

The Catch-Up Payment Provision for Overtime Exempt Employees



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.](#)

Health Benefits – Information Update – 4/6/2020

By Sherree L. Craig, CEBS



Sherree L. Craig,
CEBS

Bravo to the businesses continuing uninterrupted, but changed, right now.

As you may be struggling to maintain your footing in business, your employees need some assurances and an understanding of what might happen with their oh-so-important-now health benefits in the event of a reduction in their work hours, a temporary layoff, a furlough, or if a termination of employment becomes necessary.

- **Maine Insurance Code Update.** By order of Governor Mills, an employer may continue to insure employees during an interruption to their employment. If an employer chooses this option, this offer must be made to “all affected employees on a non-discriminatory basis.”
- **COBRA/mini-COBRA.** Federal law requires companies with 20 or more employees to offer continuous group health plan coverage to qualified beneficiaries for a certain period of time, depending on the qualifying event. In Maine, employees working for a company with fewer than 20 employees also have a continuation of

coverage opportunity in the event of a temporary layoff. This mini-COBRA protection can extend for up to 12 months and can be paid by the employee or company. The insurance company should be notified of this status change, but the employee's coverage will be maintained on your group bill. It is important to note that if your company is officially out of business, these options are no longer available.

- Healthcare.gov Special Enrollment Opportunity. Employees should be encouraged to review this chance to enroll on the Federal Healthcare Exchange in a timely manner. The loss of group health insurance is considered a qualifying event (unless for non-payment of premiums). This is the time to enroll and apply for subsidies. It must be done at the termination of the group health coverage or at the end of a COBRA election period. They cannot elect COBRA for a few months and then try to switch to the Exchange.

- MaineCare. Due to the expansion of MaineCare eligibility, many of your employees may find themselves eligible for this program. They may apply for coverage or check eligibility at www.maine.gov/mymaineconnection.

If you have questions about this topic, or other federal requirements for continuation of coverage during a medical leave, I encourage you to reach out to your insurance benefits professional.

Wishing you all the best for your health and success.

Sherree L. Craig Now Licensed as an Insurance Consultant in Maine



Sherree L.
Craig, CEBS

Sherree L. Craig, CEBS, Senior Account Executive in the Benefits Division at Allen Insurance and Financial, is now a licensed insurance consultant in Maine.

“Sherree’s efforts demonstrate her deep commitment to continuing professional development,” said Mike Pierce, company president. “This commitment is important to all of our insurance divisions but it is especially so in the always-changing field of employee benefits.”

Craig holds Fellowship standing in the International Society of Certified Employee Benefit Specialists through the Wharton School of Business, and an advanced certification in self-funding from the National Association of Health Underwriters.

2020 Open Enrollment Checklist



Employers invest in their benefit plans as an asset to recruitment of new employees and retention of valued staff. We want to be sure you are being provided with the most current information on legal and compliance requirements of these plans.

For detailed information and questions, please don't hesitate to reach out to your Allen Insurance and Financial benefits team.

[2020 Checklist \(PDF\)](#)

Stay Current With Our Benefits Bulletin



With so much change happening in the benefits industry, we want to provide our customers with some background on recent developments.

[Benefits Bulletin Q3 2019](#)

2019 Open Enrollment Checklist for Group Health Insurance

To prepare for open enrollment, health plan sponsors should be aware of the legal changes affecting the design and administration of their plans for plan years beginning on or after Jan. 1, 2019. In addition, health plan sponsors should make sure that open enrollment packages include certain participant notices. This Compliance Overview includes an open enrollment checklist for the 2019 plan year.

You can download this helpful PDF from our partners at Zywave.

[Click here.](#)

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