



## ABOUT BOLTON BENEFITS

For over 70 years, Bolton Benefits has been a leader in providing creative solutions in analyzing, designing and implementing employee benefit programs. In addition to preferred carrier relationships and broad market access, we are able to provide a comprehensive array of services ranging from network analysis to Internet/ Intranet services to human resources consulting.

### **Products and Services:**

- **Group Medical, Vision, Dental and Life**
- **401 (K) Plans**
- **Long Term Care**
- **Employee Handbook Guidance**
- **Employee Assistance Programs**
- **And Much More....**

## WORK-LIFE BENEFITS IMPROVE EMPLOYEE MORALE

The productivity of an employee who is under extreme stress, or excessive demands in work and personal life is always reduced. This in turn can have a direct impact on the success of the company. By knowing what employees value, an employer can ensure that both their staff and the company is successful.

The primary reason employers implement and offer work-life programs is to retain their key employees. Recruitment is another, but not as important as the former. Many employers who had been considering implementing work-life programs, did so in response to the tight labor market.

The most frequently offered work-life benefits are:

- Casual dress
- Tuition reimbursement
- Unpaid leaves of absence unrelated to the Family and Medical Leave Act
- Employee assistance programs
- Dependent care spending accounts

Employers continue to search for other ways to meet the needs of an evolving workforce with new benefits, such as Long-term care insurance, flexible work arrangements, job sharing, legal insurance and telecommuting. Because stress and physical health play such a large role in employee absences and productivity, these programs can pay for themselves many times over – and build employee loyalty.

To learn which benefits best fit your workplace, survey employees, examine your options and contact your Bolton & Company representative. The benefits your company will reap in return may be worth more than the effort and expense in providing the benefit itself.

## ARE YOU IN COMPLIANCE WITH HIPAA REGULATIONS? WHAT CAN YOU DO TO PROTECT YOURSELF?

The Health Insurance Portability and Accountability Act (HIPAA), was signed into law in 1996. The primary intent of HIPAA is to provide better access to health insurance, limit fraud and abuse, and reduce administrative costs.

The Department of Labor (DOL) has been auditing employers, and has determined that the majority of them are non-compliant. Therefore, the DOL has increased its

enforcement staff and is actively pursuing employers who are non-compliant.

HIPAA is a complex federal law dealing with portability of health insurance coverage. Not maintaining internal administration and staying current in the evolving area of employment law may expose your business to unnecessary risks.

For more information on HIPAA compliance, please contact us.

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## EXEMPT AND NON-EXEMPT EMPLOYEES

Every day we talk to employers who still confuse “salaried employees” with “exempt employees”. The two terms are NOT EQUAL. Being “salaried” does not automatically make an employee exempt from overtime pay requirements. We strongly advise all employers to examine their employees classifications. If you have misclassified employees, you could be subject to fines and penalties, not to mention a requirement to pay retroactive overtime to affected employees.

The biggest issue that confuses employers is the exemption criteria of “independent and discretionary judgment”. Every employer feels that the accounting staff, for example, makes critical decisions every day, decisions that affect the financial status of the business. A wrong decision can cost money. However, the ability to make a wrong decision is not considered “independent and discretionary judgment” under California Wage and Hour laws.

*Independent and discretionary judgment involves a comparison and evaluation of possible actions AND acting or making decisions after considering various options. The employee has the power to make an independent choice without supervision and make choices in significant matters or MATTERS OF CONSEQUENCE. The action can be a recommendation, but the employee must have the ability to make recommendations which affect MATTERS OF CONSEQUENCE to the business or it's clients. An employee who merely uses his/her knowledge in following procedures, determining which procedures to follow, determining whether specific criteria are met or whether an issue is categorized by one or another grade or class DOES NOT exercise discretionary judgment. MATTERS OF CONSEQUENCE are defined as issues of substantial significance to the policies or procedures of the business or it's clients. This DOES NOT include decisions which can lead to serious consequences by a choice of a wrong technique, misapplication of skills or failure to follow instructions.*

Unfortunately, many employers still continue to see clerical employees as exercising “independent and discretionary judgment”. Let me assure you. There is no CLERK who qualifies as a exempt employee, unless he or she has some other job duties meeting the exemption criteria.

For more information on Exempt and Non-exempt employee classification, contact your local Wage and Hour Board. If you have access to qualified labor counsel, you should seek his or her opinion when in doubt about a classification. Remember, it only takes one disgruntled former employee calling the Wage and Hour Board. We have seen it happen and they DO come and review your pay records and interview your employees.

## I-9 REMINDER

If you have not reviewed your I-9 forms, take this opportunity to do so. You should by now have removed all I-9 forms from employee personnel files and created a SEPARATE I-9 file. Review them to ensure that you have one for each employee AND that each form is properly completed.

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**We're on the Web!**  
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