie@dsinsuranceservices.com.



HUMAN RESOURCES CORNER

2007 EEO-1 Survey – Reporting Deadline is September 30, 2007

The Employer Information Report EEO-1, otherwise known as the EEO-1 Report, is required to be filed with the U.S. Equal Employment Opportunity Commission's EEO-1 Joint Reporting Committee. The filing deadline for the 2007 EEO-1 Survey is September 30, 2007. Notification letters will be mailed to employers beginning in July 2007.

All employers located in the 50 states and the District of Columbia who have at least 100 employees are required to file Form EEO-1 annually with the EEOC. Federal government contractors and first-tier subcontractors with as few as 50 employees and \$50,000 contracts must file as well.

The preferred method for completing the 2007 EEO-1 reports is the web-based filing system. Online filing requires you to log into your company's database with a Login ID and Password. All companies should receive 2007 EEO-1 filing materials by mail no later than mid August 2007. If you cannot locate your Login ID and/or Password, contact the EEO-1 Joint Reporting Committee at e1.techassistance@eoc.gov.

Highlights of the New EEO-1 Reporting Requirements

Changes to the race and ethnic categories:

Adds a category labeled "Two or more races."

- Divides the current category labeled "Asian or Pacific Islander" into two categories: "Asian" and "Native Hawaiian or other Pacific Islander."
- Renames "black" as "black or African American."
- Renames "Hispanic" as "Hispanic or Latino."

Strongly endorses self-identification of race and ethnic categories by workers, as opposed to visual identification by employers.

A change to the management-level category:

Divides the current category of "Officials and Managers" into two levels: executives within two reporting levels of the chief executive officer and lower-level managers.

Source: U.S. Equal Employment Opportunity Commission



HR Managers Report Problems with FMLA Leave

Recent survey results on employee absences have the Society for Human Resource Management calling for a check-up on the Family and Medical Leave Act.

Nearly 40% of HR professionals report that confusion over implementation of the FMLA has led to illegitimate leave being granted, according to SHRM, which surveyed 521 respondents.

Of the leave taken by employees, 59% was for medical reasons, 38% for family-related reasons and 38% was for episodic conditions, which involve ongoing injuries, illnesses or non-life threatening conditions. HR managers reported that the FMLA can have a negative impact on employee absences (63%), employee productivity (55%) and business productivity (54%).

Two of the most challenging FMLA-related activities are tracking intermittent leave and determining the company's overall costs incurred from FMLA leave, HR professionals said. Many also noted the timing of some FMLA leave requests (around holidays, weekends and pleasant weather) raised suspicions of abuse.

During an employee's FMLA leave, nearly 90% of employers handle the worker's responsibilities by assigning the work temporarily to colleagues, SHRM notes. In addition, 55% of employers offer sick time as part of a paid time-off plan that includes vacation and personal days, while 37% offer sick time as a separate benefit.

The survey results highlight the difficulties HR managers have with FMLA administration and signify a need for change at the federal level, SHRM states.

Debra Ness, president of the National Partnership for Women & Families, says family and medical leave is important to all families facing serious health problems, and lawmakers should be looking to expand family and medical leave for all Americans.

Source: Employee Benefit News



Health Matters

Wholegrains add a little roughage to diet

Including some roughage in your diet is beneficial to the heart and arteries - a high intake of dietary fiber has been shown to lower the risk of heart disease. One source of dietary fiber - the wholegrain - is receiving more and more favourable attention in health-based research, spurring on food manufacturers to make their products wholegrain.

Wholegrain means that, except for the inedible outer husk, the whole original seed of the plant is used - the bran, the germ and the endosperm.

Wholegrains include brown rice, oat groats or whole wheat, or they can be ground to flour before being used in products like cereals and breads.

In products that have been refined, like white rice or white flour, both the bran and the germ are removed, together with the important fiber, vitamins and minerals they contain, so that only the starch and protein-rich endosperm are left.

According to recent studies, regular consumption of wholegrains leads to lower cholesterol, less build-up of fatty plaque in the arteries and reduces the risk of heart disease by 25%.

A high wholegrain intake can also lower blood sugar and insulin levels, which is important in the prevention and management of type 2 diabetes, and is linked with lower waist circumference, which, is also a risk factor for heart disease.

Wholegrains are a wholesome package of beneficial nutrients that can be effortlessly included in our health diets to help prevent the build up of plaque in our arteries, so try and include them in most meals.



Source: The Financial Times Limited

Whole Grain Snack

Pass The Popcorn

That's right—popcorn is a whole grain food. But to enjoy popcorn in its healthiest form, pop it yourself instead of buying the microwave variety. Use an air popper if you have one, or you can make it the old-fashioned way: Pour enough oil into a large soup pot to lightly cover the bottom. Add enough popcorn to cover the bottom of the pot and the oil, about ½ cup of popcorn for a 6-8 quart pot. You'll have a healthy snack in not much more time than it takes to microwave popcorn, and you avoid the preservatives.

For an extra healthy bonus, use olive oil rather than standard vegetable oil, you'll get omega-3s as well as whole grains, and you won't notice any difference in taste. Sprinkle with pepper or oregano to avoid salt, or keep salt light and go heavier on the pepper. Also, if you want some butter, use a few tablespoons and mix it with lemon juice for a zesty flavor with less fat.

Source: <http://www.chefsdiet.com>

Bump Up Breakfast

With Whole Grain Muffins And Oatmeal

Breakfast foods are a great venue for whole grain recipes. Muffins, pancakes, and even crepes made with whole grain flours provide more protein, vitamins, and fiber than those made with processed grains. And don't forget the oatmeal. Oatmeal, whether it's the old-fashioned or "quick oats" variety, is a whole grain food. Try substituting half or even a third of the flour in your favorite muffin or pancake recipe with whole wheat flour. You may find that your favorite recipe tastes even better, and it is better for you! When shopping for dry cereal, be sure to read the labels and look for those made primarily with whole grains, such as Total (whole wheat) or Cheerios (oats) as their primary ingredients.



Source: <http://www.chefsdiet.com>

Curried Brown Rice Pilaf

1 cup short-grain brown rice
1 tablespoon olive oil
1 medium-size red onion, finely diced
2 teaspoons curry powder
2 cups low-sodium chicken stock
salt to taste
freshly ground black pepper

Place the rice in a large, deep bowl and cover with water. Drain and repeat until the water runs clear. Run your fingers through the rice several times to fluff the kernels.

Heat the oil over medium heat in a large, heavy saucepan. Add the onions and cook for 3 to 4 minutes, until the onions become translucent but not brown. Stir in the curry powder.

Add the rice and the stock and bring to a boil over high heat.

Reduce the heat, cover and simmer for 30 to 45 minutes, until the liquid is absorbed. Remove from the heat and allow to sit, covered for 10 minutes. Add the salt and pepper, and fluff with a fork.

Per Serving - Calories 233; Carbohydrate 41 g; Fat 5 g; Fiber 2 g; Protein 6 g; Saturated Fat 1 g; Sodium 204 mg

Source: <http://www.foodfit.com/recipes>



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Sexual Harassment

**It's the law to
provide training**

AB1825 requires employers who do business in California, and who have more than 50 employees, to provide all supervisors with training on how to prevent sexual harassment in the workplace. (50+ employees means "employing fifty or more employees for each working day in any twenty consecutive weeks in the current calendar year or the preceding calendar year. All 50 employees do not need to reside in California.) The first training deadline was December 31, 2006. Sexual harassment training must also be repeated every two years, making 2007 a "retrain" year for most organizations. With respect to the ongoing training obligation, newly hired or promoted supervisors must be trained within six months of the assumption of a supervisory position.

DSI can ensure that your company will be compliant with Assembly Bill 1825, by providing your employees with the required training and education. For further information or to schedule a training session, please contact us at (818) 676-0044 or email us at info@dsinsuranceservices.com.

Medicare Part D Update

Annual Creditable Status Notices

These notices should be distributed to all covered members during the Medicare Part D annual open-enrollment period, November 15th through December 31st.

The Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003 **requires** employer sponsored group health plans that offer prescription drug coverage to disclose to their Medicare eligible employees whether or not the prescription drug coverage they provide is "creditable", meaning at least as generous as Medicare Part D. A prescription drug plan is deemed to be creditable if it:

1. Provides coverage for brand and generic prescriptions.
2. Provides reasonable access to retail providers and, optionally, for mail order coverage,
3. The plan is designed to pay on average at least 60% of participants' prescription drug expenses; and
4. Satisfies at least one of the following:
 - The prescription drug coverage has no annual benefit max benefit or a max annual benefit payable by the plan of at least \$25k,
 - The prescription drug coverage has an actuarial expectation that the amount payable by the plan will be at least \$2k per Medicare eligible, or
 - For entities that have integrated health coverage, the integrated health plan has no more than \$250 deductible per year, has no annual benefit max or a max annual benefit payable by the plan of at least \$25k and has no less than a \$1,000,000 lifetime combined benefit max.



You will find model/sample notices at <http://www.cms.hhs.gov/creditablecoverage>

Health Costs expected to rise 11%

Health care costs are estimated to increase by 11.2% for Preferred Provider Organization (PPO) plans, 10.9% for Health Maintenance Organization (HMO) plans, 10.8% for Point of Service (POS) plans and 10.7% for Consumer-Driven Health (CDH) plans, according to a recent report.

The increases are expected to occur within the next 12 months and are due to a growing patient demand, an older U.S. population, poor lifestyle choices, increased medical technology and hospital costs and an upswing in the use and price of prescription drugs.

"Fortunately, employers have a number of strategies at their disposal to reduce the rate of these increases," says Bill Sharon. "Some of the more successful strategies consist of implementing Consumer-Driven Health plans, chronic condition management programs and health promotion. Coupled with plan design changes and/or employee contribution changes, these strategies can reduce an employer's health care cost increase by more than half."

The survey examined more than 70% of the leading health care insurers, representing over 100 million consumers.

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