



# M&G|exposure

## MESSAGE FROM THE CEO: ALWAYS BE IMPROVING A POSITIVE WORK ENVIRONMENT

One of our five Core Values is to **Always Be Improving**. While we consistently work to improve upon our clients' experiences, it is also important to make improvements internally – to support those whose work is so greatly appreciated.

We used this core value to guide us in improving our office environment this past year. We know that the effects of a positive work environment reflect on the well-being of our employees and that a pleasant office setting is crucial to employee satisfaction.

In service of our 5-year vision for a vibrant and modern office, nearly every area in our agency was recently refreshed. From the lobby to the break room to the workstations, each improvement was designed to create an atmosphere that is positive, collaborative and creative for our employees. For example, when redesigning our workstations, we lowered our walls in order to let more natural light flow through the office and to encourage collaboration amongst employees. We also opened up the floorplan to allow for easier communication and interaction between departments. In the few months since completion, we have already started to see the benefits of these changes in the areas of training and development and innovation across the agency.

Beyond the physical elements of an office, we know that cultural environment is equally important to our employees. As a means to continually support developing relationships between coworkers and to encourage empowerment of ideas and collaboration, we choose to deliver company direction and decisions with transparency. By being open to new concepts and alternative opinions, we are able to grow as a company and continually improve upon ourselves.

Perhaps the greatest thing about this core value is that it is never-ending. There will always be something more we can do to better our services, our offerings and our environment. We are a company that relies on each other to push us beyond our boundaries and to challenge ourselves to provide the best service possible – both internally and externally. So, whether it is a new desk chair or a new method of communication, you can be certain that Morris & Garritano will be improving for generations to come.

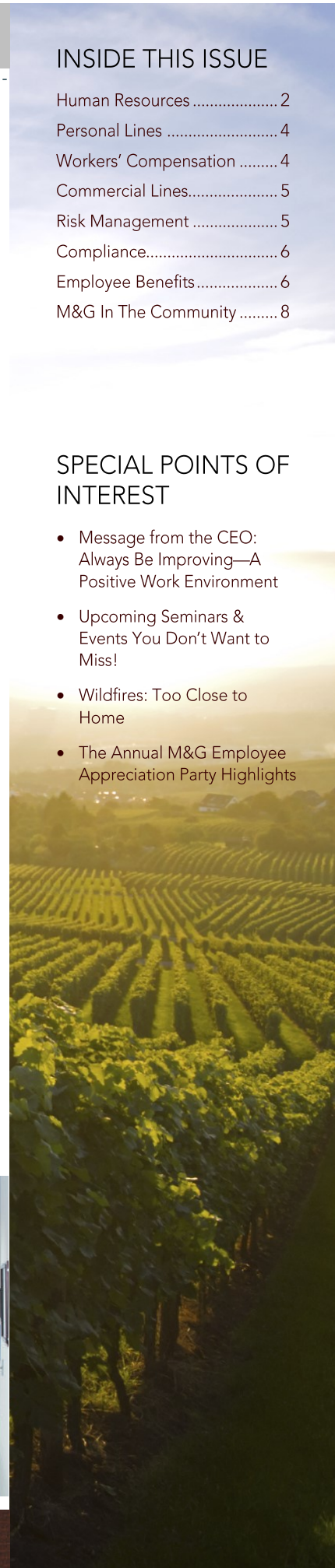



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### SPECIAL POINTS OF INTEREST

- Message from the CEO: Always Be Improving—A Positive Work Environment
- Upcoming Seminars & Events You Don't Want to Miss!
- Wildfires: Too Close to Home
- The Annual M&G Employee Appreciation Party Highlights



## Upcoming Seminars You Don't Want to Miss!

### Sexual Harassment Prevention Training & Ban-the-Box Legislation

Friday, September 16, 2016  
8:00am – 12:00pm  
SeaCrest Oceanfront Hotel  
Pacific Banquet Room  
2241 Price Street  
Pismo Beach, CA

The SLO Employer Advisory Council welcomes speaker Alexander M. Sperry, a partner with Van Dermeyden Maddux Law Corporation, to discuss topics ranging from harassment prevention, equal employment opportunity and Ban-the-Box legislation.

[Click here](#) to fill out a registration form.

## SERVICE ANIMALS IN THE WORKPLACE

Contributed by: Louise Matheny, Human Resources Consultant

On April 1, 2016 new regulations covering laws within California's Fair Employment and Housing Act (FEHA) went into effect. Among these regulations were amendments and clarifications to an employee's rights to request an accommodation for an assistive animal.

Key changes to the regulations included:

- The definition of an "assistive animal" to include guide dogs for the visually impaired, signal dogs for the hearing impaired and individually trained service dogs.
- Expanding the definition of "support animal" to be an animal "that provides emotional, cognitive, or other similar support to a person with a disability, including, but not limited to, traumatic brain injuries or mental disabilities, such as major depression." A "support animal" does not require any specific training. (California Code of Regulations, Title 2, Section 11065(a)(D).



An employee's request for accommodation for an assistive animal should be approached like any other accommodation request – with a timely, interactive process for the purpose of problem-solving. While the employer has the obligation to evaluate the request, they are also entitled to impose some requirements on the animal in question. Examples being that the animal be free of offensive odors, act appropriately in the workplace, and not endanger the health or safety of those around it. Employers may require that an employee requesting an assistive or support animal provide:

- Documentation from the employee's health care provider of the need for the animal
- Confirmation that the animal will behave appropriately in the workplace and meet the minimum standards for assistive animals.

When analyzing an accommodation request, three issues should be addressed:

1. Is the requested accommodation **reasonable**?
2. Is the request **effective** – allowing the employee to properly perform his or her job functions?
3. Will the request pose any **undue hardships** on the business, its employees or customers?

Whether the accommodation is granted or not, the decision should be the product of a good-faith mutual interactive process. Employers are not required by law to grant a request that would be ineffective or unduly burdensome. If, after careful consideration, the employer cannot grant the request, the employer should determine whether an alternative accommodation could be reasonable and effective. For example, perhaps the employee's request could be granted if the employee is moved to a different department or shift.

*Please contact Louise Matheny, our Human Resources Consultant, with questions pertaining to these articles or any other HR inquiries.*

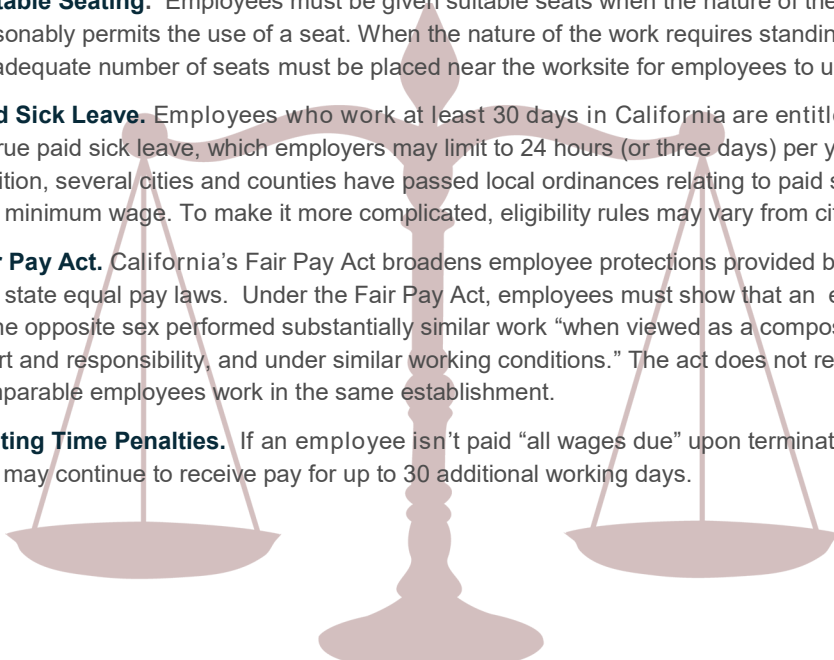


# TEN CALIFORNIA LAWS THAT WILL KEEP YOU UP AT NIGHT

Contributed by: Louise Matheny, Human Resources Consultant

Below are ten laws that regulate workplaces in California. While they are intimidating, they are also very important.

1. **Unlimited Damages.** There are no caps on damages in California. Federal anti-discrimination statutes, such as Title VII of the 1964 Civil Rights Act and the Americans with Disabilities Act, cap noneconomic damages at \$300,000. California, however, has unlimited compensatory and punitive damages.
2. **Class Actions.** Class actions are common in California for more than just overtime claims. Class claims are also asserted for missed meal and rest breaks, improper recordkeeping, failure to provide suitable seating to workers, improper payroll deductions and more.
3. **Private Attorneys General Act.** PAGA allows employees to act on behalf of the state and recover extra penalties for labor code violations.
4. **Piece-rate.** Piece-rate workers are paid a set rate for each unit they produce, rather than on an hourly basis. Under federal law, employees must earn an average hourly rate at or above the minimum wage. In California, piece-rate or commission workers must additionally be paid minimum wage for all time that isn't spent on piece-rate or commission work, such as preparation time, waiting time between jobs or customers, training time, and break time.
5. **Daily Overtime.** Unlike other states where time-and-a-half is paid for hours exceeding 40 in a workweek, California employers must pay time-and-a-half for hours worked beyond eight in a day or 40 in a week. Double time must be paid for hours in excess of 12 in a day. Additional rules apply to work performed on the seventh day in a workweek. Out-of-state employees who train or work temporarily in California are also subject to the state's overtime rules.
6. **Meal & Rest Breaks.** Nonexempt employees must be provided an unpaid, duty-free, 30-minute meal break before the fifth hour of work. The break can be waived if the employee works no more than six hours. Employees are also entitled to a 10-minute paid rest break for every four hours worked and certain outdoor workers are entitled to additional cool-down breaks.
7. **Suitable Seating.** Employees must be given suitable seats when the nature of the work reasonably permits the use of a seat. When the nature of the work requires standing, an adequate number of seats must be placed near the worksite for employees to use.
8. **Paid Sick Leave.** Employees who work at least 30 days in California are entitled to accrue paid sick leave, which employers may limit to 24 hours (or three days) per year. In addition, several cities and counties have passed local ordinances relating to paid sick leave and minimum wage. To make it more complicated, eligibility rules may vary from city to city.
9. **Fair Pay Act.** California's Fair Pay Act broadens employee protections provided by federal and state equal pay laws. Under the Fair Pay Act, employees must show that an employee of the opposite sex performed substantially similar work "when viewed as a composite of skill, effort and responsibility, and under similar working conditions." The act does not require that comparable employees work in the same establishment.
10. **Waiting Time Penalties.** If an employee isn't paid "all wages due" upon termination, he or she may continue to receive pay for up to 30 additional working days.



## Upcoming Seminars You Don't Want to Miss!

Get It Right from the  
Start: Federal/State Basic  
Payroll Tax Seminar

Thursday, September 29, 2016  
9:30am – 2:30pm  
City Library  
1000 Spring Street  
Paso Robles, CA

At this free seminar, you will learn about the requirements for: California payroll reporting, independent contractor reporting, electronic filing and payments, and Federal payroll reporting. To make reservations, visit the EDD website at [www.edd.ca.gov/Payroll\\_Tax\\_Seminars/](http://www.edd.ca.gov/Payroll_Tax_Seminars/) or call 888-745-3886.

Federal & State Basic  
Payroll Tax Webinar for  
the Residential Care  
Industry

Thursday, September 29, 2016  
10:00am—11:00am  
Visit the IRS website for  
Reservations:  
[www.webcaster4.com/Webcast/  
Pages/1146/16949](http://www.webcaster4.com/Webcast/Pages/1146/16949)

HUMAN RESOURCES

## WILDFIRES: TOO CLOSE TO HOME

Contributed by: Marie Bloomstine, Personal Lines Department Manager

2016 has been an active year for forest fires in California. Unfortunately, due to the extreme drought, now in its fifth year, central and southern California may continue to see elevated fire potential into the fall and winter months. While the damage to our state is devastating, it is the damage to our homes and communities that hurt us the most. Fire crews do their best to protect our properties, but there are several things that we can do to help as well:

- Avoid outdoor burning; recycle mulch and compost when possible
- Ensure your driveway is accessible to emergency vehicles with your address clearly displayed
- Keep chimneys cleaned and screened
- Keep trees and shrubs pruned, making sure to remove any that are dead or dying
- Clear your roof and gutters of debris
- Keep wood piles, fuel tanks and other burnable materials 30ft from structures



Wildfires move fast, so it is important to familiarize yourself with your community's disaster preparedness plan and to create a plan for your family in the case of an emergency or an evacuation. Morris & Garritano can help you with fire insurance, but being proactive with fire prevention is the first step in helping to protect your family and your home. Often times, once a fire is active, standard insurance carriers will place a moratorium on the affected areas and new fire policies cannot be bound or put into action.

If you are concerned about fire damage to your home or would like to discuss your options, please contact our office to speak to one of our Personal Lines Risk Advisors.

## WHAT IS A WORK STATUS REPORT? DO I NEED A COPY?

Contributed by: Mary Jean Collins, Workers' Compensation Claims Analyst

When you refer your injured employee to an Urgent Care for treatment, they will be given a Work Status Report or a Return to Work slip. This document provides information that you, as the employer, are entitled to know. The report includes findings regarding an employee's diagnosis, work restrictions, and when their next appointment is scheduled. In some cases the provider will also note if the employee is referred for physical therapy, X-rays, an MRI, or specialist consult.

It is important to make sure your employee provides you with a Work Status Report after their appointment. Occasionally the employee does not return to work after the appointment, in which case you should contact the provider and have them fax you a copy of the release. In situations where the employee is referred to a specialist, the provider may not always provide a release to the employer, but you can obtain this information from your claims examiner assigned to the claim.

The information on a Work Status Report is important to you for multiple reasons:

1. If the employee is placed off work, the document can be used to authorize an absence.
2. If the employee is released with restrictions, you can determine if you are able to make accommodations that allow the employee to return to work.
3. It is the best way to keep track of the progress on a claim.

If you have any questions regarding Work Status Reports or any other Workers' Compensation issues, please contact Mary Jean Collins.

## FILLING THE GAP: E&O COVERAGE FOR CONTRACTORS

Contributed by: Nick Sullivan, Marketing Supervisor

In the world of construction, time and budget are king. Your customers expect you to complete their jobs as promised. Sometimes the pressure can be tough and sometimes mistakes can happen, no matter how cautious you are.

When these mistakes occur, it is important that your business has the coverage it needs. Contractors Errors & Omissions (E&O) policies offer protection against risks that may not be covered by a standard General Liability (GL) policy, such as losses caused by defective workmanship or inferior materials. There are four coverage exclusions in most standard GL policies that an E&O policy would ensure protection against:

**Your Product Exclusion** – Most general liability policies exclude damage to your product. E&O coverage protects against claims made after the customer has taken possession, particularly in respect to faulty workmanship and/or materials.

**Your Work Exclusion** – Most general liability policies exclude property damage to your work. E&O coverage protects against damage to your work that occurs after you complete your portion of the project.

**Professional Exclusion** – Most general liability policies only respond to bodily injury or property damage to a third party. E&O coverage provides protection for when you are legally responsible to pay compensatory damages resulting from contractor error, omission or neglect.

**Product Recall Exclusion** – Most general liability policies exclude losses incurred when your products or work are withdrawn from the market or from use because of defect or deficiency. E&O coverage provides protection in the event that your product or work is recalled, you are protected from costs, losses or expenses incurred as a result of that recall.

While in the past, E&O coverage has been geared toward larger general contractors, it is important to note that this option is also available for smaller artisan contractors. Deductibles and limits can vary by operations, but having E&O coverage can provide peace of mind to both you and your clients.

If you have questions or are interested in learning about Contractors E&O policies for your business, please contact your Account Manager.

## DON'T JUST SIT THERE!

Contributed by: Michael Schedler, Loss Control Consultant

The average person spends 8 hours of their day sitting and up to 15 hours if they have a desk job— sitting at breakfast, sitting on the drive to and from work, sitting while at work, and then sitting on the couch while watching tv. The term “sitting disease” has been used to describe this sedentary lifestyle and the ill-effects it has on our metabolism and our health.

Research has linked sitting for long periods of time with many health concerns, including obesity, increased blood pressure, elevated cholesterol levels, cardiovascular disease, and various cancers. The problem is that without regular physical movement, the enzymes in our blood vessels go to sleep and therefore stop metabolizing the fats and sugars in our bloodstream.

While regular exercise improves your overall health and fitness, it is still not enough to offset the negative effects of sitting all day. If you exercise for 30 minutes a day, that is only providing you activity for 2% of your day, compared to 63% of it being spent sitting. But don't worry, there is an easy solution. Small movements and activity throughout the day can energize your metabolism and provide protective benefits to your health. Here are some quick examples of how to keep moving while at work:

- Instead of calling a coworker, walk over and talk to them
- Choose a printer that is furthest away from your desk
- Park farther away from your building
- Take walks during your breaks or lunch

These small actions can make a big difference over time. So, now that you've been sitting here reading this article, why don't you go for a walk?





## DRAFT FORMS FOR 2016 ACA REPORTING RELEASED

Contributed by: Keith Dunlop, Compliance Advisor

The Internal Revenue Service (IRS) has released **2016 draft forms** for reporting under IRS Section 6056 (the regulation that requires applicable large employers (ALEs) to report to the IRS offers of health insurance coverage to their full time employees). Draft or final instructions for the 2016 forms have not yet been released.

- **Forms 1094-C and 1095-C** (released on July 7, 2016) are to be used by ALEs to report under Section 6056, as well as for combined Section 6055 and 6056 reporting by ALEs who sponsor self-insured plans.

Minor changes were made to Forms 1094-C and 1095-C, including the addition of two new “Offer of Coverage” codes – the new codes are 1J and 1K. Employers are encouraged to seek advice regarding the application and usage of these new offer codes.

ALEs with an FTE count of 50 must provide each full time current and former employee with **Form 1095-C**, and must file **Form 1094-C** with the IRS. The filing deadline extension granted in 2016 is not applicable in 2017.

IRS Report	Filing Deadlines
Form 1095-C	January 31, 2017
Form 1094-C (paper)	February 28, 2017
Form 1094-C (electronic)	March 31, 2017

Reporting for calendar year 2015 is still ongoing with the IRS stating that it will not assess penalties for late filing on employers that have made legitimate efforts to file their returns, providing that they continue to make efforts and complete the process as soon as possible. Also, penalties may be waived in some cases, for reasonable cause.

Contact Morris & Garritano Director of Compliance Keith Dunlop for further information regarding these or any other ACA-related issue.

## MEDICAL ADVICE WHEN YOU NEED IT

Contributed by: Meghan Sommers, Employee Benefits Core Account Executive

Making a doctor’s appointment can be frustrating. You call to make an appointment when you feel ill, but they can’t fit you in for two more weeks. How does that help you now? Luckily, Anthem’s LiveHealth Online can help in this situation. This service allows you to have a face-to-face conversation with a doctor on your computer or mobile device at any time of the day. LiveHealth Online is available to everyone, whether you have insurance through Anthem, another provider, or no insurance at all.

By using a two-way video connection between you and U.S.-based board-certified doctors, you are able to get the answers you need, when you need them. In some cases, a LiveHealth Online doctor can even provide prescriptions\*.

When it comes to price, you are able to see the cost of a visit before starting your session. The average online visit costs \$49 and, depending on your health plan, may be covered by your copay.

The doctors of LiveHealth Online can assist with several health issues, including:

- Colds and the flu
- Sinus Infections
- Eye infections
- Allergies
- Bronchitis
- Rashes

Beyond aiding with physical ailments, LiveHealth Online also offers visits with licensed therapists or psychologists. While these sessions do require appointments, with evening and weekend options, it is still a good alternative to making time to visit a therapist in a traditional setting.

Morris & Garritano’s Employee Benefits Department would be happy discuss this service or any other items relating to your health insurance. Please contact your Account Manager with any questions.

*\*Prescription availability based on physician’s judgement and state regulations*

*\*\* It is important to note that this service is not for emergencies. If you are experiencing an emergency, call 911 immediately.*

# EMERGENCY ROOM OR URGENT CARE?

Contributed by: Meghan Sommers, Employee Benefits Core Account Executive

If you're faced with a sudden illness, making an informed choice on where to seek medical care is crucial to your personal and financial well-being. Making the wrong choice can result in delayed medical attention and may cost hundreds, if not thousands of dollars. In fact, Harvard University reported that 62% of personal bankruptcies are caused by medical expenses, making medical debt the leading cause of bankruptcy in America.

If you suddenly fall ill or become injured, how can you determine which facility is most appropriate for your condition?



## Emergency Room

The **emergency room (ER)** is equipped to handle life-threatening injuries and illnesses and other serious medical conditions. Patients are seen according to the seriousness of their condition in relation to the other patients.

**You should go to the nearest ER if you experience any of the following:**

- Compound fractures
- Deep knife or gunshot wounds
- Moderate to severe burns
- Poisoning or suspected poisoning
- Seizures or loss of consciousness
- Serious head, neck or back injuries
- Sever abdominal pain
- Severe chest pain or difficulty breathing
- Signs of a heart attack or stroke
- Suicidal or homicidal feelings
- Uncontrollable bleeding



## Urgent Care

**Urgent care centers are not** equipped to handle life-threatening injuries, illnesses or medical conditions. These centers are designed to address conditions where delaying treatment could cause serious problems or discomfort.

**Some examples of conditions that require a visit to an urgent care center include:**

- Controlled bleeding or cuts that require stitches
- Diagnostic services (x-rays, lab tests)
- Ear infections
- High fever or the flu
- Minor broken bones (e.g., toes, fingers)
- Sever sore throat or cough
- Sprains or strains
- Skin rashes and infections
- Urinary tract infections
- Vomiting, diarrhea or dehydration

Choosing the appropriate place of care will not only ensure prompt and adequate medical attention, but will also help reduce any unnecessary expenses. Although urgent care centers are usually more cost-effective, they are **not** a substitute for emergency care.



