

THE SPOTLIGHT

A monthly HR, Benefits & Health newsletter designed exclusively for Nevada Benefits Clients

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Increase in Minimum Wage and Health Benefits

Special points of interest

- HR Segment
- Financial Resolutions
- Minimum wage and benefits impacts
- The Law: FMLA
- Ways to cut your medical bill

So we survived another election season! With the passage of the Constitutional Amendment changing Nevada's minimum wage law, gone into effect on November 28th, we'll be finding that in addition to updating labor law posters, some small to medium companies will need to make some changes and maybe even some hard decisions.

The amendment sets up a two-tiered minimum wage system for Nevada. Employer's who

make a qualified health insurance plan available to their employees can pay a minimum wage of \$5.15 per hour. Employers who don't make a qualified plan available will have to pay at least \$6.15 per hour. A qualified plan has to provide coverage for the employees and their dependents and the cost to the employee cannot exceed 10% of the employees gross taxable income.

The amendment increases the number of employees who are

entitled to be paid minimum wage. The only exemption allowed under the new amendment is for employees who are under the age of eighteen who are employed by nonprofit organizations for after school or summer employment or employed as trainees for a period not longer than 90 days. Employers who hire employees who were previously exempt under the statutes will need-

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Your Financial Resolution for 2007

By Jeremy Kisner



So what would you like to accomplish in 2007? Some people have resolutions related to losing weight or joining a

gym. My question is, do you have a New Year's resolution related to your financial health?

Financial decisions can have a huge impact on all aspects of your life. Did you realize that financial pressure is one of the leading causes of stress, anxiety and depression? How about the fact that 90% of divorces cite money issues as one of the main causes?

The financial decisions you are making now will impact your standard of living for the next 20, 30 or 40 years. The irony is that many people spend more time reading joke emails than thinking

about their finances. People tend to put off financial planning for one of three reasons: 1) they don't think they have enough money to worry about financial planning, 2) they don't know how to get started or where to turn for advice, or 3) it is easier to procrastinate.

Making better financial decisions requires just a little bit of time, a good coach and a willingness to learn. You don't need to be the next Warren Buffet (the most successful investor of all time). You simply need to avoid making the major mistakes. Here are just a few mistakes that we see on a regular basis:

- Over-spending – especially in the areas of housing, autos and restaurants
- The wrong insurance – most people are either over or under insured.
- Inappropriate investments – they should match your risk tolerance and time horizon.
- No emergency fund.

Fixing or even making small improvements to these areas can lower your stress and improve your life. One thing we have noticed with our clients is they are immediately more comfortable with their financial situation once we give them a written financial plan. The plan tells them if they are on track to have enough to retire, or if not how much more they need to save or what % they would need to earn on their investments in order to retire when they want. We also find many clients that have old 401k plans from previous jobs. We can roll those plans over into an IRA and then have more investment choices and possibly lower fees. Do you want to improve your financial situation in 2007? Would you like help developing a written financial plan? Come in to the Nevada Benefits office for a complimentary consultation with our Certified Financial Planner. We hope 2007

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Costs of senior drug plans expected to increase By Tanja Anderson

These days it seems there's a price increase hiding some where; at the pump, in taxes, and in the cost of prescription drugs. Working in the insurance industry and seeing the cost of medical care on the rise, I think about my grandparents, even my parents, and their struggles to pay for medical care and prescriptions.

When insurance doesn't cover needed prescription drugs—what really is anyone to do? I once picked up a prescription for Acifex at \$445—that in itself caused additional stomach pains! Of course there were some plan nuances, which were quickly figured out.

Participants of the Medicare Part D aren't going to find themselves so lucky—they will find themselves pay-

ing 70% more for their policies, in addition to the gap in coverage for prescription drugs under Part D, called the doughnut hole where participants after reaching their threshold of about \$2,400 they'll need to cover 100% of their own prescriptions up to \$5,451 until their coverage's kicks in again.

That \$2400, doesn't cover nearly enough when you realize that many elderly pay over \$200 per month in prescriptions and then have to pay out of pocket to over \$5000!

There is no easy way out—but Nevada Benefits is continually looking for solutions. We'd really like to hear your concerns and let you know what we're working on to benefit our elderly in Nevada. Call Nevada Benefits at 258-1995.

Health Wise: Ways to cut your medical Bill

Give small lifestyle changes a try! Talk to your doctor about managing your condition with lifestyle changes, like controlling high cholesterol, blood pressure, sleep apnea, and pre-diabetes with diet and exercise and lowering salt intake.

Review your medications! During your annual checkup, make sure your doctor reviews your medications, perhaps a new drug can take care of what 2 or 3 prescriptions can do or perhaps there is a less expensive medication that can now do the job!

Choose generic drugs! If available, generic drugs or those from a mail-order programs for 90 days refills tend to be less expensive.

(Financial for 2007, Continued from page 1)

will be the beginning of a prosperous future for you and your loved ones.

Jeremy Kisner is a CERTIFIED FINANCIAL PLANNER™, Certified Estate Planner and Registered Representative. He also has a degree in Economics and is a member of the Million Dollar Round Table as well as the Financial Planning Association of Southern Nevada. Jeremy offers Nevada Benefit clients a full range of investments, insurance policies and financial planning services. Particular areas of expertise include: retirement plan design, plan roll-overs, alternative investments, risk management and asset protection.

For more information contact
Jeremy Kisner at Nevada Benefits at
702-256-7400.

(Minimum Wage, Continued from page 1)

make the necessary payroll adjustments. Domestic service employees, outside salespersons, agricultural employees, taxicab and limousine drivers, and casual baby sitters will no longer be exempt from the minimum wage.

In addition, the special minimum wage for severely handicapped persons with certificates issued by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation was not included among the exemptions.

“While that amendment didn't set any minimum wage for the after school, summer employment, or trainee exemption, the federal government does have such a rate and employers will still need to follow the federal guidelines for those employees,” Nevada Labor Commissioner said.

When to refinance a mortgage?

Question: How long should I wait before I refinance my home mortgage? Is there a limit to how many times I can refinance?

Answer: There are no specific rules concerning if you should refinance, how long you should wait, or how many times you refinance, as long as there is a financial reason to do so.

That would likely happen when mortgage interest rates have declined at least half a percentage point to a full percentage point from your current interest rate. Say you have a 30 year fixed rate at 6.75% and rates have dropped to 6.25%, you could save as much as \$182.00 per month on a \$250,000 mortgage payment. Over the life of the loan, that's a lot of money.

Another possibility is that you have an adjustable rate mortgage and you have concerns of interest rates going up. You may want to take out a fixed rate mortgage, locking in your rate and your payment protecting yourself against future rate hikes.

Contact Nevada Benefits Mortgage Services at 258-1995, for a FREE analysis on the different mortgage options available to you.

Another significant change resulting from the new amendment is to increase the coverage of Nevada's daily overtime requirement. Employees who are paid less than one and a half times the minimum wage must be paid overtime when they work more than eight hours in a workday. Employees who are offered a qualifying health insurance plan will be entitled to daily overtime if they make \$7.725 or less per hour. However, employees who are not offered a qualifying plan will have to be paid overtime on a daily basis if their hourly rate is less than \$9.225 per hour.

Also, keep in mind if the federal government increases the \$5.15 minimum wage, look to Nevada for topping it's minimum wage off at \$1 more!

For more information on affordable health insurance plans, call Tr



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HR Segment Shoot from the Hip? No Thank You

By Tanja Anderson

Now that you know there is a Nevada Open Personal Records law, and your employees have a right to take a peek—have you taken the time to update your files?

Shooting at the hip might have been standard in years gone by, but nowadays in the HR world (especially in small to medium and new businesses), you've just got to take a moment, think before you act, and get those HR to-do's done.

Human Resources (HR) consists of learning from your experiences, a ton of administrative work, and getting your ducks in a row. It is straightening your files right, making sure documentation is complete, and having answers to daunting questions that come up.

HR is a job that requires much research too—that's the research you've been dreading. This includes reviewing best practices, understanding what laws apply to your company, and knowing *not* to shoot from the hip!

The reading, the research, the training and seminars, and learning from past experience make you the

HR professional. Even though sometimes we can carry a title such as accountant, office manager or business owner, the HR portion of the business still needs to get done right regardless.

Put away the guns and I'll feed a little food for thought, that will give you some motivation to get through your HR to-do list...

Just imagine that one of your mediocre employees who's had some performance issues the last month, which you know have not yet been documented, comes along and tells you that she's a new mom-to-be.

To top that off, you've just happened to look in your Employee Handbook—and... BAM! You just noticed there is nothing that addresses any Leave of Absence, long or short-term. Your company has never thought about it because it's never happened.

At this point, it behooves you to get your personnel files in order, making sure your documentation is complete and timely. And, get your policy and procedures in line with your company culture for real-life issues that can become a strain on a small

business.

The pregnancy issue, can be a very touchy subject indeed, especially if you are **reacting** to it.

You go through the multitude of questions that run through your mind? Does FMLA (Family Medical Leave Act) apply to our company? Does ADA (Americans with Disability Act) apply? Jeez, is pregnancy even a disability? Then of course the PDA (Pregnancy Discrimination Act) alarm starts to ring in your head. If you ask me, it should ring loudly!

Take a look to see if your company does fall under FMLA (those with 50+ employees). Follow what you have in your handbook as far as your leave, paid time off, sick time off, or leave of absence. If you don't have any leave benefits and don't fall under FMLA, assess your company culture, and see if it's something you would like to put in place.

Just as a barometer, ask yourself what your company would do for an employee that was in a car accident and in the hospital or bed ridden for several weeks and could not return to the job for several

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The Law: Family and Medical Leave Act of 1993

Generally referred to as FMLA, the act provides for up to 12 weeks of unpaid leave every 12 months for the birth or adoption of a child, to care for an immediate family member in the event of a serious health condition and/or for recuperation of the employee from a serious health condition.

FMLA is administered by the Department of Labor. The act covers public and private employers that have 50 or more employees within a 75-mile radius during 20 or more weeks during the current or previous year. Eligible employees are those who have worked for the organization for a total of 12 months (does not have to be continuous employment) and have worked for at least 1,250 hours during the year before the beginning of FMLA leave. Employees must give a 30-day notice of

intent to take FMLA leave if the leave can be reasonable anticipated. Upon return, the employee must retain the same or similar position, other circumstance may apply, For example a layoff (see www.dol.gov). In addition, benefits and seniority must continue to accrue during FMLA leave as if the employee were actually working.

The employer may require the employee to take paid leave (sick, annual, personal) simultaneously with FMLA leave. It is the responsibility of the employer to notify the employee that the absence is being taken as FMLA leave, generally within two business day. This way, the employee is aware and cannot use up paid leave and then request an additional 12 weeks of unpaid FMLA leave.

Workers' compensation and disability benefits may also



9505 Hillwood Drive, Suite 100
Las Vegas, NV 89134
Phone: 702.258.1995
Fax: 702-877-0956
Email: tanja@nevadabenefits.com
Nevada License# 6266
We're on the web at www.nevadabenefits.com

**“New minimum wage law
Impacts YOU! Provide
increase in minimum wage
OR Health Benefits!”
Read Increase in Minimum
Wage and Benefits**

Nevada Benefits is a brokerage of independent agents licensed with every major insurance company in Nevada. We offer free services, such as comprehensive Financial Plans, Human Resource assistance, and a wealth of resources to help you prosper.

(Shooting from the Hip? Continued from page 3)
months. Would you hold the job for that employee?

If you would, you must do the same for a pregnant employee. Treat pregnancy as you would another employee's short-term disability.

Just remember, new mothers or those with children are an asset to the work force, especially if they are trained or educated to do a particular job within your company or have been dedicated employees.

It doesn't take a rocket scientist to know that *great* benefits attract and retain *great* workers.

Beyond, that if there are other peculiar or extenuating circumstances in regards to the pregnant employee, you would be well advised to consult your attorney.

Take note, these things happen! This is one item that gets the snowball rolling, and you thinking that your

New Years resolution is to get your HR department in compliance.

(FMLA Continued from page 3)

be used simultaneously. In addition, the employer may require medical documentation that a serious health condition exists. The employer must pay for any second or third opinions.

The employer may not retaliate against the employee for exercising any rights under the act.

FMLA is a complex law and is an active legislative issue in many states. Defining serious health condition and counting the 12 month period during which the leave may be take are issues frequently involved in judicial interpretation. (Phillips, Larry)

For more information on this federal law, please review the Department of Labor website at www.dol.gov.

Calendar of Events

December 9, 2006 10:00am

Defending Freedom.net, dedication honoring additional fallen Nevadan soldiers and Marines at the Defending Freedom Memorial at Red Rock Canyon Visitor's Center, 1000 Scenic Loop Drive. For more information call Phil at 258-1995 or email at phil@defendingfreedom.net

Look for information on the **HIPPA** seminar in January on our website at www.nevadabenefits.com

Have a safe and wonderful holiday season! From the staff of Nevada Benefits!