



**Phil Bobadilla,  
President**

Employee Benefit  
Exchange, Corp.

**Employee  
Benefit  
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Corp.**

***We go beyond  
your  
expectations!***



## The President's Corner

### **Congress Approves the Stimulus Bill which changes how your company Administrates COBRA and Payroll Tax Reporting.**

On February 13<sup>th</sup> congress passed the American Recovery and Reinvestment Act of 2009. The Act includes major changes on how you administer COBRA. The Act is now set for President Obama's signature on Tues. February 17<sup>th</sup>. The Act is still somewhat unclear for most people, but here are some of the highlights to review;

- The bill will allow anyone who experiences an involuntary loss of coverage between September 1, 2008 and December 31, 2009 to pay 35% of their COBRA premium for up to 9 months. Employees who were previously terminated and experienced an **involuntary loss of coverage**, and did not elect to continue their coverage under COBRA ( if their company was



**Marisa Bobadilla,**  
**Account Manager**  
Employee Benefit  
Exchange, Corp.



**Jason Holmes,**  
**Broker Consultant**  
Employee Benefit  
Exchange, Corp.

eligible for COBRA extension ) will be allowed a new 60 day election period with a COBRA start date of 3/1/2009.

- COBRA Qualifiers will be eligible for a 65% subsidy from the employer.
- The subsidy is applicable for all levels of coverage ( Single, Two-Party, Family, etc. )
- In the event that this causes any laps in coverage greater than 63 days, any pre-existing waiver or penalty will be waived by the carrier.
- New COBRA Qualifiers who experience any involuntary loss of coverage between now and December 31, 2009 must be informed by their COBRA Administrator of the new stimulus bill in a qualifying event letter.
- Current COBRA Enrollees who experienced an **involuntary loss of coverage** after September 1, 2008, should be notified of the decrease in current premiums available to them. The Act is NOT retroactive and will begin on March 1, 2009.
- The coverage offered will not be extended longer than the original 18 month coverage from the COBRA start date.
- Employers will have 60 days from the time of the bill being signed to produce new Qualifying Event Notices that explain COBRA election rights and election processes.
- Reimbursement of this subsidy will come via your payroll taxes ( form 941 ). The Employer will initially pay 65% of the premium for the COBRA Qualifiers and then they will recover the subsidy via their Employee Tax Withholdings. Employers may not apply for reimbursement until the premium payment is received from the COBRA participant.

#### **What can you do now?**

Employers or their COBRA Administrators will need to prepare a special enrollment notice. DOL and Treasury will adopt model notices within 30 days of the enactment of the bills.

Your business can prepare for this legislation change by discussing your healthcare administration with your current broker and or COBRA Administrator.

Some employers may see a rise in administration costs for record keeping, administration, and payroll system changes to insure that the employer can recover their portion of the premiums paid.

Some carriers have their own COBRA Administrators, but a larger percentage of employers use companies such as COBRA Solutions based in Tempe Az and BASIC Western USA Inc. based in Tucson Az.

Our office is sponsoring a Free COBRA Seminar on March 25<sup>th</sup> at 12 pm ( Lunch Provided ). This is a 1 ½ Hr. review of the COBRA Law and the

changes being made by the Stimulus Act effective March 1 2009. Please call us for more details. Non-Clients are welcome as well.

**This information sheet is not comprehensive and your benefits advisor should be consulted.**

*We Go Beyond Your **E**Xpectations.*

**Phil Bobadilla, President**



**Jill Prepelica,**  
**Account Manager**  
*Employee Benefit  
Exchange, Corp.*

## **Employee Benefit Exchange Corp. (EBX), ....More than just your average Broker!**

When most of you think of EBX, the first thing that comes to mind is Insurance. That is good but, we want you to think of EBX as your complete resource partner. Though we are the experts in Benefit Plan Designs and Benefit Administration we also can provide you with a complete qualified referral source of professionals in many different areas. Because of our relationships we have built over the years, EBX has been able to surround themselves with qualified professionals from different industries. I don't know about you, but I would ask a friend or a colleague first for a Vendor recommendation before opening up the phone book and skimming through the yellow pages.

If you are looking for an expert that is qualified and comes highly recommended you can count on EBX to provide you with a referral to the following network of experts in the areas of Banking, Payroll Services, Accounting/Booking, Aquarium Services, Graphic Design, Printing, Copy Machine Maintenance, General Contractors, Legal Services, Dental Professionals, Medical Professionals, Chiropractic Services, Plumbing, Child Care Services, Automotive Repair, Eye Care Services, 401 (k) and Retirement Plans and the list goes on and on.

So, as you can see from our list above the contacts that EBX has are very diversified. Rather than worrying about who you should call for a certain service think of us at EBX to point you in the right direction.

Warm Regards,

Constance Lemere, Vice President  
Employee Benefit Exchange, Corp.

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***Constance  
Lemere, V.P.***

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Exchange, Corp.



## **Preferred Vendor Spotlight** ***National Bank of Arizona***

Founded in Tucson in 1984, the National Bank of Arizona is a wholly owned subsidiary of Zions Bancorporation. Today, the bank has over \$4.8 billion in assets with over 75 offices in 55 communities throughout Arizona.

National Bank of Arizona combines business banking expertise with a commitment to providing customized financial products in every community we serve. We believe that banking is a service business, and that good business banking is fostered by strong, personal relationships. National Bank of Arizona is dedicated to developing these relationships as they are essential to truly understanding the customer's specific needs. This can be verified by its ranking as the #1 bank in Arizona for the sixth time by Ranking Arizona.

While we offer the strength, stability and resources necessary to provide cutting-edge products, it is in fact our dedicated employees and loyal customers that distinguish National Bank of Arizona. Business and professional practice customers continue to bank with us because they receive the consistent attention and expertise necessary to successfully grow their businesses. In fact, we are one of only a handful of banks recognized in the state of Arizona that is a preferred lender with the Small Business Administration. This allows us to work with small business owners on a one-on-one basis and provide them with a personalized touch. We also have our In Group banking program, which is an exclusive package of financial services that benefits your employees, your company and you.

From our founding over 25 years ago, we have been committed to helping Arizona businesses grow. The success of the thousands of businesses we have served is evidence of our ability to help clients achieve their goals.

***Written by:***  
***Jon Newman***  
***Marketing and Communications Manager***  
***National Bank of Arizona***





## **Carrier Feature** ***Humana***

### **New Program Rewards Healthy Living**

Starting May 1<sup>st</sup>, Humana is introducing a worksite program “Humana Rewards” to help businesses in Arizona motivate their employees to make healthy decisions. It’s available at no additional cost if you sign up with Humana or are currently enrolled with Humana starting with a May 1, 2009, effective date of coverage, and existing customers at their renewals in 2009 beginning in May.

After employees sign up for Humana rewards, they earn gift cards and merchandise as they complete activities such as Humana Health Assessment, health coaching, and preventive care. They can track their progress, redeem points, and access a wealth of wellness resources at MyHumana on Humana.com.

To make it easy, Humana sends direct mail and e-mail to employees to encourage participation and active involvement in the rewards program. Humana will also provide your employees with employee education materials to promote Humana Rewards, Humana Health Assessment, health coaching, and worksite health fairs.

***Written by:***  
***Mark El-Tawil***  
***Market President***  
***Humana***





## An Irish Blessing

**Wishing you a  
rainbow  
For sunlight after  
showers—  
Miles and miles of  
Irish smiles  
For golden happy  
hours—  
Shamrocks at your  
doorway  
For luck and  
laughter too,  
And a host of  
friends that never  
ends  
Each day your  
whole life through!**

[http://islandireland.com  
/Pages/folk/sets/bless.h  
tml](http://islandireland.com/Pages/folk/sets/bless.html)

## Go Green this Saint Patty's Day!

Going green makes business sense. Natural resources are becoming more scarce and costly, while customers, employees and investors are increasingly environmentally-conscious.

Customers admire green business practices and the demand for environmentally-friendly products is high and rising. According to a survey conducted by the Boston Consulting Group (BCG) in January 2009, the trend toward buying green continues. More consumers purchased green products in 2008 than in 2007, and more consumers were willing to pay a higher price for green products if they were considered to be of higher quality.

Going green can be cost-effective, too. Even at the most basic level, programs that reduce, reuse and recycle frequently lead to cost savings. More expansive efforts offer a tremendous opportunity to reduce basic costs and can give a company a competitive edge.

### Easy, Cost Effective Ways to Go Green

- Recycling
- Reducing paper waste
- Water audit
- Employee engagement
- Workplace Greening Resources
- Back to Greening Business index

### Recycling

The most basic and important aspect of an environmentally-friendly workplace is a recycling program. It is likely that the focus of a recycle/reuse program will be paper products, but it's also important to recycle printer cartridges, office electronics, food containers, cans, bottles and plastic bags.

### Reducing Paper Waste

Another high impact initiative is to reduce paper waste. A recent study by Xerox showed that 45% of the paper printed in offices ends up in the trash bin by the end of the day. This less-than-one day lifespan is the fate of a trillion sheets of paper per year, worldwide. The cumulative cost is staggering. Keep in mind that a "paperless office" won't develop naturally as a result of electronic copies and communications; reducing your workplace's impact will take effort. A sound paper policy is built on three basic principles:

## ***How to Contact Us:***

*Phil Bobadilla, President*

**[phil@ebxaz.com](mailto:phil@ebxaz.com)**

*Constance Lemere, VP*

**[constance@ebxaz.com](mailto:constance@ebxaz.com)**

*Katelyn Sandoval,*

*Administration Assistant*

**[Katelyn@ebxaz.com](mailto:Katelyn@ebxaz.com)**

*Jason Holmes, Broker*

**[Jason@ebxaz.com](mailto:Jason@ebxaz.com)**

*Marisa Bobadilla,  
Account Manager*

**[Marisa@ebxaz.com](mailto:Marisa@ebxaz.com)**

*Jill Prepelica, Account  
Manager*

**[jill@ebxaz.com](mailto:jill@ebxaz.com)**

using less paper, recycling paper and buying environmentally preferable paper.

### **Water Audit**

Consider conducting a water audit that analyzes your facility's water use and identifies opportunities to make it more efficient. A water audit of your office building will include a review of domestic, sanitary and landscaping processes and can sometimes be performed for free by your utilities company. Water audits can also be performed by a hired contractor. Try consulting the American Water Works Association's Guide to Suppliers before hiring a contractor, or your Green Team can use free water audit software from the AWWA.

### **Employee Engagement**

Investing in employees, the most valuable resource of any company, always pays dividends. Environmentally-conscious business practices help attract and retain the best employees by increasing employee satisfaction and pride in the workplace. A 2008 survey indicated that more than half of workers polled think their company should do more to be environmentally friendly

Employee benefits and involvement programs give employers an opportunity to increase morale and retention by giving people an opportunity to make a difference through their workplace. Forming employee-driven Green Teams is one way to empower workers with the ability to make change and improve their workplace and their world.

**For more information on how to make your office "green" visit [earthshare.com](http://earthshare.com) or [planetgreen.discovery.com](http://planetgreen.discovery.com) for more great ideas!**

### **Resources:**

**<http://www.earthshare.org/easy-green-biz.html>**

**<http://planetgreen.discovery.com/go-green/green-work>**



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Benefit  
Exchange?***

We offer over 30 years of experience in designing programs and retaining clients. We do this by offering innovative solutions to business owners.

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We're on the Web  
[www.ebxaz.com](http://www.ebxaz.com)

Employee Benefit Exchange, Corp.  
1745 S. Alma School Rd., Ste 210  
Mesa, AZ 85210

Phone: (480) 839-6100 Fax: (480) 839-6109 eFax: (480) 907-1987  
Email: [info@ebxaz.com](mailto:info@ebxaz.com)

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