

# Greg Karlik Joins Our Benefits Team



Greg Karlik has joined the benefits division at Allen Insurance and Financial to work with individual and group health insurance clients.

Following a three decades-long career in the television broadcasting industry, Karlik has spent the past three years as a licensed insurance professional in the individual health insurance market place, helping customers manage and better understand, what, for many, is a stressful decision-making process.

He is a graduate of the University of Vermont and the University of San Francisco, where he earned a Master of Business Administration.

Karlik and his family live in Northport. Outside of work, he enjoys spending time with his wife, their children and two dogs as well as gardening and exploring the Maine outdoors.

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# ACA Pay or Play Rules: Penalties Updated



This month's Benefits Buzz discusses updated penalties under the ACA's pay or play rules, as well as the health reforms that are included in the Inflation Reduction Act.

On Aug. 16, 2022, the IRS updated its FAQs on the Affordable Care Act's (ACA) employer shared responsibility (pay or play) rules to include updated penalty amounts for 2023. The adjusted \$2,000 penalty amount is \$2,880 and the adjusted \$3,000 penalty amount is \$4,320.

[You can read more on this PDF.](#)

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# Wendy Byrd Earns Group

# Benefits Disability Specialist Designation



Wendy Byrd, an account manager on the benefits team at Allen Insurance and Financial, has earned a Group Benefits Disability Specialist designation from The Hartford School of Insurance.

“Professional development is important to all of our insurance divisions but especially so in the ever-changing field of employee benefits,” said Dan Wyman, benefits division manager.

“Disability benefits are an important part of a benefits package and can make a real difference in the lives of employees and their families. This program allows Wendy to better serve our agency’s group benefits clients,” Wyman said.

Byrd has been with Allen Insurance and Financial since 2017.

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# Stimulus Bill Extends FFCRA Tax Credits but Not Leave Mandate

An appropriations bill, which was signed into law on Dec. 27, 2020, does not extend the employee leave mandates created by the Families First Coronavirus Response Act, which expire on Dec. 31, 2020. However, the bill extends tax credits for employers who offer the leave through March 31, 2021.

While employers are no longer required to offer the extensive medical leave benefits for COVID-related absences defined under the original FFCRA, the stimulus will provide credits for employers if they decide to extend this offer to them through March 31, 2021. You can read the full bulletin here: [Stimulus Bill Extends FFCRA Tax Credits but Not Leave Mandate](#)

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## Paid Leave During Quarantine – Answers for Maine Businesses



With the increasing number of COVID-19 cases in Maine,

businesses across the state are seeing employees being quarantined due to diagnosis or close exposure.

It is important to remember that under the [The Families First Coronavirus Response Act](#), all businesses with fewer than 500 employees – nearly the entirety of the Maine business community – are required to provide up to two weeks of pay (80 hours for FTEs) for quarantining employees. This includes our small businesses who may never have had to administer paid sick leave in the past.

With reduced revenue streams resulting from the pandemic, this requirement may cause deep concern.

It is important to also remember that the FFCRA also provides for a refundable tax credit for the payroll in this scenario. The credit currently is available through the end of December with their quarterly unemployment filings (form 941).

Allen Insurance and Financial has an HR Compliance Bulletin which may answer many of the questions a business owner or manager may have about these scenarios. [Click here for the PDF.](#)

*We also recommend a conversation with your tax preparation professional.*

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## **The Catch-Up Payment Provision for Overtime Exempt Employees**

## OVERVIEW



### The Catch-Up Payment Provision for Overtime Exempt Employees

The Department of Labor's final overtime rule, effective January 1, 2020, allows employers to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to 10% of the salary level if these payments are made at least on an annual basis. To enable compliance with the nondiscretionary bonus option, the final rule allows employers to make a "catch-up" payment at the end of each 52-week period.

The final rule also allows employers to pay overtime payments to overtime exempt employees. This provision is effective January 1, 2020. The Department of Labor's final overtime rule, effective January 1, 2020, allows employers to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to 10% of the salary level if these payments are made at least on an annual basis. To enable compliance with the nondiscretionary bonus option, the final rule allows employers to make a "catch-up" payment at the end of each 52-week period.

#### Key Dates

- 1. January 1, 2020
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The Department of Labor final overtime rule became effective Jan. 1, 2020. Among other things, the final rule also allows employers to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to 10% of the salary level if these payments are made at least on an annual basis. To enable compliance with the nondiscretionary bonus option, the final rule allows employers to make a "catch-up" payment at the end of each 52-week period. [Read more now.](#)