



The Idea Exchange

EBX Newsletter

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In This Issue

[New SIMPLE Cafeteria Plan](#)

[Choice of Doctor and ER Access](#)

[Why You Should Care About Your Fiduciary Duty](#)

[Life Happens -- Be Prepared!](#)

[Aetna Flu Clinics](#)

[The Power of Networking Event](#)

[Crisis Pregnancy Center's Walk for Life!](#)

Phil Bobadilla,
President



Constance Lemere,
Vice President

The President's Corner

Thank you for reading our newsletter! This month's issue features new and exciting articles that could help improve your business and give you more insight into your insurance needs.

Regards,

Phil Bobadilla, President

We go beyond your expectations!

New SIMPLE Cafeteria Plan

New SIMPLE Cafeteria Plan helps with Discrimination Testing

Over the past 30 years non-discrimination rules have discouraged small business owners from enrolling in a cafeteria plan for their employees. This is because they would often see no benefit for themselves or their key employees due to the non-discrimination rules that would limit or exclude them from participation in the plan.

Now that the Patient Protection and Affordable Care Act has passed, employers can now participate without being concerned about discrimination testing. Here are the new rules for who qualifies for a SIMPLE cafeteria plan:

- All employers that have had fewer than 100 employees on average during either of the preceding two years. (based on average business days)
- For new businesses, eligibility is based on the number of employees the business is reasonably expected to employ.
- All non-excludable employees with at least 1,000 hours of service during the preceding plan year must be eligible to participate in a SIMPLE cafeteria plan.

Excludable employees are those who:

- a. Have not attained age 21 before the end of the plan year.
- b. Have less than one year of service as of



Katelyn Sandoval,
Admin Assistant

any day during the plan year.

c. Are covered under a collective bargaining agreement or are nonresident aliens.

d. Each eligible employee must be able to elect any benefit available under the plan and under the same terms and conditions as those which apply to all other participants.

Other requirements:

An employer's contributions to a SIMPLE cafeteria plan must be enough to provide benefits to non-highly compensated employees. The employer will be required to choose from one of the two following contributions options:

- Uniform Contribution of two percent of employee gross wages.
- Matching Contribution of the lesser of six percent or employee gross wages or two times the employee annual plan election... (As a note; if the matching contribution method is used, the rate for the Highly Compensated and key employees cannot be greater than the matching contribution for the non-highly compensated employees.)



Del Ann Norvelle,
Customer Service Rep

The contributions must be "True" employer contributions, made in addition to any salary reduction contributions made by the employees. The new rules also do not eliminate the requirement that participants be "employees". So, as under the current law, self-employed individuals (including sole proprietors, more than two-percent shareholders in a subchapter S Corp., members of a limited liability company and partners in a partnership) will continue to be excluded from participation. Check with your tax advisor as there is a way to participate as a dependent if your spouse is an employee of the company and is not an owner of the company.



The greater benefit exists for employers with highly compensated employees who could not participate previously. Many clients are finding that this can be especially true when using the SIMPLE Cafeteria plan with an H.S.A. type of medical program.

Phil Bobadilla
President

Choice of Doctor and ER Access

Did you know that under the new healthcare reform law (The Affordable Care Act) it helps to preserve your choice of doctors by guaranteeing that you can choose the primary care doctor or pediatrician you want? You can also see an OB-GYN doctor without needing a referral from another doctor. The law ensures that you can seek emergency care at a hospital outside your plan's network without prior approval from your health plan.

What This Means For You and How Does This Work:

- **You select the doctor:** The new regulations permit you to choose any available participating primary care provider as your doctor and to choose any available participating pediatrician as your

child's primary care doctor.

- **No health plan barriers to OB-GYN services:** The new regulations also prohibit health plans from requiring a referral from a primary care provider before you can seek coverage for obstetrical or gynecological (OB-GYN) care from a participating OB-GYN specialist.
- **Access to out-of-network emergency room services:** In the past, some health plans would limit payment for emergency room services provided outside of a plan's preselected network of emergency health care providers, or they would require that you get your plan's prior approval for emergency care at hospitals outside of its networks. This could mean financial hardship if you get sick or injured while away from home. The new regulations prevent health plans from requiring higher copayments or co-insurance for out-of-network emergency room services. The new rules also prohibit health plans from requiring you to get prior approval before seeking emergency room services from a provider or hospital outside your plan's network.

Important Details:

- These rules apply to all group health plans and individual health insurance policies created or issued after March 23, 2010. *These rules do not apply to "grandfathered health plans".*
- If your health plan or health insurance policy was created or issued after March 23, 2010, your plan will be affected as soon as it begins a new "plan year" or "policy year" on or after September 23, 2010.
- Please note that you may still be responsible for the difference between the amount billed by the provider for out-of-network emergency room services and the amount paid by your health plan.

Please contact EBX if you are still unsure about any of the new regulations. Licensed and qualified staff is available to assist you with your concerns and questions. Don't get caught up in the confusion of healthcare reform -- give EBX a call and a member of our team will gladly answer all of your questions.

Constance Lemere

Vice President

Top 3 Reasons Why You Should Care About Your Fiduciary Duty

As the plan sponsor (trustee) of a corporate retirement plan, you know (or should know) that you're a fiduciary for the plan. However, you may be so busy running your business that you don't think much about what being a fiduciary means. Fiduciary duty, the legal requirement to put employees' interests first in all decisions about the plan, is important for three big reasons.

Reason #1 You care about your employees and want them to enjoy a secure, well-funded retirement. Plan sponsors who don't fully understand their fiduciary duty may select imprudent investments for their defined contribution plan offerings (401(k) or 403(b) plans). They may also pay unreasonably high expenses. Sometimes plan sponsors fall under the sway of brokers or fund companies, which are not legally required to put client interests first. These providers may bundle their services or use revenue sharing, so it's difficult to understand how much plan participants are paying for their investments.

Plan sponsors who pay attention to their fiduciary duty know that fees add up. A plan participant who pays a fee of 2.0% will have significantly less money upon retirement than if he or she paid only 1.0%. Fiduciaries ensure that fees are reasonable.

Reason #2 You expose yourself to financial liability, if you don't fulfill your fiduciary duty. Lawsuits by individuals against the fiduciaries for their retirement plans used to be rare. But recent court rulings are changing this. A lawsuit could result in fiduciaries losing their personal assets. Moreover, an individual fiduciary's legal fees could easily run into six figures or more. Plan sponsors who understand the importance of fiduciary duty can reduce their risk. This often involves hiring an independent advisor who lives, eats and breathes the requirements of fiduciary duty.

Reason #3 Delegating some of your fiduciary duty may be a wise choice. Some plan sponsors don't realize they can delegate much of their fiduciary duty. In fact, the fiduciary duty to put employees' interests first may mean that a company has a duty to hire an independent fiduciary to make up for gaps in the plan fiduciaries' knowledge. Both the fiduciaries and employees may be better off with a skilled, independent advisor.

This represents a very limited overview of these three reasons why you should care about your fiduciary duty. If you'd like to learn more, contact me through Employee Benefit Exchange or call me directly at 480-892-2933, email me at rvandermolen.twc@gmail.com.

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Life Happens -- Be Prepared!

Pre-Paid Legal Services Inc. offers a suite of services that provide a complete legal option. From document preparation to help you prepare for the future, to trial defense, to credit monitoring and identity restoration, the services offered by Pre-Paid Legal put the power of the law in your hands.

The Life Events Legal Plan offers the peace of mind that comes from knowing you have someone to turn to when you need them most. Preventive legal services aim is to keep legal situations from becoming legal crises. In many cases, a simple phone consultation with your Provider Law Firm is all it takes to help you better understand your legal rights. Put the power of the law on your side with access to professional attorneys.

Document Preparation

Planning for your future and for your family's future with a will and a healthcare power of attorney are just two of the ways you can make sure your family is taken care of when you're gone. A will is one of the most important steps you can take to protect your family; yet 70 % of Americans don't have one. As a member, you can have your will prepared, reviewed and updated each year.

Contract and Document Review

An attorney can help prevent costly mistakes by reviewing documents before you sign them. If you're buying a house, leasing a car or simply don't understand a warranty, have an

attorney take a look at the contract before you sign. As a member, you'll have access to legal counsel for document review.

Even the Odds

The sad truth is that bad things happen to good people. Without an attorney, you have little recourse when you're treated unfairly by a company or are sold a product that's a lemon. What if the dry cleaner destroys your clothes but refuses to take responsibility?

Without a legal plan, your options include picketing outside the establishment (but who has time for that?) writing a letter to the Better Business Bureau (which may make a change for future consumers, but isn't likely to help in your immediate situation) or simply taking the loss. With a Pre-Paid Legal membership, you have access to legal counsel when "life" happens. Many times, all it takes is a letter from your Provider Attorney on your behalf and the situation is settled.

Life Events Legal Plan is about protecting yourself and your family. It's about making sure you receive the treatment, products and services you're entitled to. **For a low monthly fee, our members have access to the legal system through our Life Events Legal Plan. Call us today so "we can get the legal experts on YOUR side!"**

Ted and Janie Northrop

Pre-Paid Legal Services
Independent Associates/Directors
Small Business Specialists
480-329-8312 Ted
480-406-2674 Janie
www.prepaidlegal.com/hub/tnorthrop



Aetna Flu Clinics

Protect yourself from the seasonal flu - get a flu vaccine!

You now have more places to get your flu vaccine than ever. We've added several new flu vaccine providers to our networks. Go to your doctor, or to a contracted clinic. The choice is yours. You can find a list of all the contracted flu vaccine providers on our DocFind® directory at www.aetna.com. Once in Docfind, look under Helpful Information.

This year the flu vaccine will include protection against H1N1, so you only need one vaccination. Children under 9 years who have never had the seasonal flu vaccine should have two doses at least four weeks apart, even if they received the H1N1 flu vaccine last season.

Retail

Flu Vaccine Providers:

- Maxim: www.findaflushot.com or call 1-866-466-2976
- Mollen Immunization Clinics: www.flushotsusa.com or call 1-877- 279-3588
- Safeway: www.safeway.com/flu
- SuperValu: www.supervalu-pharmacies.com or call 1-800-783-0458. Then call that pharmacy and arrange a time to get the flu shot.

Walk-in Clinics/Urgent Care Centers

Flu Vaccine Providers:

- The Little Clinic: www.thelittleclinic.com
- MinuteClinic, Inc: www.MinuteClinic.com
- RediClinic: www.rediclinic.com
- Take Care Health Systems, LLC: www.TakeCareHealth.com
- Target Clinic Medical Associates Maryland:
http://sites.target.com/site/en/spot/page.jsptitle=clinic_locations&state=MD

Take your Aetna member ID card with you when you get a flu vaccine. These contracted providers accept Aetna coverage. Show them your Aetna ID card when you arrive. Your out-of-pocket costs depend on your plan of benefits. See your plan documents to verify your individual coverage, or ask a Member Services representative at the toll-free number on your Aetna ID card.

For more information about flu prevention, visit the Centers for Disease Control and Prevention (CDC) website at www.cdc.gov/flu/.

The Power of Networking Event!

EBX is excited to introduce the first client networking event for EBX clients and friends of EBX. Mark your calendars for Thursday October 21st from 5:30 p.m. to 7:30 p.m. This event will be at the offices of EBX at 1745 S. Alma School Rd, Ste. 210, Mesa 85210. Come meet other business owners, collaborate with diversified professionals, eat, drink some wine, and have fun meeting new people.

Networking is a critical activity if you are a business owner or a key contact person within the business. Networking allows you to brand your business, get company exposure, and do business with other business owners you trust and like. This is why we would like our clients to get to know each other, as many of you may have similar interests and may be able to share ideas to help each others' businesses grow. We are excited to share that this will be an event that will be held every other month. The next event will be sometime in December. More details to come later.

In each meeting, EBX will showcase a local business professional and also have an educational presentation on various topics that will vary from personal enrichment, smart business practices, empowerment, and much more. This month the small business person we are featuring will be Ms. Marty Tomljenovic. She is an independent consultant with Premier Designs Jewelry. She will showcase her jewelry and will have pieces available for purchase. The keynote speaker for the educational presentation is Ms. Mary Lou Donnelly with Donnelly & Gunsch Financial Group. She will be sharing with us "Smart Money Principals".

You don't want to miss this event as it will be an evening of great networking, friendship making, and lots of fun. How often do you get to shop and learn something new all at the same time! Remember to bring lots of business cards. There will also be various drawings and prizes throughout the evening.

Please RSVP by Friday, October 15th to Katelyn Sandoval at 480-839-6100 or katelyn@ebxaz.com.

Crisis Pregnancy Center's Walk for Life!

Employee Benefit Exchange participates in Crisis Pregnancy Center's Walk for Life every year, and this year, we are walking on October 23rd, 2010 at Gammage Lawn at ASU's Tempe campus. Last year, we participated in the walk and had lots of fun while also supporting a great cause. We would love it for other companies to be aware of this great walk! If you would like to participate by joining our team and walking with us on October 23rd, you can either email me at katelyn@ebxaz.com or call me at 480-839-6100. If you would like to make a donation to our team for this great cause, go to <http://azlifewalk.com/> and click on the button that says "donate". Either way, we would love to raise awareness about CPC and their Walk for Life and would appreciate your support, donations, and/or participation!

What is the Walk?

It's easy! It's fun! And anyone can do it! The Crisis Pregnancy Centers Likes Life with

hundreds of others from our community at the ASU Gammage Lawn, located in Tempe, Arizona. This is the annual Walk for Life and CPC is very excited to hold this year's walk again right on the ASU Campus!

The goal of the Walk for Life is to educate the community about what services the CPC offers and the lives that are changed every day. CPC also wants to make a strong life-affirming statement to our neighbors and of course to raise funds so that they may continue to save lives & protect futures in this state through their free and low-cost services. Remember, CPC does not receive federal or state assistance - their impact has been solely because of other's support.



Your enthusiastic participation will save lives! Crisis Pregnancy Centers of Greater Phoenix depends on the funds other's raise to continue offering free services to the community and ministering to the 11,000 women, men, families, pre-born babies and students that God will send our way this year. You can get more information about Crisis Pregnancy Centers and what they do at http://www.choicesaz.org/about_us/.

Where and When is it?

The Walk will be held on October 23rd, 2010. Registration starts at 8 am on the Gammage Lawn at Arizona State University. Come join us for this great day!

Katelyn Sandoval
Admin Assistant

Don't forget to check out our facebook and twitter pages!

twitter: <https://twitter.com/EBXAZ>
facebook: <http://tinyurl.com/ebxfacebook>

Want to be "in the know" every month?



Sincerely,

Employee Benefit Exchange

We go beyond your expectations!

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