

DSI NEWSLETTER

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



DANONE SIMPSON
Insurance Services LLC
CA License 0F30734

Legal Updates and Industry News

VOLUME 6

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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.

Health Savings Account

HSA 2008 Regulatory Limits	2008
Individual Minimum Deductible	\$1,100
Individual Maximum Out-of-Pocket	\$5,600
Individual Maximum Contribution	\$2,900
Family Minimum Deductible	\$2,200
Family Maximum Out-of-Pocket	\$11,200
Family Maximum Contribution	\$5,800
Catch-up Contribution (55+ years old)	\$900

Source: HSAFinder.com

NEWS:

2007 PRESS RELEASE

NO CHANGE TO PURE PREMIUM RATE!

California Insurance Commissioner Steve Poizner announced that he would make no change to the average workers' comp pure premium rate for policies renewing and inception on or after January 1, 2008. In a news release, Poizner said that insurers had realized a 70% reduction in costs since 2003, savings that they should be able to pass on to employers in the form of lower premiums. Poizner said that, in his opinion, premiums are "still too high".

This is the first time since the implementation of the reforms that a commissioner has held the line on rates. Commissioner Poizner approved a rate decrease of 14.2% for July 2007.

This announcement appears to be an indication that workers' comp costs within the post reform environment are stabilizing, especially the cost of claims. The Bureau recommended a 5.2% increase for January after a series of steady reductions during the last three years.

"The commissioner is seeing loss costs in the pure premium reflect the bottom line of system savings up to this point. If we see any changes to the permanent disability schedule...we may have to take a closer look," says one industry insider. The Division of Workers' Compensation said earlier that it would make changes to the PDRS in March 2008, a move that many observers predict will increase system costs".

Poizner noted in his order that "California insurers' record-low loss ratios...[are] far lower than what insurers are experiencing in the rest of the country. A change in pure premium rates, without further current data, is not warranted in light of the substantial profitability the workers' compensation insurance industry is experiencing in California".

Source: Workers' Comp Executive Newsdesk



HUMAN RESOURCES CORNER



CALIFORNIA COURT ALLOWS SEARCHES OF EMPLOYEE WORKSPACE (SEPTEMBER 27, 2007)

According to a federal court of appeal, employees have very limited expectations of privacy in their private – even locked – workplaces. In a divided opinion, the court held that law enforcement agencies may search employee workspaces merely upon receiving consent of an officer of the company – not of the employee himself. Additionally, a policy in an employee manual stating that employee computers are subject to monitoring may be sufficient to permit entry into an employee's office to copy a hard drive for use in a criminal prosecution. *U.S. v. Ziegler* (June 21, 2007) 2007 U.S. App. LEXIS 14715.

What Should You Do?

- Notify employees that all company property – including private offices, computer hard drives, vehicles and cell phones – is subject to search upon the employer's consent.
- Cooperate fully with law enforcement investigations.
- Consult with legal counsel when faced with investigations of private employee property and workspaces.

Source: HR California / CA Chamber of Commerce

HR Solutions



Question: I've just been asked to present a new initiative to our board of directors. Do you have any tips on how I can give a successful presentation?



Answer: Speaking in front of any audience can be daunting, especially when it comes to making a presentation to your board of directors or senior management. While it may seem challenging, there are several things you can do to ensure a successful presentation.

Be strategic. As with any new work project or proposal, find a way to tie your initiative to your company's goals and objectives. Doing so can go a long way in getting board members behind your plan.

Be clear and minimize the visuals. Usually, you will only have a limited amount of time to make your presentation, so it is important that your message is concise, provides evidence that supports your initiative and makes good business sense. If you are using visuals, be sure they are also precise. Provide an overall summary of your presentation that highlights your key points. Board members can refer to this summary during the presentation.

Practice makes perfect. No matter how well you know your material, practice your presentation. It can be extremely helpful to practice with a co-worker who can offer suggestions or anticipate questions that board members may ask.

Remember your audience. When giving a presentation to senior management, you will want to be sure to be professional, yet conversational. You want to leave the board members impressed with your professionalism but also feeling that you are approachable and are willing to handle requests for details or additional information.

Be ready for anything. No matter how much you research or practice, you might be asked questions that you can't answer. Don't let those questions throw you--thank the individuals for the questions and let them know that you will get the answers for them after the meeting. Don't try to make something up; you can be called on it later, and this can damage your credibility with board members.

Source: HR Magazine October 2007



Health Matters

Flu Season



Healthy Habits to Protect Yourself from the Flu

- **Get a flu vaccination** before the onset of the flu season (preferably in October or November)
- **Wash your hands often** with soap and water, especially after touching common items like doorknobs or when you cough or sneeze
- **Avoid close contact**, if possible, with people who are sick
- **Eat a balanced diet** that includes plenty of fruits, vegetables, and whole grains
- **Try not to touch your eyes**, nose, or mouth to prevent the spread of germs

Source: Hope Health

American Cancer Society Wellness Program

Want **FREE** wellness programs to complement your company's efforts?

The American Cancer Society has a number of workplace programs that will fit in perfectly with your current offerings. Their staff and volunteers come to your company's location and personalize a presentation to fit your needs. One such program is called "Active for Life" an on-site nutritional and physical activity program that creatively engages your employees and helps them kick-start a healthier lifestyle.

For more information – contact Marc Saenz at Marc.Saenz@cancer.org

PART II

American Cancer Society actually has a full suite of FREE wellness opportunities that they roll out with worksites nationwide called Workplace Solutions.

Visit this link that explains all that they can do for YOUR worksite.

www.acsworkplacesolutions.com

For more info contact:

Marc Saenz

Regional Health Programs Manager

American Cancer Society - Los Angeles Region

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Lowfat Broccoli Cheese Soup Recipe

- | | |
|---------------------------|---|
| 1 quart water | 2 (10.5 ounce) cans reduced sodium, chicken broth |
| 6 cups broccoli florets | 3/4 cup water |
| 1 cup chopped onions | 1/4 teaspoon salt |
| 1 clove minced garlic | 1/8 teaspoon ground red pepper |
| 1 cup plain nonfat yogurt | 1/8 teaspoon pepper |
| 1/3 cup all-purpose flour | 1 cup sharp cheddar cheese |



Bring 1 quart water to boil. Add broccoli and cook for 7 minutes or until tender. Drain and set aside. Spray a large nonstick skillet with cooking spray and heat over medium heat until hot. Add onion and garlic and sauté until tender. Add broccoli and onion mixture in a blender or food processor and pulse blend into small pieces. Combine yogurt and flour in a large saucepan and mix well with a wire whisk. Add broth and next 4 ingredients and stir well. Cook over medium heat for 20 minutes or until thickened. Add broccoli mixture and 3/4 cup cheese and heat until cheese is melted. Top with remaining cheese and serve. Makes 10 - 12 ounce servings.

Calories: 105; Total fat: 4 grams; Saturated fat: 2 grams; Cholesterol: 12 mg; Sodium: 280 mg; Carbohydrate: 9 grams; Protein: 9 grams; Dietary Fiber: 2 grams

Source: Apex Fitness



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Sexual Harassment

**It's the law to
provide training -
are you compliant?**

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.

Additional Training Provided by DSI

- Dealing with Change - How Supervisors can help their Employees
- Diversity - Legal Basics for Supervisors
- Hiring Legally
- Interviewing Skills for Supervisors
- Job Descriptions - How to Write Them Effectively
- New Employee Orientation
- Performance Appraisals - How to Conduct them Legally and Effectively
- Progressive Discipline
- Reducing Turnover - Tips and Tactics for Supervisors
- Terminating Employees - The Process



REMINDER- Annual Creditable Status Notices are due!

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>

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